

ADDRESS TO PARLIAMENT—19 FEBRUARY 2001

Lok Sabha	—	Thirteenth Lok Sabha
Session	—	First Session of the Year
President of India	—	Shri K. R. Narayanan
Vice-President of India	—	Shri Krishan Kant
Prime Minister of India	—	Shri Atal Bihari Vajpayee
Speaker, Lok Sabha	—	Shri G.M.C. Balayogi

HONOURABLE MEMBERS,

It gives me great pleasure to welcome you to this first session of Parliament in 2001. I extend to you my best wishes for the successful completion of the budgetary and legislative business ahead.

This session of Parliament is being held under the grim shadow of the devastation caused by the earthquake that struck Gujarat last month. It claimed thousands of lives, destroyed public and private property worth thousands of crores, and left many people homeless. Today, we pay our heartfelt condolences to the bereaved families. We assure them and all others affected by the earthquake that they are not alone in this hour of loss and suffering. The entire nation has rallied behind and demonstrated its sympathy and solidarity. The tragedy has evoked the response of Governments, NGOs, and multilateral agencies across the world to contribute generously to our national effort. My Government and the people of India express their deep gratitude to all of them.

The Union Government and the Government of Gujarat have been working closely in the relief and rehabilitation operations throughout the State. I compliment the jawans and officers of the Army, the Air Force, and the Navy for their outstanding role in this effort. The Governments of all the other States have also come to the aid of Gujarat. Indeed, it is a tribute to the coordinated effort of all Central and State agencies that power, telecommunication, rail, air, and road links were restored with such remarkable speed. The commendable contribution of a wide range of voluntary organizations have greatly supplemented and strengthened these efforts. Thousands of volunteers have been working tirelessly to bring succour to the survivors. On behalf of this august House, I applaud them for their devoted and untiring activities. In times of crises, external or internal, our

countrymen have always shown exemplary unity and voluntary activism. We should nurture these virtuous qualities, so that they influence all aspects of our national life at all times.

The catastrophe in Gujarat, as also the super cyclone in Orissa in 1999 and natural calamities in other parts of the country in recent years, have once again highlighted the urgent need to expand and modernize our disaster management capabilities. We need to urgently revise and update the rules and regulations governing construction and town planning. We also need to enforce them with rigor, and ensure that stern action is taken against their violators. Beyond this, we must have a comprehensive disaster management plan at the Centre, States, and districts with specific long-term and short-term objectives. It must be our common endeavour to ensure that life after a calamity is better than life before it.

I am happy that the Government convened an all-party meeting to discuss the Gujarat earthquake. Following up on the consensus at that meeting, a National Committee on Disaster Management has been set up under the chairmanship of the Prime Minister. It comprises *inter-alia* representatives of national and state parties. It will suggest short, medium and long term steps for relief, rehabilitation, and reconstruction activities in Gujarat. It will also deliberate on the necessary institutional and legislative measures needed for an effective and long-term strategy to deal with national calamities in the future. In addition, it will look into the parameters that should define a national calamity. Based on the recommendations of this committee, the Government will consider setting up a permanent National Disaster Management Authority, with suitable statutory authorities in States.

Throughout India's history, pilgrimages have played a unique role in tying our people together with the bonds of religious piety and national unity. The Maha Kumbh at Allahabad, which witnessed one of the largest gatherings of humanity in a spectacular act of faith, demonstrated this yet again. I compliment the Uttar Pradesh Government, the Railways, and all other governmental and non-governmental agencies for their coordinated efforts at smoothly managing this mega-congregation, which has impressed the whole world.

This year marks the conclusion of the Golden Jubilee celebrations of our Republic. As years go by, both August 15, 1947 and January 26, 1950 will recede more and more into history. They may seem distant, especially to the youth of India, who constitute nearly 37 per cent of our population. However, time cannot weaken the import of these two defining dates in our country's long history. The sacred flame of freedom and democracy will continue to illuminate India's journey in the new century and the millennium. This Parliament, the highest elected body of the world's largest democracy, should resolve to contribute its utmost to the furtherance of the republican values enshrined in our Constitution.

While all of us are proud of India's achievements since Independence, we are equally aware of the enormous challenges that still confront us. The cautionary words of Dr. Babasaheb Ambedkar should guide us in our march forward. While presenting the draft of the Constitution, he had said with great fervency, "On January 26, 1950, we are going to enter into a life of contradictions. In politics, we will have equality; and in social and economic life, we will have inequality. We must remove this contradiction at the earliest." Unfortunately, the contradiction that Dr. Ambedkar and many other stalwarts of the Freedom Movement had warned us about, continues to mar our national life even today. Therefore, all of us should hold our freedom and our democracy to be incomplete until we erase this contradiction and make our great nation a land of justice and equal opportunity for all its billion plus citizens.

One of the major gains of democracy in India is the ever-growing active participation of women in the political process - not only as voters, but also as elected representatives and bearers of executive responsibility. At the same time, this positive experience has made both women and men acutely aware of the under-representation of our sisters in Parliament and State legislatures. The Constitution (85th Amendment) Bill, 1999, which was a response to this all-round support for women's political empowerment, has already been introduced in Parliament. It is unfortunate that this Bill has not yet been enacted. I urge all political parties to arrive at a consensus and pass this Bill during this session. This would be a fitting tribute by India's Parliament to the "Year of Women's Empowerment", which we are observing this year.

Last fortnight, India launched its biggest-ever Census operation. Our population has now crossed one billion. Last year, we adopted a comprehensive National Population Policy. The policy has three principle objectives—to reduce the rate of growth; stabilize the absolute size; and, providing welfare and developmental opportunities for the entire population, especially women. To realize these objectives, it is necessary to evolve, in concert with the States, a set of incentives and disincentives. These should be enforced in a non-coercive manner with the fullest cooperation of social, cultural, and religious institutions.

India's external and internal security is the highest priority for the Government. We are committed to further strengthening the country's strategic response capability to meet any eventuality. A Group of Ministers has examined the recommendations of the Kargil Review Committee on the national security system, and will soon submit its proposals. The maiden flight of the indigenously developed Light Combat Aircraft took place successfully last month. The nation commends the dedicated work of our scientists and engineers for this aeronautical achievement, as also for their path-breaking accomplishments in missile development.

The Government is pursuing a multi-pronged strategy to bring peace and normalcy in Jammu and Kashmir. As part of this, it launched a major peace mission on November 19, 2000, by announcing a unilateral non-initiation of combat operations in the State during the holy month of Ramzan. This bold initiative was extended twice up to February 26, 2001. As anticipated, this was warmly welcomed by the people of Jammu and Kashmir, who are longing for an end to militancy and violence in their beautiful State. The international community has also given overwhelming support, because it sees in it yet another demonstration of India's sincere commitment to a peaceful and permanent solution to the Kashmir issue.

It is a matter of deep distress and concern to all of us that Pakistan has not reciprocated India's sincerity. There has been no let up in, much less an end to, cross-border terrorism and vicious anti-India propaganda, originating from Pakistani soil. Many innocent lives continue to be lost every day to acts of barbarism by those who cloak them in the garb of "Jehad". Pakistan bears the responsibility for these acts against humanity, which are a travesty of religion. Its protestations about its eagerness to resume talks with India will not carry conviction so long as it allows the terrorists' guns and bombs to do the talking. Should Pakistan create an atmosphere conducive for meaningful talks, India will be more than ready to resume the dialogue process. The Army and our paramilitary forces are working under trying circumstances and the nation appreciates their supreme determination and sacrifice. Action against terrorist organizations will continue relentlessly.

Militancy in Jammu and Kashmir is now increasingly confined to foreign mercenary groups. This has widened the scope for democratic activity in the State. The people of the State participated enthusiastically in the recent Panchayat elections. I reiterate the Government's readiness to have talks with every group in the State that abjures violence.

There is relative improvement in the situation in the North East. Peace and normalcy in this strategic region require both political stability and faster socio-economic development. This has to be combined with firm action against militant and extremist outfits. The special developmental package devised for the North East is being speedily implemented. Substantial developmental resources flow into the region each year. However, their impact on the ground is not commensurate. I urge the State Governments to ensure that there is no mismanagement or leakage of public funds. For this, they should carry out effective decentralization, strengthen democratic institutions, and increase the participation of people's organizations. They must also protect the minorities in their respective States.

The Government is uncompromising in its commitment to secularism. The levels of communal and caste violence have continued to decline. This improvement is especially remarkable in view of the unceasing efforts from

across the border to foment communal trouble in India. We have stepped up our vigil against communal and extremist organizations. The law will take its course unsparingly and impartially against those who seek to create trouble.

One of the momentous events to take place last year was the creation of three new States—namely, Chhattisgarh, Uttaranchal* and Jharkhand, taking the number of States in the Union of India from 25 to 28. The creation of these new States has met the long-standing aspirations of their people. It will also hasten their socio-economic development. I join all of you in extending warm felicitations to these new States.

Centre-State relations continue to be harmonious. The Inter-State Council, and its Standing Committee, has been meeting regularly. This augurs well for our democracy and for our federal polity. The Chief Ministers' Conference on Internal Security in August helped in the evolution of a better understanding and greater coordination among States, and between the Centre and the States, in dealing with militancy, terrorism, and organized crime. The Central Assistance for modernization of State Police Forces has been increased from Rs. 200 crore to Rs. 1,000 crore a year for the next ten years based on matching contribution by the States.

The Eleventh Finance Commission has submitted its report, which has addressed the serious issue of the worsening fiscal health of State Governments. Among its recommendations is a monitorable fiscal reform programme to reduce their revenue deficits and bring about fiscal corrections in a phased manner. The Fiscal Responsibility Bill seeks to achieve the same positive objectives at the Centre.

The process of economic reforms in India is now a decade old. During this period, several Governments at the Centre and in the States, belonging to various parties and alliances, have carried this process forward. The agenda of reforms has, thus, been sustained by a growing national consensus. This consensus needs to be broadened and strengthened, guided always by the criteria of whether or not specific policy changes promote the interests of the country and the common man. The scope of the reform process itself needs to be widened so as to fortify self-reliance, create more employment opportunities, and to rapidly remove poverty. The past decade's experience has clearly shown that economic reforms can yield desired results only if they are fully complemented by administrative, judicial, educational, and labour reforms. Each of these reforms is a part of an integral national endeavour that seeks to convert the immense potential of India into a renascent reality in the 21st century.

India is among the ten fastest growing economies in the world. Our economy has grown at impressive annual rates of between 6 and 7 percent during the past three years. This, despite formidable challenges on the

* Now known as Uttarakhand.

external front, as well as droughts, floods, and other natural calamities in several parts of the country. However, we need to set an ambitious target of 9 per cent annual growth for the next ten years to double our per capita income and halve poverty. Today's problems can be turned into opportunities for a big surge forward, if the Centre and State Governments, all political parties, and the people adopt "Faster and More Balanced Development" as the common Mantra of the Decade.

Agriculture continues to provide livelihood for most of our people. Our hard-working kisans deserve applause for the record foodgrains harvest of 209 million tonnes last year. Our buffer stock has crossed an all time high of 40 million tonnes. Today India has become the largest producer of milk, and the second largest producer of rice, wheat, fruits, and vegetables in the world. We are also the world's fifth largest producer of eggs and its sixth largest producer of fish. Accelerated and sustainable development of agriculture is a high priority for Government. The first National Agriculture Policy was announced last year. It sets a growth rate of over four per cent a year, based on efficient harnessing of our soil, water, and biodiversity resources. It also seeks to promote higher public and private investments in agriculture, irrigation, agro-processing, distribution, and marketing. Organic farming and bio-fertilizers will be especially encouraged. The National Storage Policy, announced last year, will facilitate private investment in building state-of-the-art silos for integrated bulk handling, storage, and transportation of foodgrains.

To protect our farmers against unfair global competition, import duties were increased on many agricultural commodities, including edible oils. The Government has begun phased decontrol of sugar, by reducing the proportion of levy sugar from 40 per cent to 15 per cent. During last year's kharif season, 65 lakh farmers were insured under the National Crop Insurance Scheme. So far, 105 lakh farmers have been given the Kisan Credit Card.

The policy of emphasizing higher farm production through subsidy on inputs rather than through building new capital assets in irrigation, power, and rural infrastructure, has considerably reduced public investments in agriculture. Besides inducing inefficient use of scarce resources, this has also degraded soil, water resources, canals, and roads. In turn, this has caused farm productivity and the kisans' profitability to stagnate. This vicious circle needs to be turned into a virtuous circle of greater efficiency and productivity, to benefit both the kisans and the consumers, especially the poorest among them.

Poor road connectivity is the biggest hurdle in faster rural development. The Pradhan Mantri Gram Sadak Yojana seeks to provide all-weather roads to over one lakh unconnected rural habitations with a population of more than 500 in the next seven years. For the first time, the Centre has made a provision of Rs. 2,500 crore a year for improving rural roads. This Centrally

sponsored scheme would be effectively implemented with the fullest participation of State Governments and Panchayati Raj bodies.

Steps have been initiated to bring all watershed and area development programmes implemented by different ministries under a single umbrella. Although considerable resources have been spent so far on drinking water schemes in rural areas, these have not yielded tangible and expected benefits, owing to a lack of clarity on ownership and poor planning and maintenance. Therefore, a new initiative has been introduced, initially on an experimental basis in many districts, to institutionalize community participation in implementing, managing, and maintaining the rural drinking water supply schemes.

Keeping in view the consensus on better targeting of food subsidies, the Government has increased the monthly allocation of foodgrains to Below-Poverty-Line families from ten kilos to twenty kilos, at half the economic cost. The Antyodaya Anna Yojana, launched in December, shows the human face of our economic reforms. It will provide 25 kilos of foodgrains each month to the one crore poorest families in the country, at still lower rates of two rupees a kilo for wheat and three rupees a kilo for rice. Because of Government's policies, the prices of most essential commodities have remained reasonable; no shortage of any commodity has been reported from any part of the country.

Expanding and modernizing India's physical infrastructure is urgently needed for faster and more balanced economic growth. We have made significant progress in some areas in recent years, although critical bottlenecks remain in several other areas. I am happy to inform you that the Government has resolutely pursued reforms in the telecom sector. Several important milestones indicated by the New Telecom Policy have already been crossed. The Department of Telecom Services has been corporatized into Bharat Sanchar Nigam Limited. The fruits of these reforms are now clearly visible. Tariffs have plunged, areas for local calls have been expanded, and there has been a remarkable growth and improvement in Internet services. The proposed Communication Convergence Bill will respond to the emerging scenario of the coming together of telecom, broadcasting, and IT technologies.

Information Technology has emerged as one of the fastest growing sectors in our economy. Our software exports, which were US\$ 4 billion last year, are continuing to grow at an impressive annual rate of over 50 per cent, giving us the confidence that the target of US\$ 50 billion by 2008 is certainly achievable. The Knowledge Economy presents India with an epochal opportunity to remove poverty and create prosperity for all our citizens, provided we quickly harness our rich human capital by improving education at all levels. The Government has drawn up a programme to double the intake of students in IITs and other premier engineering

institutions in 2002 and treble it in 2003. A scheme to allow establishment of world-class science and technology institutions through philanthropic initiatives of the private sector and NRIs is under consideration. A National Mission on Technology Education, under the chairmanship of the Minister for Human Resource Development, will soon be set up. All these efforts will hasten the pace of development of trained manpower for realizing our full potential in IT, biotechnology, and other hi-tech areas.

Direct-to-Home services with suitable safeguards have been permitted, so that benefits of this superior technology are available to our television viewers. Doordarshan's contribution to developmental broadcasting and its role in promoting national solidarity are well known. It has launched a Kashir channel devoted to Jammu and Kashmir and a dedicated 24-hour satellite North East channel to strengthen the bonds of emotional and cultural integration between our brethren in these States and the rest of the country. Private FM radio services will soon be available in several cities. One channel in each of these cities has been exclusively assigned to promote distance education.

Integral development of the transportation infrastructure, with a well-coordinated multi-modal approach, is a vital need of our economy. Work on the National Highway Development Project, comprising the Golden Quadrilateral and the North-South and East-West corridors, is proceeding at a fast pace. Considerable non-budgetary resources, including multi-lateral funding, are being mobilized for this ambitious project, which is estimated to cost Rs. 54,000 crore. A number of policy changes have been effected by the Centre and the States to attract private and captive user sector investment for augmenting the capacities of our ports. A new major port at Ennore was dedicated to the nation early this month. Being the first corporate port in India, it will be a trend-setter for future port development in the country.

Although Indian Railways are a lifeline of the nation, they have suffered from long years of neglect. Their finances are in a critical state, rendering them unable to implement many long-pending developmental projects. They are also starved of resources to fund the much-needed programme to improve rail safety, which is estimated to need Rs. 15,000 crore. There is a great untapped potential for the Railways to raise internal resources through non-traditional means. They have recently started many innovative initiatives with the private sector and State Governments to implement new lines, gauge conversion, and doubling projects. An expert committee on Railways has just completed a comprehensive study of the operations, organization, finances, investment, tariffs, and other policy issues. The Government will review the recommendations of this committee and initiate necessary action expeditiously.

The public sector has played a vital role in the development of our economy. However, the nature of this role cannot remain frozen to what it was conceived fifty years ago—a time when the technological landscape, and the national and international economic environment were so very different. The private sector in India has come of age, contributing substantially to our nation-building process. Therefore, both the public sector and the private sector need to be viewed as mutually complementary parts of the national sector. The private sector must assume greater public responsibilities, just as the public sector needs to focus more on achieving results in a highly competitive market. While some public enterprises are making profits, quite a few have accumulated huge losses. With public finances under intense pressure, Governments are just not able to sustain them much longer. Accordingly, the Centre as well as several State Governments are compelled to embark on a programme of disinvestment.

The Government's approach to PSUs has a three-fold objective: revival of potentially viable enterprises; closing down of those PSUs that cannot be revived; and bringing down Government equity in non-strategic PSUs to 26 per cent or lower. Interests of workers will be fully protected through attractive VRS and other measures. This programme has already achieved some initial successes. The Government has decided to disinvest a substantial part of its equity in enterprises such as Indian Airlines, Air India, ITDC, IPCL, VSNL, CMC, BALCO, Hindustan Zinc, and Maruti Udyog. Where necessary, strategic partners would be selected through a transparent process.

Reforms in the power sector are crucial for achieving the ambitious growth targets of the economy. To remove the chronic shortages in most parts of the country, and to make power affordable to all, we have set a target of installing an additional capacity of 100,000 megawatts by 2012, along with the associated transmission and distribution systems. This will require an investment of around Rs. 800,000 crore. The Electricity Regulatory Commissions, both at the Centre and in the States, will have to play a pivotal role in rationalization of tariffs, restoration of the financial health of SEBs, and creation of confidence in private investors. I urge the State Governments, all the political parties, as well as employees of power utilities and consumers, to support the reforms in the power sector. The transition may be difficult initially, but will ultimately be rewarding for all.

Three nuclear power reactors were connected to the national grid during this year. Nuclear Power Corporation of India created a world record with only fourteen days between criticality and synchronization of the fourth unit of the Rajasthan Atomic Power Station. The world is now looking at renewable energy as a viable and clean option to bridge the energy gap and to contain the problem of environmental degradation. Our goal is to add 10,000 megawatts from renewables over the next twelve years, increasing their share in the additional capacity installed to ten per cent.

The “India Hydrocarbon Vision 2025” Report has been finalized to chart out a long-term policy for the petroleum and natural gas sector. The steep rise in crude oil prices in the last eighteen months have increased our oil import bill to nearly Rs. 80,000 crore this year. Therefore, the Government is taking specific steps to further raise indigenous crude oil production. We have awarded 25 blocks for exploration during this year; we expect to award another 25 by September. We have also acquired oil equity abroad by buying twenty percent in the Sakhalin—I oil field in Russia. Efforts for similar acquisition of oil equity overseas are underway. We have discovered oil and gas in the deep sea of the Krishna-Godavari basin and in the shallow waters of Cambay region. India has this year achieved complete self-sufficiency in refining of crude oil. I am happy to inform you that, last year oil marketing companies have released about 12 million LPG connections, against the target of 10 million. The waiting list for LPG connections has ended and they are now available across the counter. Large-scale efforts are being made to provide LPG connections to our rural population.

The Government is following a twin strategy to achieve growth in the coal sector. We will allow participation of the private sector in coal mining. We shall also strengthen Coal India by facilitating joint ventures. The issue of safety in coal mines has been once again sharply highlighted by the recent tragedy in Bagdigi near Dhanbad. The imperative of safety is closely linked to the modernization of the coal sector, with the introduction of the latest mining technology and management techniques. It brooks no delay. A comprehensive re-survey of all coal mines vulnerable to mishaps has been ordered.

Textiles is a traditional industry, in which India enjoyed a global advantage for a long time. However, this edge has been blunted because this sector was not enabled to restructure itself to respond to the growing competition in the global market. To end this neglect and to achieve accelerated development of this sector, a new Textile Policy has been unveiled. It aims to promote a state-of-the-art textile manufacturing capability in our country to meet domestic demand and to enhance textile and apparel exports from the present level of US\$ 13 billion to US\$ 50 billion by 2010. In addition to the Textile Upgradation Fund Scheme and the Technology Mission on Cotton, separate schemes like the Deen Dayal Hathkargha Protsahan Yojana have also been launched to cater to the needs of weavers, farmers, and artisans.

India enjoys a significant competitive advantage in chemicals and pharmaceuticals. To encourage R&D and investment in this sector, it is proposed to raise the FDI limit through the automatic route from the present 74 per cent to 100 per cent. A new Drug Policy is being finalized to enable India’s pharmaceutical industry to become a world leader.

India has a huge untapped potential in tourism, which is the fastest growing industry in the world. The Government has strengthened, in coordination with the States, its efforts to improve the infrastructure and market both traditional and non-traditional destinations to domestic and international tourists.

After years of sluggish growth, our exports have been rising rapidly. They grew by 20.4 per cent in dollar terms between April and December, against the target of 18 per cent for the entire year. Foreign currency assets on February 2 stood at a comfortable level of US\$ 38.5 billion. Our liberalization of the trade policy continues to focus on procedural simplification to improve competitiveness of the Indian economy. While removing most Quantitative Restrictions in April, as per our WTO commitment, we will see that the transition will not be painful to Indian agriculture and industry, especially to the small-scale sector. The existing Export Promotion Zones at Mumbai, Kandla, Surat, and Kochi have been converted into Special Economic Zones. New such zones will also be set up at nine other places.

The Small Scale Sector contributes more than 38 per cent of the industrial production and 35 per cent of direct exports. We have put in place a Comprehensive Policy Package for the Small Scale and Tiny Sector. A scheme to restructure and modernize the Khadi and Village Industries Commission is also on the anvil. A common brand name known as "Sarvodaya" has been launched to effectively promote KVIC products in the domestic and international markets.

In view of the daunting challenges that India faces in a highly competitive global market, there is growing recognition that amendments to some of our labour laws cannot be delayed any more. These amendments are indeed pro-labour, because they will facilitate greater employment opportunities in both the organized and unorganized sectors. They will do so by removing the hurdles to faster economic development by giving businesses the opportunity to make investments both in new units as well as to expand existing ones. For example, India can command a significant competitive advantage in the international market in labour-intensive industries like garments, light engineering, toys, handicrafts, leather, and in IT-enabled services. The Government will encourage large-scale investment in such industries and create necessary infrastructure for their rapid growth.

In implementing these much-needed labour reforms, the Government pledges not to dilute its commitment to workers' welfare in any way. Programmes for training and retraining of workers to adapt to new technologies will be expanded. Facilities for their entrepreneurial development and self-employment will be augmented. Many steps have already been taken to expand the coverage, and liberalize the benefits, of

social security schemes for workers. For the benefit of poor families and the unorganized working class in rural and urban areas, the Janashree Bima Yojana was launched in June 2000. The Ministry of Labour is working on a comprehensive social welfare scheme for agricultural workers, who constitute the largest segment of the workforce in the country. We propose to cover all child labour endemic States with projects for rehabilitation through education, with emphasis on girls.

Education, especially education of girls, is the most rewarding investment we can make in India's future. An integrated National Education Programme, Sarva Shiksha Abhiyan, has been launched for universalizing elementary education. For this, a national mission has been constituted with the Prime Minister as its Chairman. It aims to provide eight years of quality elementary education to all children up to the age of fourteen by 2010, by making local communities own and manage the programme. It will especially focus on girls and disadvantaged groups through alternative modes of education. The Government will step up efforts for vocationalisation of education and enable the youth to start their own enterprises as well as new self employment ventures.

Faster socio-economic progress of all the weaker sections of our society is a fundamental commitment of my Government. We are taking many steps to make the finance and development corporations for the Scheduled Castes, Scheduled Tribes, Backward Classes, Safai Karamcharis, and Minorities more effective. More facilities will be created to provide assistance for income generation ventures, self-employment activities, and enhancement of skills and talents. The coverage of micro-credit to Self Help Groups, especially those managed by women, is being expanded for the economic advancement of the poor in rural and urban areas. The Government is determined to check atrocities against the Scheduled Castes and Scheduled Tribes.

The wealth of a nation lies chiefly in the health of its citizens. A new Health Policy will soon be unveiled, which will draw upon on the positive as well as negative lessons of the past efforts to achieve the unmet goal of "Health For All". One of these useful lessons has been the highly successful Pulse Polio Immunization Campaign, which ended last month. The Government will soon launch similar national campaigns, with the widest possible mobilization of official and non-governmental resources, to deal with other major challenges in public health such as malaria, kala azar, and the epidemic spread of HIV/AIDS. We have made considerable progress in eliminating leprosy. The coverage under the Revised Directly Observed Treatment Short Course Strategy for Tuberculosis has risen to over 300 million from 20 million two years ago. It has saved nearly seventy thousand lives since its inception. I commend the Government for its bold step to initiate a legislation to ban all forms of tobacco advertising and

sponsorship, along with other measures to prevent minors from getting addicted to nicotine. We have set in motion medical research based on the Human Genome to make India a front-runner in this highly promising new area of modern science.

Ayurveda, Homeopathy, Siddha, Unani, Yoga, and Naturopathy offer a wide range of preventive, promotive, and curative treatments that are both cost-effective and efficacious. We are working to end the long neglect of these holistic systems in our national healthcare strategy. A National Medicinal Plant Board has been set up to promote cultivation, processing, production, and standardization of herbal products, both for domestic and export markets. Steps are also being taken to protect our traditional knowledge in this area, which promises to attract immense global attention in the coming years.

Deteriorating quality of life in our urban areas is a matter of deep concern. We need to promote environmentally sustainable, economically efficient, socially equitable, culturally vibrant, and regionally balanced urban development. The Government will foster such policies with the cooperation of State and local self Governments. The programme to facilitate construction of 20 lakh additional housing units each year in urban and rural areas, with the assistance of HUDCO, is progressing satisfactorily. The Swarna Jayanti Shahari Rozgar Yojana and the National Slum Development Programme are expected to significantly contribute to the alleviation of urban poverty and provision of shelter to the poor.

Recurring droughts, floods, falling ground water table, and shortages of drinking water in rural and urban areas have forcefully reminded us that we will face graver crises in the future unless we begin prudent management of our water resources today. Since the adoption of the National Water Policy in 1987, many problems have emerged in the development and management of our water resources. Therefore, a revised draft water policy was framed, which was discussed in the fourth meeting of the National Water Resources Council in July last year. To sort out the differences that emerged, a Working Group of Ministers has been constituted. The Government will soon launch a national campaign for water conservation, with the active participation of various user groups. I am happy to inform you that Forest Survey of India Report for 1999 has indicated that our forest cover increased by 3,896 square kilometers since the previous assessment in 1997.

India continues to make rapid strides in space science. The first test of an indigenously developed cryogenic engine last year was an important milestone in the development of our geo-stationary satellite launch capability. Our latest satellite INSAT-3B will initiate the Swarn Jayanti Vidya Vikas Antariksh Upagraha Yojana, aimed at providing developmental

education in rural areas. Two Jai Vigyan National Science and Technology Missions were launched—one on conservation of agro-biodiversity and the other on household food and nutrition security.

The Department of Justice is in the process of reviewing various procedural and substantive laws to reduce delays in litigation. Two specific schemes have been initiated for this purpose. The first involves setting up of 1,734 Fast Track Courts for expediting the disposal of long pending cases. The second is a pilot project for computerization and networking of courts in the four metros. This will serve as a model for district and subordinate courts.

The Government is taking significant steps to reinvigorate the creative spirit of India's culture, by building bridges between the present and the past. We have launched an innovative initiative to facilitate the equal partnership of the public and private institutions to manage our rich and diverse cultural heritage, through the National Culture Fund. We have also stepped up our efforts to promote cultural and sporting ties with other countries. India will host the first ever Afro-Asian Games in November.

India's foreign policy, resting on a strong foundation of continuity and national consensus, has responded creatively to the changing global scenario. The international community is beginning to recognize that a resurgent India — peace loving, prosperous, and strong — is a reliable factor for peace, stability, and balance in Asia and in the world. The principal thrust of our foreign policy is to promote an external network of peaceful and friendly relations, which would enable us to focus on our internal task of nation-building. Central to this objective is our consistent pursuit of friendly relations with all our neighbours. Indeed, our ties with all of them, barring Pakistan, have continued to grow both in substance and in scope.

India and Nepal share an intimate relationship characterized by wide-ranging interaction in all spheres. Prime Minister G.P. Koirala visited India last July, when our countries comprehensively reviewed our bilateral relations to further strengthen them. This process will continue in the future despite efforts by vested interests in recent times to hinder it. We have a strong interest in the progress of Bhutan and Maldives and our relations of mutual respect and trust enhance this objective. India hopes that peace will soon return to the troubled land of Afghanistan, so that its people could shape their own destiny free from external interference and religious extremism.

Improvement of infrastructural links has also been a focus of bilateral co-operation with our neighbours. A third broad gauge rail link with Bangladesh has just been restored, further promoting our close co-operation and people-to-people relations. The operationalization of the India-Sri Lanka Free Trade Agreement is expected to significantly increase economic linkages between our two countries. We look forward to welcoming

President Chandrika Bandaranaike Kumaratunga in Delhi later this week, and to review with her the whole range of our excellent bilateral relations. The new road link with Myanmar, built with Indian assistance, would ease travel and facilitate trade between our two countries.

My visit to China last year, and the recent visit of Mr. Li Peng, Chairman of the Standing Committee of the National People's Congress, have further developed our bilateral relations. We are committed to friendly and good-neighbourly ties with China based on Panchsheel and mutual sensitivity to each other's concerns.

India's "Look East" policy saw the Prime Minister make successful visits to Vietnam and Indonesia last month. I paid a State visit to Singapore in November 2000. India's historical links with Indo-China and Southeast Asia are deep and strong. There is immense scope for increasing economic and people-to-people relations with the countries of this region, which forms our extended neighbourhood. In this endeavour, the establishment of the Mekong-Ganga Co-operation Initiative is an important milestone. During the landmark visit of Japan's Prime Minister, Mr. Yoshiro Mori, in August last year, we agreed to build a Global Partnership in the 21st Century. We are looking forward to the visit of the President of the Republic of Korea, Mr. Kim Dae-jung, to India later this year.

We share deep-rooted historical and cultural bonds with the Central Asian countries and attach great importance to further developing our relations with them. Our civilizational contacts with West Asia and the Gulf go back several millennia, and we value our relations with all the countries in this region. We have expressed our deep concern at the stalemate in the Middle East Peace Process, the excessive use of force, and the recent violence. We believe that all States in the region, including Palestine and Israel, have a right to exist within secure and internationally recognized boundaries.

Our time-tested friendship with Russia attained a highpoint during the October visit of President Vladimir Putin, when we signed a Declaration on Strategic Partnership, charting out a detailed roadmap for stronger Indo-Russian ties in the new century.

The steadily growing strength of India's interaction with the United States of America forms an important new dimension of our external relations. President Clinton's visit to India, and the Prime Minister's visit to the US last year, laid a firm foundation for this new phase in our relationship. I compliment Indian IT professionals in Silicon Valley and, indeed, the entire Indian-American community, for their shining successes. They have changed the American perception—in fact, the world's perception—of India. We continue to engage with the Administration of President George W. Bush to foster a stronger and mutually beneficial bilateral relationship.

The first-ever India-European Summit in Lisbon, during the Prime Minister's visit to Portugal in June last year marked a qualitatively higher level in India's strategic partnership with EU. It formulated an agenda to intensify our political, economic, and commercial exchanges. We are confident that our warm relations with UK, France, Germany, Italy, and other European countries will continue to acquire new dimensions. India is further consolidating her historical links with the countries of Eastern and Central Europe. High-level exchanges are planned with many of them.

Our relations with African countries are marked by warm friendship and a shared concern for the interests of the developing world. The Indian Ocean Rim offers great potential for closer co-operation with Southern and Eastern Africa. The recent visit to India of Prime Minister Sir Anerood Jugnauth underscored our intimate friendship with Mauritius. I am looking forward to visiting Mauritius on the occasion of their National Day celebrations. The President of Algeria, Mr. Abdelaziz Bouteflika, was the chief guest at this year's Republic Day Parade. The visit of the President of Nigeria, Mr. Olusegun Obasanjo, has further consolidated our ties with this important African country. We are looking forward to the visit of His Majesty King Mohammed VI of Morocco later this month.

We will continue to strive for closer relations with the countries of Latin America, and to expand our traditionally warm ties with the Caribbean countries and other members of the Commonwealth. The suppression of democracy in the multi-ethnic society of Fiji continues to cause us grave concern. India will work closely with the international community for the peaceful restoration of a non-discriminatory democratic order in Fiji.

The international community agreed at the UN Millennium Summit that the globalization process should be inclusive and equitable. It condemned international terrorism, including cross-border terrorism, trafficking in illicit arms and drugs, religious fanaticism, and military adventurism. India's call for an early international conference against terrorism was endorsed. An increasing number of countries have joined the demand for making the United Nations Security Council to be more representative and responsive. India's candidature for the permanent membership of an expanded Security Council is also finding increasing support. We reiterate our call for global, comprehensive and non-discriminatory nuclear disarmament. At the same time, our security imperatives compel us to maintain a credible minimum nuclear deterrent until this objective is achieved.

My Government has taken major initiatives to strengthen our multi-faceted bonds with the Indian Diaspora. They are twenty million strong, spread all over the world, and have maintained close cultural, economic, and spiritual links with their motherland, even while integrating harmoniously into their host societies. A high-level committee has been appointed to

make policy recommendations to encourage their participation in India's socio-economic transformation.

Honourable Members, you begin the Budget session today. Apart from the financial business relating to the Railway and General Budgets, there is a heavy legislative agenda awaiting completion in this Session. Two Ordinances also need to be replaced with Bills. All this work is intrinsically linked to our country's all-round and rapid socio-economic development. The people who have elected you have a high expectation that the precious time of Parliament is best used for the completion of the scheduled business.

I wish you success in your endeavours.

Jai Hind.