

## ADDRESS TO PARLIAMENT—24 MAY 1996

<b>Lok Sabha</b>	—	<b>Eleventh Lok Sabha</b>
<b>Session</b>	—	<b>First Session after the 11th General Election</b>
<b>President of India</b>	—	<b>Dr. Shanker Dayal Sharma</b>
<b>Vice-President of India</b>	—	<b>Shri K. R. Narayanan</b>
<b>Prime Minister of India</b>	—	<b>Shri Atal Bihari Vajpayee</b>
<b>Speaker, Lok Sabha</b>	—	<b>Shri P.A. Sangma</b>

HONOURABLE MEMBERS,

It gives me great pleasure to address both Houses of Parliament at this first session after the eleventh general election to the Lok Sabha. I extend my warm felicitations to the Members of the new Lok Sabha.

The general election, just concluded, has demonstrated the democratic credentials of the country. The nation and the world have witnessed the majesty of the democratic process in India. The recent general election was organized with efficiency and despatch. Our people participated in large numbers and exercised their sovereign right in electing their representatives. Once again, India has demonstrated the strong, vibrant and enduring nature of her democratic ethos. Government will fully honour the mandate implicit in the result of the election. The present session of Parliament should enable the House of the People to determine whether it has confidence in the Council of Ministers.

The country stands at the crossroads of history. As the century comes to a close and the millennium turns, our destiny as a strong and a powerful nation beckons us. The Government is conscious of our common responsibility to fulfil these historic tasks. Our endeavour should be to strive for a wholesome consensus on all vital national issues.

Among our primary tasks is that of ensuring to the State its due honour, prestige and strength. The basic institutions devised by the founding fathers with a view to providing good governance have to be strengthened. This may necessitate appropriate reforms in our polity and governance.

Providing clean and efficient administration is the need of the hour and the Government must commit itself to this goal. Probity and accountability have to be the key norms of public administration. Due propriety, promptitude and effectiveness should characterize every measure: administrative, legislative and political.

The deficiencies in our electoral processes are to be attended to. The matter has been pending for long and we can ill-afford any further delay. A large number of suggestions have been made from time to time. On the basis of the wealth of material available and otherwise, necessary reforms will be taken up urgently. The prime objectives would be that the use of money power in the electoral process is eliminated, accountability of political parties is ensured and unfair practices are removed.

An in-depth review of our decision-making processes is another field which requires immediate attention. The primary task is to reduce as much as possible the scope of arbitrary decision making by ensuring that our process are made simpler and more transparent. For a meaningful implementation of such a programme, we will have to provide for expeditious means for speedy disposal of public grievances.

Government is committed to uphold the prestige and independence of the judiciary. A comprehensive examination of the work methods and environment, emoluments and conditions of service of the subordinate judiciary is being undertaken by the First National Judicial Pay Commission. Government will facilitate its work with a view to ensuring speedy submission of its report.

Every effort will be made to reduce the arrears in the Courts through the spread of modern management techniques and expeditious filling of the vacancies of judges.

Government is conscious of the need to improve the welfare of Central Government employees. The Fifth Pay Commission is currently looking into their emoluments, structure and service conditions. Since the final report of the Commission is likely to take some time, Government have requested them for their interim recommendations as early as possible, on the basis of which appropriate relief would be given.

The Government has a deep and abiding commitment to the freedom of the press and media. The electronic media are acquiring increased importance in our daily lives as a result of their pervasive presence and Government are determined to free All India Radio and Doordarshan from governmental control by finally implementing the Prasar Bharati Act, 1990. In 1995, the Supreme Court had even directed the Government to set up an independent authority to regulate the airwaves. The Government would take all necessary steps to establish a truly autonomous Prasar Bharati Corporation which would strengthen national identity, integration, credibility in dissemination of information and provision of quality education and entertainment.

The vastness of our country, its diversity and the underlying unity are our basic strengths. India is one people, one nation with her unique culture. Government will do all that it may to ensure that harmonious relations are

maintained between different communities and groups. Government is committed to provide security and protect the life and property of all people, particularly the weaker sections and minorities. Violence manifesting itself in separatist, extremist, criminal and anti-social activities has no place in any civilized society and would be effectively dealt with by the Government. In doing so the Government cannot forget that political, social and economic measures are equally necessary in resolving these problems.

The North Eastern region of our country continues to suffer from violence, insurgency and ethnic strife. There is need to check the inflow of foreign arms and terrorists from across the border by strengthening the security apparatus and the intelligence network. Illegal immigration which has an unsettling effect will be curbed through comprehensive measures. Effective administration for acceleration of economic development and providing for a prompt grievance redressal system, are also urgent requirements.

Jammu and Kashmir is an inalienable part of India. No attempt to interfere with our internal affairs there will be tolerated. We are keen to restore the democratic functioning of the State for which all efforts are being made to ensure free and fair polls in the State. Side by side, efforts for socio-economic development of the different regions will be intensified.

Government is anxious to improve Centre-State relations. The report of the Sarkaria Commission and other extensive studies provide ample material on the various facets of this problem. Government will ensure that there is increased consultation with the State Governments and that there is no misuse of Article 356. The role and status of the Inter State Council envisaged under Article 263 of the Constitution will be reviewed in depth and action taken to make it an effective mechanism to resolve disputes between States and for better coordination of policies and action in matters of common interest to States.

In order to fulfil the aspirations of the people of Uttaranchal and Jharkhand, the Government will take such steps as are necessary to give them full Statehood. The various problems connected with the grant of full statehood to Delhi will also receive our serious consideration.

Our vision of India's economy is one which enables India to achieve its destiny in the forefront of the nations of the world. We have an abiding faith in the creative genius of every Indian. Our task is to release their energies by shedding out-dated structures of controls and regulations and re-equipping Government for its new role of providing a supportive framework for free market operations for growth, while strengthening programmes for poverty eradication and building of social infrastructure.

The economic reforms of the past five years did achieve some measure of success. Government will invigorate the growth impulses in the economy and control inflation by accelerating the process of economic reforms,

providing much greater support and impetus to infrastructure development and maintaining a sound framework of fiscal and monetary policies.

Today, high interest rates and scarce credit are inhibiting the growth of industry, trade and agriculture. The root cause of the problem is the continued recourse to high levels of borrowings by Government, to meet its ever-expanding expenditures. Government will prune non-development expenditure and accelerate tax reform to reduce the fiscal deficit and thus release resources for more productive activities. Government will identify areas from which it needs to withdraw. In taxation, we will ensure that not only levels and rates of taxation are such that growth is not constrained, but that the burden-sharing is equitably distributed among all affluent sections of the society. Government will also devise a suitably structured value added tax.

To deal with the massive overhang of past public debt and to ensure a higher return to assets in public enterprises, the Government will constitute a Disinvestment Commission to accelerate the process of disinvestment in a systematic and transparent manner. Part of the proceeds will be earmarked for retiring public debt and the balance to finance capital expenditure. While disinvesting, care will be taken so that the workers' interests are not harmed. The National Renewal Fund will be realigned towards retraining and redevelopment of workers that may be necessary in a fast growing economy.

Public savings will increase and private savings will be stimulated to finance the much higher levels of national investment necessary to accelerate economic growth and eradicate poverty. Foreign savings and investment will be welcomed to supplement the national savings effort. A country of India's size and potential can easily double the flow of direct foreign investment, especially in the critical infrastructure areas of power, roads, ports and telecommunications.

The Government will draw up an integrated time bound programme to increase capacities and release bottlenecks posed by insufficient infrastructure in energy, especially power, coal and petroleum, roads, ports, railways, irrigation and telecommunications. The policy framework for inducting private, including foreign investment will be revamped and made transparent.

Government is committed to bring about long pending reform of the corporate laws which will ensure their functioning as instruments of economic growth, rather than merely regulatory mechanisms. The laws must promote entrepreneurship and freedom of industry from all avoidable inhibitions and disincentives. Necessary legislative action in this direction will be speedily undertaken.

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The Government fully recognizes the importance of the small scale sector for production and employment in the economy. The difficulties faced by this sector will be carefully reviewed and the obstacles to rapid progress will be eliminated.

The construction industry is one of our largest sectors, providing jobs to millions. A major constraint to growth of this sector has been the Urban Land Ceiling Act. Government will review the rationale of this Act.

All this will be necessary to restore the competitive edge of our producers, large and small, so that they can effectively win the challenges of the international market place. Our export growth has to be stepped up to meet the import needs of a more dynamic economy. For the short and medium-term viability of our balance of payments, Government will ensure policies for rapid and sustained export growth and for attracting adequate inflows of non-debt creating capital. Government will review and simplify the regime of foreign exchange controls in line with the needs of a modernizing economy.

To strengthen our financial and capital markets, Government will provide for greater accountability and competition for public financial institutions, including banks. To promote healthy development and avoid scams and irregularities, the Government will undertake a programme to modernize the infrastructure of capital markets, including swift passage of enabling legislation for depositories.

Three quarters of our citizens live in rural India, and agriculture is the life-blood of rural society. Rapid broad-based development of agriculture is vital for ameliorating rural poverty, ensuring self-sufficiency in food, strengthening the domestic market for industry and services and building mutually beneficial links between agriculture and industry. The Government will allocate more funds for rural infrastructure, ensure remunerative prices to farmers, free agro-based industries such as sugar from licensing controls and strengthen the Public Distribution System in rural areas. Optimal utilisation of scarce water resources is critical for agricultural development. Government will give special priority to completing ongoing irrigation projects.

Water is our most precious resource and its conservation and effective utilisation is of paramount importance. The Government attaches high priority for watershed based development of drought prone areas and waste land reclamation through adequate technical support and peoples' involvement.

In order to ensure cow protection, and to impose a total ban on the slaughter of cows and cow progeny, Government will take up suitable measures.

The Government will pursue policies aimed at the real empowerment of women, so as to ensure that their dignity and rights are not violated and their full potential is realized. The Government will take necessary legislative and other steps to provide for reservation of 33 per cent of the seats for women in all elected bodies, including State Assemblies and Parliament.

The disabled and all those who are placed in a position of undeserved want for reasons beyond their control, are the primary responsibility of the State. Simultaneously trade and industry will be sensitized as to their social obligation in this respect. Our senior citizens also deserve special care. Government will consider their problems and take measures which would make their lives easier in their old age.

The Government is painfully aware of the extensive levels of poverty in the country. The needs of the poorest sections in the country require the most urgent, sympathetic attention. We shall strengthen the programmes which contribute substantially to their social and economic upliftment. These would provide them with gainful employment and income generating assets. In doing so our endeavour would be to ensure that the present disparities in socio-economic conditions are eliminated. Special attention would therefore be given to the Scheduled Castes, Scheduled Tribes, the Backward Classes, the other deprived sections of the society and to the problems of bonded and child labour. Programmes for poverty alleviation and other welfare measures for weaker sections of our society need to be accurately focussed on those who really need support from the Government. Government will soon begin the process of identifying the five crore poorest of the poor families for immediate relief. The role of the State Government in implementing these programmes is crucial and it would be our effort to give necessary flexibility to them and enlist their active support in the task of promoting greater economic and social justice.

Growth cannot be measured in economic terms alone. The problems of poverty, disease and hunger require a multi-dimensional approach. In fact, no improvement in the quality of life, which is the real index of growth, is possible without social inputs like education, health and other welfare measures. Government would initiate a pioneering ten year plan focussed upon providing nutrition for the children of the poor, their health care and facilities for education so that they are brought at the same level as other children. Adequate resources for this plan would be made available.

The Government attaches high priority to education as an instrument for the material, physical and spiritual development and enrichment of society and the individual. We witness today the old economic order based on comparative advantage of labour and resources giving way to a new order being built on the foundations of human resource, skills and technology. The changing economic scenario and rising social aspirations require

significant modifications in our educational programmes. We have not yet been able to provide free elementary education to our children as enjoined by our Constitution. This requires urgent rectification. Government will encourage vocational and technical education. Government recognizes the need for special efforts for the spread of education amongst women. Programmes in vocational and technical education to enable them to be eligible for suitable employment opportunities would be given emphasis. Higher education would be revamped so as to facilitate India emerging as a major economic power in the international arena. In this sphere, the existing centres of excellence, require urgent attention to be strengthened. Such centres in new areas are also called for.

We believe in increasing state investment in health and nutrition programme as this is essential for raising the quality of life of our people. Our goal will be health for all. Reduction of the infant mortality rate, immunisation of children against killer diseases, improvement of the primary health care systems will be the corner stones of these programmes. In this we will make full use of Ayurveda, Unani, Homoeopathy and other Indian systems of medicine.

The Government will give due priority to population related issues especially family planning in the national agenda. The long-term objective is to stabilize population by the first decade of the next century. The Government will devise a system of incentives and disincentives for encouraging adoption of family planning norms.

It is unfortunate that even safe drinking water is still scarce or unavailable to a large number of our habitations. There are 1.6 lakh habitations with no drinking water facilities and 1.4 lakh habitations where such water is badly contaminated. The Government is committed to providing drinking water facilities to all our people in a time-bound manner. We shall consult the State Governments and extend necessary support to them in achieving this goal. In areas where drinking water is chemically contaminated, available technologies would be harnessed for making it safe and potable. The Government considers community participation in this programme necessary and would take action to encourage this.

The Government recognizes the important role that science and technology has in transforming society. Steps would be taken to harness the latest advances in the service of the people. Special attention will be paid to the needs of the rural areas. Measures will be taken to see that national interests and intellectual property rights are adequately protected. Government will continue to support the country's space programme which has demonstrated its high potential and utility for the overall development of the country.

Our foreign policy is governed by our national interests and reflects India's position as a major player in the world arena, responding to the

possibilities and challenges of the post-Cold War situation and rejecting all forms of hegemonism or dominance. In this process, our political, economic, security and other concerns, will be pursued in a clear and unambiguous manner.

The Government's foremost priority in the area of foreign policy will be the improvement of relations with all our neighbours in South Asia, including Pakistan, bilaterally and in the SAARC forum. We will foster mutually beneficial partnership with all countries. We will strengthen our broad-based ties with Russia. We look forward to the further strengthening and diversification of our relations with the USA. We will utilize the opportunities offered in India-China relations to enhance friendship and cooperation. In keeping with our commitment to Asian solidarity, we look forward to reinforcing our friendly relations with the ASEAN member States.

India's role in the multilateral field has always been constructive. Our policy on issues such as a Comprehensive Test Ban Treaty and a Fissile Material Cut-Off Treaty will be governed by our traditional commitment to a nuclear weapons-free world. While our commitment to the peaceful uses of nuclear energy is well-known, where necessary in the light of our national interests, our nuclear policy will be re-evaluated.

The situation in some parts of India's immediate neighbourhood continues to be uncertain in security terms. It is regrettable that Pakistan continues to instigate terrorism against India. We call upon Pakistan to respond constructively to our repeated offers to resolve all outstanding issues bilaterally.

There will be no compromise on our country's vital security concerns. The programme of indigenous development of our defence capability in terms of research and acquisitions will continue and be reinforced in the light of our security needs. We will stress a coordinated approach to national security by revitalising the structure and enhancing the status of the National Security Council.

We repose full confidence in the capability of the Indian Armed Forces to defend the nation and will do whatever is necessary to maintain and enhance this capability. I am sure honourable Members join me in commending the armed forces for their professionalism and dedication. Recognizing their invaluable contribution, Government is committed to taking all possible steps to promote their welfare. We cannot forget the large community of our ex-servicemen. They have rendered valuable services to the nation and deserve our special consideration. The Government will establish a Sainik Kalyan Foundation with a suitable endowment to take care of their rehabilitation and welfare.



The country is faced with a number of crucial challenges as we stand on the threshold of the next century. The eleventh Lok Sabha will have the honour of contributing to the task of piloting the country to the next century.

My good wishes are with you in this historic task.

Jai Hind.