

Payment of salaries to Government employees

2939. SHRI RAJEEV SHUKLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many State Governments and Central Agencies have been finding it difficult to pay salaries to their employees;

(b) if so, the details thereof and the steps taken to prevent unpaid employees from resorting to agitations;

(c) whether allowing VRS to the employees of the Central, State and Governments agencies in the wake of growing unemployment poses law and order problems in the country; and

(d) what meaningful steps are being taken to create job opportunities in the Central and State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) It is the responsibility of the State Governments to pay salaries to their employees and take suitable measures to improve their financial status. The Union Government through various measures helps the States to overcome temporarily cash imbalances and overdraft with the RBI to the extent possible. On the basis of the recommendations of the Eleventh Finance Commission, a Scheme for the State Fiscal Reform Facility has been drawn. Under this Scheme, the States have been encouraged to prepare a monitorable fiscal reforms programme aimed at improving their financial position in the medium term. Presuming that Central Agencies refers to Central Public Sector Undertakings, it is stated that need based budgetary support is provided to sick Central Public Sector Undertakings in order to avoid hardships to employees to pay salaries to their employees where a Government decision exists regarding its closure/revival in a time bound manner.

(c) and (d) Information is being collected and will be laid on the Table of the House.