

**4. INAUGURAL ADDRESS OF THE HON'BLE CHIEF MINISTER IN THE CONFERENCE OF
CHAIRPERSONS OF THE LOCAL BODIES HELD ON 30.11.96 AND 1.12.96 AT CHENNAI.(ENGLISH
VERSION OF THE ADDRESS)**

Hon'ble Local Administration Minister Thiru Ko.Si.Mani, Cabinet Ministers, Chief Secretary, Government Officers and the Chiefs of Local Bodies:

This Government, assumed office on 13th May 1996, conducted elections to Chennai Corporation, where elections were not been conducted for the past 23 years and to other Local Bodies where elections were conducted after more than 10 years. In this manner, this Government fulfilled constitutional obligation for establishing democratically elected Local Self Governmnet Institutions.

Hitherto, Government itself conducted elections to Local Bodies. Presently, the State Election Commission, created under the Constitutional provision conducted the elections to Local Bodies in free and fair manner. In this election, one third reservation for Women and separate reservations for Adi-Dravidar and Tribals have been made.

Our State can take the credit of successfully conducting a maasive local body elections at one time and at one stretch without any major law and order problem.I would like to express my heartiest thanks to all, particularly, the Election Commissioner, the police, the officials of the Government and the Local Bodies voters in general and all political parties who have co-operated for the peaceful conduct of the elelctions. I extend my heartiest greetings and welcome to those who won the elections.

Totally, 95657 Ward Members and 12584 Presidents of Village Panchayats, 6501 Panchayat Unions Ward Members and 382 Panchayat Union Chairmen have assumed office in Tamilnadu. Besides, 28 District Panchayat Presidents, 649 District Panchayat Ward Members, 634 Town Panchayat Presidents and 10170 Members have been elected. With regard to the Municipalities 102 Chairmen, and 3392 Members have been elected. In case of Village Panchayats, 3197 President seats for women (general), 1101 seats for scheduled caste women and 25 for scheduled tribe women; 1851 SC and 60 for ST have been reserved.

As regards Panchayat Unions, out of 384 posts of Chairmen, 43 posts for Adi-Dravidar, 32 posts for women (SC),in general category 202 seats and 107 seats for women have been allotted.

Likewise, for the posts of Chairmen of the District Panchayats, 2 posts for Adi Dravida Women and 8 posts for Women under general category have been allotted. District Panchayat and Panchayat Union Chairmen have been indirectly elected by their Members. In respect of others, the Presidents/Chairmen were elected directly by people.

In Tamilnadu, there are 6 Municipal Corporations namely Chennai, Madurai, Coimbatore, Trichy, Tirunelveli and Salem. For these Corporations, 6 Mayors and 474 Councillors have been directly elected.

You are participating in this august conference after winning the trust and confidence of the people. I understand that all of you have assumed office on 25.10.1996. I am sure you would be dedicating yourself for the development of your respective areas. This process has reestablished the local self governance through the peoples' representatives in the rural and urban areas. The democratic governance especially in villages and towns in Tamil Nadu has a hoary past.

Tamil Kings (Moventhargal) have shown the way to democratic governance through Village Assemblies a thousand years ago. inscriptions, literatures are replete with information on the functioning of the village panchayats. Inscription on compound walls of Sri Vaikuntha Perumal temple at Uthiramerur of Anna District provide details of the Grama sabhas during the period of Paranthaga Cholan in 921 AD.

These inscriptions reveal that every Village was sub-divided into many hamlets and each hamlet was further divided into different wards and that Members were elected to these wards through 'Kudavolai' (Palm leaf in pot). It can be easily understood as to how strict their election would have been by the fact that the Members were permitted to contest for the election only after taking into account, the candidates intelligence, efficiency, service mind and

clean conduct. These village democracies grew up efficiently and functioned excellently, thereby rendering great help to the society.

Sangam age poems stand testimony to the fact that this palm leaf and pot system was in existence even during Sangam period. A Tamil poet by name Maruthan Ilanaganar witnesses a scene in a battle field, where the bodies of the warriors killed, were eaten by vultures, crows, foxes and dogs. He saw a vulture piercing the stomach of a dead warrior with its sharp beak and taking out the intestine and compared this scene to taking out the palm leaf from the pot in the Villages during election.

The Panchayat System which flourished during Tamil rulers, got distorted during British rule. In 1882, the then Viceroy Lord Ripon wanted to give legal status to Panchayats in India. Accordingly, Panchayat Act were enacted in Madras Presidency in 1884 and in Bengal Presidency in 1885. During the period of Lord Ripon, District Board, Taluk Board and Unions were constituted under Local Board Act. These Boards established and maintained hospitals, schools, provided road and street lightings. However, these Acts were ineffective and local bodies with some nominated members remained fiefdoms of bureaucrats. Further, these bodies were not created on the basis of one Panchayat for one Village.

The "Royal Commission" was constituted to rectify this anomaly. It recommended that Panchayat should be formed in villages. Based on this, Village Panchayat Act was enacted in 1920. The recommendations of Central Government in this regard were ignored and Panchayats functioned under the supervision of District Boards. The Madras Local Board's Act 1920 was the off-shoot of Local Board's Act, 1884 and both the Acts existed side by side.

In the year 1930, the Madras Local Boards' Act was amended. In 1946, further amendments were made in the Act. Thus, in the past the efforts taken by British Government were mostly superficial. In the absence of power, financial resources, supervision, the Panchayat administration did not take proper shape. After the country attained Independence, the Madras Village Panchayat Act was enacted in the year 1950 with a view to making the Panchayat Administration useful to all sections of people. Though this Act was in vogue certain public activities like public health continued to be looked after by the District Board. In view of this, complications erupted now and then.

In 1919, Sir, P.Theayarajar became the President of Madras Corporation and it took the first step in the Corporation's service to the people of Madras City. While he held the office for 4 years, 10 persons succeeded him. In 1934, the President system was changed, to the Mayor who was elected by the majority of elected councillors. The Corporation functioned under the control of the Mayor. The privilege of being the First Mayor of Madras went to Raja Sir. Muthiah Chettiar. After him, 42 persons held the office of the Mayor. Thiru. R. Arumugam was the last as Mayor in 1972. All these Mayors were not directly elected by people. They held the post for only one year. Only now, for the first time in 6 Municipal Corporations, Mayor has been elected directly by people and opportunity has been created for them to hold the post for five years like other Presidents of Local Bodies.

Madurai Corporation claimed the pride of being Second Corporation in Tamil Nadu. A British Collector by name Levinx constituted a City Council in 1866 and presided over it. There were four members in that councils and the city council system lasted upto 1882. Thereafter City Council became Municipal Council consisting of 8 elected members and 6 nominated members. Thiru. Ramasubbaiyar was elected as the first Chairman of Madurai City Council. Thiru. Appasamy Naidu succeeded him as Chairman.

When the Municipality Act came into force in 1921, the strength of City Councillors was increased. 27 persons were elected as Councillors. There were nine nominated members. This Act provided for payment of salary to the Chairman of the City Council. The City Council was dissolved in 1931 and election was conducted in 1933. Madurai was accorded the status of a Municipal Corporation in May 1971 and Thiru. S.Muthu became its first Mayor. Besides, Chennai, Madurai Corporations, there are now four other new Corporation viz., Kovai, Trichy, Tirunelveli and Salem.

Government of India, appointed a Committee in 1957 under the Chairmanship of Thiru. Balwanth Roy Metha, a Gandhian to study the Panchayat system and to make recommendations for their effective functioning and to make them peoples institution. The committee recommended a three tier panchayat system with a body at District level and another at village level and third one coordinating the both. Based on this, in 1958 when the Perunthalaivar Kamarajar was the Chief Minister, legal status was given for the creation of three tier panchayat in Tamil Nadu viz., District Development Council, Panchayat Union and Panchayats. The experience of implementing Rural Development Schemes over the years, the awareness found among the people, the need to ensure that benefits of development

should reach the lower strata of the people and involvement of people in the Development Schemes, warranted a new institutional arrangements. 73rd and 74th Constitutional amendments were made in 1992. Because of this, the Panchayat Administration which was in the State List for the past 46 years has been transferred to the concurrent list. According to this, the Panchayat system in the entire country will be a three tier system of Village Panchayat, District Panchayat and a Panchayat Union in between. Government felt that because of this the masses in rural areas can be involved in Local Self Government Institution which will strengthen the democracy.

In the year 1994, Tamil Nadu Panchayats Act, Tamil Nadu Municipalities Act and Municipal Corporation's Act were amended to conform to the 73rd and 74th Constitutional Amendment.

In the Panchayat system followed during sixties there was a link between Village Panchayats and the Panchayat Union. They were dependent on each other. All the Panchayats within the area of a Panchayat Union constituted the Panchayat Union. But in the new three tier system, such link is missing. Each body is constituted to function independently according to Constitution.

Laying of Panchayat's roads, provision of street lights, cleaning of drainages, scavenging of streets, provision of public convenience, formation of burial grounds, digging of wells, ponds etc., and their maintenance are a part of the activities of 12,584 Panchayats in Tamil Nadu.

Panchayat Union roads, construction of small bridges, dams, building of hospitals, houses to poor people, orphanages, building of shops, markets, distribution of house site pattas etc., are some of the functions assigned to 384 Panchayat Unions.

Preparation of Decentralised District Planning, co-ordination of centrally sponsored schemes implemented at district level, supervision of plan schemes implemented in the district etc., come under the purview of 28 District Panchayats. In the three tier systems, District Panchayats have been constituted for the first time. Their responsibilities are invariably advisory in nature. But Government is considering giving more powers to them.

State Finance Commission was set up in 1994 as envisaged in 73rd Constitutional Amendment. Reviewing the financial position of Local Bodies, recommendation to augment the financial resources, to evolve principles to distribute the net proceeds of taxes, fees, toll levied by the Government, between states and Local Bodies, to define principles for the grant of subsidies are some of the terms of references to this commission. This Government as soon as, it assumed office conducted elections to Local Bodies in order to change the dormant stage of Panchayats and to expedite the work of the State Finance Commission.

Government have constituted a committee under the State Planning Commission to entrust the different stages of duties and to make recommendation on the devolution of powers to Local Bodies. The Committee has been asked to give its report within a month.

As per Section 240 of Tamil Nadu Panchayat Act 1994, every Panchayat, Panchayat Union and District Panchayat has to formulate development plan every year. Provision has been made in this Act to constitute a District Planning Committee. This Committee, will coordinate the Development Plans drawn up by the Local Bodies like District Panchayat, Panchayat Union, Panchayats, Municipalities, Town Panchayats and Municipal Corporations and will prepare a draft development plan for the entire district. Panchayat Institutions will play a crucial role in the preparation of Ninth Five Year Plan.

For the Decentralised District Planning, Rs.60.00 crores has been allotted for the current year. With this amount, the Local Bodies can create Social Assets, useful for the people.

Orders sanctioning release grants recommended by Tenth Finance Commission for the year 1996-97 have been issued. District Panchayat has been granted Rs.1.00 crore each. Out of this upto Rs.15.00 lakhs can be spent on creation of basic facilities in District Panchayats. Each Panchayat Union is given a grant of Rs.10.00 lakhs. District Panchayats can spend 5% out of the amount allocated to them, for Administration. The Project Officer of the District Rural Development Agency will function as Chief Executive Officer of the District Panchayat. Orders have been issued permitting the Panchayat Unions to incur expenditure from its General Funds for Drinking Water Supply, School Buildings, Road Works and Minor Irrigation works.

Before such spending, a minimum balance of Rs.5.00 lakhs has to be maintained under the General Funds. Village Panchayat President has been appointed as Executive Officer of Panchayat. He can discharge the functions

and Powers of Executive Officers. Whereever Panchayat Asst is not available, Part-time Clerks can be appointed. Panchayat Assts and Part-time Clerks will work under the Control of President of Panchayats.

For the current year a sum of Rs.1273.17 crores has been provided to enable the Panchayats and Panchayat Unions to implement Jawahar Velai Vaippu Thittam, Indra Awas Yojana, Million Wells Scheme, Employment Assurance Scheme, Self Employment Scheme for Rural Youth, Central Rural Sanitation Scheme, Integrated Rural Development Scheme.

During the current financial year, more than 70,000 houses will be provided to persons belonging to Adi Dravidars, Tribes and Backward Classes and below poverty line. Besides, a total of 5,000 Kms. Panchayat Union Roads will be black topped. If there are 20 dwellings in a cluster, they will be linked to the nearest road. Drinking Water facilities will be provided in Panchayat Union Elementary Schools. Maintenance of Street Lighting has been entrusted to Electricity Board effective from 01.08.96.

For the first time, during the current year budget, substantial funds have been allocated for Town Panchayats and Municipalities. Rs.25.00 Crores to Town Panchayats and Rs.9.15 Crores to Municipalities have been allocated. Rs.25.00 Crores has been allocated to all Corporations except for Corporation of Chennai.

A sum of Rs.50.00 Crores has been allocated to Chennai Corporation for improvement of Basic facilities. Besides proposals are being prepared to provide adequate funds to improve basic amenities in Town Panchayats and Municipalities. Action is being initiated to provide necessary funds to Local Bodies based on the recommendations of State Finance Commission.

As far as Urban Local Bodies, property tax is the primary source to augment the financial position. In several local bodies, property tax and other taxes are in greater arrears. The new Councils should initiate action to collect the arrears of taxes as per regular procedures and augment the financial position. Further, the property tax is determined on rental basis. There are some drawbacks in following this procedure. Therefore, the Chairmen of the Urban Local Bodies should evolve new procedures for determination of property tax.

The Madras Corporation Act was enacted in 1919. Based on this, separate Acts were prepared in 1920 to all Municipalities and in 1971 and 1981 for Madurai and Coimbatore Corporations. Three separate legislations were passed to make the Coimbatore Corporation Act applicable to Trichy, Salem and Tirunelveli Corporations. which were constituted in 1994. Therefore there are now 7 Acts in vogue in respect of Urban Local Bodies. The Madras Corporation Act 1919 formed the basis for the other Acts. There are certain obsolete provisions in these Acts which are no longer relevant. These have to be removed and new provisions have to be introduced.

Thus instead of amending all seven Acts action is being taken to prepare a common law applicable to Town Panchayats, Municipalities and Corporations on the model in Kerala Legislation. It is expected that a draft bill would be prepared within one month. People will be given opportunity to give their views on the various provisions in the draft bill. Urban Local Bodies will be armed with more powers and responsibilities taking note of the recommendations of Tamil Nadu State Finance Commission as well as powers and responsibilities enjoyed by the Urban Local Bodies. Action is being taken to enact the legislation in the ensuing Budget Session.

There is a Training Institution in Coimbatore to impart training to the Local Bodies staff on administration. The employees of Town Panchayat, Municipalities and Corporation are being trained in this Training Institution. The members and Chairmen of Urban Local Bodies can also be given training on Local Bodies Administration by the Institute. As there are more than 15,000 elected representatives in the Urban Local Bodies, it will take more than five or six months, if they are given training only in Coimbatore Training Institute.

For the Town Panchayat, Municipality and Corporation members, training will be organised at the District Head Quarters. Necessary action is being taken by the concerned officers of the Administrative Departments and the officers of Coimbatore Training Institute to visit the districts and to organise training courses.

Apart from imparting training to all elected representatives, arrangements need to be made to impart training to women members and Presidents (Chairmen). Government have allocated Rs. 50 Lakhs for the training alone.

Basic facilities like provision of drinking water, good roads, sufficient street lights, health and education facilities accessible to the people, is the expectation of the average citizen. I firmly believe that you, as the elected representatives will devote your attention to provide these basic amenities.

Though it has been shown that huge funds have been allocated in the past years to implement these schemes, we all know that there has been a deterioration in the provision of these basic facilities and their maintenance.

This Government realises very well that the elected representatives should be given more responsibilities and power and more allocation of funds in order to fulfil the aspirations of the people of the State and to raise their standard of living. The "State Finance Commission" which was asked to give recommendation to Government, in this regard has submitted its report to the Governor yesterday (29.11.96). Government would give additional power and financial resources to implement development schemes, taking in to account the experience in the implementation of these schemes in the current year.

Experienced heads of local bodies as well as persons who will acquire experience in the near future are participating in this conference. People living in cities, Towns, Villages and hamlets are expecting a lot from you and the Government. In order to fulfil their expectations, we have to dedicate our selves in the service of people with straight forwardness, service motive and integrity. I expect only this spirit from each one of you. I call upon all of you to work in harmonious manner rising upto peoples expectations.

Thank you vanakkam.