

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2948
ANSWERED ON:30.03.2012
FISCAL MEASURE AGAINST MIGRATION TO CITIES
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Will the Minister of FINANCE be pleased to state:

- (a) the details of fiscal measures presently under implementation to check migration of people towards cities;
- (b) whether the Government has explored additional fiscal steps in this direction; and
- (c) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) Every citizen has a right to migrate to any part of the country. However, Government's effort has been to prevent distress migration. The Government has enacted various programmes to provide employment opportunities in the rural areas and has introduced measures to raise agricultural productivity to promote balanced regional development and prevent distress migration. The most notable measure is the 'Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)' which aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. Economic Survey 2011-12 points out that MGNREGA has successfully raised the bargaining power of agricultural labour resulting in higher agricultural wages, improved economic outcomes and has reduced distress migration.

(b) The agriculture sector which is the mainstay of the rural population remains the priority of the Government to prevent distress migration to cities. The budget 2012-13 has sought additional steps to improve agricultural productivity and develop the backward regions of the country aimed at achieving balanced regional development and promoting sustainable livelihoods to the poor in rural hinterland. The Self employment scheme of the Government, Swarnajayanti Gram Swarozgar Yojana (SGSY) which has been restructured as the National Rural Livelihoods Mission (NRLM) aims at reducing poverty by enabling poor households access to gainful self-employment and skilled wage employment opportunities. NRLM has a provision of subsidy on interest rates above 7 per cent per annum for all eligible SHGs (self help groups) for creation of income generating – assets through a mix of bank credit and government subsidy to ensure sustainable livelihoods for poor families in rural areas.

(c) The notable fiscal measures recently proposed by the Government which would prevent distress migration to cities include the following:

Enhancing the outlay for Rashtriya Krishi Vikas Yojana (RKVY) from Rs.7860 crore in 2010-11 to Rs.9217 crore in the budget for 2012-13, meant for holistic development of agriculture and allied sectors.

Raising the target for agricultural credit in 2012-13 to Rs.5,75,000 crore for providing access to affordable credit to the sector. The allocation under Rural Infrastructure Development Fund (RIDF) has also been enhanced to Rs.20,000 crore.

For the development of backward regions, the budget has proposed a 22 per cent increase over the BE of 2011-12, in the allocation of funds to Backward Regions Grant Fund Scheme which covers projects in backward areas in Bihar, West Bengal and KBK (Kalahandi-Bolangir-Koraput) region of Odisha. The scheme would also cover drought mitigation schemes and projects under Integrated Action Plan for faster pace of development in selected tribal and backward districts.