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Title: Regarding central assistance for area-specific development programmes

DR. PRABHAS KUMAR SINGH (BARGARH): Mr. Deputy-Speaker, Sir, this is regarding continuance of Central assistance for area-specific development programmes.

Government of India have accepted the recommendations of the 14th Finance Commission to increase the devolution of Central taxes from 32 per cent to 42 per cent in order to place higher resources with the States and provide greater autonomy to them in formulating their own schemes in accordance with local needs.

However, on the other hand the Union Government's decision to de-link eight schemes from Central support, abolish Gadgil-Mukherjee formula based normal Central Assistance for State Plan and change the sharing pattern of 33 Centrally-sponsored schemes will substantially reduce the funds of the States. For example, in Odisha the loss on account of reduction in Central Assistance comes to Rs.8037.26 crore. This is not going to be set off by the 10 per cent increase in devolution which normatively works out to Rs.5888.43 crore. Thus, the Odisha Government has to bear the additional liability of Rs.2148.83 crore.

Therefore, Sir, I would request the hon. Union Minister of Finance to continue the projects like Integrated Action Plan for left-wing extremism affected areas, development schemes and other programmes which are given to the State of Odisha. Thank you.