

he should persuade the Union Cabinet to withdraw from the ILO. To victimise 5000 employees of Government, he can take pains to get the Government of India out of the ILO and show to the world that a progressive pro-employee Government is functioning here, leading towards socialism! It will be a treatise on socialism and justice to the under-dogs!

The Hon. Minister says, it is not a labour matter. It is a labour matter and the ILO convention refers to it. His Ministry should get the help of the Labour Ministry. Unfortunately, the Labour Minister is not here to advise him. I have got great respect for Mr. Shukla, who is a Bachelor of Law. He is a young man who is supposed to come up in parliamentary life. I am surprised he should be so ignorant of the law of the land and of the ILO convention. I hope he will correct himself, so that he may qualify for promotion. Let the Government consider the feelings of the House and act, though no promise has been given now.

MR. SPEAKER : Shall I put the resolution to vote ?

SHRI NAMBIAR : Yes, Sir. I cannot withdraw it because no promise is forthcoming.

MR. SPEAKER : He has given you tons of sympathy.

SHRI NAMBIAR : That is about the past. I want something for the future.

MR. SPEAKER : The question is :
"In view of the serious situation created by the policy of victimisation that is being pursued by the Central Government following the one-day token strike by the Central Government employees on 19th September, 1968, resulting in the removal from service, launching prosecution against, issue of suspension orders on and issue of orders effecting break in service of a very large number of Central Government employees, this House is of opinion that a serious threat has arisen to the smooth and efficient functioning of the Central services spread all over

India in the prevailing atmosphere of tension and bitterness among the employees and recommends that all the above acts of victimisation be withdrawn forthwith and normalcy be restored."

The motion was negatived.

17.53 hrs.

RESOLUTION RE : AMORTISATION
OF DEBTS OF STATES

SHRI P. P. ESTHOSE (Muvattupuzha) : Sir, I beg to move :

"In view of the serious financial crisis facing all the States and the fact that enormous debt charges of the States eat into their capacity to launch development schemes, this House calls upon the Government to immediately work out a scheme of amortisation of debts in consultation with the States and to implement it."

The other day the Prime Minister said in the Rajya Sabha that she did not subscribe to the view that Centre-States relations had deteriorated recently. She advised the State Governments to realise that the whole country must hang together and no State Government could go entirely its own way. I would only say that it is a clear attempt to side-track the real issue and claim that everything is going on well. This complacency on the part of the Prime Minister is only taking our country towards ruin and disaster.

If you look at the Central Government's attitude towards the State Governments in the matter of financial relations you will clearly see that provincial autonomy in the country is a sheer hoax. It is only autonomy in words and autocracy of the Centre in practice. The attitude of the Central Government towards the States can only be compared with the attitude of the World Bank tycoons towards undeveloped countries. As pointed out by the Government of Kerala in the memorandum submitted to the Fifth Finance Commission, the increasing dependence of the States on the Centre is diluting on the one hand the accountability of State Cabinets to their

[Shri P. P. Esthose]

legislatures and, on the other, it is coming in the way of development of a greater sense of responsibility in their administration. It further notices :

"So long as the States have to lean heavily on the Centre for their fiscal needs, the State may not by themselves be able to control and coordinate their ways and means operations."

Thus, today, after 22 years of Congress rule the State Governments have virtually been converted into powerless instruments with the result that the Central Government is finally dictating the line of direction the economy should follow. The Central Government has been resorting to blackmailing the State Governments by using financial assistance as a political weapon. This has practically been the experience of the non-Congress governments formed in different States.

Sir, as we noted earlier, our State Governments are today heavily dependent on the Central Government. From the 1967-68 Report on Currency and Finance prepared by the Reserve Bank of India I find that out of a total capital and revenue budget figure of Rs. 3871 crores of all State Governments Rs. 1530 crores came from the Centre in various forms like share of taxes, grants and loans etc. During 1966-57 the total loans given by the Union Government to the State Governments amounted to Rs. 918 crores and the figure is expected to be even higher during 1967-68 and 1968-69. Despite that the financial difficulties of the State Governments are mounting high and they had to

depend heavily on overdrafts. Even the restriction imposed by the Finance Minister in this respect has added to the difficulties of the State Governments.

The total debts of the State Governments which stood at Rs. 445 crores in 1952 have gone up to Rs. 6629 crores in 1968. Out of this the Central Government alone had paid Rs. 5148 crores. During the year 1968-69 the debt service, the burden of the State Governments stood at Rs. 455 crores. This heavy burden is naturally causing a terrific strain on the finance of the State Governments. The Report on Currency and Finance, 1967-68 noted :

18 hours.

"In the context of the strained resources position States as a whole had to curtail their developmental activities. The outlay on the States Annual Plan for 1967-68 was scaled down from the budget level of Rs. 1041 crores to Rs. 1013 crores in the revised estimates."

Thus, due to the bankrupt policies pursued by the Union Government, the State Governments are compelled to curtail their developmental activities. This has resulted in slowing down the wheels of industry and putting a brake to the economic advancement of the country.

MR. SPEAKER : He may continue his speech the next day. We will adjourn now till 5 p. m. tomorrow.

18.01 hrs.

*The Lok Sabha then adjourned till
Seventeen of the Clock on Friday
February, 28 1969/Phalguna
9, 1890 (Saka).*