

**GOVERNMENT OF MEGHALAYA**

**BUDGET SPEECH**

**2012 – 2013**

**OF**

**Dr. MUKUL SANGMA**

**CHIEF MINISTER I/C FINANCE**

**MONDAY THE 19<sup>TH</sup> MARCH, 2012**

Mr. Speaker Sir,

I rise to present the Budget Estimates for the year 2012-13.

2. The Budget 2012-13, being the first year of the 12th Five Year Plan, highlights the Government's strategy for future investment, fiscal consolidation and inclusive growth, with the objective to fulfill the rising aspirations of the people of the State. The new investment strategy of the State Government will re-define the development perspective of the State. We will strive to ensure that schemes are implemented in an efficient and effective manner, with complete transparency and accountability, and without any time and cost overrun.

**National Economy**

3. The year 2011 witnessed significant developments, both externally and internally. The developed economies of the US and the Euro-Zone are under economic stress. In the Euro area, macro-economic prospects still look grim in view of some unresolved issues that may worsen the economic scenario. The prevailing global slowdown in demand and the high interest rates have impacted the Indian economy. This is clearly reflected in the domestic economic growth during the third quarter of the current fiscal year. The GDP growth for the first, second and third quarters has been 7.7%, 6.9% and 6.1% respectively. Compared to this, the corresponding quarterly growth in GDP during 2010-11 was 8.8%, 8.4%

and 8.3%. The decline in the GDP is attributed to sluggish growth in the manufacturing, mining and farm sectors.

4. The Hon'ble Union Finance Minister, while presenting the Union Budget for 2012-13 on March 16, 2012, has acknowledged that due to global economic crisis, our GDP is estimated to grow by 6.9% in 2011-12, after having grown at 8.4% in each of the two preceding years. He has stressed upon the need for improving macro economic environment and strengthening domestic growth. For 2012-13, five objectives, namely, growth recovery; growth in private investment; supply bottle necks; malnutrition and improving delivery systems, governance and transparency, have been identified that would need to be addressed effectively for ensuring faster, sustainable and more inclusive growth. I am happy to inform the august House that the "Swabhimaan" campaign launched in 2010-11 for providing banking facilities through Business Correspondents is proposed to be extended during 2012-13 to habitations with population more than 1000 in the North Eastern and hilly States. We in Meghalaya would also benefit from this financial inclusion campaign of the Central Government.
5. Reserve Bank of India in its Monetary Policy Review on March 15, 2012, while keeping the policy rate unchanged considering the current macro economic assessment and taking into account the growth-inflation dynamics, has indicated that no further monetary tightening would be required and the interest rate would decline in the near future. I believe that the fiscal consolidation measures of the Union Government and the changed monetary stance of the RBI would enable in achieving the projected GDP growth.

### **State Economy**

6. The key features of the economic and fiscal scenario of the State, as reiterated from time to time, have been low economic growth and high dependence on Central support. Despite various constraints, we have been making all efforts to increase our resources through widening of the tax base, rationalization and enhancement of tax rates, fees and royalty.
7. However, if the State has to catch up with the national per capita income by 2030, the GSDP has to record a growth of 11% per annum. This calls for stepping up of public investment in critical sectors like agriculture,

horticulture, education, health, roads, power, tourism, trade and commerce. I have accorded priority to these sectors to ensure steady growth in the year ahead. Considering the fact that the contribution of the primary sector to our GSDP has been declining, we have put in place a strategy to increase investment in this sector. Measures have also been taken to pave the way for effective utilization of natural resources in an efficient and sustainable manner. Besides, we are giving focused attention to employment and employability of the people of the State.

8. The Gross State Domestic Product at constant prices (2004-05) stood at Rs.9,814 crore in 2009-10 (Provisional) , Rs.10,735 crore in 2010-11 (Quick) and Rs.11,759 crore in 2011-12 (Advance), indicating an increase of 9.38 % and 9.54% respectively. During the same period, the per capita annual income increased from Rs.38,069 to Rs.41,149 and to Rs.44,562 an increase of 8.09% and 8.29% respectively. The contribution of the primary sector decreased from 18.05% in 2010-11 to 17.37% during 2011-12. The weightage of industry sector marginally increased from 33.7% to 34.06% during the corresponding period. On the other hand, the share of services sector remained at around 48%.

### **State Finances**

9. Sir, the revenue surplus of the State during 2010-11 decreased to Rs. 247.74 crore from Rs.264.94 crore in 2009-10. This has been mainly on account of implementation of the new pay scales as recommended by the Meghalaya 4th Pay Commission for the Government employees and Government aided institutions. The cascading effect of this increased revenue expenditure resulted in deterioration of Primary Deficit from Rs.7.67 crore in 2009-10 to Rs.84.47 crore in 2010-11, and the fiscal deficit from Rs.226.30 crore in 2009-10 to Rs.341.39 crore in 2010-11. In spite of fiscal constraints, we have approved disbursement of the remaining 30% arrear pay to Government employees and pensioners, employees of Government Aided institutions, and also 20% arrears to UGC scale teaching faculty of Government Aided colleges during the current year.

## **Fiscal Consolidation**

10. I have mentioned earlier that the Indian economy is slowing down, and therefore we need to strike a balance between credible fiscal consolidation and inclusive growth. The 13th Finance Commission has recommended putting in place a fiscal roadmap, taking into account the macro-fiscal position and setting appropriate targets. As this august House is aware, the Meghalaya Fiscal Responsibility and Budget Management (FRBM) Act has been amended with a view to aligning our fiscal targets with those recommended by the 13th Finance Commission. Amendment of the Act has enabled us to access State Specific grants, debt relief and write off package. The Government has taken up with the Union Ministry of Finance for waiver of central loans and resetting of NSSF interest rates in accordance with the recommendation of the 13th Finance Commission. I am happy to inform that the Central Government has approved the debt waiver of central loans of Rs.12.31 crore. The Central Government has also reset the interest rate on NSSF loans contracted by the State till 2006-07 and outstanding at the end of 2009-10 @ 9% per annum in place of 10.5% or 9.5% with effect from 10th October 2010, the appointed date for the commencement of the Meghalaya FRBM (Amendment) Act, 2011. This step would go a long way in reducing our debt liability and achieving fiscal consolidation.

## **Non Plan Gap**

11. Sir, State's own resources contribute about 20% of our expenditure, resulting in a big gap between the revenue receipts and expenditure, and thereby a high negative BCR. This has necessitated higher borrowings to meet capital requirement, thus increasing the State's debt liability. Taking this into account, I had urged upon the Hon'ble Union Finance Minister during the Pre-Budget meeting of State Finance Ministers in New Delhi during January 2012, that while formulating the •Union Budget, due consideration may be given to allow diversion of 20% Normal Central Assistance for balancing the negative BCR for Special Category States like Meghalaya. Besides, instead of earmarking 10% of the budget of the Central Ministries for investment in the North Eastern Region, I suggested that this amount may be kept in a separate pool. Out of this, 50% could be provided to the States of North Eastern Region as Special Central Assistance, and the remaining 50% could be placed at the disposal of the Ministry of DoNER.

## **Additional Resource Mobilization**

- 12.** The State's entitlement of the Non Plan Revenue Gap Grant is quite favourable for the fiscal year 2012-13. However, the entitlements for the subsequent two years of the award period of the 13th Finance Commission are at lower levels. Therefore, besides accessing additional assistance from the Government of India to tide over the expected shortfall, we are taking measures to raise the State's own resources. The revenue collection by various departments is monitored and reviewed periodically and corrective measures are taken to mobilize additional revenue and plug leakages. Revenue targets of Taxation, Mining and Geology and Transport departments have been enhanced over the BE 2011-12 by Rs.40crore, Rs.50 crore and Rs.10 crore respectively.

### **13th Finance Commission**

- 13.** Sir, we expect higher entitlement under Non Plan Revenue Gap Grant during 2012-13, which enables the normalization of plan posts created upto 10th Plan, and thus, allowing greater fiscal space for implementation of more plan schemes. Under State specific grants, our entitlement is Rs.62.50 crore annually for four years with effect from 2011-12 as per the recommendations of the 13th Finance Commission. The release by the Government of India is, however, subject to amendment of the FRBM Act, to align our fiscal targets to those stipulated by the Finance Commission and fulfillment of some other conditions. As I mentioned earlier, we have already amended the Meghalaya FRBM Act. Besides, efforts are being made to comply with the conditions such as setting up of a body like State Finance Commission, appointment of independent local body Ombudsman, putting in place a proper auditing system, and Property Tax Board issues.
- 14.** Given the above, out of Rs.484.04 crore that the State was entitled under various grants like Non Plan Revenue Deficit Grant, Local Bodies Grant, State Disaster Reserve Fund, Education, Forest, justice Delivery, Maintenance of Roads and Bridges, and State specific grants as recommended by the 13th Finance Commission, we have received Rs.481.73 crore during 2010-11. Besides, against the entitlement of Rs.521.89 crore for 2011-12, Government of India has released Rs.423.33 crore so far. For the fiscal year 2012-13, the State is expected to receive grants to the tune of Rs.1073.60 crore.

### **Consolidated Sinking Fund**

15. For providing a cushion for redemption of open market loans, the State has a corpus of Rs.164.31 crore under Consolidated Sinking Fund. During 2012-13, annual contribution towards the Fund is proposed to be raised from Rs.17.56 crore to Rs.20.43 crore.

### **Guarantee Redemption Fund**

16. For having an amortization fund to service contingent liabilities arising out of the invocation of State Government guarantees, the Government has also constituted the Meghalaya Guarantee Redemption Fund to be managed by the Reserve Bank of India.

### **Financial Sector**

17. Sir, in close coordination with banks and financial institutions, Government has taken steps for expansion of banking and financial services. Now, all the Community and Rural Development Blocks are having bank branches. With the implementation of the Financial Inclusion Plan for villages with 2000 or more population, credit flow to needy people is expected to further improve. The 'Women Economic Empowerment through Financial Inclusion' scheme launched for targeting four lakh families within the next five years will further consolidate our efforts towards greater financial inclusion. During 2011-12, sixty thousand development partners are being identified for coverage under the scheme. For giving impetus to the growth of banking and financial services in the State, RBI is in the process of operationalization of its Sub-Office at Shillong.
18. The CD ratio of around 38% is very low as compared to the national average. This would be enhanced by linking the bank credit flow with various developmental schemes of the Government. At the same time, a decision has been taken to engage experts from NEHU and IIM, Shillong, as consultants who would analyze and prepare a comprehensive report on the causes of low CD ratio, and suggest corrective measures.
19. The State has embarked upon the Electronic Benefit Transfer Scheme for payment of wages to NREGA beneficiaries. SBI, Axis Bank, ICICI Bank and MCAB are implementing the EBT scheme by engaging Business Correspondents. SBI has also launched 'Bank on Wheels' as part of their Financial Inclusion Plan.

20. Sir, for improving the Government payment system and public service delivery, on-line computerization of treasuries has been operationalized in all the 14 treasuries. Treasury NET is operational in the newly created Sub-Treasury in Dadëngiri, West Garo Hills District, and will become operational in Amlarem Sub- Treasury soon.
21. Government has initiated steps for creation of employees and pensioners database and the process is expected to be completed by March, 2013. Integration of this database with payrolls would enable Government to have dynamic statistical information on the number of employees and pensioners. This will ensure accurate assessment of current expenditure and realistic forecasting of future liabilities on account of salaries and pension. Eventually, this database would facilitate automatic data updation, generation of e-Service Books for settlement of pension of retiring employees and assessment of human resources. For the project, Government of India has provided Rs.5 crore as per the recommendation of the 13th Finance Commission.

### **Externally Aided Projects**

22. New projects proposed to be taken up under EAP funding include;
  - a. Meghalaya Integrated Rural Development Programme with estimated cost of Rs.1150 crore under IFAD
  - b. Japan International Cooperation Agency funding for water supply, power, urban sector and horticulture, at an estimated cost of Rs.5593.56 crore, for which budget allocation during 2012-13 is Rs.137 crore
  - c. Climate Change Adaptation Programme with funding from Indo German Bilateral Cooperation at an estimated cost of Rs.200 crore, and budget provision of Rs.40 crore during 2012-13.
  - d. Human Capital Development for Meghalaya under ADB funding during 2012-13 is in advanced stage of consideration.

### **Plan**

23. Sir, against the 11th State Plan outlay of Rs.9185 crore, the expenditure during the first four years upto 2010-11 was Rs.5916 crore. For 2011-12, the Plan size is Rs.2727 crore, which includes Rs.100 crore of Special Plan Assistance, Rs.600 crore of Special Central Assistance, Rs.133.68 crore of E. A. P. component and Rs.78.50 crore of NABARD Loan. During

2012-13, a Plan Budget of Rs.3535 crore is being tabled before the House. This would be finalized in consultation with the Planning Commission shortly.

- 24.** Government will further consolidate the State flagship programme-Integrated Basin Development & Livelihood Promotion Programme (IBDLP). During the current year, significant progress has been made towards putting in place a robust institutional mechanism, mobilization of various stakeholders and building up of long term strategic partnerships. This Programme has been widely appreciated as an innovation in development governance by various agencies of Govt. of India, Multilateral institutions, Chambers of Commerce, U.N. agencies, and other development facilitators in different sectors.
- 25.** The Programme represents a paradigm shift in terms of treating the people assisted under various initiatives as entrepreneurs and not merely as beneficiaries. The provisions for viability gap funding, focus on convergence, promotion of market access before production is encouraged, critical inputs in terms of building requisite infrastructures such as road connectivity, cold chain, storage, and market access facilitation, margin money contribution coupled with integrated orchestration of all the inputs necessary for success of enterprises makes this Programme a comprehensive intervention for rapid growth of economy particularly in the Agriculture and Allied Sector. At the same time, thrust on Knowledge support, Climate Change Adaptation and Integrated Natural Resource Management also make the Programme a pillar of strength for sustainable development.
- 26.** Strong focus of the Programme being on tapping of the latent potential of sectors such as Aquaculture, Sericulture and Weaving, and Apiculture etc will lead to stepping up of investment and attention at the vulnerable sections of our Society and thereby contribute significantly towards inclusive growth. The creation of new opportunities for employment, livelihood and micro-enterprises in the rural areas will prevent migration of people from rural areas to urban areas.
- 27.** Nurturing of innovation and reform of various Departments associated with this Programme and consolidation of the Integrated Development Governance at the State, District, Block and grass root level with active participation of State Government Departments, District Councils,



Traditional Institutions, Communities and Entrepreneurs will pave the way for reinventing of the Government. The initiatives under the aegis of the State Institute of Governance created as part of the Flagship Programme will ensure greater transparency and accountability of government agencies and other development partners.

28. Funds have been earmarked for supporting different components of the Programme, apart from mobilization of resources under various schemes of Central and State Government in the convergence mode.
29. As part of celebration of Year of the Youth in 2012-13, various initiatives are being taken for the youth. A provision of Rs.12 crore has been especially earmarked to conduct various programmes for youths. Other programmes include construction of synthetic football turf at Jowai and Tura, setting up of a tennis complex, Youth For Green Campaign and creation of Indigenous Knowledge and Culture Centre. As part of 'Clean Meghalaya Movement' with community participation, an award to be known as the Clean Locality Award will be given for one locality in each of the 7 district headquarters. Two villages in each of the 39 Community and Rural Development Blocks will also be selected for the Award.
30. I had convened pre-budget meetings at Tura and Shillong in February, 2012 which saw wide participation by a large cross section of the society. During these two meetings, the issues pertaining to governance and the day to day needs of the common man such as food security, drinking water supply, electrification and connectivity were highlighted. There was an overall consensus on the need for higher mobilization of resources in the State. Besides, issues on capacity building, women's empowerment, migration of people from rural areas, increasing disparity between the rich and the poor, the problems associated with education, health care, nutrition, land and forest resources use had been brought forward. Sir, several good suggestions have emerged in these meetings and the Government will factor in these aspects into the schemes and programmes of the Department concerned.

### **NLCPR**

31. Since launching of the Non Lapsable Central Pool of Resources, Meghalaya has received Rs.594.16 crore for 86 projects against an approved cost of Rs.946.57 crore. Till date, 26 projects have been

completed with NLCPR support of Rs.197.27 crore. Presently, there are 43 on-going NLCPR projects with an approved cost of Rs.533.20 crore, of which Rs.239.34 crore has been released by the Ministry of D0NER. These projects are at different stages of implementation.

### **North Eastern Council**

32. Under the NEC funding, roads and bridges and power sector share a major portion of the funds. Other sectors benefitting from NEC support include agriculture, horticulture, fisheries, border areas development, forest and environment, sports and youth affairs, education, information technology, health, sericulture, information and public relations and tourism. The tentative budget during 2012-13 under NEC is Rs.206.50 crore.

### **Economics and Statistics**

33. The 68th Round of National Sample Survey on employment, unemployment and household consumer expenditure is expected to be completed in the first half of 2012-13. During 2011-12, 2725 crop cutting experiments were conducted on notified crops under National Agricultural Crop Insurance Scheme. Under the 13<sup>th</sup> Finance Commission, Rs.1.40 crore has been approved by the Ministry of Statistics and Programme Implementation for strengthening statistical infrastructure in the State. Basic Statistics for Local Level Development in the State is also being conducted. As part of the strengthening of the Statistical System in the country, the Directorate of Economics and Statistics is participating in the India Statistical Strengthening Project. I propose a Plan outlay of Rs.1.35 crore during 2012-13.

### **Law and Order**

34. The law and order situation in Meghalaya has been stable. Celebrations of national days, important religious festivals and fairs were celebrated with great fervour and joy by all communities in the State, in a spirit of harmony and sharing. This is commendable and due credit must be given to the law and order machinery of the Government as well as the people of the State. Government will take all steps to ensure that Meghalaya remains peaceful so that the developmental initiatives bear fruit, the economy flourishes and the people prosper.

- 35.** However, inspite of the concerted efforts on the part of the Government, certain groups, especially in the Garo Hills, have been indulging in illegal activities of extortion, abduction, intimidation, and violence thereby disrupting normal life and causing immense hardship to the public, while professing to be fighting for the welfare of people. The public needs to be educated about the potential harm to the socio-political fabric of the State, and the selfish designs of the mercenary militant groups need to be exposed. The Government is determined to deal with this threat squarely and to banish the scourge of militancy from the State for good. For this to succeed, the support of the public, civil society, and all political parties is crucial.
- 36.** The Government is aware that a multi-pronged approach is necessary to deal with the root causes of militancy. The socio- economic problems, poverty, unemployment, governance issues need to be addressed in a focused manner. We have initiated a number of interventions to tackle these concerns, and during the course of my speech I will highlight those new initiatives.
- 37.** There is no place for any complacency, and it would be our constant endeavour to improve intelligence collection, enhance general vigilance on the ground, strengthen our second line of defence in the border belts, raise specialized units, enhance capacity building infrastructure, induct new technologies and continue to carry out sustained and effective anti-militancy operations. We shall do all that and more to ensure peace, order and harmony in the State.
- 38.** For strengthening the Police Department, steps have been taken to create three new police stations, and six new outposts. The Central Government has also been requested to sanction more IR battalions to effectively tackle insurgency. Steps are being taken to fill up all vacancies in various Districts/Units/Organizations of the State Police. The Thirteenth Finance Commission has recommended Rs.50 crore for establishment of a Police Academy. Under the scheme “Modernization of State Police Force”, Rs.60.17 crore has been released to the State with effect from 2000-2001, out of which Rs.57.67 crore has been utilized. The Meghalaya Police, in order to strengthen its capabilities, has acquired state- of-the-art equipment for imparting training to police personnel, and inducted advanced weapons for effective counter militancy operations.

### **Prisons**

39. I propose a Plan outlay of Rs.7.81 crore for the Prisons Department during 2012-2013. This fund will be utilized for improving the security system and installation of CCTVs in the existing jails of the State. With a view to rehabilitate the inmates of prisons, training programmes are conducted in carpentry, cane and bamboo, candle making, weaving and knitting. The inmates are also engaged in production of horticulture products- like fruits and vegetables, medicinal plants and ginger.

### **Civil Defence**

40. Civil Defence and Home Guards personnel have been actively engaged in imparting training to its volunteers including training on disaster management. We propose to conduct training courses on disaster management at the Civil Defence and Home Guards Central Training Institute for its employees, Police and Fire Service personnel and NGOs, who could then impart training at the District, Block and village level. I propose a plan outlay of Rs.4.60 crore during 2012-2013.

### **Development of Border Areas**

41. Border Areas Development Department supplements the schemes being implemented by other Departments. During 2011-2012, Rs.20 crore has been approved under Special Central Assistance (BADP) by Government of India for implementation of various developmental schemes. During 2012-2013, an amount of Rs.22 crore is proposed under BADP.
42. An amount of Rs.42 lakh was provided during 2011-12 for scholarships and stipends to students hailing from the notified border villages of the State. During 2012-2013, Rs.46 lakh is proposed under the programme. I propose a Plan outlay of Rs.29.40 crore for 2012-13. District Council
43. The Government will continue to provide an enabling dispensation to support the Autonomous District Councils in discharging constitutional obligations within their jurisdiction. Autonomous District Councils will continue to be given financial assistance for implementation of developmental schemes. An amount of Rs.7.25 crore has also been earmarked for construction and development of rural markets under NCLPR. I propose a Plan outlay of Rs.4.15 crore during 2012-13.

## **Power**

- 44.** Sir, Government accords high priority to the power sector and efforts are on to make the State self sufficient in power. Steps have been initiated to increase the generation capacity, and also augment the transmission and transformation system. The first unit of the Myntdu-Leshka Hydro Electric Project has been commissioned, and the second and third units are expected to be operational by the first and second quarter of 2012-13. Total capacity addition of this project will be 126 Mega Watts. The New Umtru and Ganol projects will add another 62.5 Mega Watts in the next two to three years. We propose to take up renovation and modernization of Umiam Stage III project in 2012-13, for which proposal has been sent to the Government of India for funding under JICA loan. State Government has signed MoAs with NEEPCO and private project developers for implementation of hydro and thermal projects of around 2000 MW.
- 45.** Steps have been taken to connect the State to the North East Grid, and the Misa-Byrnihat transmission line has been commissioned. This has enabled us to draw Central sector share of power without depending on Assam. The Agia-Nangalbibra transmission line, expected to be commissioned shortly, would provide an alternative line to Garo Hills. In order to augment connectivity to the regional grid at 400 KV level, and to enable us to draw our share of 80 Mega Watts from the Pallatana Gas Based power project in Tripura, one sub-station is being constructed in Byrnihat at a cost of Rs.93.48 crore. This project is being funded under NLCPR, and an amount of Rs.33.65 crore has already been released.
- 46.** With a view to achieving 100% village electrification, and access to electricity to all households in the State, the Rajiv Gandhi Grameen Vidyutikaran Yojana is being implemented in all the districts. The revised sanction of this scheme has been increased to Rs.442 crore, and the proposed outlay in 2012-13 is Rs.102.23 crore. The target for the year is electrification of 1,106 villages, and Rs.55,046 BPL households. The restructured Accelerated Power Development Reforms Programme has been initiated in nine towns. With this and other related initiatives, the MeECL is expected to bring down the AT&C losses. Proposed outlay for this scheme in 2012-13 is Rs.28.28 crore.

47. The promotion of renewable energy and energy conservation measures has been identified as an important programme of the State Government. The Meghalaya Non Conventional and Renewable Energy Development Agency is continuing to promote, exploit and develop renewable energy sources locally available in the State. These include bio energy, solar energy and wind energy. 5000 home lighting systems will be distributed in 2012-13, and an amount of Rs.1crore is proposed for installation of solar photovoltaic power plants. 106 villages will be electrified by SPV home lighting systems in 2012-13.

I propose a Plan outlay of Rs.581.70 crore for Power sector in 2012-13.

### **Commerce and Industries**

48. Sir, Commerce and Industries Department has created employment opportunities for 302 unemployed youths during 2011-12 with an investment of Rs.8.02 crore under micro and small enterprises. Besides, financial assistance was extended under package scheme of incentives to 302 units involving Rs.13.23 crore. Considering the huge growth potential in agriculture and horticulture, thrust on agro-based industries would be given a priority.
49. Promotion of trade and commerce with neighbouring countries, particularly Bangladesh would require investment for creating required infrastructure along the international border. Consequently, Border Haat at Kalaichar was inaugurated and opened on July 23, 2011. Second Border Haat at Balat is expected to be inaugurated soon at a mutually convenient date. Two Land Custom Stations at Dalu and Ghasuapara, West and South Garo Hills Districts are being upgraded. Apart from normal activities under the ASIDE scheme, infrastructure like water supply to land custom stations, construction of roads and bridges, and improvement including metalling and blacktopping of roads has been provided. There is an urgent need to develop inland waterways in the State for further promoting trade and commerce. M/s RITES had carried out the feasibility study which indicated that the three rivers, namely, Kynshi, Simsang and Jinjiram have the potential for developing inland waterways.
50. During 2011-12, under the scheme Prime Minister's Employment Generation Programme, 234 units were set up creating employment opportunities for 2380 persons. 383 youths were trained in various industrial activities to equip them to avail job opportunities in the State as

well as in other parts of the country. 25 awareness and entrepreneurship development programmes were also organized with 395 local youths attending the programmes. Besides, the Department also sponsored local units for participation in various exhibitions and trade fairs.

I propose a Plan outlay of Rs.28.20 crore during 2012-13.

### **Mineral Resources**

51. The Department of Mining and Geology focuses on revenue mobilization, administration of mines and mineral investigation. Six mineral investigation programmes have been launched during 2011-12. During 2010-11, Rs.224 crore was collected as revenue by way of royalty and cess against a target of Rs.165crore. For 2011-12, revenue collection target of the Department has been pegged at Rs.276 crore, and till January 2012, Rs.192.42 crore has been collected. Government is providing 25% share of royalty on coal and 60% share of royalty on limestone to the Autonomous District Councils.  
propose a Plan outlay of Rs.3.50 crore during 2012 - 13.

### **Health**

52. Sir, the State has been striving to achieve the objective of health for all. We will continue to strengthen and expand the programmes initiated under the National Rural Health Mission so that effective health care is ensured at individual, household and community level. Various disease control programmes are being given a fresh impetus with the implementation of National Rural Health Mission.
53. For dealing with the problem of high Maternal Mortality and Infant Mortality, a number of new initiatives have been taken. Newborn baby corners, radiant warmers have been provided at the CHCs and district hospitals through NRHM. Special (Sick) Neo Natal Care Units are under construction at Ganesh Das Hospital, Maternity and Child Hospital, Tura, Jowai Civil Hospital and Williamnagar Civil Hospital. Pregnant mothers are assisted under the Janani Suraksha Yojana with an amount of 700 per institutional delivery. The Janani Shishu Suraksha Karyakram provides free and cashless services to pregnant women, including normal deliveries and caesarean operations, and sick newborns up to 30 days after birth in Government health institutions in both urban and rural areas. According to SRS (2010), the IMR has come down from 59 to 55 in the State.

- 54.** Sir, to address the critical gaps in demand and supply of health care staff, Government has initiated steps to establish two medical colleges in the State. For the medical colleges at Shillong under PPP mode, RFP was floated on March 5, 2012 and so far, 75 parties have expressed interest. The process for land acquisition for the Government Medical College, Tura is in progress. Four nursing schools will be set up under the Central Sector scheme.
- 55.** Construction of the Cancer Wing in Civil Hospital, Shillong has started. In addition to the Intensive Care Unit already functional at Ganesh Das Hospital, Shillong, a 6 bedded Unit is expected to be functional at Tura soon.
- 56.** Government will ensure that essential medicines to poor patients will be provided under the National Rural Health Mission. A scheme, namely, the Meghalaya Universal Health Insurance Scheme to provide quality medical care for treatment of diseases through an empanelled network of health care providers to the people of the State is being mooted by the Department. The Integrated Health Management System for improving health governance is planned for 2012-13.
- 57.** In order to improve the accessibility, gaps in manpower and infrastructure to facilitate health delivery system, will be identified. Besides, creation of additional posts, both in the rural and urban centres to meet the standard parameters, would be initiated.  
I propose a Plan outlay of Rs.190 crore during 2012 -13.  
Education
- 58.** Sir, in the Elementary Sector, it would be our endeavour to provide funds under State share for infrastructure programmes required under the RTE Act, 2009, and also for RMSA and Mid Day Meal programmes. With a view to ensuring quality education, I propose to enhance the grant-in-aid to the managing committees of Adhoc Aided Schools.
- 59.** I am happy to inform the august House that the teacher's training programme for imparting diploma training to intending teachers will be implemented from 2012-13. The drop-out and failure rate in schools is a matter of concern and distance learning programme is proposed to be launched with assistance from the Asian Development Bank. We also propose to upscale and increase capacity in teachers' training facilities



with ADB support.

60. Keeping in mind the low enrollment in higher education, Government has completed the provincialization process of three Adhoc Aided Colleges in Sohra, Williamnagar and Baghmara. Action is being initiated to provide more funds for all colleges so that they can offer quality education to students in remote areas. Private investments are being encouraged so as to transform this sector. Necessary steps have been taken for setting up of a State Technical University in Tura. Besides, for providing boarding facilities to students from rural areas, hostels will be constructed on PPP mode in all the seven districts. A provision of Rs.2 crore for each district is being provided during 2012-13.

I propose a Plan Outlay of Rs.208 crore under General Education and Rs.12 crore under Technical Education during 2012-2013.

### **Labour**

61. Steps are being taken to improve employment opportunities and employability of youths in mission mode. During the 12th Five Year Plan Period, four major schemes for Craftsmen Training, Apprenticeship Training, Skill Development Initiative and Short- Term Job-Oriented Courses will be implemented. Various skill enhancement schemes have been developed, and training for three to six months duration has commenced for 695 unemployed youths at NIFT, Don Bosco Technical School, IGNOU Institute of Vocational Education and Training and Construction Industry Development Corporation, Faridabad. Modernization of Employment Exchanges will also be taken up during the 12th Plan period. Implementation of various Labour Acts and Rules will continue.
62. Meghalaya is seized with the problem of influx. To effectively deal with this issue, Government has initiated various steps including strengthening of field offices and creation of posts of labour inspectors in all blocks.
63. The Building and Other Construction Workers' Cess Act is under implementation for the welfare of building and other construction workers. The cess collected by the Department is utilized for various welfare schemes meant for the registered workers.
- I propose a Plan outlay of Rs.8.70 crore for Employment and Craftsmen Training and Rs.1.5 crore for strengthening the implementation machinery for labour laws during 2012-13.

### **Social Welfare**

64. Sir, in the Social sector, various programmes for Women and Children are being implemented. The Integrated Child Protection Scheme that provides safe and secure environment to children who are in need of care and protection as well as those in conflict with law, is under implementation. Financial assistance is also provided to Non Governmental Organisations engaged in the welfare of women and children.
65. Supplementary nutrition is provided to children, pregnant and lactating mothers and adolescent girls, covering 5,39,605 beneficiaries in 41 ICDS Projects. Supplementary Nutrition Programme will cover another 1,16,300 beneficiaries during 2012-13, thereby extending the nutrition coverage to 6,55,905 beneficiaries.
66. A State Resource Centre for Empowerment of Women has been sanctioned by the Centre and is under implementation.
67. Significant achievement has been made in providing services to physically challenged such as scholarships, vocational training, grants for uniforms and books, conveyance and unemployment allowances.
68. The Government has launched a new scheme for extending financial assistance to infirms and widows and pension to differently abled persons. I propose a Plan outlay of Rs.27.40 crore for Social Welfare Sector and Rs.14.30 crore for Nutrition Sector during 2012-13.

### **Water Supply and Sanitation**

69. Sir, with increasing human population and settlements, the per capita usage of water has increased substantially and reliable sources of water are getting depleted due to deforestation. Therefore, there is an urgent need to tap new sources and protect existing sources of water supply. A scheme to be implemented by the Forest Department is expected to protect the catchment areas. Government will step up its endeavour to achieve its commitment to provide safe drinking water to all habitations of the State. Jowai Water Supply Scheme under NLCPR is in good progress and likely to be completed soon. Works for implementation of Greater Shillong Water Supply Project Phase III under JNNURM sanctioned by the Centre is also progressing. Renovation works taken up for Tura Phase I and II Water Supply Scheme with grants under 13th Finance Commission will

ameliorate the present drinking water crisis in Tura. Other innovative steps will be undertaken to try out new technology for harvesting water. Under Total Sanitation Campaign, construction of school toilets and anganwadi toilets has been given priority and construction of individual household toilets and sanitary complexes are also being carried out. 365 villages have been selected for Nirmal Gram Purashkar Awards for achieving full sanitation coverage during 2011-12.

I propose a Plan outlay of Rs.260.50 crore during 2012-13.

### **Rural Development**

70. The Community and Rural Development Department plays an important role in accelerating the economic and social development of rural areas with a view to increasing the income levels and quality of life of the rural people. Implementation of Swarnjayanti Gram Swarozgar Yojana, Indira Awaas Yojana, Mahathma Gandhi National Rural Employment Guarantee Scheme, National Social Assistance Programme and Backward Regions Grant Fund will continue during 2012-13. State sector schemes like Special Rural Works Programme, Construction of Rural Roads Programme and Chief Minister's Special Rural Development Fund and other community development schemes will continue to be implemented. Conduct of the Socio Economic and Caste Census is now in progress. A scheme for black topping of roads constructed under the MGNREGS will be implemented in convergence with Integrated Basin Development and Livelihood Promotion Programme will ensure last mile connectivity and upgradation of standards.

I propose a Plan outlay of Rs.214.15 crore in 2012-13.

### **Food Security**

71. Government is committed to ensuring that all needy people in the State are covered under the Public Distribution System. Emphasis will be laid on BPL and AAY families. In order to monitor and contain price rise, daily monitoring of prices prevailing in Shillong Centre is carried out and Price Monitoring Committees have also been set up in every district under the respective Deputy Commissioners. Besides, steps have been taken to monitor and supervise timely lifting of foodgrains to ensure availability of PDS commodities in the Fair Price Shops. Action is also being taken to prevent black marketing and diversion of essential commodities. An aggressive consumer awareness programme is of paramount importance for addressing the issues of black marketing, hoarding and price manipulation. In compliance with the Supreme Court orders, Government

has prepared DPR for computerization of PDS and sent to the Central Government for approval and release of funds. Efforts are on to create additional storage capacity of foodgrains in the State with proposed construction of godowns at Baghmara, Khanapara, Byrnihat, Shillong, Tura and Mendipathar.

I propose a Plan outlay of Rs.1.25 crore during 2012-13.

### **Roads and Bridges**

72. Sir, development of road infrastructure and providing connectivity is our priority. Meghalaya has achieved a road length of 9350 Km with road density of 41.69 Km/100 Sq Km. During the year 2011-12, the Plan outlay for road sector was Rs.278.30 crore. We expect to achieve construction of 78 Km of new road, up-gradation of 560 Km of existing roads and construction of 1338 running metre of bridges. 43 road projects, sanctioned under Special Plan Assistance for Rs.359.82 crore involving a road length of 398 Km, are in different stages of implementation and expected to be completed within the stipulated time frame. On completion, these projects would ease traffic congestion in Shillong, Jowai and Tura towns.
73. The Government of India has approved conversion of 91 semi permanent timber bridges into permanent RCC bridges under the Finance Commission Award with an outlay of Rs.80 crore. Construction of a major bridge over river Umkhen on Nongpoh-Nartiang Road has facilitated road connectivity between Ri-Bhoi and Jaintia Hills Districts.
74. Sir, in the National Highway sector, 4-Laning of Jorabat-Umiam (Barapani) section of NH-40 and 2-Laning of Shillong-Nongstoin-Tura road is in good progress and expected to be completed within March 2014.
75. Construction of Shillong Bypass and lay byes along the NH 40 at identified places, opening of bridge over river Umkhen on Nongpoh-Nartiang road and completion of SPA projects would substantially ease out traffic congestion in major towns of the State as well as the NH 40.
76. For improving village connectivity, thrust is given for speedy implementation of schemes under PMGSY. Government of India has sanctioned an amount of Rs.94.81 crore under PMGSY Phase-VI. This involves construction of 106 Km road length connecting 34 habitations. With a view to speed up implementation of the World Bank loan assisted

PMGSY programme, Government has outsourced the preparation of DPRs for construction of another 1519 Km of road length connecting about 481 habitations. By end of March 2012, we expect completion of DPRs for 20 roads with an estimated cost of Rs.100 crore. The PWD has also undertaken e-procurement for civil works and appointment of Project Management Consultant.

77. Rehabilitation and maintenance of major State Highways and District roads has been a challenge for us in view of fund constraints. Government has now initiated a new investment strategy to rehabilitate and improve the riding quality of these roads once in five years by providing funds under State Plan.

78. Sir, I am happy to inform the august House that our vigorous efforts have enabled the Ministry of Road Transport and Highways to notify the 361 km of State Highway connecting Nongstoin-Rongjeng-Rongram-Tura-Phulbari as National Highways.  
I propose a Plan outlay of Rs.278.65 crore for Road Sector during 2012-13.

### **Transport**

79. In order to enable larger aircraft to operate in Umroi and improve air connectivity, additional land has been acquired for expansion of runway. The land has been handed over to the Airport Authority of India. For Baljek Airport (Tura), the existing runway needs to be expanded for which land acquisition is in process. The completion of the Dudnoi-Mendipathar line will put Meghalaya on the railway map of the country, thereby opening up immense opportunities to the people of the State. This would also reduce traffic congestion, and facilitate access of local produce to markets. Besides, transportation costs and prices will come down. We have also accorded 'in principle' approval to the Tetelia Byrnihat and Byrnihat -Shillong railway lines. The Tetelia-Byrnihat project is in the initial process of land acquisition and the Byrnihat- Shillong project is under alignment survey.

I propose a Plan outlay of Rs.21.50 crore during 2012 - 13.

### **Urban Development**

- 80.** Sir, the increasing trend of urbanization in Meghalaya is expected to continue during the next decade. Since urban centres act as engines of growth for economic development, it is imperative to plan for orderly growth of these centres and provide appropriate infrastructure so as to ensure healthy living conditions and facilitate economic development. The approach for the Twelfth Five Year Plan will focus on long term strategic urban planning and development of small and medium towns, development of satellite towns and peripheral area to accommodate future growth. Stress would also be laid on improving urban infrastructure with emphasis on accessibility of services to vulnerable sections of society. Efforts will be made towards slum free city and towns by creating housing facilities and providing basic infrastructure in slums along with support for livelihood for the urban poor.
- 81.** The proposal for the 12th Five Year Plan includes the continuation of JNNURM for completion of ongoing projects, the newly introduced Rajiv Awas Yojana and the new improvised JNNURM which is likely to be introduced by the Government of India, and continuation of ADB assisted North Eastern Region Capital Cities Development Investment Program for Shillong.
- 82.** Shillong is reputed for being one of the most beautiful hill stations, and we need to facilitate the natural expansion of the city to preserve its beauty. Government proposes to invest in the expansion with a view to providing planned urban growth, a satellite township at New Shillong has been planned where basic infrastructure in the form of roads, power, water, drainage and sewerage would be provided.
- 83.** During 2012-13, the ongoing project under JNNURM, construction of Storm Water Drainage for Shillong, augmentation of Water Supply for Greater Shillong Phase-III, construction of Dwelling Units for Urban Poor at Nongmynsong, Slum Improvement Programme for 5-Slums in Shillong, procurement of buses for Shillong, housing for urban poor at Williamnagar and Nongpoh and solid waste management for Tura and Nongpoh are expected to be completed. For improvement of solid waste management in Shillong, setting up of a Waste-to-Energy Plant is proposed under PPP mode.
- I propose a Plan outlay of Rs.294.50 crore during 2012-2013.

### **Housing**

84. The Housing Department is implementing the Rental Housing Scheme in selected District headquarters under which MIG, LIG type of houses are constructed for renting out to Government employees at a concessional rate. It is also implementing the Rural Housing Scheme to help the poor rural houseless villagers.  
I propose a Plan outlay of Rs.8 crore during 2012-2013.

### **Agriculture**

85. Sir, the State is on the threshold of improving rice production with the assistance of International Rice Research Institute. This is proposed through interventions like community seed banking, nursery management, post harvest technologies and training of departmental officers as breeders. Fallow land will be brought under winter cultivation through assured irrigation in the form of mini irrigation systems, thus augmenting the income of farmers. It is proposed to set up seed testing laboratories in the remaining districts of the State for ensuring better seed testing services and quality seed distribution to farmers. The Integrated Training Complex would be commissioned to conduct different levels of capacity building programmes for farmers, young entrepreneurs and officials.
86. Sir, for promotion of production of spices along with plantation crops, a programme of mixed farming of coconut, cocoa, turmeric and spices with other plantation crops is being implemented in a convergence mode.  
I propose a Plan outlay of Rs. 29.90 crore during 2012-13 under Crop Husbandry.

### **Horticulture**

87. Farmers market will be tried on the Hub and Spoke model and would be suitably equipped to handle the changing needs of buyers and producers. Considering the increasing popularity of organic products, especially among health conscious consumers, steps will be taken to expand cultivation of such crops. Capacity building of potential entrepreneurs will be linked to planting material production, high end floriculture and post harvest management. Training will be preceded by sensitization sessions so as to enable them to make informed decisions for commercial ventures. Crop festivals and exhibitions will continue to be organized as they are beneficial in showcasing the State's strengths and, in return, provide opportunities for farmers to gain access to new technologies, technological partners and markets.

I propose a Plan outlay of Rs.46.60 crore during 2012-13.

### **Water Resources**

The State has achieved irrigation coverage of 34,768 hectares through 322 minor irrigation projects, which is only about 16% of the identified irrigation potential of Rs. 2.18 lakh hectares. For stepping up the pace of irrigation, more schemes are being taken up under the Accelerated Irrigation Benefit Programme. This will have a positive impact on crop production and productivity, while also improving livelihoods.

88. Sir, the State Water Policy is being framed, and in this regard a Discussion Paper has been brought out for eliciting further comments. A comprehensive Water Act is also in the process of formulation. Besides, we are working on other thrust areas, which include integrated water resources management, basin planning, water quality monitoring and management, awareness and capacity building. As part of the initiative for promoting participatory irrigation management, Water Users' Associations in 159 irrigation projects have been formed and registered.

I propose a Plan outlay of Rs.197.25 crore during 2012-13.

### **Soil and Water Conservation**

89. The major programmes being implemented include 112 projects under Integrated Wasteland Development Programme and 61 participatory watershed projects under Integrated Watershed Management Programme. 19 ongoing projects under Rural Infrastructural Development Fund and 32 projects under the Accelerated Irrigation Benefits Programme are being implemented. In order to protect hill slopes of jhum areas through soil and water conservation measures, 63 projects have been taken up under Watershed Development Project in Shifting Cultivation Areas. The Cherrapunjee Ecological Project has been initiated for restoration of degraded land under Sohra plateau, involving 45 villages. Implementation of this project will improve the environment of Sohra and surrounding areas and also bring environmental awareness. A comprehensive initiative for developing Siju and its adjoining areas in the Mission mode has been launched.

I propose a Plan outlay of Rs.118.10 crore during 2012—13.

### **Animal Husbandry and Veterinary**

90. Sir, the focus of Animal Husbandry and Veterinary Department is development of infrastructure, improvement of animal health care, training, and increase in production of meat, milk and eggs. The



Department also provides subsidy to farmers, rural centres, educated unemployed youth, co-operative societies and Self Help Groups with a view to achieving the objective of self employment and self reliance. During 2012-2013, some of the major programmes proposed for implementation include setting up 10 new veterinary dispensaries in the State with NABARD loan, strengthening and upgrading of existing pig breeding farms at Kyrdemkulai. The Department will also assist Dairy Co-operative Societies by setting up Milk Collection Centers and also implement schemes for protection and control of livestock and poultry diseases. The Livestock Mission under Integrated Basin Development and Livelihoods Promotion Programme for enhancement of livestock production will be implemented during the year.

I propose a Plan outlay of Rs.39.20 crore under Animal Husbandry, and Rs.6.50 crore under Dairy Sector during 2012-13.

### **Sericulture**

91. Schemes will continue for sericulture farmers to increase production of quality cocoons for extraction of silk to be used by the handloom weavers, as well as for exporting surplus yarn to neighbouring States. Value addition would be introduced through suitable reeling and spinning facilities. Model handloom villages will be established to ensure year round activities for rural women weavers that would augment their income. Steps will be taken to improve the working condition of weavers, with regular supply of yarn and marketing facilities. The Department would educate weavers in improved looms with accessories for design development and higher productivity.

I propose a Plan outlay of Rs.19.60 crore during 2012-13.

### **Fisheries**

92. Given the wide gap between demand and supply of fresh water fish, Government has launched the 'Meghalaya State Aquaculture Mission' under the State flagship programme IBDLP to be implemented co-terminus with the 12th Five Year Plan. The Mission visualizes a major expansion in area, and establishing forward and backward linkages by promoting seed and feed production and marketing infrastructure. The Mission envisages capacity building exercise for farmers and other stake holders and emphasizes on conservation of native and endemic species through creation of river sanctuaries. Several emerging opportunities in the fishery sector are sought to be captured through the Mission.

I propose a Plan outlay of Rs.12.75 crore during 2012-13.

**93. Forest**

Sir, the role of Forest Department has expanded much beyond the earlier regulatory mandate of protection of Government forests and control transit of forest produce outside the State. Vigorous efforts are on to conserve bio-diversity and ecology as well as augmenting livelihood sources of the rural population. Meghalaya State Medicinal Plant Board has initiated steps to tap Central funds which would benefit the practitioners of indigenous systems of medicine. Preparation of land use maps has been initiated as the first step towards development of working plans and working schemes for forests in Meghalaya. The forest area of the State would thus be properly assessed, thereby enabling realistic policy for conservation while ensuring that projects vital for the development and welfare of the people are not hindered. Government has constituted an umbrella Meghalaya State Forest Development Agency in order to coordinate the afforestation programmes effectively. Creation of 3930 hectares of plantations is proposed under the National Afforestation Programme in the coming year. The preservation of conservation of critical catchment and eco-sensitive areas will receive priority attention of the Government. this will also help in addressing the problem of climate change for which action plan has been prepared.

I propose a Plan outlay of Rs.78.75 crore during 2012-13.

**Cooperation**

- 94.** The primary role of the Department is to facilitate development of cooperative societies into self reliant micro-economic units and enable them to be the nucleus of rural development. Of late, unemployed youths are steadily looking forward to form cooperative societies and undertake non traditional activities in sectors like IT, tourism and energy. It will be our endeavour in the next few years, to nurture these new generation cooperatives. Fishery cooperative societies are also being strengthened through Aquaculture Mission. MCAB is being encouraged in partnering with Government for implementation of various development schemes under new initiatives that would expand their banking network and activities.

I propose a Plan outlay of Rs.11.25 crore for Cooperation Sector and Rs.1.30 crore for Food, Storage and Warehousing during 2012-13.

### **Tourism**

95. Sir, for positioning Meghalaya as a tourist destination, efforts are on to develop and promote tourism. This has resulted in the growth of tourist arrivals in the State, making it one of the most popular destinations. A number of tourist lodges, wayside amenities, restaurants and tourist resorts are being constructed across the State. Major thrust is given to rural, cultural and eco tourism, development of circuits and destinations. Financial assistance is being provided for developing ethnic infrastructure and promoting cultural festivals throughout the State to enable showcasing of our rich cultural heritage and tradition. Capacity building programmes for stakeholders are organized with a view to enhance quality of services in collaboration with the Institute of Hotel Management, Shillong and the Food Craft Institute, Tura. A skill development programme for masons is also being conducted at Polytechnic, Shillong.
96. Government has introduced the Meghalaya Tourism Development and Investment Promotion Scheme 2012 to provide financial assistance to local entrepreneurs for setting up Home Stays and Resorts. The Tourism Mission which would be launched shortly, will focus on bridging infrastructure gaps, training, capacity building, skill development for the youths and creation of brand image. Specific schemes will be launched as part of the 'Year of the Youth' which would aim at their greater involvement in tourism related activities.  
I propose a Plan outlay of Rs.19.50 crore during 2012-13.

### **Arts and Culture**

97. The Department of Arts and Culture is entrusted with the task of promotion, development and augmentation of the rich cultural heritage of the State. Various programmes and cultural activities are conducted through voluntary organizations. As part of the 'Year of the Youth', a scheme will be drawn up to provide scholarships in music and film production. Government also assists scholars in research activities, besides engaging in conservation, documentation and archive works.  
I propose a Plan outlay of Rs.44.50 crore during 2012-13.

### **Information and Public Relations**

- 98.** Sir, the Information and Public Relations Department continues to disseminate information on the policies and programmes of the Government. Through schemes like Special Interactive Programme, distribution of Government advertisements to newspapers and publication of magazines and journals, the Department plays a pivotal role in the promotion of schemes and policies. With a view to improving the reach, installation of Wireless Mass Notification System, and setting up of an Information Cell and Knowledge Hub in some of the Districts is in progress. Besides its regular publications, information booklets on Government schemes and programmes are being published. The Department will continue to participate in the India International Trade Fair, the Republic Day celebrations held at New Delhi and other fairs. The Journalist Welfare Fund will continue and capacity building of journalists through workshops, seminars and exposure trips will be undertaken. I propose a Plan outlay of Rs.9 crore during 2012-13.

### **Sports**

- 99.** Government is committed to upgradation and creation of sports infrastructure for broadbasing sports as well as achieving excellence in various competitive events at regional, national and international level. The PYKKA programme, which aims at providing basic sports infrastructure and encouraging sports and games in rural areas, will receive additional impetus. The current year being the 'Year of the Youth', our endeavour would be to boost sporting activities and empower youths through youth camps, leadership and personality development, skill •enhancement training to tap latent talent in the State. Additional infrastructure would be created through funding from DONER, NEC and SPA. Special thrust will be given to sports and athletics such as football, basketball, table tennis, archery, martial arts and others. For promoting football in the State, synthetic turfs including fut sal turfs would be provided.
- 100.** Sir, the Sports and Youth Policy of the State is expected to be finalized shortly. Keeping in tune with the spirit of sports management in the country and elsewhere, the State Olympic Association and the State Sports Association will have key roles in implementation of sports plans and programmes. I propose a Plan outlay of Rs.53.75 crore during 2012-13.

### **Information Technology**

- 101.** Accelerated growth of Information Technology is vital for ensuring transparent, responsive and accountable governance. The sector continues to receive our attention, especially in the era where e-governance has touched each and every citizen. We need to fully participate in the IT revolution so that our citizens are benefitted. Under e-governance, State Wide Area Network, State Data Centre and Common Service Centre projects are functional and horizontal expansion is in the process of reaping the benefits of e-governance. Service Delivery Gateway project is nearing completion and the e-district project will be initiated during 2012-13. The thrust area for 2012-13 would be on improving IT education so as to enhance job skills and create a talent pool in the State, augmentation of GIS lab, establishment of IT Estate in New Shillong Township, technological and financial support to ICT promotional activities and IT firms, extension of SWAN horizontal connectivity and augmentation of e-Governance project. Appropriate policy framework would also be put in place to improve the quality of IT skills and Research and Development, so as to face the emerging challenges of the global IT market.

I propose a Plan outlay of Rs.15.10 crore during 2012-13.

### **General Administration**

- 102.** Sir, the new Meghalaya Houses in New Delhi and Kolkata will be available for occupation soon. Construction of the State Convention Centre at Pinewood, Shillong that would cater to activities such as conferences, seminars, cultural programmes is almost completed. The construction of the Directorate's Rest House-cum-Office at Shillong for ex-service men has been sanctioned, and proposal for construction of another Rest House and Office Complex at Tura is under consideration. Government has provided Rs.10 lakh for the welfare of ex-servicemen, widows and their dependants and destitute ex-servicemen.
- 103.** For construction of the new Assembly building, an amount of Rs.20 crore has been earmarked. Additional funds would be provided, if necessary.
- 104.** The nation wide Census 2011 was conducted in Meghalaya in two phases. House listing operations were conducted from April 1<sup>st</sup> to May 10, 2010, and population enumeration was done from 9<sup>th</sup> to 28th of February, 2011 in all districts and blocks. As per provisional figures of Census 2011, Meghalaya has a population of 29.64 lakh. Work on preparation of the

National Population Register is in progress.

I propose a Plan outlay of Rs.30.80 crore during 2012-13.

### **Legal Metrology**

- 105.** The Legal Metrology Act, 2009 and Rules thereunder have been implemented from April 1, 2011 for protecting the rights of consumers. Two Working Standard Laboratories have been constructed under Centrally Sponsored Scheme in Shillong and Tura at a cost of Rs. 25 lakh each and five Working Standard Laboratories in other Districts and Sub Divisions are also being constructed. Also, to serve the rural mass better, the Department proposes to open offices in other Sub divisional Headquarters so that consumers are not cheated by unscrupulous traders. I propose a Plan outlay of Rs.70 lakh during 2012-2013.

### **Personnel**

- 106.** Sir, Government continues to impart training to its employees for enhancing their performance, responsiveness and commitment, and also to adopt innovative approaches for service delivery. Meghalaya Administrative Training Institute has been conducting training and capacity building programmes to meet this goal, both for induction programmes and for in-service training of employees. Besides, employees are deputed for training to premier institutions in the country to develop their professional and technical skills, and expose them to the best practices of other States. The low success rate of local candidates in the All India Services Examination is a matter of concern and coaching programme for encouraging and preparing local candidates for these examinations is being drawn up. I propose a Plan outlay of Rs.6.50 crore during 2012-2013.

### **Printing and Stationery**

- 107.** During 2011-12, a Branch Office has been established at Jowal. Full fledged manpower and machineries would be provided soon. As part of modernization process, the first ever 4-colour automatic offset printing machine has been installed in Government Press, Shillong during 2011 - 12 which will meet the colour printing requirement of various departments. I propose a Plan outlay of Rs.3.50 crore during 2012-13.

### **Revenue and Disaster Management**

- 108.** The Revenue and Disaster Management Department, through the Directorate of Land Records and Surveys, carries out survey and prepares maps and records as embodied in the Meghalaya Land Survey and Records Preparation Act, 1980. For highlighting benefits of cadastral survey by using modern survey equipment, an awareness campaign was conducted. The Ministry of Rural Development, has provided funds for implementation of National Land Records Modernization Programme in some districts of the State. The Scheme will cover cadastral survey, preparation of maps, computerization of land records and setting up of data centres. Data Centres in the District Councils for computerization of the existing land records, and a Data Centre in the Directorate for computerization of acquired lands by Government and a State Data Centre in the N.I.C is proposed to be set up.
- 109.** The Directorate of Land Records and Surveys carries out the demarcation of intra and inter-State boundaries, followed by preparation of maps. Relief is provided to victims affected by natural calamities. The corpus of the State Disaster Relief Fund for the year 2011-12, as earmarked by the 13th Finance Commission, is Rs.15.38 crore, with an additional amount of Rs.5 crore being awarded for capacity building to deal with disaster management. An amount of Rs.1 crore was released and utilized by the State Disaster Management Authority for capacity building in disaster management. Disaster Risk Reduction programme sponsored by Government of India-UNDP is being implemented in three selected districts of East Khasi Hills, West Garo Hills and Jaintia Hills, and the Urban Risk Reduction programme is also being implemented in Shillong. UNDP has released Rs.49.26 lakh for these two programmes.
- 110.** As part of preparedness to deal with any disaster situations, a well trained and equipped dedicated force, namely, the State Disaster Response Force will be raised. The District-Disaster Management Authorities will conduct safety audit of public and commercial buildings where public gathers in large numbers.  
I propose a Plan outlay of Rs.4.65 crore during 2012- 13.

**111. Programme Implementation and Evaluation**

Sir, the Programme Implementation and Evaluation Department conducts evaluation and research studies both in-house and by outsourcing. Apart from undertaking physical monitoring and review of important State Plan schemes, Centrally Sponsored Schemes, NEC Schemes, NLCPR projects and Externally-Aided Projects, evaluation studies are also conducted. During 2011-12, three evaluation studies on assets created under MGNREGS, Irrigation and RKVY have been taken up, and a few more studies will be taken up during 2012-13.

I propose a Plan outlay of Rs.90 lakh during 2012-13.

**Science and Technology**

**112.** A wide range of schemes are proposed to be undertaken under Science and Technology during 2012-13 with an amount of Rs.9.75 crore. These schemes will be implemented through State Council of Science, Technology and Environment, Meghalaya Bio-Resources Development Centre and Shillong Science Centre. 'Mapping of the Science and Technology Needs in the State' is the main scheme which would continue under the Specific Projects Programme. The support from the State Plan to the Shillong Science Centre and the Bio-Resources Development Centre would continue.

**113.** Setting-up of a Bio-Technology Park, implementation of the District Innovation Fund under the 13th Finance Commission Award, and providing support to the setting-up of a Regional Centre of the Ministry of Science and Technology at Shillong are the new initiatives proposed during 2012-13.

**Strengthening of Administration**

**114.** Government recognizes the fact that a substantial number of initiatives have been conceived and are ready for implementation. However, the impact of these interventions would, to a very large extent, be dependent upon the delivery system at the field level. The people's expectation and aspirations would be met only if a robust mechanism is put in place for support and for implementation of these schemes, programmes and initiatives. It has, therefore, been considered necessary that four more Districts would be created in the State, by upgrading existing Sub Divisions, during the course of the year. It is expected that this step would go a long way towards more effective delivery of services for the greater good of the citizens of the State.



### **Tax Proposals**

- 115.** Sir, in order to mobilize additional resources for the State, propose to adopt and implement the following measures during the fiscal 2012-13:
- a.** In order to enhance the excise revenue, I propose to increase the excise slab on IMFL with consequential increase in excise duty on advalorem mode and the VAT component on liquor. In addition, I propose to effect appropriate enhancement in the rates of license fees for all categories of excise licenses.
  - b.** For infusing better consciousness about ill effects of tobacco on the health of people of the State and to further streamline the tax structure, I propose to increase the rate of VAT on tobacco and tobacco products from the existing rate of 12.5% to 13.5%. Besides, I propose to include Beedi in the tax net by way of amendment of the appropriate Schedule.
  - c.** I also propose to take up the matter for raising the ceiling in the rate of professional tax with the Government of India by way of amendment of Article 276 (2) of the Constitution.
- These measures are expected to generate additional revenue to the tune of Rs.12 crore.

### **Budget Estimates 2012-13**

I am pleased to present the Budget for 2012-13 with a fiscal deficit of Rs.382 crore, which is around 2.06% of GSDP, and a reduction of Rs.37 crore from 2011-12.

The estimated total receipts in 2011-12 were Rs.6207 crore of which the revenue receipts were Rs.5602 crore and capital receipts were Rs.605 crore. Excluding borrowings and other liabilities, the total receipts stood at Rs.5624 crore. For 2012-13, I have estimated the total receipts at Rs.7618 crore, an increase of Rs.1411 crore or 22.7% over the current year. The revenue receipts are estimated at Rs.6975 crore and capital receipts at Rs.643 crore. Excluding borrowings and other liabilities, the total receipts 2012-13 are estimated to be Rs.6999 crore. Plan Grants from the Centre is expected to be Rs.3459 crore, an increase of Rs.381 crore from that of the current year. I have estimated the State's Own Revenue at Rs.1190 crore, an increase of Rs.210 crore from that of the current year.

In 2011-12, the total expenditure was budgeted at Rs.6264 crore including repayment of loans and other liabilities. Excluding repayments of loans and other liabilities, the total expenditure was estimated at Rs.6043 crore. For 2012-13, I have estimated the total expenditure at Rs.7601 crore, an increase of 21.3% over the current year. Excluding repayment of loans and other liabilities, the estimated total expenditure during 2012-13 will be

Rs.7381 crore, of which revenue expenditure is estimated at Rs.5964 crore and capital expenditure at Rs.1596 crore.

I have estimated the Plan expenditure including Centrally Sponsored Schemes, Central Sectors Schemes, NEC and NLCPR for 2012-13 at Rs.4413 crore, an increase of 29% over the current year's estimate of Rs.3430 crore. Inclusive of these schemes, I propose an outlay of Rs.747 crore for Education, Rs.744 crore for PWD, Rs.723 crore for Agriculture and Allied sectors, Rs.301 crore for PHE , Rs.290 crore for Power, Rs.282 crore for C&RD and Rs.228 crore for Health.

The total non-plan expenditure for 2012-13 has been estimated at Rs.3189 crore, an increase of 12% from the budget estimate of 2011-12. Interest payment during 2012-13 is estimated at Rs.336 crore and pension payment at Rs.226 crore. Salary payment is estimated at around Rs.1840 crore. I have proposed a non-plan budget of Rs.506 crore for Education, Rs.350 crore for Police, Rs.297 crore for PWD, Rs.228 crore for Agriculture and Allied sectors ,and Rs.170 crore for Health.

Mr. Speaker Sir, with these words I commend the Budget to this House.

**Khublei  
Mitela  
Jal Hind**