DECEMBER 9, 1968

श्री प्रकाशबीर शास्त्री (हापुड़) ः सरकार के उतार चढ़ाव जिन राज्यों में आते हैं...

MR. SPEAKER : We are reading in the papers that something is going on there. How are we seized of it now ?

SHRI ATAL BIHARI VAJPAYEE : We have given notice of a calling attention motion.

MR. SPEAKER : I have seen it. The State Government is there. The Assembly is still there. I do not know; I have no information. Things are appearing to be normal now, but I do not know what will happen tomorrow morning. Something is happening there.

श्री प्रव्यवादीर जावी : संविधान में व्यवस्था है कि यदि किसी राज्य की प्रशा-सन व्यवस्था ठप्प हो जाए, वहां का प्रशासन न चल रहा हो तो फिर केन्द्रीय सरकार का कर्तव्य आ जाता है। (व्यवधान)----

Mr. SPEAKER : But that stage not has been reached.

एक माननीय सबस्य : मघ्यप्रदेश के बारे में भी है, मेरे पास यह अखबार है... (ब्यवधान ...

श्री अटल बिहारी वाजपेयीः जब मिश्राजीवहौं परमुख्यमन्त्रीथे, वह तब काअखबार होगा।

MR. SPEAKER: We are not seized of this matter. So, I do not think we should discuss that now, Let us see what the Governor sends.

The Food Corporations Bill discussion will continue tomorrow. We will take up the half-an hour discussion now,

17.30 HRS

HALF-AN-HOUR DISCUSSION CENTRAL ASSISTANCE TO STATES

SHRI SURENDRANATH DWIVEDY (Kendrapara): Sir, you will remember

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that when this question came up the other day, the Minister could nots atisfy the House and the reply he gave was very disappointing. I had never imagined that after 20 years of experience of planning, either the Planning Commission, or the Ministry, or the Government......

SHRI S. KANDAPPAN (Mettuer) : Not experience, only experiment in palnning.

SHRI SURENDRANATH DWIVEDY: I want to know whether efforts were made to remove regional imbalances and eliminate concentration of economic power and whether these things are ever taken into consideration while deciding the policies.

In this context, I want, to refer specifically to the assistance given by the Centre to the States. This is a moot point from the point of view of development of the entire country. If you want to create in this country a feeling that we are one country, one people, everyone is interested in the development of every section of the population and every region of this country, then the policy should be such as would really benefit all sections. But I have to say with regret that we are still following the old colonial policy of some favoured States and some neglected States, some martial and some non-martial States.

The minister was telling us the other day that a sub-Committee of the National Development Council went into this question and has fixed the criteria and the Chief Minister have agreed to that. I do not know whether the Chief Minister belonging to backward or under-developed States have agreed to such a scheme. If so, I would say that such Chief Ministers are unfit to occupy their positions, because they do not know the problems of their own State and their own people.

Now, if you take into consideration the per capita income, Uttar Pradesh, Bihar and Orissa are the States which have the lowest level of income. There is no popular Ministry in Bihar and Uttar Pradesh. Perhaps, if popular Ministries were in office in those States, they would not have accepted such a proposition. I notice that Assam, Nagaland and Jammu and Kashmir

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have been put on a special category. I want to know whteher it is from the defence point of view. If so, I have nothing to say about it. In the case of these three States it has been stated that their full requir ements will be net. So far as the other 14 States are concerned, the criteria has been fixed. 60 per cent will be according to population. If population is taken into consideration, what happens? But here I will invite your attention to the Interim Report of the Finance Commission. According to their figures, Maharashtra has the highest per capita income in the country today. But you will find from the interim Finance Commission report. under article 275, Maharashtra is being given almost the same amount or even more-they are given Rs. 57 crores as against Rs. 48 crores to Bihar. Rs. 48 crores to Orissa and Rs. 83 crores to UP has a bigger population...(Interruption).

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI B. R. BHAGAT): You are talking of the Finance Commission.

SHRI SURENDRANATH DWIVEDY: I am referring to the interim Finance Commission Report. According to them also, from the allocations they have made, one would find that the prosperous States are even now getting more than what the neglected or undeveloped States should get.

All the Plans have mentioned that the undeveloped regions should be given special consideration whenever any plans are formulated and even in the Approach—we will have an opportunity to discuss that they say:—

"The backward regions and States suffer from relative paucity of financial resources"—

that they admit.

"The handicap would be corrected in some measure through special programmes and allocation of funds."

What is the special programme and allocation of funds which they are going to make while distributing Central assistance to these States ?

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> SHRI SURENDRANATH DWIVEDY: Whether McNamara gives us anything or not, whatever resources are available in the country should be properly distributed. That is my point. We know, what is the fate of the Plan. There is no Plan, nothing of the kind.

> In one of the categories that they have fixed they have said, "Raising of resources by the States themselves". What is the capacity of some of the States, I would like to know. Is it not a fact that some of the States have reached almost the saturation point? They just cannot augment their resources; there are no sources with them.

> Very often the question is raised about agricultural income-tax etc. That applies to all over the country. Is there any resource left in these neglected regions ? Will they actually be in a position to compete with the other developed States ? Even taking population into consideration, what about States like Madhya Pradesh. Orissa and Bihar where there is a sizable population of Scheduled Castes and Scheduld Tribes ? I think, in Orissa it is about 40 per cent. How can you expect any savings or resources or taxation or money from this section of the people ? Rather, you should have considered that as a special case to provide more money for new schemes and special programmes in these regions. That is not being done.

> So far as I know-the Minister will correct me if I am mistaken-even when these allocations were made in the past some consideration was being given to the growth potential of the State concerned. As an example I will cite the State of Orissa where there is immense possibility for developing mineral resources which can probably feed not only our country in terms of iron ore and other things for hundred years but I think Japan can be fed only by the Orissa mises. The growth potential is there. So also in Madhya Pradesh.

There was also a consideration, so far as I know, with the Government tofeh 335

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capacity of the State to finance its development plans from its own resources. If they have no capacity, who is going to provide them with money specially for this purpose so that they can develop themselves ? As against that, as has been borne out by facts, all the States are indebted to the Centre. They have taken large amounts of Central loans. I think, the total loan amount today is to the tune of Rs. 900-andodd crores of which only Rs. 200 crores or so have been repaid and the States have to pay interest on these debts to the Central Government. The Orissa Government which does not have a budget even of Rs. 100 crores will be paying Rs. 20 crores as interest to the Central Government every year for the loans that they have taken.

When such is the state of affairs in some of the States, what are the criteria laid down? How is it going to benefit them? This is an arbitrary fixation as was being done previously by the British powers.

There is no integrated outlook. I warn this Government. We are talking of national integration; we are talking of national unity. Leave alone language problem; leave alone other things. If this neglect continues even after 20 years. I am afraid, there will be no unity in this country. The disintegration process will start. Nobody will believe that there is the Central authority or they have anything to do with them if they themselves do not consider this aspect of the question.

Sir, this problem has to be tackled from a very broad point of view. I think, it is time to tackle it. Twenty years have already passed away. May I tell you another thing ? I hope Mr. Vajpayee will excuse me. He also raised the question about Delhi. As regards Delhi, the per capita income is Rs. 1000. In Maharsahtra. West Bengal, Rajasthan, Punjab and Gujarat, it is about Rs. 500. There are six States in the country which, I think, will take hundred years, at this rate, to reach this level and they cannot even come at par with these developed States. I want to know whether these criteria are going to satisfy them. I do not envy the States which have already developed. There may be historical reasons. They can develop further. There is nothing against them. But have they any Plan to see that the backward States come at par with developed States within a certain period of time ? How are they planning that? Is there any Plan? Is there any programme ? Is there any planned thinking about it ? Even with the resources at our disposal. I do not like that on matters like this which is so important and which. has such a relevance to the present political and other situations in the country, only because some Sub-Committee of the National Development Council has agreed to certain things, they should carry them out. On this matter, the parliament should have been consulted. They should consult th Parliament. They should come forward with a programme and let the Parliamen express its views on it. The Parliament represents the country as a whole and wil give support if there is a programme by which the Central assistance is evenly distributed so that, at a given period of time, in the shortest possible time, the backward regions of the country are developed at par with other developed regions of the country. That is what I want to know from the Minister, I want to know whether the policy which they say they have accepted before implementing it will come before Parliament for its approval.

भी प्रकाशबीर शास्त्री (हापूड): राज्यों को केन्द्रीय सहायता देने के सम्बन्ध में सरकार ने जो भाषदण्ड निर्धारित किया है पिछले 20 वर्षों में राज्यों की ओर से केन्द्रीय सरकार को बराबर इस बात की शिकायत मिलती रही है कि उसमें कुछ बडे राज्यों का अनुपात बहुत कम रहा है। आगे जो आप इसके लिए मापदण्ड निर्धारित करने जा रहे हैं और जो राज्य केन्द्रीय सहायता की दृष्टि से बहुत पिछडे रह गए उदाहरण के लिए जैसे उत्तर प्रदेश है उनके लिए व्या आपने कोई एक विशेष क्राइटेरिया निर्धारित किया है यदि हां तो वह क्या है ?

भी शिवचन्द्र झा (मधवनी) : जो माप दण्ड राज्य सरकारों को मदद करने के लिए केन्द्रीय सरकार ने असत्यार किया है उस से हुआ यह है कि पिछले 20 साल में

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विकसित राज्य और अधिक विकसित हुए हैं और जो अविकसित थे व पिछड़े हुए थे वह और भी अधिक अविकसित व पिछड़े हो गए हैं। यह जो एक इम्बेलैंस बढ़ा है उसको स्रत्म करने के लिए सरकार क्या करने जा रही हैं? पर केप्टा इनकम की बेसिस पर जिन राज्यों का नेशनल एव जे डेवलपमेंट नीचे है उनको उस नेशनल एव जे डेवलपमेंट नीचे है उनको उस नेशनल एव जे की छेविल पर उपर लाने के लिए क्या केन्द्रीय सरकार ऐसे अविकसित व पिछड़े राज्यों को क्या कोई सास मदद देने जा रही है ताकि वह भी द्सरे राज्यो के मुकाबले में आगे दौड़ सकें?

जिन राज्यों मैं खासतौर से स्ट्रेटिजिक रा मैटीरियल है उनका रा मैटीरियल आज दूसरे राज्यों में इग्तेमाल करने के लिए ले जाया जाता है जबकि इन्साफ यह कहता है कि जिस राज्य का रा मैटीरियल हो वह उसी राज्य में इस्तेमाल में आना चाहिए क्योकि वैसा होने से एक तो वहां की जनता को काम मिलता है और साथ ही उस राज्य का औद्योगिक विकास भी होता है ।

उदाहरण के लिए मैं आपको बतलाऊ कि तिहार राज्य म न्युक्लिएर रा मैटरियल उपलब्ध है लेकिन उसका उपयोग दूसरे राज्यों में होता है। मेरा कहना है कि ऐसे जो राज्य हैं उनके विकास के लिए यह आवक्ष्यक है कि उनके वहां पैदा होन बाला रा मैटीरियल उन राज्यों में ही उपयोग में लाया जाय। मैं जानना चाहता हू कि सरकार इस दिशा में उनको कोई खास मदद देगी या नहीं देगी ?

श्री सिंकरे (पंजिम) : जब इस सदन म कुछ हफ्ते पहले और आज मी इस सवाल को लेकर प्रश्न पूछे गये थे तो मंत्री महोवय की ओर से यह उत्तर दिया गया था कि जहा आवश्यकता प्रतीत होती है वहां के लिए केन्द्रीय सरकार मदद करती है। लेकिन बेद के साथ मुझे यह थीज सदन के नोटिस में लामी पड़ती है कि यूनियन टैरीटरीज की जो आवश्यकताएं हैं उनके बारे में जिम्मेदार लोग गहराई में नहीं जाते है और परिचाम-स्वरूप वहां की आम जनता सफर करती है।

.यहां कहा गया है कि परकेषिटा इनकम स्टेटस के लोगो की या यनियन टेरीटरीज के लोगों की देख करके ही केन्द्रीय सरकार उन्हें मदद करती है। लोकिन वह परकेपिटा इनकम दरअसल एक सही पिक्चर नहीं बतलाती है क्योंकि गोवा में हम देखते हैं कि ऐसे--ऐसे कैंप्टेलिस्ट माइनआनेम हैं जिनका आय व्यय करोडो रुपया रहता है वहां दसरी तरफ ऐसे भी लोग है जिनकी कि संख्या उनके मकाबले बहत ज्यादा होती 8, उनके पास खाने के लिए एक रोटी भी नहीं है। हालत यह है कि एक तो बिडला टाटा हैं और अधिकतर भिकोबा हैं और उस तरह से अपर केपिटा इनकम निकालना और उसके बाद कहना कि हम मदद करने के लिए तैयार हैं तो वह कोई एक उचित व तक संगत बात नहीं है । इसलिए मैं कहैंगांकि खास तौर पर जब यनियन टैरीटरीज को केन्द्रीय सहायता **टे** जे का प्रश्न आये तो केन्द्रीय सरकार उनको अधिक मदद प्रदान करे। गोवा का केस मैं आपके सामने रखूगा । गोवा को स्वतंत्र हए साढ़े सात साल हो गये। गोबा केन्द्रीय सरकार को हर साल 40 करोड रुपये का फौरन एक्सचेंज देता है लेकिन केन्द्र से गोवा को जितनी मदद मिलनी चाहिए वह उसे अभी तक नहीं मिल रही है। जैसा मैंने पहले कहा कि यूनियन टेरीटरीज को केन्द्रीय सरकार को ज्यादा मदद देने की तैयारी करनी चाहिए वहां सास तौर से गोवा और पडिचेरी की विशेष हालत को और पिछली तीन पंचवर्षीय योजनाओं में वहाँ विशेष कुछ किया नहीं गया यह घ्यान में रसते हए केन्द्रीय सरकार उन्हें अधिक मदद प्रदान करे ।

SHRI S. KUNDU (Balasore) : This is a very important problem, and it is good that this problem is being discussed in this House because for the last 20 years there was no occasion to discuss this on account of the fact that throughout India there was one type of Government which has resulted in regional imbalance and disparity in development has increased in a large proportion between the various States and Union Territories. Therefore, unless we look into it in a different perspective, I think, there will be a crisis created in the Constitution. Why I say that there will be a crisis created in the Constitution is because the devolution of resources or disbursement of resources to States is also a Constitutional matter. The Minister will say that they have appointed a Finance Commission to look into it. But may I tell him that the Finance Commission disburses a very small amount of resources; the Finance Commission disburses the expenditures on items under non-Plan account. But the revenue grants and expenditures under Plan items are disbursed by this Government through the Planning Commission. In regard to the disbursement through the Planning Commission, if you look at the interim report submitted by them, you will find that they have not taken into consideration the backwardness of the States. I will give you two examples. In this Interim report this Finance Commission has given a disbursement of the revenue amounting to Rs. 16 crores of the Railways and also the Estate duty. They have distributed on a population basis as it was distributed by the 2nd Finance Commission. And the Finance Commission which is largely appointed by this Government dare not think against its Government. This will not solve the problem. And then, another things is this. The criteria formulated by the National Development Council does not take into account the disparity within these years between the per capita income, say, for instance, in Orissa in 1951-52 and the national per capita income. The dispartity then was about Rs. 100 but now the disparity has grown into Rs. 200. That is what has happened in these years. During these 15 years though Orissa has come up to a better place from the bottom but the disparity in per capita income of Orissa as compared to National per capita income

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has widened. Unless we meet the various bodies and discuss these with the economists, how are we going to solve these problems permanently? I would like to ask the hon. Minister whether he is thinking of having a commission which will go into the entire matter, including the Centre-State relations and also suggest constitutional changes and also make suggestions as to how this policy which has been formulated by the NDC could be implemented so that the backward States get the due preference ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI B. R. BHAGAT): The hon. Member is right in saying that the replyfrom the Government side has not satisfied them. I think he will bear testimony to the fact that both he and I have been discussing this very question in the House since 1951. I have been here and the hon. Member has been here all the time. Everytime when this question arose, the reply has not satisfied them, for the simple reason that the resources are scarce, that the demands are big. And, therefore, it is a permanent, perpetual question of distributing in too many hands the scare resources that the whole country has. In the First Plan it was done on an adhoc basis. In the 2nd and 3rd plan, taking into account the Central Resources and the States' resources and their needs, it was done on certain basis, but then it was done on year-to-year basis. And when this Fourth plan was drawn up, the various Chief Ministers were consulted. The hon. Member says, let the Parliament evolve the criteria. I would have been glad if that could have been donc. In the 20 years if Parliament could have evolved any suitable criteria which would have been accepted by the whole House this problem would have beens olved. (interruption) I agree with the hon. Member that we have been grappling with this problem for the last twenty years. There are various States which have very large problems and there are many backward areas and they do not have the resources. The question of distribution of Central assistance to States is open to question or debatings. Every Member from the different States, whether it is UP or Orissa or Maharashtra, all of them have been dissatisfied, the most vociferous being the

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Members from Kerala. (Interruption) Therefore, in this context what has emerged is that, for the first time there was a subcommittee which consisted of all the Chief Ministers. There are, of course, certain States where President's rule is in force: so it could not be helped. The Chief Ministers and the Deputy Chairman of the Planning Commission, for the first time in the last 18 years of the Plan, agreed unanimously on a set of criteria, and although they may not be satisfactory from every State point of view, the consensus that has emerged is the best that could be achieved and considered as the best from the national point of view. So when these came to us, we adopted them, Although the hon. Member has studied the problem, he himself has not put forward any criteria which would be acceptable.

Central

SHRI SURENDRANATH DWIVEDY : Let us have a discussion. I am not supposed to do it now.

SHRIB. R. BHAGAT : I know, I am only saying that it is difficult, it is impossible, to do it.

SHRISURENDRANATH DWIVEDY : It is not impossible.

SHRI B. R. BHAGAT: In 20 years Parliament could not do it. If a Committee of Parliament could go into it and evolve some critera acceptable to the whole House, there cannot be anything better. Failing that, these are the criteria arrived at.

I need not go into each item. But these criteria evolved concerning the distribution of Central resources to States meets the requirements of most of the States.

Let us come to some basic issues raised. He asked : what is to happen to Orissa ? It has to pay Rs. 20 crores by way of interest charges? and who will look after it ? I think there has been some mixing up of the Finance Commission and Central assistance.

SHRI SURENDRANATH DWIVEDY: I gave it as an instance.

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SHRI B. R. BHAGAT : There are two things. The Finance Commission under a constitutional provision looks after assistance to meet non-plan expenditure; the revenue side of the budget. Interest charges from part of the revenue or non-plan side. So when they make recommendations about any State, they look into the revenue budget of the State which includes items like that and accordingly recommend. It may be that although Maharashtra may raise much more resources or may be comparatively richer, they may have in the revenue budget a bigger gap, and therefore, the allocation made by the Commission may be large or may be equal to that of some other States. That is quite possible.

This is an entirely separate problem. This is under art. 282, Central assistance for plan purposes, for developmental purposes on the recommendation of the Planning Commission.

I squarely agree with the hon. Member that regional imbalances cannot be corrected merely by providing larger Central assistance. I also agree that merely by larger Central assistance, the problems of the backward areas or the problems which particular States may face, like unemployment or by reason of special areas, cannot be solved.

What is the experience of the last 18 years? I do not put much faith in that, but if that is any guide, let us see what it is. Take the per capita resources of the States and per capita Central assistance. Take the example of Orissa-I begin with the hon. Member's State. Orissa's per capita expenditure in the period 1951-69 is Rs. 309 and per capita Central assistance is Rs. 213, Take the all States average. The per capita outlay is Rs. 252 and the Central assistance is Rs. 146. So, Orissa is far above the other States in both respects. U. P. has not fared well, nor has the State from which I come. If you take U. P. it is less than the national average. As against Rs. 252 for all States the per capita outlay in U. P. is only Rs. 189. As against Central assistance of Rs. 146 for all States U. P. got only Rs. 111. Bihar is even worse. Per capita outlay in Bihar is Rs. 180 and Central assistance Rs. 108.

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18.00 HOURS

The hon. Member asked how U. P. would fare with this criterion. U. P. would fare far better because firstly U. P. and Bihar are large States from the point of view of population. Secondly both are below the national average. Ten per cent of the total Central resources will be distributed only in six States. So that takes care of the States which have lagged behind and to the extent Central assistance can play a role in picking up the States, it has been done.

Central assistance is one of the instruments for stimulating growth in a particular State, but the real effort has to come from the State itself. If the experience of Maharashtra or Puniab or Tamil Nadu or any other State is any guide, it is that the States which have done well are those which are administered well which have political stability. The administration is good and they are able to raise resources and step up the growth. Unless we do that, the problem of regional imbalances will remain. The problem of the backward areas has to be looked at from that perspective, but I can assure the House that the new arrangement of distribution is the best so far evolved. If there is a better formula, certainly it will commend itself to Government and Parliament. I know that any answer will not satisfy anybody because the problem is such. All States want more, the Central kitty is small, and therefore the distribution cannot be such as to satisfy all the States.

18.03 HOURS

DISCUSSION RE-SUGAR POLICY

MR. SPEAKER: We will take up this sugar discussion now. We have already taken one day. A number of members have yet to speak. I think they must be careful about the time.

श्री प्रकाशबीर शाखी (हापुड़): अघ्यक्ष महोदय, मेरा सुझाव यह है कि बजाय इसके कि आप इस विषय पर लंबे लंबे भाषणों की अनुमति दे, आप कुछ महत्यपूर्ण प्रश्नों को पूछने की अनुमति दे दीजिए, ताकिं मन्त्री महोदय उनका उत्तर दे दें।

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MR. SPEAKER: That is why I am saying that in another half an hour or 45 minutes we will have to finish. Otherwise we will have to hear only our own speeches. We should be careful Not more than 5 minutes for each member. There are two or three Opposition parties which want to participate.

श्री द्वा० ना० तिवारी (गोपालगंज) : अध्यक्ष महोदय, अभी जो बहस समाप्त हुई है, उसके बाद इम बहस का खास महत्व है । अभी आपने सुना कि बिहार में रिज-नल इमबेलेन्स ज्यादा है वहाँ पर-केपिटा एक्सपैन्डीवर और पर-केपिटा सेन्ट्रल एसिस-टेंस सब से लोएस्ट है ।

108 सेन्ट्रल एसिसटेन्स है और 175 या 180 पर-केपिटा एक्सपेन्डीचर है-- इस स्थिति में बिहार और यू. पी. के लिए-- और खासकर नार्थ बिहार के लिए चीनी उद्योग और गन्ने के मूल्य का निर्धारण बहत महश्व रखता है।

कुछ दोस्तों ने कहा है कि शुगर को डीकंटोल कर दिया जाये। शायद उनको मालम नहीं है कि एक जमाने में शगर डीकंटोल्ड था और उसकी वजह से किसानों को अपने खेतों में गन्ने को आग लगा कर जला देना पडा क्योंकि गन्ना इतना हो गया था कि मिलें उसे पेर नहीं सकीं और किसान का सब खर्चा और मेहनत बर्बाद हो गया । इस लिए 1937 में बिहार और यू. पी. में शूगर कंट्रोल एक्ट बना, जिससे गन्ना बोने वालों को राहत मिली। आज यह समाव देना कि **शगर को डोकंटोल कर दिया आए, किसान** को चाहे जितना घुगरकेन बोने दिया जाए और चाहे जितनी प्राइस लेने दी जाए इस इन्डस्टी के सम्बन्ध में अज्ञानता का सूचक 81

्रण्गर से सम्बन्धित चार महत्वपूर्ण वगं हैं। एक तो किसान हैं, जो ञ्रूगरकेन पैद्य