

draft National Policy for Rehabilitation of Scheduled Tribes displaced under development projects is under active formulation with the Government of India.

Formula for Central Assistance

609. DR. BENGALI SINGH:
SHRI DHARMANNA
MONDAYYA SADUL:
SHRI UTTAM RATHOD:
SHRI GOPI NATH
GAJAPATHI:
SHRIMATI VASUNDHARA
RAJE:

Will the PRIME MINISTER be pleased to state:

(a) whether the National Development Council has approved a new formula for Central assistance to States;

(b) if so, the details thereof; and

(c) whether the views of the various State Governments were also considered and if so, the details thereof?

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRI KAMAL MORARKA): (a) to (c). Yes, Sir. Details of the revised formula are given in the enclosed Note and suggestions of States in the enclosed Statement.

STATEMENT

Brief Note on distribution of Central Assistance for State Plans during Eighth Plan (1990-95)

Distribution of Central Assistance for States for Seventh Plan (1985-90) was made under modified Gadgil formula as approved by the National Development Council in August, 1980. In the context of the Eighth Five Year Plan (1990-95), further revision of the existing formula was considered by the NDC in its meeting held on 11th October, 1990. The principles as now approved under the revised formula are briefly indicated below:

- (i) From the total Central assistance a reasonable amount for special area programmes viz. Hill areas, tribal areas and border areas is to be set apart.
- (ii) From the balance 30% amount is to be set apart for meeting the requirements of 10 special category States (including North Eastern Council).
- (iii) The balance 70% amount is to be allocated among 15 non-special category States according to the criteria laid down below:

		<i>Weights (%)</i>	
		<i>Existing Formula</i>	<i>Revised Formula</i>
1	2	3	4
1.	Population	60	55
2.	Per capita income		

- (i) States with per capita income below

		<i>Weights (%)</i>	
		<i>Existing Formula</i>	<i>Revised Formula</i>
1	2	3	4
	national average based on deviation method.	20	20
	(ii) All States based on distance from the highest per capita income	—	—
3.	Tax Effort	10	
4.	Fiscal Management	—	5
5.	Special Problems	10	15
		(Special) Development problems)	
Total		100	100

2. Special development problems would cover (1) coastal areas (2) special environmental issues (3) flood and drought prone areas (4) exceptionally sparse or thickly populated areas (5) special financial difficulties for achieving minimum reasonable plan size (6) desert problems (7) problems of slums in urban areas.

3. It has also been decided that the overall gain or loss to any State under the revised formula as compared to the existing formula is to be restricted to a maximum of 7%.

4. The pattern of Central assistance to Assam and Jammu & Kashmir will also be the same as for other Special category States i.e. 90% grant and 10% loan.

5. Keeping in view the points raised by certain States Deputy Chairman responded by saying that "We will sit together and on the basis of new allocations that will be made in the Plan, we will try to workout what will be available under new formula". Chairman also said that "We will have one round more with every State. We will not rush with it. If any State is going to face a serious problem, we will take cognizance of it."

<i>State</i>	<i>Suggestions Given for Change in the Formula of Central Assistance</i>
1	2
1. Andhra Pradesh	Special allocation of funds should be made for the completion of ongoing irrigation

<i>State</i>		<i>Suggestions Given for Change in the Formula of Central Assistance</i>
1		2
		projects
2.	Assam	The pattern of assistance should be made uniform in respect of all special category States, i.e. 10% loan and 90% grant.
3.	Bihar	Weightage given to economic backwardness under the per capita income criterion of the modified Gadgil Formula should be increased.
4.	Gujarat	Weightage should be given in the formula of Central assistance for projects of national importance.
5.	Haryana	Special assistance should be provided to the States which are backward in social services or human resources development sectors.
6.	Jammu & Kashmir	The pattern of assistance should be made uniform in respect of all special category States, i.e. 10% loan and 90% grant.
7.	Kerala	Special weightage be given to the States which have per capita State Plan outlay and per capita Central investment below the national average.
8.	Maharashtra	Shares of the States under the per capita income criterion of the modified Gadgil Formula should be computed on the basis of 'distance' of per capita method. Further 'tax ratios' under 'per capita tax effort' criterion should be weighted with the size of the 'population' of the State.
9.	Orissa	Weightage given to 'per capita income' criterion should be increased. Further 'tax ratios' under 'per capita tax effort' criterion should be calculated in relation to State income derived after deducting the total consump-

<i>State</i>	<i>Suggestions Given for Change in the Formula of Central Assistance</i>
1	2
	tion of the population below poverty line.
10. Rajasthan	Weightage should be given to 'area' factor in the formula of Central Assistance.
11. Uttar Pradesh	Weightage given to economic backwardness under the 'per capita income' criterion of the modified Gadgil Formula should be increased.
12. Tamil Nadu	Besides the factors of 'population' and 'tax effort', the Central assistance should take into account special problems of the States as reflected in lack of natural resources and on the basis of backwardness.

Draft Eighth Five Year Plan

endorsed by the National Development Council.

610. DR. BENGALI SINGH: Will the PRIME MINISTER be pleased to state:

[*English*]

Reservation of Jobs for Women

(a) whether the Government have finalised the draft Eighth Five Year Plan; and

611. SHRI MADHAVRAO SCINDIA: Will the PRIME MINISTER be pleased to state:

(b) if so, when it is proposed to be laid on the Table of the House?

(a) whether the Government have had under consideration a proposal of reserving certain percentage of posts for women in the Central Government Services and public undertakings; and

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRIKAMAL MORARKA): (a) and (b). Exercises relating to the formulation of the draft Eighth Five Year Plan are underway. The Plan document is expected to be ready by end March 1991. The document will then be laid on the Table of the House after it is considered and

(b) if so, the decision taken in this regard indicating the nature of such posts?

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRIKAMAL MORARKA): (a) and (b). The matter is still under consideration of Government.