

## ADDRESS TO PARLIAMENT—26 FEBRUARY 1996

Lok Sabha	—	Tenth Lok Sabha
Session	—	First Session of the Year
President of India	—	Dr. Shanker Dayal Sharma
Vice-President of India	—	Shri K. R. Narayanan
Prime Minister of India	—	Shri P. V. Narasimha Rao
Speaker, Lok Sabha	—	Shri Shivraj V. Patil

HONOURABLE MEMBERS,

I welcome you to this Session of Parliament.

The 10th Lok Sabha has accomplished substantially its tasks and the country has been guided through momentous changes in every sphere. I take this opportunity to congratulate all of you for your dedicated service to the nation.

The Nation celebrated the 125th Birth Anniversary of Mahatma Gandhi which was marked by a large number of significant activities in different parts of the country and abroad. An important landmark was the institution of the Gandhi Peace Prize for Social, Political and Economic Transformation through Non-violence and other Gandhian methods. The first Gandhi Peace Prize was conferred upon Dr. Julius K. Nyerere. The Anniversary concluded with a solemn function on 31st January, 1996 at the Bapu Kutir in the Valmiki Mandir Complex in New Delhi where Gandhiji used to stay.

The law and order situation in the country has been under control. Government would continue to exercise extreme vigilance in the coming months to ensure that relations between different communities and groups continue to be harmonious.

Terrorism and insurgency have been curbed. Separatist tendencies have been contained to a very large extent. In this context the performance of the security forces has been creditable. However, the incident of arms drop in Purulia in West Bengal has highlighted the need for constant vigilance. In this connection, investigations into the incident, and its national and international ramifications, are being pursued vigorously. Steps are being taken to ensure effective policing of the air corridors of the country.

In Jammu and Kashmir, due to the concerted drive by security forces against militants and foreign mercenaries, coupled with the acceleration of development activities, there is a perceptible change in the overall situation. The revival of political activities has been made possible. Parliament passed a balanced budget in 1995-96 and for the first time in many years the Plan outlay is expected to be spent fully on development schemes without any diversion for meeting the Non-Plan resources gap. Though Government had to seek further extension of President's Rule upto 17th July, 1996, it remains committed to the restoration of representative Government in the State at the earliest.

In the North-East several initiatives have been taken to tackle the economic backwardness of the region. The North-East Council has emerged as an effective institution for implementing developmental activities. The Sixth Schedule to the Constitution was amended for giving more powers to the Autonomous District Councils of Karbi Anglong and North Cachar Hills in Assam.

The economic scenario has been continuously improving. The Gross Domestic Product has shown a substantially faster rate of growth in the years subsequent to 1991-92. In 1994-95, this had increased to 6.3 per cent. Gross Domestic Savings at current prices improved in 1994-95 and was 24.4 per cent of GDP. Industrial production increased by 12 per cent in the first 6 months of the current year over the corresponding period last year, showing a strong revival.

Along with this, exports have gone up further by 24.17 per cent in the first 8 months of the current financial year. Imports have also grown as a consequence of the overall growth of the economy, and the industrial sector in particular. Foreign exchange reserves are at a comfortable level of about \$ 16 billion.

The annual rate of inflation which had almost reached 17 per cent in August, 1991 has been controlled and in the current year, the inflation rate has been brought down to around 5 per cent which is the lowest in the last 7 years. As a result of the strong support to the agricultural sector, foodgrain production and stocks have reached very comfortable levels. The availability of various items of mass consumption has been maintained. The Public Distribution System has been strengthened and by introducing the Revamped Public Distribution System, additional concessions have been given for those living in the poorest areas of the country.

The small scale industries sector accounts for about 40 per cent of the output in manufacturing and 34 per cent of the country's total exports. It has recorded a growth of 10 per cent during 1994-95 and accounted for employment of 146 lakh persons by the end of 1994-95. Export of goods by this sector are estimated to have increased from Rs. 13,883 crore in 1991-92 to Rs. 26,400 crore in 1994-95.

In the khadi and village industries sector, sale have reached a level of over Rs. 4069 crore in 1994-95. This sector accounted for employment to 53.46 lakh persons in 1994-95. A Rs. 1000 crore consortium credit has been given to KVIC this year for the first time. Out of this, KVIC had sanctioned projects costing about Rs. 235 crore by the end of January 1996 to generate additional employment for about one lakh persons.

Our agricultural strategy has been to increase production through the best use of soil and water in an intergrated fashion. During the Eighth Plan, Rs. 1100 have been allocated for the restructured National Watershed Development Project for Rainfed Areas. The coverage of Drought Prone Areas Programme has also been increased to 946 blocks of 149 districts in 13 States. Coverage of the Desert Development Programme has been further extended to 227 blocks of 36 districts in 7 States. These programmes are being implemented with the active participation of the watershed community.

Foodgrain production in 1994-95 achieved a new record of 192 million tonnes. The production of sugar also reached a record level of nearly 145.85 lakh tonnes in 1994-95. Government has built up a buffer stock of 5 lakh tonnes of sugar this year, as a precaution against possible fluctuations in availability and prices.

Disbursement of agricultural credit through institutional agencies is expected to reach a level of Rs. 26,450 crore in 1995-96 as against Rs. 21,113 crore in 1994-95. The consumption of chemical fertilizers during 1994-95 was 135.64 lakh tonnes. It is expected to further increase to 156.64 lakh tonnes in 1995-96.

Government has been acutely sensitive to the needs of the poor. The programmes of direct alleviation of poverty have been expanded, as reflected in substantial increases in allocations for rural development, employment generation, housing, rural water supply, etc.

Under the Indira Awas Yojana, about 20 lakh houses were constructed between 1985-86 and 1994-95. However, in 1995-96 this programme has been further stepped up by undertaking a massive programme of construction of 10 lakh houses with a budget provision of Rs. 1000 crore and is progressing in full swing. Besides, steps have been taken to augment housing facilities for other sections as also government servants.

The Prime Minister's Rozgar Yojana which aims at providing self-employment opportunities to educated unemployed youth, had benefited 1,96,154 persons during 1994-95. For 1995-96, loans under the scheme are planned to reach 2.6 lakh persons.

As the Honourable Members know, the Government has launched the National Social Assistance Programme to provide for Old Age Pensions, Maternity Benefit and lumpsum payment on the death of the primary bread

earner in poor families. Complementing this package is a pioneering scheme of Group Life Insurance which includes subsidized premiums for the poor.

An Integrated Urban Poverty Eradication Programme was launched in November 1995 to tackle the problem of urban poor in an integrated manner in all 345 class-II towns with a population ranging between 50,000 to 1 lakh. A provision of Rs. 100 crore has been made in the current financial year for the Programme.

Government has strengthened the role and powers of the Panchayats and Nagarpalikas in all Centrally Sponsored Schemes operating at the district level and below. This initiative has also ensured the emergence of more than one million women as leaders and decision-makers at the grassroot level. Similarly, the States are being asked to empower these bodies with adequate financial and administrative responsibilities.

Substantial enhancement has been made in the allocations for Schemes of Special Central Assistance for Special Component Plan, Post-Matric Scholarships, National Scheduled Castes and Scheduled Tribes Finance and Development Corporation and Aid to Voluntary Organizations. The Government has also revised the rates of maintenance and other allowances under the Post-Matric Scholarship Scheme for Scheduled Caste and Scheduled Tribe students.

A National Commission for Safai Karamcharis has been set up to monitor the implementation of the National Scheme for Liberation and Rehabilitation of Safai Karamcharis still engaged in night soil removal. Since the inception of the Scheme, about 94,000 such persons have been trained for other vocations and 2.5 lakhs have been rehabilitated.

The National Backward Classes Finance and Development Corporation has so far disbursed Rs. 131.64 crore for self-employment ventures. To enable the OBC candidates to compete on equal terms with general candidates in various recruitment tests and examinations, the Government has provided financial assistance to 122 coaching centres so far.

The National Minorities Development and Finance Corporation has established linkages with State channelising agencies. Loans are being disbursed for self-employment. The Wakf Act, 1995, for effective and democratic administration of Wakf Boards has been brought into force with effect from 1st January, 1996. The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 has been enacted to provide equal opportunities for persons with disabilities.

It has also been decided to set up a National Finance and Development Corporation for the Disabled with an authorised share capital of Rs. 400 crore. A Bill to set up a National Trust to provide total care to persons with Mental Retardation and Cerebral Palsy has been introduced in the Lok Sabha.

The ongoing immunisation of children against six vaccine-preventable diseases has already yielded encouraging results. In keeping with the global goal of eradication of polio by 2000 AD, a supplemental dose of oral polio vaccine was administered to more than 7.5 crore children in the age group 0-3 years throughout the country on 9th December, 1995 and the exercise was repeated on 20th January, 1996. The Pulse Polio Immunisation will be continued in future years also.

The allocation for the education sector has been steadily increased as part of the Government's commitment to achieve the target of allocation of 6 per cent of GDP by the year 2000 AD. To realise the goal of Universal Elementary Education, 110 Districts would be brought within the ambit of the District Primary Education Programme by the end of the Eighth Plan. A National Elementary Education Mission has been launched to cover all children up to the age of 14 years by the turn of the century. As part of the National Literacy Mission, Total Literacy Campaigns have been further extended to 368 districts and the Post Literacy Campaigns to 159 districts in the country. A major National Programme of Nutritional Support to children in Primary Schools covering about 11 crore children from classes I to V over a three year period was launched on 15 August, 1995.

There has been a remarkable improvement in the industrial relations scenario in the country over the last 5 years. There is a significant decrease in the number of strikes and lock outs and the number of mandays lost. Government is committed to successfully implement the Employees' Pension Scheme introduced in November 1995, which provides for the first time life long social security to about 19 million industrial workers and their families.

To bring our arbitration law in tune with the international thinking on the subject, an Ordinance called. "The Arbitration and Conciliation Ordinance, 1996" has been promulgated. With this and the other steps taken to establish Alternative Dispute Resolution Mechanisms, it is hoped that India will soon emerge as a pioneer in this field in the South-Asian Region.

The achievements of our scientists in the past year have been noteworthy and give us confidence for the future.

Successful launches of INSAT-2C and IRS-1C satellites last December once again demonstrated our capability to design, build and operate state-of-the-art space systems, which will be vital for the development of our telecommunication, television, meteorological and resources survey programmes. We plan to launch INSAT-2D during 1996-97, and INSAT-2E and IRS-1D during 1997-98. We have also made good progress in developing the Geosynchronous Satellite Launch Vehicle, GSLV, for launching our INSAT class of satellites.

During the year, the country's tenth nuclear power reactor at Kakrapar commenced operation and was stabilised satisfactorily. The research reactors at Trombay have supplied more than 60,000 kits for diagnosis and treatment to more than 300 medical institutions all over the country.

During 1995-96, the situation in some parts of India's immediate neighbourhood remained uncertain in security terms. Pakistan's continuing attempts to acquire sophisticated weaponry and uranium enrichment technology have been a matter of serious concern for us. Pakistan's attempts heighten tensions in our region and are likely to trigger an arms race. We have every confidence in the capability of our armed forces to defend the nation. Government is determined to ensure their capability in this regard. I am sure honourable Members would, in this context, join me in commending the armed forces for their professionalism and dedication.

As a result of the concentrated efforts of our scientists engaged in defence research, the Light Combat Aircraft was unveiled in November 1995 and test flights would commence by the end of this year. The development of the Main Battle Tank Arjun has been completed with a view to its indiction. The DRDO has developed a high performance supercomputer using multiprocessor technology, which has met a long-felt need and which enhances our self-reliance, in this field.

In the foreign affairs sphere, our relations with our neighbours were further strengthened. Our traditionally close ties with Bhutan were reinforced during the year. The visit to India of the former Prime Minister of Nepal, Mr. Manmohan Adhikari, in April 1995 and of the present Prime Minister Mr. Sher Bahadur Deuba earlier this month, contributed to developing closer mutual understanding. The inauguration of the Indira Gandhi Memorial Hospital in the Maldives in April 1995 by the Prime Minister is testimony to our commitment to amity and cooperation with that country. Our relations with Sri Lanka were marked by cordiality and trust. Our trade with Bangladesh increased as did contacts between the peoples of the two countries. The momentum in our relations with China was maintained with a continuing dialogue at the highest levels. Our efforts resulted in promoting good relations with all our neighbours in South Asia, with the sole exception of Pakistan. We urge the Government of Pakistan to eschew its path of confrontation with India and respond constructively to our repeated offer of a bilateral dialogue to resolve all outstanding issues in accordance with the Simla Agreement.

A landmark in SAARC's progress was achieved last year with the operationalisation of the South Asia Preferential Trading Arrangement (SAPTA) from December 7, 1995. The signing of a trilateral Memorandum of Understanding on transit by India, Iran and Turkmenistan, which seeks to establish a viable surface route between India and Central Asia for commercial and other links, was an important event in the development of

our links with Central Asia. ASEAN has agreed to full dialogue partnership status for India. This reflects the growing, mutually beneficial relationship between India and ASEAN.

Our relations with the Russian federation continued to be close. Further areas for cooperation in economic, cultural and other fields were identified. The India-United States relationship registered steady growth, in particular in the economic and commercial areas. Political and economic cooperation with countries in the African continent was promoted through high level visits to and from Mali, Mauritius, Namibia, Zimbabwe, Egypt, Burkina Faso and Ghana.

India took the lead in articulating the political, economic, social and other concerns of the developing countries in international forums like the World Summit for Social Development in Denmark in March, 1995; the UN General Assembly's 50th anniversary Special Commemorative Meeting in October, 1995; and the 11th Non-Aligned Summit in Colombia in the same month. Consistent with its commitment to the objective of complete nuclear disarmament within a specified time-frame, India is participating actively in the negotiations for a Comprehensive Nuclear Test Ban Treaty. At the same time, we view the indefinite extension of the Nuclear Non-Proliferation Treaty as an obstacle to universal nuclear disarmament as it seeks to legitimise the nuclear arsenals of nuclear-weapon states.

As this Session will be a brief one, only essential legislation will be taken up during this Session. Some Ordinances promulgated since the last Session will be placed before Parliament. A statement of the estimated receipts and expenditure of the Government of India for the financial year 1996-97 will be laid before you for the purpose of passing Vote on Account authorising expenditure for a part of that year. Vote on Account in respect of the States under the President's Rule would also need to be passed.

The policies of the Government have put the country on the path of growth enabling the people to realise their potential. The strength of the country lies in the strength of its economy and the unity of its people. During the last four and a half years, your dedication, wisdom and vision have left an imprint that will guide the nation into a brighter tomorrow.

I commend you to your tasks in this Session and wish you success.

Jai Hind.