

*Honourable Prime Minister, Union Ministers, Chief Ministers of the States, Members of the National Development Council, Deputy Chairman, Planning Commission, Distinguished Colleagues and Officers of the Central Government and State Governments.*

2. At the outset, I take this opportunity to sincerely thank Honourable Prime Minister, Dr. Manmohan Singh, Honourable Union Finance Minister, Shri Pranab Mukherjee, Honourable UPA Chairperson, Smt. Sonia Gandhi, and Deputy Chairman, Planning Commission for allocating a Special One Time Grant of Rs. 200 crore in the Union Budget 2010-11 towards the Golden Jubilee Package. I appreciate and thank them for their kind gesture and concern towards the State of Goa. The people of Goa are indeed indebted to this gesture.

3. I, congratulate the Honourable Prime Minister for his able leadership in successfully steering the Indian economy through the global recession, which hit the Indian economy in its latter part. As we are aware, that the global recession has led to the real economic growth of India to fall sharply, followed by fall in the exports,

fall in capital inflows and the eventual corporate restructuring of the organizations.

4. However, the Government through its policy intervention infused the stimulus packages and cut in the taxes which have started to bear the fruits and the Indian economy is now poised to return to the growth rate of 9 per cent per annum. I am sure that we would be able to achieve the growth rate of 9 per cent by the end of Eleventh Five Year Plan period as enunciated in the Mid Term Appraisal Document.

5. As the State of Goa stands on the threshold of the Golden Jubilee Year of its liberation from the Portuguese rule, it has come a long way since then and seen unprecedented growth and development. The growth of new economy has posed many challenges and put forth number of critical areas requiring immediate attention such as decline in the agricultural economy, making agriculture an economic proposition, industrial slowdown and its sustainable development, existence of unemployment and underemployment, mining activities and its ill effects, rising in-migration - resultant proliferation of slums and related social issues, pressure on basic

amenities such as water, electricity, sewerage and sanitation, unutilized potential of inland waterways, sustainable development with environmental protection, rise in the school dropout, and inadequate availability of financial resources.

6. The above challenges and concerns coupled with the recent global recession have caused disruption to the growth momentum of the State economy. The sluggishness in the export of iron ore from the State has not only affected the foreign exchange earnings of the country but has caused equivalent revenue loss to the local economy. The tourism sector which is the mainstay of the Goan economy has also faced the brunt of the global slowdown and witnessed a sizeable fall in tourist arrival to the State leading to the reduced economic activities. In such difficult times, the poor and common man who lacked the sustenance capacity were the worst affected.

7. The economic slowdown necessitated Government intervention by means of higher public spending to which the State Government responded favorably. The Plan Outlay for last two Annual Plans have been substantially increased from Rs. 1737 crore in 2008-09 to Rs. 2710

crore 2010-11, a staggering 56 per cent increase in two years. As rightly indicated in the Mid Term Appraisal Document, that faster growth in agricultural sector will achieve inclusiveness and bring about broad based improvement in the living standards of the people, through enhanced jobs opportunities under agriculture and allied sector thereby expanding people's disposable incomes. It is in this direction that the State has increased its allocation under Agriculture sector by a staggering 148 per cent on one hand and initiated various new agricultural initiatives on the other. With these appropriate policy measures and new initiatives, we expect a turn around in the rate of economic growth to be well above 10 per cent.

8. The new initiatives *inter alia* include one time grant of Rs. 25000 per hectare to the individual farmers, Farmers Co-operative Societies; Self Help Groups (SHGs) as an encouragement to bring fallow land under agriculture; amendments to Agricultural Land Tenancy Act; enactment of Contract Farming Act, to encourage Contract Farming to bring the fallow land under gainful cultivation; to address the issues of labour scarcity and

high cost of labour higher subsidies on purchase of agricultural machinery and implements; inclusion of additional commodities in the list of Minimum Support Price; providing interest subsidy to the farmers; and many such farmer friendly schemes have been put to implementation.

9. The enhanced allocation in agriculture and allied sector is expected to yield desired results in managing the supply side externalities and provide necessary cushion against the price inflation. With the view to provide respite to the common man, the State is implementing the scheme to tide over the price rise. Also, the State has recently reduced the VAT rates on Petroleum products to contain inflation.

10. To encourage entrepreneurs for setting up of industrial units a Venture Capital Fund in partnership with leading financial institutions is on the anvil to provide easy availability of capital to the entrepreneurs. The Development Council under the Chairmanship of Dr. Raghunath A. Mashelkar has been set up which would be known as “The Golden Jubilee Development Council

to prepare a vision document and advise the Government on various aspects of development of the State in a mission mode. In order to develop state-of-the-art infrastructure the State has set up an Infrastructure Development Fund and a Viability Gap Fund with an initial corpus of Rs. 50 crore and Rs. 44 crore respectively. The State Government will encourage more and more infrastructure development projects such as Inland Waterways, Minor Ports, Greenfield International Airport, Convention Centre, Roads and Bridges, Water Supply & Sewerage, and various other services in the public domain under Public Private Partnership mode.

11. As the tourism sector is the backbone of the State economy, the safety and security of the tourist is the State's utmost priority. As regards their safety in waters at beaches, the Government has been highly successful in implementing the 'Advanced Beach Safety Management System' and has saved hundreds of lives since its implementation. Regarding the security and protection to the lives of the tourists is concerned, the State is in the process of creation of a security force which shall be responsible for the security and safety of the tourists.

Similarly, the State will also be providing basic amenities at the beaches such as toilets, fresh water showers, changing rooms, cloak rooms, locker facilities, etc. The State is making efforts to provide tourist with enhanced entertainment facilities such as speed cruises, Gas balloon, Zorb ball, and dirt course for motor-bikes, Skate Board, Radio Control Cars, etc.

12. As a social sector initiative, an insurance policy scheme will soon be implemented known as 'Swarnajayanti Aarogya Bima' - a health insurance cover with Rs. 60,000 per family to the entire resident population of the State. An accident insurance cover has been provided to all such families who are not covered by any insurance policy wherein Rs. 2 lakh in case of death, Rs. 1.50 lakhs in case of permanent disability and Rs. 1 lakh in case of partial disability are provided to the family of the deceased. In view of increasing in-migration and proliferation of slums the State has proposed to frame a comprehensive Housing and Habitat Policy.

13. The State of Goa has witnessed a high rate of economic growth in recent years except the year

2008-09. The challenges before the State are to sustain the growth momentum in the future. Sustaining the high GSDP growth of 12-14 per cent requires huge capital investment and building infrastructure. However, the budgetary resources of the State are limited and the gap requires to be filled up by the private sector under Public Private Partnership and an inevitable financial support from the Centre. I am happy to say that the Centre has been generous towards the State of Goa and hope will continue with the similar approach for all the times to come.

14. With these words, the State of Goa endorses the Mid Term Appraisal Document on the Eleventh five Year Plan.

Thank You

JAI HIND!