

Honourable Speaker and Members of the Legislative Assembly.

I welcome you to your First Budget Session after the Elections to the 4th Legislative Assembly in October 2004. The ensuing year has not been easy because my Government, and the people of our State, have been facing several major problems, which are both important and difficult. Our Parliamentary, and thereafter the Assembly Elections in 2004, were a challenge to the Administration and the law enforcement machinery. There were reports of threats from underground elements and their infiltration into the state so as to disturb the electoral process. Changing political realignments also contributed to an unstable law and order situation. We have been dealing with the situation, and hope to provide our people an orderly atmosphere, free of lawless extortionists and trouble makers. The Chakma-Hajong refugee issue too got exacerbated by the Election Commission's insistence on enfranchising them. Further, unprecedented rains, floods and landslides caused severe disruption of surface communications. Despite all these problems, we were able to conduct the Elections smoothly and successfully.

2. In August/September 2004 the State Government also had to face and defuse communal tension caused by a series of clashes at Along, Pasighat, Roing, etc. There were also some confrontations on the Assam-Arunachal border, due to the act of some officials from Assam encroaching into certain pockets within Arunachal. The State Government took up the matter with the Assam Government and the Central Government to put an immediate check on such encroachments and prevent further recurrence of such incidents. Immediate relief was rushed to the affected areas, and a constant watch is being maintained to ensure that our people are not harassed. The State Government was also severely constrained by insufficient resources, due to a lack of appreciation by the Central Government of the funding needs of the State.

3. Even though faced with all these difficulties and challenges, my Government has been able to acquit itself well, and the situation has never been allowed

to get out of hand. I congratulate the Government, and the people of Arunachal Pradesh for their restraint, and for maintaining peace and harmony even though faced with trying circumstances.

4. Agriculture and Horticulture are the mainstay of the people of this State. In order to generate higher income for farmers and reduce disparities, the objective of my Government has been to promote commercial agri-horti crops (such as ginger and other spices) and move away from traditional subsistence farming. To ensure this, my Government has made efforts to provide better marketing and processing facilities to promote crop diversification and mechanization, along with better quality and high-yielding inputs. The feasibility studies for setting up Krishi Vighyan Kendras (KVKs) have been completed and the Indian Council for Agriculture Research (ICAR) have approved three KVKs to be set up at Roing, Dirang and Deomali. The KVK at Deomali is likely to start functioning in the current year itself. Although Kharif crops this year were adversely affected due to torrential rains and floods; area expansion under high-density plantation of apple and large cardamom has made significant progress. The initial experimental farms of the exotic fruit “kiwi” have stabilized and matured, and assisted in promoting many farms, and many successful farmers. The fruit is now available in the local market and the surplus is being exported.

5. Most of the farmers in the State integrate crop production with animal husbandry in varying degrees. In the high altitude and other arid areas, they rely for sustenance on their livestock, which provides them with nutrition, fuel, clothing and protein. My Government is totally committed and determined to improve the socio-economic condition of our farmers through livestock based enterprises. In this context we are concentrating on: scientific management and upgradation of genetic resources; control of animal diseases; increasing the availability of nutritious feed and fodder; development of processing and marketing facilities; enhancement of production and profitability of livestock based enterprises; and conservation and development of

indigenous species, like the mithun and yak. The existing dairy farms of the state are also being strengthened to meet the growing demand for milk for people, especially nursing mothers. The old central dairy farm, after being relocated at a new site at Nirjuli-II area will be fully operational within the current year. The Integrated Dairy Development Project is being strengthened and geared up for augmenting milk production through Dairy Cooperatives. At the same time, efforts are being made to extend the same to other districts and make the dairy plants at Karshingsha and Pasighat operational for milk processing and packaging.

6. Under the Poultry Development programme, the existing District Poultry Farms at Tezu, Changlang and Pasighat are being strengthened with central assistance to meet the demands for broilers and layers. Low technology input birds are being introduced keeping in mind the economic status of our farmers. The poultry farms at Tezu and Pasighat will have a hatchery attached to the farm to meet the demands for day old chicks. Similarly, under the Piggery development project, the Base Pig Breeding Farm located at Loiliang in Lohit District is also being strengthened with assistance from the North Eastern Council (NEC) to meet the growing demand for quality boars and augmenting pork production. The farmers are being constantly encouraged to develop piggery and other livestock based enterprises, through assistance from NABARD and other centrally sponsored schemes.

7. Road connectivity to, and within our vast state requires quantum upgradation. With the lowest road density in the country at 18 kilometers per 100 sq. kilometers, road construction has to be our top most priority. Bridges are an indispensable component of any road project, as in our State there are a huge number of rivers, streams and gorges that criss-cross our mountainous and undulating terrain. The construction of the steel girder bridge over River Dilli (span 110 meters) on Bogapani – Nakfan – Ranglua road, under the RIDF of NABARD is likely to be completed shortly. Under the Central Road Fund (CRF), major bridges over the rivers Dibang (span 150

meters), Buri Dihing (span 120 meters), Tara Tamak (span 110 meters), Sibya (span 55 meters) on the Mebo-Dholla road, Berreng (span 80 meters) have been taken up and are under progress. The work on the NH 153 from Jairampur to Pangs Pass on the Indo-Myanmar border, covering a length of 35.522 kilometers is making steady progress. Works of widening, strengthening and providing cross drainage and culverts, etc. for a length of 20 kilometers have been taken up.

8. An Accelerated Road Development Plan for the North-Eastern Region is under consideration and likely to be approved by the Government of India soon. This will take up a substantial number of projects in Arunachal Pradesh, providing inter-district and inter-basin connectivity. The execution of these projects will be taken up irrespective of the fact whether or not they meet the standard norms of economic viability and traffic density. These roads, once completed, will open up the interior areas to economic development, while reducing the need for costly air-maintenance of remote administrative centres.

9. Air connectivity is another issue that my Government has taken up with the Government of India. Air-maintenance in the state relies largely on helicopters, which are costly to operate and maintain, in comparison with fixed wing aircraft. To begin with, the Ministry of Civil Aviation is reviving the proposals for construction of Airports capable of receiving ATR aircraft at Itanagar and Pasighat. These aircrafts are well suited to our state, both in terms of payload and runway length requirements.

10. The visit of the Foreign Secretary in November 2004 has given an impetus to our efforts to develop our remote border areas. On the basis of his recommendations, an integrated development plan for our border areas is being formulated under the direct supervision of the Prime Minister's Office. As a direct consequence, a central team comprising of representatives from the Ministry of Commerce and the Customs Department, visited Pangs Pass in January this year, to assess the prospects of border

trade, and the infrastructure required, viz., road communications, customs and immigration facilities, and land for a trade centre. Besides the Indo-Myanmar border trade, my Government will also take up with the Government of India, the modalities for opening up border trade with Bhutan and China (Tibet), in a phased manner. These efforts of my Government are being coordinated with the objectives and plans of the Union Government and we propose to cooperate with them, as we are convinced that this will bring major benefit to our people in Arunachal.

11. Universalization of Elementary Education and controlling the dropout rate has been a priority area for my Government. The national programme of Nutritional Support to Primary Education, popularly known as “Mid-Day Meal Scheme” was launched in August 1995 by the Government of India for children in Primary Schools (classes I to V). However, for various reasons, the scheme could not be implemented all these years. I am happy to inform you that with effect from July 2004, my Government has already started providing cooked Mid-Day Meals to children in classes I to V in government schools throughout our State.

12. The lone University of the State, the Arunachal University at Rono Hills near Doimukh was languishing for want of adequate resources. In order to ensure financial autonomy of the University, which is the sine-qua-non for any centre of academic excellence, the Arunachal University Act 1984 was amended to provide a statutory grant of Rs.8.59 crore per annum to the University. The State Government has taken a decision to rename the University as Rajiv Gandhi University. The Central Government has accepted in principle our proposal to bestow Central University status to the Arunachal University and recently, a University Grants Commission (UGC) team made a visit to the University in this context. We expect suitable orders in the coming year.

13. The World Bank aided Polytechnic in Itanagar established in 2002 is now running six full fledged courses, namely Information Technology; Tourism and Hotel Management; Costume Designing and Garment Technology; Automobile Engineering; Electrical and Electronics Engineering; and Herbal Remedies and Cosmetology. The Herbal Remedies and Cosmetology course is unique in that it is not available as a vocational course anywhere else in the country. This course should open up avenues for entrepreneurship and facilitate scientific exploitation of our abundant herbal, medicinal and aromatic plant wealth. Smti Sonia Gandhi, the Chairperson of the National Advisory Council, recently inaugurated the permanent campus of the Polytechnic on 20th February 2005.

14. My Government is conscious of the need for improving and providing comprehensive and quality health care. I am happy to inform you that the Ministry of DONER, Government of India, has approved in principle, the establishment of a 500 bed Referral Hospital, a long felt need of the State. The Government hospitals at Itanagar and Pasighat have also been modernized with the installation of Hospital Waste Management Systems. Our priority and thrust in the health sector, will be on consolidation and upgradation of the CHCs, PHCs and HCs, as well as revival of the institution of “medics” in the far-flung and remote areas of the State. National programmes like Family Welfare, control of TB and Malaria, control of blindness, leprosy eradication programme and AIDS control programme will also continue to be implemented with financial assistance from the Govt. of India during 2005-06. The Arunachal Pradesh State AIDS Control Society has set up Voluntary Counseling and Testing Centres (VCTC) at the General Hospitals at Naharlagun and Pasighat and District Hospitals at Bomdila and Tezu.

15. Safe drinking water is a necessary condition for good health. My Government attaches the highest priority for providing safe drinking water to all habitations. Out of 4298 habitations in the state, 4063, being 94.53% have already been covered. We have a phased programme to achieve 100% coverage by 2007. The water supply project at Itanagar, funded by the Ministry of DONER, is functioning well, and

the one at Along is nearing completion. The projects at Pasighat, Roing, Daporijo, Naharlagun, Hapoli and Bomdila are also progressing well.

16. Arunachal Pradesh is the future powerhouse of the country, possessing one third of the country's hydro-power potential. The Ranganadi Hydro-Electric Power Project, the largest hydroelectric project in the North-East with an installed capacity of 405 MW has been stabilized and overcome its initial teething problems. From it the state has started receiving substantial revenue on account of its 12% free share in its generation. The Government of India, in November 2004, has also cleared the Kameng Hydro-Electric Power Project with an installed capacity of 600 MW (4X150), at an estimated cost of Rs.2496.00 crore. However, generating stations cannot stand alone unless transmission lines are available to evacuate power to consumers and load centres. With this view in mind, my Government has taken up development of a State Power Grid, connecting the generating stations to the major load centres and the regional grid. As part of the proposed grid, two lines, viz., the 220 KV Kathalguri-Deomali Line, and the 132 KV Ziro-Daporijo-Along line are progressing well, with funds from the Ministry of DONER, at an estimated cost of Rs.29.45 crore and Rs.53.17 crore respectively. Both these projects are expected to be completed by March this year and will bring about considerable improvement in the power supply position of Upper Subansiri District, West and East Siang Districts and Tirap District. However, all is not rosy in the Power Sector. In particular, our Technical and Commercial (T&C) losses are unacceptably high and are a cause for serious concern. My Government has identified all the four distribution circles in the State, viz., Dirang, Naharlagun, Pasighat and Ziro for implementing of the Accelerated Power Development Reforms Programme (APDRP) with funding of Rs.85.59 crore from the Government of India. This programme is aimed at reducing losses in transmission, increasing reliability of power supply and facilitating proper energy accounting and audit. The scheme is under various stages of implementation and is targeted for completion in the coming financial year.

17. My Government is implementing a number of schemes for the welfare of women and children, and other disabled, disadvantaged and vulnerable sections of Society. Pensions are provided to the old and infirm, and financial assistance is provided to rehabilitate disabled persons. Children in the age group 0 – 6 years and pregnant and lactating mothers are being provided balanced nutrition under the Prime Ministers Gramodaya Yojana (PMGY). Under the Integrated Child Development Programme (ICDP), a complete package of services is being provided to children, through immunization, pre-school education, health check ups, etc., delivered through the Anganwadi centres.

18. My Government is committed to empowering and raising the status of Women. Although the Arunachal Pradesh (State Commission for Women) Act 2002, was enacted way back in 2002, the actual constitution of the Arunachal Pradesh State Commission for Women could not materialize as the concomitant rules and regulations had not been formulated and framed. My Government has taken action to remove these lacunae, and the first State Commission for Women, was notified on 4th January 2005. The Chairperson and members have assumed office and the Commission has started functioning. The State Commission for Women, will, inter alia, enquire into and investigate unfair practices affecting women, and matters connected thereto.

19. In this era of globalization, our history, culture and heritage needs to be preserved and protected. We have a number of heritage sites in the State, and more are being discovered. The Department of Research has undertaken excavation, conservation and renovation work of Talung Dzong and Dirang Dzong in West Kameng District, Bongal Yapgo (War Monument) in Lower Dibang Valley District and Itafort in Papum Pare district during the year, along with beautification and development of Itafort, Malinithan and Bhisimknagar. A mud fort of 6000 sq. meters (50X120 m) with a height of 1.5 metres of the 16th Century AD has been discovered near Tezu recently, and archeological explorations are on. An archeological museum at Itafort, Itanagar was

inaugurated in December 2004. The construction of the District Museum at Tawang is in progress. Another one at Roing is also being taken up. A multi-purpose cultural complex at a cost of Rs.2.00 crore is being taken up at Itanagar. This complex will be state of the art and comprise of an auditorium, art gallery, exhibition halls, library, museums, accommodation facilities and restaurants, etc.

20. Our state has many attractions for tourists seeking natural and adventure tourism. Arunachal Pradesh has the largest forest cover in the country and is one of the richest zones of biodiversity. In this regard, the State Government has identified eco-tourism as a thrust area. In order to develop Tourism as one of the pivots of the state's economy, my Government will be preparing a detailed Vision Document for the development of Tourism in the state, which will encompass mountain and adventure tourism, wildlife tourism, cultural and pilgrimage tourism, village experience tourism, health tourism, etc.

21. My Government is committed to extend the reach of the PDS system by converting more of the airfed CPO's to the landfed PDS. This would enable not only the Govt. employees but also the general public of the area to avail of the ration items as well as reducing the cost of distribution.

22. It is my Government's endeavour to revitalize the District Administration, which is the cutting edge of governance. In line with this, the bi-annual Conference of Deputy Commissioners has been revived, and the first conference was held on 27th August 2004. My Government is committed to providing a clean, transparent, people friendly and responsive administration. In recent times, the need for a separate Judiciary has been felt. A beginning had been made with the establishment of the 3 (three) Fast Track Courts at Yupia, Basar and Namsai. The separation of the Judiciary from the Executive has been discussed and debated in many seminars and fora, and our conceptual thought process for creating a separate Judiciary is on. The police forces are being

modernized and strengthened and efforts are on to raise the total strength of the India Reserve Battalions (IRBn) to 4 (four) Battalions. Funding for development and the Annual Plan, will also see an increase. The Annual Plan Outlay for the coming year has been finalised at Rs.950.00 crore, i.e., a step up of 25 percent, over the current year's outlay of Rs.760.35 crore, which is unprecedented so far. The Public Sector Undertakings of the State Government will also be revitalized, so that they can contribute to the development effort of the State Government.

23. Before ending this Address, I wish to inform the House and Honourable Members that my Government has been pursuing the case for a new and state of the art Legislative Assembly Building in the State. I am happy to inform you, that the Central Government has approved this in principle, and the work is likely to commence in the coming year, after obtaining all the necessary clearances.

24. My Government is determined to sustain the pace of development in the State and requires every assistance from each one of you to this end. Let us all strive together to achieve our vision of a happy, peaceful and prosperous Arunachal Pradesh. With these words, I extend my sincere good wishes for your ensuing deliberations.

JAI HIND.