

Bill No. 12 of 2020

THE SPECIAL FINANCIAL ASSISTANCE TO THE STATE OF
PUNJAB BILL, 2020

By

SHRI SANTOKH SINGH CHAUDHARY, M.P.

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BILL

to provide for special financial assistance to the State of Punjab for the purpose of sustainable agriculture, development of growth-oriented infrastructure and industry, skill development and generation of employment, welfare schemes for farmers, agricultural labourers, the Scheduled Castes, Other Backward Classes and other weaker sections, reducing groundwater extraction and combating possible desertification, development of border areas and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventy-first Year of the Republic of India as follows:—

1. (1) This Act may be called the Special Financial Assistance to the State of Punjab Act, 2020.

Short title and commencement.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. There shall be paid such sums of money out of the Consolidated Fund of India, every year, as Parliament may by due appropriation by law provide, as special financial assistance to the State of Punjab to meet the costs of such schemes of development as may be undertaken by the Government of the State of Punjab with the approval of Union Government for the purposes of—

(a) promoting the welfare of persons belonging to the Scheduled Castes and Other Backward Classes, including providing scholarships, fellowships and pensions;

(b) providing financial assistance to small and marginal farmers;

(c) initiating welfare measures for improving the conditions of senior citizens, women, children and poor persons living in the State;

(d) providing for welfare measures aimed at improving the condition of agricultural labourers;

(e) research and development to boost agricultural growth rate, including new varieties of seeds to boost yields, fertilizers and pesticides;

(f) schemes to incentivise investment in crop diversification, food processing industries based on local products, modern warehouses, cold storage and transport infrastructure for agricultural produce;

(g) providing quality higher education and promoting research in all disciplines;

(h) skill development and generation of formal employment opportunities for unemployed youth;

(i) revival of micro, small and medium enterprises (MSMEs);

(j) establishing drug de-addiction centres and mental health institutions;

(k) development of infrastructure in border areas, acquisition of farmers' land beyond the border fence by the Government of India, compensation to the farmers for their land rendered ineffective for farming due to periodic military deployment, and improving internal security and police infrastructure, including new police stations, police lines and residential quarters;

(l) creating awareness amongst people about declining water table and reducing groundwater extraction;

(m) promotion of rain water harvesting and watershed development to ensure replenishment of groundwater;

(n) capping of water guzzling paddy area and promotion of drought resilient crops like maize, jawar, bajra, sunflower, tur and potato;

(o) settling the debt of farmers;

(p) providing compensation and relief to farmers and agricultural labourers for any damage to crops caused due to rainfall deficit, pest attack, flood, hailstorm or any other natural calamity;

(q) encouraging and providing for sustainable practices like organic farming coupled with modern irrigation facilities like drip irrigation, contour bunding and sprinklers to farmers;

(r) training of farmers in new agricultural techniques and promoting allied sectors like dairy and poultry;

(s) implementation of social awareness campaigns through non-governmental organisations and self-help groups about farmer credit, water literacy and drought management through change in cropping pattern;

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(t) effective development, exploitation and proper utilisation of resources in the State;

(u) such other provisions as the Government of the State of Punjab may deem necessary for carrying out the purposes of this Act.

- 5 **3.** If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, make such provisions not inconsistent with the provisions of this Act which appears to him to be necessary or expedient for removing the difficulty:

Power to
remove
difficulties.

 Provided that no such order shall be made after the expiry of two years from the date of commencement of this Act.

- 10 **4.** The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force dealing with the subject-matter of this Act.

Act not in
derogation of
other law.

STATEMENT OF OBJECTS AND REASONS

The State of Punjab remained at the forefront of India's struggle for freedom. Post-Independence, its industrious farmers were responsible for ushering in the Green Revolution. Thanks to them, the nation became self-sufficient in terms of foodgrains. However, with declining growth rates, falling average farm sizes and depleting groundwater table, the agricultural economy is facing stagnation. The farmers and their families have borne the brunt of this situation. Burdened by burgeoning debt, many of them committed suicide. The agricultural labourers, most of whom belonging to the Scheduled Castes and marginalized sections of society, have been rendered jobless and forced to move to urban areas. With agriculture no longer considered a profitable enterprise, unemployed educated rural youth have been moving abroad in search for greener pastures.

Additionally, Punjab being a border State, internal and external security is of paramount importance. Its people have endured militancy and cross border terrorism for a long time. The State police is second line of defence and its capabilities need to be enhanced. To improve quality of life of residents living in border areas, basic infrastructure needs to be improved and upgraded.

Moreover, the mismanagement of State finances by the previous Government has led to massive public debt. While the Government is trying to bring the State back on high growth and development trajectory, the limited amount of available finances are not sufficient. The schemes for welfare of the Scheduled Castes, Other Backward Classes, farmers and agricultural labourers need to be expanded to include every deserving beneficiary.

The people of Punjab are in need of a large scale investment in infrastructure, industry and agriculture. The development of the State can be ensured only with the active involvement and cooperation of the Central Government. For this, it is necessary that the Central Government provides special financial assistance to the State for its all-round development including the welfare of weaker sections and for the development and exploitation of its vast resources. Such a step would go a long way in building a strong nation.

Hence this Bill.

NEW DELHI;
November 23, 2019.

SANTOKH SINGH CHAUDHARY

FINANCIAL MEMORANDUM

Clause 2 of the Bill provides that there shall be paid such sums of moneys out of the Consolidated Fund of India, every year, as Parliament may by due appropriation provide, as special financial assistance to the State of Punjab to meet the costs of such schemes of development, as may be undertaken by the State of Punjab with the approval of the Central Government. The Bill, therefore, on enactment, will involve expenditure out of the Consolidated Fund of India for providing special financial assistance to the State of Punjab. As the sums of moneys which will be given to the State of Punjab as special financial assistance by appropriation by law made by Parliament will be known only after the welfare schemes to be implemented by the State Government are identified, it is not possible to give the estimates of recurring or non-recurring expenditure, which would be involved out of the Consolidated Fund of India at this stage.

No non-recurring expenditure is likely to be incurred from the Consolidated Fund of India.

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