

MR. SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

16.38 hrs.

COMMITTEE ON PRIVATE MEMBERS'
BILLS AND RESOLUTIONS

Forty-Fifth Report

SHRI BHALJIBHAI PARMAR (Dohad):

Sir, I beg to move :

"That this House do agree with the Forty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 12th March, 1969."

MR. SPEAKER : The question is :

"That this House do agree with the Forty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 12th March, 1969."

The motion was adopted.

16.38½ hrs.

RESOLUTION RE : AMORTISATION OF
DEBTS OF STATES—Contd.

MR. SPEAKER : The House will now take up further consideration of the following Resolution moved by Shri P. P. Esthose on the 27th February, 1969 :-

"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."

Shri Esthose may continue his speech.

SHRI P. P. ESTHOSE (Muvattupuzha) : Sir, last time I made an attempt to high-light the heavy strains on the finance of the State Governments, consequent to the enormous financial powers concentrated in the hands of the Union Government. The

repayment liabilities of the State Governments to the Central Government are increasing to a dangerous level. In some States it is as high as 31 per cent of the total budgetary resources. The debt services burden of all the States has gone up from Rs. 356 crores in 1966-67 to Rs. 455 crores in 1968-69 is that—a rise of Rs. 100 crores which amounts to 25 per cent of the increased revenue expenditure of all the States. This growing debt services burden has become the dominant non-developmental expenditure of the State budgets.

With this ever-increasing non-developmental expenditure the State Governments have little money for the developmental programmes. Out of Rs. 2597 crores of total revenue expenditure of all the State Governments in 1968-69, the non-developmental expenditure has swallowed Rs. 1137 crores. It is really shocking that the Central Government is showing a callous disregard towards the finances of the State Governments by its policy. The Union Government is virtually throttling the States economy ; what Shylock did in Old Roman days is being done by the Union Government in this twentieth century in a more ferocious manner.

The data given earlier also illustrate the manner in which the Central Government is compelling the State Governments to impose the heaviest burden of taxation without any benefits to the common man. This, in practice, is bringing many State Governments in direct conflict with the people.

16.41 hrs.

[Mr. Deputy-Speaker in the Chair]

The manner in which the food subsidy to State Governments was arbitrarily stopped and prices of foodgrains were pushed upwards has only exposed the autocratic tendencies in the minds of the leaders in Delhi. In Kerala State, where shortage of food is extremely acute, the stoppage of subsidy has created serious financial difficulties in the matter of distribution of foodgrains. The Union Government, instead of considering the difficulties of the Kerala Government sympathetically, resorted to us of food as a blackmailing weapon.

It is interesting to note that the Congress leaders in the Centre, while stopping food