



**ADDRESS
TO
THE LEGISLATIVE ASSEMBLY
KERALA**

24TH FEBRUARY, 2010

BY

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GOVERNOR OF KERALA**

Honourable Speaker, Honourable Members,

1. I warmly welcome you to the first session of the Kerala Legislative Assembly for the year 2010. This is my second address to you and let me extend my hearty greetings to all of you. Let us hope that the developmental activities initiated by the Government will be fulfilled within the time frame.

2. The year 2009 was dominated by the effects of the global recession and the efforts to protect our economy against it. Though some improvement has been seen recently the crisis is far from over and the international financial system still remains vulnerable. The strong impact of our public sector has helped us to encounter the turbulent times better. However, the recovery is constrained by the limited home market due to the agrarian crisis and fiscal destabilization in the context of inflation.

3. The year that has passed by, though by and large peaceful, had its moments of concern also. Climate change, and its resultant natural disasters, within India and abroad, continues to pose a challenge. My Government's

stance has been that sufficient consultations with us have not been held before finalizing the ASEAN agreement. The agreement has caused further concern in Kerala's agricultural sector. Commodity exports from other countries are likely to pose a threat to plantation crop farmers in Kerala.

4. There is need to suitably compensate farmers through price support interventions against any fall in prices particularly of cash crops, which may arise due to the liberal import, and sharp fluctuations in the international prices of such commodities, so as to prevent agrarian distress. The Price Stabilisation Fund Trust launched earlier by the Ministry of Commerce needs to be restructured to focus only on compensating the farmers for losses arising from the price instability in these commodities. The M. S. Swaminathan Research Foundation has also suggested establishment of a Commodity Price Stabilisation Fund for all major plantation crops with an initial grant of Rs. 1000 crore as part of the Idukki package.

5. As an economy, dependent, to a good measure on the export of cash crops, tourist arrivals and NRI remittances, it is not surprising that the recession has cast

its shadow on Kerala also. Agricultural export has been adversely affected; tourist arrivals have declined. Apart from the fiscal packages declared by the Central Government, we also had to declare our own stimulus package in the budget for 2009-10, despite our lack of resources. The Public Works Department have issued orders, under the aegis of this package, sanctioning Rs. 3000 crores for 1280 infrastructural facilities like roads, bridges, public building etc. within the State. Besides a large number of public works were also undertaken by the Water Authority, Irrigation, Tourism and other departments.

6. Another area of deep concern is the sharp rise in the prices of essential commodities witnessed in the recent months, posing an unbearable burden on all our citizens. The Wholesale Price Index (WPI) for food items has increased sharply, by nearly 19.8%, in the month of December 2009 compared to the price level in December 2008. The price rise has been particularly high in the case of sugar, pulses and rice. The sluggishness and uncertainty in agricultural production in the country, has also contributed to the price spiral. Whatever be the causes, it is essential to act quickly and relieve the misery of the people. I must emphatically state that this situation

calls for the strengthening of the PDS, and the restoration of the State's original APL quota of food grains of 113000 metric tons. I shall touch upon these important issues, and the important initiatives taken by my Government to combat inflation, later in my speech.

7. The effort of my Government has been to increase the size of plan outlay particularly in critical sectors like agriculture and allied activities, and traditional industries which have been affected by the ongoing economic crisis, make larger funds available for social sectors like education, health, social security and ensure adequate provision for sectors like IT, Industry and Tourism. The mid-term appraisal of the Eleventh Plan, done by the Planning Board, shows that some basic strategic shifts envisaged in the Eleventh plan have been realized. These are: shifting to the production of food grains, maintaining higher plan outlays and reasserting the role of the Government as a guarantor of a minimum level of living for all. These changes have to some extent helped achieve a measure of food security. Let us now have a look at the developments in the various sectors.

8. In the most important area of food security, my Government has implemented a scheme of issue of rice and wheat at Rs. 2 per kg. to about 20 lakh BPL families, and 5 lakh APL families consisting of members of SC/ST, Fishermen and Ashraya Scheme beneficiaries. A quantity of 35 kg. of food grains for AAY families, 25 kg. for BPL families and 12 kg. for APL category are distributed as per this scheme. An expenditure of Rs. 228 crores by the State Government alone is anticipated.

9. The ration shops are being modernised to improve service delivery. Ration cards have been replaced with photo affixed laminated cards with bar coding. This has helped to eliminate bogus cards and to ensure that rationed articles reach the genuine card holders. The issue of rationed rice at Rs. 2 per kg. will be extended to the families of labourers of unorganized sector also. In order to ensure transparency and service delivery in PDS, Biometric based e-PDS will be implemented in a phased manner.

10. In order to control the price rise, market intervention through Supplyco will be strengthened. Supplyco has been selling 13 essential commodities, pegged at constant prices for the last three years. It is proposed to open 250 outlets and 100 Maveli Stores will

be converted to supermarkets. Ten mobile Maveli stores will be opened during 2010-11. The market share of Supplyco has increased to 30% during 2008-09 and is expected to be 35% next year. This Kerala model of intensive Market Intervention is unique and is not seen in other States. A scheme of opening outlets on the lines of Apna Bazaar started at the Kozhikode Collectorate will be extended to other districts also. Supplyco also acted as a nodal agency for the paddy procurement scheme of the Government and distribution of custom milled rice to the ration retail dealers. During 2009-10, for the first crop season Supplyco procured over twelve thousand metric tons of paddy from the farmers of Palakkad, Thrissur, Kottayam, Alappuzha and Ernakulam and fifty five thousand tons of rice have been released to the PDS till date. The working of the consumer redressal forums will be strengthened by providing more infrastructural facilities.

11. The Agriculture Sector in Kerala has recovered from its poor performance in the past as a result of strong measures and decisions taken by my Government. The welfare of the cultivator has always been a high priority. A farmers' pension scheme "Kisan Abhiman" has been launched during the current year for paddy farmers. More

than 14,000 farmers stand benefited through this and it is proposed to expand coverage of beneficiaries during 2010-11. Food security, especially by increasing production and productivity of paddy in the State, has been given utmost importance. A special food security programme in the major rice growing tracts of Kerala is under implementation. My Government has also enhanced the paddy procurement rate to Rs.12 per kg. which is higher by Rs. 2.5 than the minimum support price of the Government of India. During 2009, over 15,000 hectares of fallow land have been brought under cultivation. The State has achieved a tremendous increase in paddy production and its cultivated acreage during the last year. My Government intends to make the dream of "fallow free State" a reality during 2010. Besides this, a comprehensive Paddy protection Insurance scheme will be formulated by co-ordinating all similar schemes.

12. To obtain self sufficiency in vegetables during 2010, is an important aim of my Government. To achieve this objective, a State Vegetable Mission for co-ordinating all the vegetable production schemes will be constituted. Through this scheme, 25 lakh vegetable seedlings will be distributed and arrangements will be made for the collection of agricultural produce.

13. Agriculture Marketing arrangements have to be improved to supplement the efforts at increasing production. The six E.E.C. Agricultural wholesale markets will be strengthened to evolve a farmers' protection scheme. Under the scheme, the Karshaka Raksha Padhati, price protection will be given to the farmers during periods of falling prices. "Agricultural producer companies" with the representation of farmers will also be constituted under this scheme.

14. New schemes for farmers will be introduced. 100 villages of the State will be selected as "Akshaya Villages" for promoting cultivation of vegetable, paddy, coconut, fruits, medicinal plants, spices, etc. through organic farming. Besides these, poultry, bee keeping, cattle rearing, etc. will also be encouraged in these villages. These activities will be implemented by select youths, who will be given proper training. The Nelliampathy orange farm will be upgraded to the status of a national level fruit-flower garden with a food processing unit and a horticulture training centre.

15. The Kerala Water Authority has completed 46 major water supply schemes and 185 small schemes benefiting 10 lakh persons. In 2009-2010, the KWA has given priority to the completion of long pending urban water supply schemes. As a measure to solve the water scarcity in Thiruvananthapuram city, the JBIC Project will be commissioned shortly. The add on project of Jananidhi is expected to fructify very soon. This project envisaging Rs. 1200 crore for the rural sector will have a comprehensive impact on the drinking water sector. The works in connection with the investigation (forest survey and soil investigation) of new Mullaperiyar Dam and investigation of Chaliyar Project is being done. The dream project of Malabar-Chamaravattom, which has been delayed for several decades has commenced in the previous year and appreciable progress has been attained. De-silting of dams has also been initiated and the NREGA scheme is being harnessed for this purpose.

16. As per the recommendations of M. S. Swaminathan Research Foundation the Irrigation Department has undertaken the raising of bunds and improvements to other infrastructural facilities for the padasekharams in the Kuttanad Region. The Malabar

Irrigation Package (MIRPA) for different works in the seven northern districts of Kerala is being implemented by the Government of Kerala at an estimated cost of Rs. 251 crores. The Moovattupuzha Valley Irrigation Project will be completed during this year.

17. The Animal Husbandry and Dairy Development sector has a vital role in the overall development of the State, in terms of supplementary income generation for small and marginal farmers, employment generation and nutritional support. During the last three years, as a result of concerted efforts of various agencies and co-operative institutions, milk production has risen by about 20% since 2005-06. The production of eggs has increased by nearly 25% during this period.

18. To improve the livestock of the state a new Cattle Breeding Policy has been implemented since 2008. Free artificial insemination facilities are being provided to dairy farmers. About 23000 calves have been given subsidized feed, insurance and health coverage under the Special Livestock Breeding Programme. With the support of Government of India, the Cattle Insurance Scheme has been implemented in Kollam and Idukki districts during the

current year. Government contribution has been given to the Dairy Farmers Welfare Fund Board to provide pension to the aged dairy farmers and their dependents, as well as to provide them assistance for education, marriage, insurance and cremation.

19. During 2010-11 the production of milk, meat and eggs will be further increased to provide food security and nutritional support to all sections of people. Three hi-tech cattle farms will be set up under Kerala Livestock Development Board at Kulathupuzha, Kolahalamedu and Mattupetty. The Livestock Development Insurance Scheme covering all breedable cattle will be extended to the whole state. A fodder policy will be declared to bring uncultivated fallow land under fodder production so as to reduce costs of milk production. Azolla will be cultivated to increase availability of green fodder in the state. BPL families numbering 4.5 lakh will be provided with two layer hens each, free of cost to improve production of eggs as part of the Food Security Mission. Goat farming will be popularised especially among tribal beneficiaries who will be provided 6 months old kids, free of cost.

20. To provide the necessary support for livestock development, the veterinary facilities in the Kerala Agriculture University will be upgraded creating an autonomous center of excellence.

21. In the fisheries sector the debt relief activities underway shall be intensified in the coming year. My Government proposes to introduce a social security scheme to prevent the exploitation of fisher folk and ensure their well being. The Fisheries College at Panangad will be upgraded into an autonomous centre of excellence.

22. In respect of Local Governments, the focus on good governance would be intensified. Front Offices which have been set up in all Local Government offices as a single point of citizen interface and service delivery would be further upgraded and computerized in phases. Another citizen amenity proposed is the introduction of online issue of birth certificates; persons would have the facility for downloading their birth certificates from a secure site enabling the different receiving authorities to verify their authenticity.

23. The accounting system would be fully computerized in all the Municipalities following the double entry system leading to total transparency and improved financial management. A similar system will be piloted in some Panchayats also. Government has recently amended the Kerala Municipal Building Rules to rationalize provisions regarding high-rise buildings to prevent congestion of utilities. Separate Building Rules would be issued for the Panchayats to ensure properly regulated building construction in rural areas even while facilitating easy process. The Performance Audit System would be suitably restructured to enable professional internal audit.

24. Kerala is a national model in fiscal decentralization. To strengthen it further, a Fiscal Cell would be set up in the Gulati Institute of Finance and Taxation to develop the fiscal database of Local Governments and conduct policy research. The Fourth State Finance Commission is expected to submit its report by the end of this year and Government would quickly act on the recommendations to further strengthen the devolution of resources to Local Governments.

25. I am happy and proud of the fact that an exclusively tribal Village Panchayat, Edamalaikudi in Idukki, will come into existence this year. Special efforts would be launched for the all-round development of this extremely backward area.

26. My Government has instructed the Local Governments to prepare a comprehensive maintenance plan by pooling resources from different sources and applying them in a rational manner to improve the quality of the road network. Using resources provided under the Mahatma Gandhi National Rural Employment Guarantee Scheme, it is proposed to develop large projects with focus on river basin management; Bharathapuzha and Kabini have been identified as pilots.

27. The Co-operation sector is part and parcel of Kerala's economy. Co-operative institutions contributed to the increase in agricultural production by providing timely low interest agricultural credit and interest free loans for paddy cultivation. They have mobilized considerable funds through deposits and are better placed to meet the credit needs of its members. Co-operatives also control the price hike of essential commodities by timely market

intervention through the retail outlets under the control of Consumerfed. An insurance scheme has been introduced to exempt co-operators from their loan liabilities in the event of their death.

28. In 2010-2011 it is proposed to bring comprehensive amendments to the Kerala Co-operative Societies Act which would include enhancement of women's reservation in co-operatives and reservation for handicapped in employment. My Government proposes to establish Co-operative Thriveni Markets in each Assembly constituency by December 2010. Neethi Stores and Neethi Medical Stores will be started in local bodies where their services are not presently available. Permanent schemes will be implemented to procure copra and paddy through Primary Agricultural Credit Societies and Marketing Societies. The Co-operative Medical College at Kochi under CAPE and the Co-operative Medical College at Pariyaram will be developed further to achieve new heights in medical education.

29. Housing is a basic necessity of all. A new scheme, the Innovative Housing Scheme, intended to provide housing to the urban poor, who are being

displaced from the city limits and forced to stay far away from their work place has been launched. My Government proposes to expand this scheme during 2010-2011. Working Women's Hostels will be constructed at Pullazhy, Thrissur, near Medical College, Kozhikode and at Kattappana, Idukki. Action will continue in 2010-2011 to strengthen the Kerala State Housing Board. Projects will be implemented in the prime lands owned by the Board through private public partnership.

30. My Government has launched a training unit in the Kerala State Nirmithi Kendra in memory of late Padmasree Dr. Laurie Baker and will now develop this as a centre of excellence, renamed as the Laurie Baker International School for Habitat Studies. The Kalavara Margin Free Market is a popular scheme of Government to arrest the increase of the price of building materials. These shops will be started in all Districts during 2010-2011.

31. In the field of health care my Government will consider the following proposals in 2010-2011: The Malabar Cancer Centre will be upgraded to the status of RCC, Thiruvananthapuram. District level outlets will be

opened with the help of Kerala Medical Service Corporation for distribution of life saving medicines. The Government Ayurveda College, Kannur will be made a centre of excellence, with Central Assistance. The University for Health and Allied Sciences will be made fully functional. The Specialty Cadre System will be implemented in Health Service Department.

32. My Government is committed to protecting the legitimate rights and welfare of the working class. Particular care is being taken for promoting skill development activities, generation of employment and improving working conditions of the labourers in the organized and unorganized sectors. My Government is committed to ensure pension and fair wages to the labourers in the unorganized sector. Minimum wages have been fixed for 2 new sectors and revised for 18 sectors.

33. The State of Kerala was selected as the best State for implementing the Rashtriya Swasthya Bima Yojana (RSBY), a health insurance scheme for unorganized workers belonging to BPL families. My Government has also implemented the Comprehensive Health Insurance Scheme (CHIS), with the support of Government of India, on the lines of RSBY so as to cover the APL families as well.

34. Considering the importance of skill development, My Government intends to start more ITIs. For improving the quality of training, it is planned to implement new schemes such as IT enabled training using EDUSAT, Hindi and English speaking courses, IT literacy courses, and Training Counseling and Placement Cells (TCPC) to ensure better placement of students. The Chemical Emergency Response Centre (CHEMREC) at Ernakulam will start its functioning during the year. It is proposed to start an Occupational Health Centre at Kollam and Industrial Safety Institute at Thiruvananthapuram. With the support of the ESI Corporation my Government will provide buildings to all the ESI dispensaries, which are functioning in rented buildings.

35. My Government will accord top-most priority to the provision of houses and house sites to people belonging to the Scheduled Castes and Tribes. The assistance for house construction and for purchase of house plots has also been increased substantially. All SC and ST colonies with more than 10 families will be covered by electrification and water supply schemes in the next two years. This will be achieved through increased provision under existing programmes. An intensive drive is

being launched to ensure that there is no houseless tribal or SC family in this State by the end of two years.

36. My Government has also launched the K R Narayanan Co-operative Village Settlement Programme where apart from living facilities for SC and BPL non SC population, provision is made for income generating activities as well.

37. The State has been implementing the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in right earnest. Around 4,500 families of the 35,500 tribal claimant families have been given titles so far. A time-bound programme is being implemented to ensure that these tribals are given the titles by 31-3-2010.

38. The State has traditionally spent ample funds for education of the SC and ST students. The rates of educational assistance such as lumpsum grant, stipend, pocket money, etc. for SC, ST and OEC students were increased by 50% last year. Mess charges in Post-matric hostels and Pre-matric hostels were also enhanced. The rates for non-mess allowances will be increased this year. For enhancing educational opportunities for Scheduled

Castes and Scheduled Tribes, more Model Residential Schools, Post-Matric Hostels, Industrial Training Centres and Pre-Examination Centres will be started in localities where they are found essential. The rates of educational assistance to Socially and Economically Backward Classes will also be increased this year. The efforts put in by my Government to ensure that the quota for all ST students for admission to the MBBS and allied courses was completely filled up deserve special mention as this is the first time this has happened. A special campaign was run in the year to upgrade the condition of the hostels for SC and ST students.

39. Now that the Supreme Court has upheld the validity of the Kerala Restriction on Transfer by and Restoration of Lands to Scheduled Tribes Act, 1999, my Government proposes to implement the Act in letter and spirit. Around six thousand acres of land has to be procured and distributed to the tribals who have lost their lands in transactions protected under the Act. In areas where there is a shortage of Government lands to meet the requirement land will be acquired on a fast track basis in the current year through the Tribal Re-settlement and Development Mission.

40. Orders have been passed for setting up touring Special Courts with headquarters in Manjeri and Kalpetta for prosecuting Prevention of Atrocities Act Offences. The arrangements for dispensing the relief assistance for victims of atrocities have also been streamlined to ensure timely assistance. A special priority in allocation of assistance to unwed tribal mothers will be given so that they get immediate assistance for housing and livelihood.

41. The activities in the field of Social Welfare of my Government in 2009-10 included Psycho-Social Counseling Service to Adolescent Girls, issuing disability certificates and identity cards to the disabled person, Widow Re-marriage Scheme, the Aswasa Kiranam Scheme for assistance to caregivers of bedridden individuals, Snehanidhi Scheme for unwed mothers belonging to SC and ST families, the Annadayani Scheme for providing cooked food to all residents of remote hamlets, nutritional support to HIV affected persons and financial assistance for the marriage of physically challenged girls etc.

42. My Government has formulated an Industrial Policy in 2007 to encourage investment in industrial sector in the state. This policy has helped in creating an investor friendly atmosphere and many industrialists are showing

interest in investing in Kerala. My Government is also committed to providing price preference and other benefits to small-scale entrepreneurs. In the traditional industry sector, a scheme has been launched to popularise Khadi and Handloom and make these products household names. The textile sector has been identified as a thrust area. A new open end Spinning Mill has already commenced its operation in Thiruvananthapuram, and another of its kind is planned in Kasargod. The revival and diversification of Dinesh Beedi has been completed. The company has diversified its activities for providing alternative employment to beedi workers. A new pension scheme has been introduced for the workers.

43. When my Government took charge in 2006, only 12 PSUs were showing profits. By 2008-09, 28 companies made cash profits to the tune of Rs. 169.45 crores. We have re-opened some closed PSUs and modernised others. My Government's policy is to form joint ventures with the Central PSUs for operational synergy. MoUs have already been signed for joint ventures between TELK and NTPC, SAIL and Steel Complex, Autokast and Indian Railways, and KEL and BHEL. Brahmos has already been handed over to DRDO. A project with ISRO

assistance will be implemented in SIFL for manufacturing critical space application components. Steps are being initiated for the tie up between SILK and Cochin Shipyard.

44. New Investment Projects are on the anvil. The KSIDC proposes to take up an industrial corridor from Kochi to Coimbatore at an estimated cost of Rs. 220 crores. KSIDC is also facilitating laying of gas pipelines of GAIL from Kochi to Mangalore, Kayamkulam and Coimbatore, with an investment of Rs. 4500 crores. The work on the trade convention centre in Kochi as a joint venture between KSIDC and FACT will start this year. KINFRA proposes to take up new Industrial Park Projects during 2010-2011 covering among others Wind Energy, Solar Power and Electronics. A new modern campus for NIFT will be completed during 2010-2011. The Kerala SIDCO has achieved a turnover of Rs. 101.44 crores and earned a profit of Rs. 1.32 crores and taken preliminary steps to start a Telecom City at Menamkulam.

45. The financial support to the cashew sector has been substantially stepped up in the last few years. A Special Officer has been appointed for the purpose; substantial funding has been obtained from the Central

Government for promotion of cashew cultivation. Financial contributions to this sector have been increased. A Committee headed by a State Planning Board member has been appointed to look into the revitalization of this sector. As a result of these steps, we could ensure more than 200 days employment to workers. This year substantial funds will be set apart for clearing arrears of gratuity etc. of the retired employees. We have started a comprehensive dialogue with the banks to settle their dues so that continuous credit will be available to the cashew sector.

46. The finances of the State are being improved by proper expenditure management and by enhancing income through effective tax collection, without imposing additional burden on the public. Treasuries are being modernized. The infrastructure of all treasuries will be improved to provide better services to citizens. My Government has taken an epoch making decision to implement ATM facilities in Treasuries Department by the next financial year to benefit employees and pensioners. My Government also proposes to implement e-stamping facilities. The State Government Insurance Department will be revamped by introducing new products, such as a

Money Back Scheme with facility for availing loans and a Saving cum Insurance Scheme for employees of Government Institutions and PSUs. The Department will also introduce a novel life insurance scheme for those availing loans from co-operative institutions called the ***Vaypa Suraksha Insurance***.

47. Kerala is the first State in India to facilitate electronic filing of returns for all dealers having VAT registration. The trading community has unanimously accepted this. Having achieved 100% e-filing of returns, my Government has taken next logical step of introducing e-payment facility to dealers to make their tax payments electronically. From September 2009, e-payment was made mandatory to all VAT dealers and from December 2009, it was made applicable to KGST commodities also. With this, Kerala has become the first State in India to implement complete e-payment of tax directly to the State exchequer.

48. My Government proposes to set up integrated check-posts of Excise, Motor Vehicle, Police, Animal Husbandry, Forest and Commercial Taxes in Amaravila, Walayar, Bengra and Manjeswar for better efficiency and revenue augmentation. This would facilitate instant data transfer from the check posts to the head quarters of the concerned departments through a computer network.

49. My Government is committed to modernize the Excise Department by constructing new office buildings, linking various offices through computer networks, replacing vehicles over 10 years old, providing pistols and mobile phones to officers of and above the rank of Excise Inspectors, and thereby clamp down on all abkari related offences in the State. My Government is also equally committed to continue the campaign against the evil effects of liquor. As part of its social responsibility, Kerala State Beverages Corporation will start de-addiction centres in select District Hospitals.

50. Improvement of the road infrastructure is essential for development. My Government has entered into a MoU with the Government of India for development of 5 National Highways under NHDP IV-A programme. We have also decided to sign the State Support Agreement with the Central Government for this purpose. Phase-I of Kerala State Transport Project is almost completed and the remaining projects will be completed within a few months time. I have already mentioned the stimulus package sanctioned in the PWD for Rs. 3000 crores.

51. In 2010-11, it is proposed to construct a West Coast Ocean Highway from Ponani to Elathur with an estimated cost of RS. 1619 crores by the Roads and Bridges Development Corporation. Land acquisition for the 4 laning of NH 47 and 17 will be expedited. City roads in Cochin will be widened under the Cochin City Road Improvement Project (CRIP) and those in Kozhikode under Kozhikode City Road Improvement Programme. My Government also proposes to undertake Phase-II of KSTP with external aid of Rs. 1356 crores during the year 2010-11. The Government of India has been requested to include the entire stretch of Kerala from Parasala to Kasargode under the National Express Way Network Project.

52. Traffic Safety will remain a priority area. It is proposed to construct 1400 bus bays in all the 14 districts and install speed cameras and blinking lights in accident prone areas, and school zones for this purpose. PWD procedures will be made more transparent and efficient by introducing e-tendering and completing the revision of the PWD Manual is in final stages. A toll free help line has been introduced for the public to lodge their complaints and make suggestions on the activities of the PWD.

53. During the year 2009-10, it is a matter of pride that the Government of India have recognized the efforts of my Government in expanding the tree cover and forest area by awarding the Indira Priyadarsini Vriksha Mitra Award for 2009-2010. My Government has also approved a new Forest Policy for the State and finalized the citizen's charter. Thirty one lakhs seedlings were planted during 2009-10 under the Harithakeralam Scheme with a view to mitigating the adverse effects of global warming and to improve the environment. Action was initiated during 2009-10 to establish an Abhayaranyam a Mini Zoo and Wildlife Rehabilitation Centre at Kapprikkad near Ernakulam. A new sanctuary, the Malabar Sanctuary was established by including the forest area near Peruvannamuzhy in Kozhikode District. Action was also taken for the establishment of a Conservation Park at Thamarassery, a Biodiversity Park near Nedumbassery Airport and a Wildlife Interpretation Centre at Pollachi. The Kerala Forest (Vesting and Management of Ecologically Fragile Lands) Act was amended to exclude small farmers from its operation.

54. During the year 2010-11, the Indira Gandhi Biodiversity Research and Monitoring Centre will be established at Silent Valley with initial assistance from the

Central Government. An apex society by name 'Vanasree' will be established to help develop skills for scientific collection of NTFP and for arranging the marketing of these products. A Forest Academy will be established at Arippa with funds from a JICA funded project. A Centre for the Conservation of Heritage Plants listed in the Hortus Malabaricum will be established at Chaliyam in Kozhikode District. To improve the forest protection, the Forest Station System will be extended to all forest areas by establishing 10 Forest Stations. Greater emphasis will be given for the protection of Fragile Eco-systems, prevention of forest fires, eradication of illicit cultivation of ganja etc.

55. My Government is striving for the development of Coir Sector by introducing innovative schemes. The purchase price stabilization scheme in the product manufacturing sector has proved effective. The major recommendations of the Coir Commission are being implemented. The special thrust given for enhancing the domestic consumption of Coir Products and the Government's "One coir product to every home" has yielded results. Geo-textiles have been accepted as a construction material for watershed based activities executed by local bodies under NREGP. To enhance

domestic consumption of coir products, an aggressive propaganda campaign will be organised. My Government has asked the Central Government to declare the year 2010 as National Year for Coir. The year will be dedicated for the brand promotion of 'Kerala Coir'.

56. The Coir Research and Management Institute set up under the aegis of the State Government will bring out new versions of automatic coir spinning machines and defibering mills, commercialization of which will increase productivity. A Composite Board Factory, two PVC tufting units in the co-operative sector, a blended yarn factory and power loom unit of the Kerala State Coir Corporation, and a Coir Machine Manufacturing Factory will be set up within a year.

57. A main requirement of the sector is sufficient fibre availability. For effective collection of green husk, consortiums for husk collection will be formed in all coconut producing block panchayats and working capital assistance will be provided. A contributory retirement benefit cum gratuity scheme will be introduced for the benefit of coir workers in the unorganized sector through the Coir Workers Welfare Fund Board.

58. My Government recognizes that the Information Technology Industry, which is neither land intensive nor polluting, is eminently suitable for the State for economic growth and employment generation. We have made significant strides in the development of the IT industry. We are on track for setting up ten new IT Parks which will provide a quantum jump to IT industry and employment in the State. I am happy to state that the third IT park destination in Kerala became available with the launch of Infopark, Koratty in October, 2009. It is heartening to note that this park could be set up within nine months of land transfer. The new IT building at Infopark, Kochi estimated to cost around Rs. 100 crores is expected to be operational by middle of 2010. The new Technopark in Kollam and Infoparks in Cherthala and Ambalapuzha will become operational during the Financial Year 2010-2011. My Government is also setting up the Cyberpark to promote the development of IT industry in the Malabar region. In addition to this, the Uralungal Cyberpark is being set up in the co-operative sector in Kozhikode. My Government is determined to go ahead with the Smart City project.

59. Apart from direct investment by the State, my Government also proposes to actively promote private investment in IT infrastructure development. My Government has floated an umbrella company, Kerala State IT Infrastructure (KSITI) Company for the development of new IT Parks. To mobilize funds for this purpose, KSITI shall be raising 49% equity during 2010-2011. This will be an opportunity for people to make an attractive investment and participate in the development of the IT sector of the State.

60. My Government has also launched the Technolodge scheme with the objective of propagating the benefits of the IT industry to rural areas. Another significant initiative taken by my Government is the launch of SPEED-IT program during 2009-2010, which provides scholarships for post graduate education in IT related subjects. Since the growth of the IT industry will be dependent on our industry climbing the value-chain, the presence of highly qualified personnel will be an important factor. My Government will expand the scheme to cover more students during the next academic year.

61. My Government has made several strides in using e-governance for service delivery to citizens. The Akshaya scheme has been extended to all districts and nearly 2160 Akshaya Centres are now operational, as Citizen Service Centres for delivery of services. I am also happy to note that the Kerala State Wide Area Network is fully operational up to the Block Headquarters enabling offices at district and block level to get networked.

62. Implementation of the Payroll and Personnel Management System, "SPARK" for nearly 5.5 lakh Government employees across all Government offices in the State, will be completed thereby making it one of the biggest personnel management systems undertaken in Government. Recognizing the need to improve Government's preparedness to cyber threats and cyber terrorism, my Government plans to set up a Computer Emergency Response Team-Kerala in lines of the system at the national level.

63. My Government recognizes the need for promotion of Free and Open Source Software (FOSS) especially for e-governance. I am happy to state that there has been tremendous response to FOSS from its very

inception. To build greater capacity in FOSS, my Government had started CATFOSS in Kochi last year. We shall launch a new initiative called Free and Open Source Software Technical Competency Entrepreneurship and Research (FOSTER) for developing skills among college students. This scheme will provide grants to students for taking up recognized FOSS projects.

64. Various Research and Development Centres under the control of Science and Technology Department made remarkable achievements during the year 2009-10. The Kerala Biotechnology Commission has also launched many new initiatives in the field of agricultural biotechnology, marine biotechnology and environment biotechnology.

65. My Government has been taking initiatives to develop the existing port facilities utilising state plan funds as well as central aid. Accordingly, at Vizhinjam a new cargo berth has been constructed under Tsunami Rehabilitation Project (TRP) and creation of additional facilities will be taken up during 2010-11. Improvements will also be made to the Thangassery, Beypore, Azheekkal, Alappuzha and Ponnani Ports. As regards the

Vizhinjam International Container Transshipment Terminal (VICTT) Project my Government after detailed evaluation of the project, has decided to carry out the project in a phased manner. In the first phase, Government will invest Rs. 450 Crores for infrastructure, road-rail connectivity and connected activities. The construction activities will be completed in 12-18 months. Government have also decided to acquire 120 Hectares of land for rail, roads, container yard, rehabilitation etc. Global tenders will be invited for finding a private partner for further development of the project in the second phase.

66. It is proposed to start coastal shipping operations during 2010-11 period. In view of the high employment potential in marine sector, my Government aims to establish two maritime institutes, at Meenja in Kasargod District and at Neendakara in Kollam. A Maritime Development Board will be established in Kerala by merging the Ports Department, Hydrographic Survey Wing and the Kerala Maritime Development Corporation Ltd. for co-ordinated action on maritime development.

67. My Government has been implementing various schemes and projects for the NRKs and returnees through the Non Resident Keralites' Affairs (NORKA) Department and NORKA-ROOTS, a Government promoted company.

These include schemes for financial assistance, an emergency repatriation fund, attestation of educational certificates etc. During the current financial year, the Non Resident Keralites Welfare Act has been enacted and the Kerala Non Resident Keralites Welfare Board has also been constituted. In view of the global economic slowdown, a scheme for NRKs who lost their jobs within 2 years of migration will be launched in the next financial year.

68. In order to enable children of Non-Resident Keralites to get acquainted with Malayalam Language & Kerala culture, my Government has set up a permanent establishment named Malayalam Mission. My Government will also explore the feasibility of a Malayalam University in the State.

69. KSRTC has started constructing bus station cum shopping complexes on a BOT basis as part of modernising its facilities and to mobilise non-operative revenue. KSRTC has also introduced online reservation facilities and comprehensive computerisation. Low floor bus services were started in Thiruvananthapuram and Kochi city as part of Jawaharlal Nehru Urban Renewal Mission through the Corporation. KSRTC will launch 1000

new buses during the Financial Year 2010-11 in continuation of its expansion over the last two years. A bus station, with modern facilities will be constructed at Eanchakkal in Thiruvananthapuram to reduce traffic in the city. KSRTC will also start parcel services in the coming financial year. Season tickets will be issued for KSRTC buses. Efforts will be taken to modernise the laboratories and to start M.Tech. courses in KSRTC's Sree Chithira Thirunal College of Engineering.

70. The thrust in the State Water Transport Department is to increase fleet size and improve safety. My Government had sanctioned the purchase of 13 large steel passenger boats, of which 5 boats have been received. The remaining boats will be received in 2010-11. It is also intended to construct a modern shipway at Ponjikkara in Alappuzha District, and station office buildings at Muhamma, Panavally, Vaikkom, and Kottayam. For ensuring the unfettered communication facility for better safety, Closed User Group mobile phones will be given to the crew. Cargo and tourism oriented boat services will be introduced to expand the activities of the Department.

71. In the Motor Vehicle Department, a pilot project for a Driver Testing Track for conducting driving tests scientifically is under progress in Chevayur. The activities of the Road Safety Authority have received a fillip and various projects for reducing road accidents and creating public awareness have been launched, with the allotment of Rs. 23.16 crores to various departments for the implementation of its schemes. In the coming year, to increase driver competence, the department intends to give specialised training to drivers by setting up the Institute of Driver Training and Research. The Department is also setting up a vehicle testing station at Kozhikode as a pilot project. E-payment facility will be introduced in the Motor Vehicle Department to reduce strain on the Department staff and to prevent corrupt practices.

72. The Union Railway Minister had made an announcement to set up a Rail Coach Factory in Kerala in the Budget Speech for 2008-2009. The Railway Board had commissioned M/s. RITES for drawing up the project report. Land in Pudukkottai Village in Palakkad Taluk has been identified, inspected by RITES and found suitable. A sum of Rs. 20 crores has been placed in the Annual Plan 2010-11 for the project. We have intimated our

willingness to transfer the required land to the Government of India. Realising the need for an alternative transportation system in Cochin City, my Government had approved the Kochi Metro Rail Project and accorded sanction for the acquisition of the required land for the project. Approval from Government of India for the project is still pending.

73. The work of the proposed Kannur International Airport will be commenced during 2010 itself. My Government is in the process of developing the allied infrastructure facilities like roads, water supply, power etc. in and around the Airport Area in a time bound manner.

74. Travel and Tourism is one of the world's leading growth sectors. Kerala has managed to retain its position as a tourism super brand in India. In spite of the difficult economic conditions, Kerala recorded growth in tourist arrivals. My Government has embarked on various developmental endeavours for maintaining the position earned in the world tourism scene.

75. Considerable progress has been achieved in the implementation of tourism projects relating to new destinations, tourism infrastructure and its upkeep.

Some recently launched projects include the Marina at Bolgatty Island, Sarovaram, a tourism led conservation programme for conservation of wet lands in Kozhikode, Utsavam, a year round cultural programme to showcase our folk and classical art forms, and the Muziris Heritage Project. The Grand Kerala Shopping Festival, with the broad objective of branding Kerala as an International Shopping destination has become an annual feature.

76. The major initiatives for the coming year will be focused on the development and improvement of tourism infrastructure with emphasis on conserving the environment in the state. The Responsible Tourism initiative has already been launched at various centers. To overcome the short fall in accommodation, it has been decided to increase the facilities by promoting a new class of hotels in the state. Considering the demand from low budget tourists, a new classification scheme for serviced villa accommodation has been launched. The existing initiative, for capacity building of service providers in the tourism industry will be scaled up next year to cover at least 10,000 personnel working in all types of hotels, house boats etc.

77. My Government is taking urgent steps for the Constitution of the Kerala Traditional Knowledge Authority (KTKA) which will collect and store information about Registered Traditional Knowledge. Further this Government proposes to evolve a scheme to provide assistance to the public for filing Patent and other IPR applications including the facility for database search.

78. The Law Department has fully computerised its functions. It will now digitise all Central Acts, State Acts, Rules and Notifications besides judgments of various High Courts and the Supreme Court within the next one year. My Government has made sincere efforts to translate Laws of the land into the language of the people of Kerala so that the poor and the deprived sections of the society will get an opportunity to read the laws of the land in their own language and understand their rights and obligations. With this mandate in mind, the Official (Language) Legislative Commission, Kerala has been geared up to translate all the Central Acts. The work of translating major Criminal Acts is going on in a war footing. Several old laws are in force in Travancore-Cochin and Malabar areas even after the formation of the Kerala State. Steps will be taken this year to identify and unify the said laws.

79. Kerala is moving fast towards the goal of supplying quality electricity to all by 2012. Palakkad has already been declared as a completely electrified district. Enhancing the generation capacity to meet the day-to-day increasing demand for electricity is of paramount importance for meeting the goal. Towards this end, more hydel projects are being developed utilizing the rich natural water resources available. Coal based and gas based power plants are also planned for capacity addition.

80. Five projects having total capacity of 22 MW will be tendered during 2010-11. The Athirapally Hydroelectric Project with an installed capacity of 163 MW will be taken up after clearing all legal issues. My Government also aims to setup more wind energy projects with private participation. Cheemeni Village in Kasargode District is identified as the end use project for utilizing KSEB's share of coal from Baitarni west coal block. A coal based thermal power plant with a capacity of 1320 MW is being implemented there jointly by KSEB and KSIDC. My Government also proposes to setup a gas based power plant of capacity (1000-1100) MW at Cheemeni.

81. The process of electrification of ST colonies is in progress. 100% household electrification in all assembly constituencies is targeted by 2012 by utilizing KSEB, Local Self Government, and peoples representatives' development funds. Energy conservation is another priority area. CFL bulbs numbering 10 lakhs have been distributed free of cost to select beneficiaries. KSEB intends to replace all existing incandescent bulbs by distributing 1.5 crore CFLs with the aim of making Kerala the first 100% CFL State. The Energy Management Centre is planning to make the Government Secretariat as a model energy efficient building.

82. Our children are the future of Kerala and it is imperative to impart quality education to the students up to the plus two stage. For achieving this goal, my Government has introduced several programmes such as capacity building of educational functionaries, development of infrastructure to improve learning environment, modernization of management, curriculum reforms, new syllabi and distribution of free text books for the students till class VIII. During 2009-2010, 4071 schools were provided ICT Infrastructure worth Rs. 40.71 crores. ICT based education now covers classes V to X

encompassing a total students base of 30 lakhs. IT @ school has successfully launched an educational channel, VICTERS, which telecasts various academic and educational programmes. A single window admission scheme was introduced successfully for the +1 admission throughout the State during the year 2009-2010 and the system was awarded the CSI Nighiland Award, during this year. My Government has introduced a scheme of on-line transfer and posting of school teachers as well as a free software programme to do micro level planning of all its major activities.

83. The ban on appointment of teachers has been lifted. A land mark, achievement has been the publication of Citizens Charters by the various institutions under the General Education Department.

84. During 2010-11, satellite education through EDUSAT will be extended to all the Government Colleges in Kerala at an estimated cost of Rs. 2 crores. In the field of Technical Education, a centre for Research and Development was setup at College of Engineering, Thiruvananthapuram and finishing schools have been started in 17 polytechnic colleges. Now it is proposed to

start additional post-graduate programmes in all Government Engineering Colleges. Two Regional Science Centres will be set up at Ambalapuzha and Chalakkudy by the Kerala State Science and Technology Museum. A new reference block will be constructed at an estimated cost of Rs. 3 Crores for the State Central Library. The library has also taken charge of the British Library Collection and will make it operational as a separate section. The Kerala State Audio Visual and Reprographic Centre has already started a security printing unit and installed sophisticated printing machines. During 2010-11 the Centre will start a highly confidential printing unit to print products like Treasury and Bank cheque leaves.

85. During this financial year, a project on digitisation of palm leaf records, records and rare books was initiated. To promote documentary heritage, a National Documentary Heritage Congress is proposed to be held under the auspices of State Archives Department. The digitisation of the Museum Library has started. This year marked the 200th anniversary of the famous Kundara Proclamation of Sri. Veluthampi Dalava and 203rd anniversary of the martyrdom of Kerala Varma Pazhassi Raja and these occasions were celebrated. Excavations at

Edakkal Cave brought to light 12 panels of rare engravings. A project has been launched for the scientific conservation of all forts from Thrissur to Kasargod.

86. During the year 2010-11, the Kerala State Film Development Corporation proposes to construct cinema theatres in all district headquarters where there aren't any Corporation owned theatres. Heritage centers will be set up at all districts in the next financial year. In the next financial year, it is proposed to construct a scientifically designed Art Gallery to house very unique works, including those of Raja Ravi Varma. An Art Studio will be set up in collaboration with Kerala Lalitha Kala Academy. The Kerala Sahitya Academy will start the 'Kamala Suraiya Memorial Research Centre' at Punnayurkulam. A Folk Museum will be established at Kasaragod under the auspices of Kerala Folk Lore Academy. The State Institute of Languages plans to start a research centre, while a Knowledge Repository Centre will be commenced under State Institute of Encyclopaedic Publications in the year.

87. The law and order situation in Kerala remained totally under control without any major incident of terrorism or communal violence. The number of murders including political murders has registered a marked decline in the

State in 2009. It is a matter of satisfaction that Kochi City Police has been chosen for the International Association of Police Chief (IACP) Award. Similarly Kerala was the recipient of the India Today Award for the best State in the country for maintenance of law and order. New initiatives were taken in the field of policing. The **Janamaitri Suraksha Scheme** was successfully taken up in 20 selected police stations. Crime in such areas has noticeably come down. In view of its acceptance and impact it has been extended to 23 additional stations. A Temple Theft Investigation Special Team was constituted with a view to effectively tackle the thefts occurring in temples and other places of worship.

88. Modernization of the police force is a continuing process. Technology has been effectively harnessed to enhance efficiency of the police force. A Cyber Police Station with jurisdiction over the whole state has started functioning. E-mail facilities have been introduced in all police stations. Mobile phones have been issued to all police officers. For the first time, facility for receiving complaints by e-mail has been made operational in the

high-tech cell at the Police Headquarters. Full-fledged cyber cells and automatic finger print identification system will be established in all the districts. The new Kerala Police Act would be enacted during the year.

89. My Government has already started the process of recruiting 3000 Home Guards to assist the police. This additional manpower will go a long way in supplementing the police force. An India Reserve Battalion with more than 1000 posts and a commando unit are being raised and the recruitment process is nearing completion. Though traffic accidents continue to be an area of concern, it is a matter of satisfaction that the number of accidents and casualties have come down. An IG of Police has been posted exclusively for traffic and effective awareness programmes have been taken up. A pilot programme of making Kollam-Kovalam sector an accident free zone is being undertaken with the co-operation of all stakeholders including Local Bodies.

90. Government is aware of the new links among terrorists and will leave no stone unturned in tackling the terrorist menace effectively. A dedicated Anti-Terrorists Investigation Squad will be formed with specialized training and linkages with various investigating agencies.

State Government would actively co-operate with the National Investigation Agency while reiterating the need for better propriety and respect for the federal structure of our polity. Coastal security is another area of special concern. The first coastal police station started functioning at Neendakara and other eight stations are getting completed. **Kadalora Jagratha Samithies** have been strengthened to keep constant vigil and to support the local police. This is a highly successful intervention, which has been lauded at the national level. High-speed boats have also been procured and they are already operational at Kochi, Kollam and Kozhikode.

91. It has been a matter of satisfaction that the conditions of our prisons have considerably improved. The security and welfare of the prisoners will continue to receive the active attention of my Government. Facilities for video conferencing between the prisons and Court Halls will become functional very soon in the Central Prisons. An expert Committee will be setup to study and recommend the various trades and skill development programmes to be taken up in the prisons. A Victims' Assistance fund will be created. My Government has decided to set up Mediation Centres at the High Court

and in all the Districts, and also to start a Planning and Management unit at High Court. Evening Courts will be set up in five major cities of the State.

92. Government proposes to completely modernize our Fire and Rescue Services in view of the new high rise buildings coming up all over the state. Modern equipments like hydraulic rescue tools, inflatable tower light system, and sky-lifts will be procured. The capacity building programme for Disaster Management activities in the State is being continued to enhance the competence of a wide range of Stakeholders.

93. The Government has formulated a comprehensive plan for the completion of the resurvey of the State, known as 'Bhoomi Keralam' Project, which is to be completed in 3 years. A separate Mission, headed by the Chief Secretary, has also been setup to implement the project. A new model for resurvey with people's participation was introduced in Thycaud village of Thiruvananthapuram district and was widely accepted. During the coming year the resurvey will be scaled up to Thiruvananthapuram, Thrissur and Malappuram districts covering nearly 7500 sq. km.

94. My Government is committed to the welfare of the minorities in the State. The Paloli Muhammad Kutty Committee had made some important recommendations for the upliftment of the Muslim community in the State. Pursuant to these recommendations, posts have been created in all Collectorates for the co-ordination of the minority welfare programmes. A sum of Rs. 6.00 crores also will be granted from the budget allocation for the Paloli Committee report implementation. New initiatives have been launched for minority welfare. A coaching centre for giving short term training to Muslim youths seeking employment opportunities has been started in Kozhikode district. Such centres will be started in Thiruvananthapuram, Ernakulam, Malappuram and Kannur districts also. As recommended by the National Minority Commission, Government of India, Special programmes will be formulated to redress the backwardness of Muslims in the coastal and hilly areas.

95. Kerala is hosting the 35th National Games, and the year 2010 has been declared as the Kerala Sports Year. A 'National Games Secretariat' has started functioning at Thiruvananthapuram for the successful conduct of the games. Reflecting Kerala's concern for

ecology and energy conservation, the National Games in Kerala has been declared as the 'Green Games'. As the lead time available is limited, the Games will be conducted in existing stadia which will be upgraded. The costs for upgradation and conduct of Games have been estimated at Rs. 220 crores. Government of India has sanctioned Rs. 110 crores as additional central assistance for this purpose. With a view to motivating the students to pursue sports with passion, my Government has decided to introduce "Health and Physical Education" as a subject in the State schools curriculum from the 2010-2011 academic year.

96. The Information and Public Relations Department is being revamped. *Sutharya Keralam*, the unique programme for the grievance redressal could deliver remarkable service during the period. For the year 2010-11, it is proposed to introduce an IT enabled feedback system for collecting citizens' response on government activities. The present *Sutharya Keralam* monitoring committees under the District Collectors will be strengthened.

97. Furthermore, in order to deliver all the programmes planned, it is necessary to have highly trained and effective personnel. A Pay Commission has been appointed to revise the salaries and allowances of Government employees. The Commission will also look into revision of service pensions also. The Kerala Administrative Tribunal will become functional in the next financial year. My Government recognizes the importance of training for all Government employees. My Government proposes to introduce Induction Training for all new recruits in the Government through IMG, and make it a Centre of Excellence on training on the Right to Information Act. A Secretariat focused Training Centre in IMG is being set up to meet the training needs of the employees of the Government Secretariat, given the importance of that office in Government functioning.

98. I have touched upon only some of the activities that will be taken up next year. I am convinced that under the able and dynamic guidance of the Chief Minister, my Government will transform Kerala into one of the most developed States of India. The initiatives taken by the State in the fields of agriculture, industrial development, information technology, infrastructure, social welfare, poverty

alleviation, employment generation and uplift of the down trodden sections will bear fruit and place the State on a high growth path. Kerala is poised to realize its potential and overcome adverse economic circumstances. Let us all sink our political differences and work towards a fully developed and prosperous Kerala.

JAI HIND