

Seventeenth Loksabha

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Title: Regarding decline of Central Tax share due to low fertility rate in Tamil nadu as compared to the National total fertility rate of two.

**SHRIMATI KANIMOZHI KARUNANIDHI (THOOTHUKKUDI):**

According to the NFHS report, the State of Tamil Nadu has a fertility rate which is lower than the national total fertility rate of two. The population control in the State has been achieved due to successfully implementing the family planning programme that too without any imposition of a population control law.

Despite better demographic performance, Tamil Nadu and many other Southern States get punished as they get a smaller share of tax revenue from the Union Government only because their population has decreased. This is an unfair devolution of revenue as it hinders the development of well-performing States and it is like they are being punished and penalized for such accomplishments.

The 15<sup>th</sup> Finance Commission, in its Final Report, changed its Terms of Reference and adopted the 2011 census data rather than 1971 population figures for devolving tax revenue among the States. It has also considered 15 per cent of devolution based on population of States as per 2011 census and 12.5 per cent of devolution based on demographic performance. This effectively punishes the States like Tamil Nadu, which have effectively contained its population since the 1970s.

The Terms of Reference issued to the 15<sup>th</sup> Finance Commission required them to adopt 2011 population instead of 1971 population, which has been protested by the DMK, and the Chief Minister of Tamil Nadu Shri M. K. Stalin -- who met the Prime Minister in Delhi on 17 June -- has also expressed his protest to the Prime Minister.

Our Prime Minister, on the eve of Independence Day speech in 2019 said that : “A small section of society, which keeps its families small deserves respect”. Unfortunately, when a population control measure is taken by a State, they are not rewarded and they are punished by the Union Government.

There was a decline of 19 per cent tax share from the Centre between the 13<sup>th</sup> Finance Commission and 14<sup>th</sup> Finance Commission, and this trend of depreciation is continuing. Many of the States, which are performing well, especially when it comes to population control are being penalized and this is very unfair. States like Kerala, Tamil Nadu, and Andhra Pradesh, which have done very well are on the losing end.

Moreover, Tamil Nadu had 41 Parliamentary Constituencies at the time of elections during 1962, but now because our population has reduced and we performed well, we only have 39 seats. We have been reading that again the delimitation process will reduce our seats even further. I think that this is very unfair and it goes against the ethos of democracy, and this has to be rectified. We need our due share of taxes, and the number of seats should not be reduced and it has to be brought back to 41 seats. Thank you.

**HON. CHAIRPERSON:** Shrimati Sangeeta Azad -- not present.

... (*Interruptions*)

**SHRI ADHIR RANJAN CHOWDHURY (BAHARAMPUR):** Sir, the hon. Member has made very valid arguments here. ... (*Interruptions*)

**HON. CHAIRPERSON:** Shri K. Subbarayan.

... (*Interruptions*)

**PROF. SOUGATA RAY (DUM DUM):** The better performing States are being punished. ... (*Interruptions*)

**माननीय सभापति :** जो माननीय सदस्य एसोसिएट करना चाहते हैं, स्लिप भेज दीजिए ।

**प्रो. सौगत राय :** हम लोग एसोसिएट करते हैं ।