

p; Discussion on price rise.

DISCUSSION UNDER RULE 193

Price Rise

HON. DEPUTY SPEAKER: The House shall now take item No. 17 - discussion on price rise.

Shri P. Karunakaran.

SHRI P. KARUNAKARAN (KASARGOD): Thank you Deputy Speaker Sir. I am grateful to you because you have permitted me to initiate the discussion and also admitted under Rule 193. ...(*Interruptions*) Sir, we are discussing a very important issue of the price rise which affects the day to day life of the people. The family budgets are shaken due to uncontrolled price rise that we see everyday. The prices of essential commodities are going up everyday. The cost of production of agriculture produce is also rising and at the same time, the prices of the agricultural produce are declining without any control and it is very difficult for the common man to meet both the ends. I have the experience in this House from the 14th Lok Sabha onwards. We have been discussing the price rise in every Session but the 'price rise' has never listened to us. It takes its own course leaving the people with strain and pain. I admit that there may be various reasons for the price rise. The experts of economics may term it as demand push inflation...(*Interruptions*) It may be demand push inflation, supply push inflation, wage push inflation and general inflation. Whatever may be term they say, the net result is the rising trend of the price and making more and more misery to the common people. We could witness this period as the period of price rise. The *dal* price has continually been in upwards trend crossing the suffering of the people. The *dal* is now more expensive than chicken with a result the real price exceeds 220 per kilo. The prices of *urad* and *arhar dal* have doubled what it was in 2014. The pulses are items of food security as the bulk of the population derives proteins from pulses. The recommended requirement of pulses for a person is 50 to 60 grams but now the availability is only 30 grams per day. Though it was considered as a poor man's protein, nowadays, it has become rich man's luxury. It is because of the rise of prices of the pulses. India is the producer of the pulses, consumer of the pulses and also the importer of the pulses.

When we produce 18-19 million metric tonnes, the consumption is 23 million metric tonnes. The deficit is met by imports, as a result of high quantity of imports, the prices in the international market are also increasing. Here the Government has to take steps to boost domestic production. The MSP for pulses should be substantially increased. This is not alone sufficient. The Government has to go for procurement from the farmers. Otherwise, the farmers cannot realise the MSP.

Sir, our Finance Minister said that we are going for buffer stock. It is good. But the buffer stock should be on the basis of domestic production. If it is on the basis of international import, it means, the benefits go to the international traders. So, the Government has to stick on to the procurement on the basis of domestic production. It is reported that for the last seven years the prices of pulses, oil, mutton and other items have doubled. The Economic Survey of Delhi for 2014-15 shows that the prices of pulses and other items are now twice and thrice costly. There is no State that does not consume pulses. Either it is vegetarian food or non-vegetarian food, either in *sambar*, whether it is *chana* or *dal*, or any other food item, it is seen as a source of protein by both vegetarians and non-vegetarians. The jump in the price of pulses has put most of the poor families in difficulty throughout the year. The middle class families are also forced to cut down the intake because of high rise in prices.

At present, the import of pulses by multinational companies and big traders has not eased the situation. They will use the import to stockpile pulses and wait for a better price. In recent times, 75 tonnes of pulses have been seized from hoarders. There are stocks throughout the country. It means, though they import, at the same time they are not giving it to the poor people but they are stocking it and waiting to get a better price. It means, hoarding and black marketing are going on and the Government is not taking any strict action on this.

The skyrocketing price of onion and other food items show that the prices have more than doubled from last year. Onion is now selling at Rs.80 per kilo in some areas of Delhi compared to Rs.37 per kilo in August last year. The prices of onion and other food items have risen more than 50 per cent in many of the cities.

The prices of rice and wheat show the same upward trend. The prices of rice and wheat have doubled in many places. In almost all the vegetable items, we see the same trend. The Government has no scheme to buffer stock. So, my demand is that the Government has to take up sufficient step for buffer stocking to assist the people.

I do agree that inadequate rain, perhaps, has contributed to the fall in the production of pulses in many parts but that alone is not the reason. You see, when there is 12 per cent decline in production, it leads to 100 per cent price rise. It means, we cannot blame only the monsoon but the policy taken by the Government is also equally important. So, the policy of the Government is also one of the major reasons. We cannot blame the monsoon alone.

One of the main reasons for the burden on the people is that when there is abnormal price rise, there is no corresponding increase in the wage of the workers and employees. One reason is, there is no corresponding increase in the prices of agricultural produce and cash crops also. Again, another reason is that the cost of production in all sectors is going up compared with the increase in price rise. The official figure, especially the Whole Sale Price Index, does not record any rise in prices. Of course, almost all the Finance Ministers say and quote the whole sale prices. We can see that. We may not get any article on the Whole Sale Price Index but at the same time, the Consumer Price Index is the real fact from which we can judge the things. When ordinary people go to the market, they are not able to get it at the whole sale price.

The farmers find it difficult to cultivate their land because it has not only become an unprofitable profession but the prices of agriculture produce and cash crops are also declining. The production can be increased only by assisting the farmers and enabling them to cultivate their land. It

should be ensured that they should get Minimum Support Price (MSP), adequate subsidy, financial assistance including low interest rate on the bank loan.

Sir, we do not have adequate storage facilities. It has come out in an answer given to this House itself that due to absence of this storage facility we are losing 30 to 35 per cent of our vegetables, which otherwise rot. The earlier Government had made a scheme for construction of warehouses but no action has been taken after that.

The price rise adversely affects the people. There are other factors also like new taxes imposed by the Central and State Governments which contribute in increasing this burden even more. Take, for example, the Service Tax. It has risen from 12 per cent to 14.5 per cent, which is an additional burden on the common man. For the corporate millionaires it would not be an issue but the common man has to suffer much.

Sir, the best method to control the price rise is the Public Distribution System. Tamil Nadu is the best model in that respect. Once Kerala was the best model but I do not say that today it is so good. Though it is still better, it has weakened now because of many reasons. I would not go into the detail.

Similarly, the Food Security Act passed by the Parliament was a noble Act. But to get this Act implemented, the Centre has to fulfil its responsibilities. In this regard, almost all the States have to get more food grains like wheat, rice and sugar. Otherwise, it would not be possible to implement it.

In earlier discussions, the Government has repeatedly stated in the House that increase in petroleum prices in the international market is the main reason for increase in the prices of essential commodities. I would like to draw the attention of the Government that during the UPA time the then Finance Minister as well as the Prime Minister would say that if the prices in international markets are increasing, prices in our country would also increase. It is true that if the prices of petrol and diesel go up, there would be a chain reaction in other items as well. But this Government has got in a very comfortable position and the prices of petroleum products have come down to 50 to 60 per cent in the international market. I want to know as to why this Government is not able to transfer this benefit to the common people and to the consumers.

It has been said by many Finance Ministers that whenever there is a reduction in the international prices of petroleum, there should be a corresponding reflection in the domestic market as well. It is interesting to note the variation in price structure of per barrel crude oil, petrol and diesel, for the following period: in January 2011 it was 84.47; in January 2012 it was 91.71; in January 2013 it was 86.75; in January 2014 it was 110; again in mid 2014 it reached 115; in November 2014 it came down to 80.16 and in 2015 it has come down to 45.

Let us compare the price of petrol and diesel over the last five years. In 2011 January, price of petrol was Rs. 58.37 and price of diesel was Rs. 37.75. In 2012 January, price of petrol was Rs. 63.37 and price of diesel was Rs. 41.29. In 2013 January, it was Rs. 67.24 and Rs. 47.15 respectively. In 2014 January, price of petrol was Rs. 72.43 and price of diesel was Rs. 54.34. In 2014 March, it was Rs. 72.26 and Rs. 50.47 respectively. In January 2015, price of petrol was Rs. 61.33 and price of diesel was Rs. 50.41.

Our Finance Minister has raised the excise duty for the sixth time. Yesterday, we got to know it. What is the reason for again raising the prices of petrol and diesel? The Government has increased excise duty on unbranded petrol from Rs. 7.06 to Rs. 7.36 per litre and on branded petrol from Rs. 8.24 to Rs. 8.54 a litre. Similarly, the Government has increased excise duty on unbranded diesel from Rs. 4.66 to Rs. 5.83 per litre and on branded diesel from Rs. 7.02 to Rs. 8.19 per litre. This decision has been taken and conveyed to this House yesterday by the Finance Minister. What is the reason for the Government to raise excise duty for the sixth time since the present Government came to power one and a half years back? This is the situation when the prices of petrol and diesel have come down. What reason can the Government provide for this? We know the reason.

The price rise has its own effects. When the excise duty is in a comfortable stage and the prices of petrol and diesel are high, of course the Government may get higher income. When the prices of these products come down, of course, the Government will lose. What the Finance Minister is saying is that they are not transferring the benefits to the consumers. At the same time, they want to get the money. That is the reason for this increase.

I would like to say one phrase in Malayalam "*Kurukande Kannu Eppozhum Kozhikuttulu Ayyerkyum*". It means that a fox is always keen on the poultry cage because at any cost, the fox wants its food. Just like that, our Finance Minister at any cost wants to get more and more money, even at the cost of the lives of the people.

SHRI M.B. RAJESH (PALAKKAD): Sir, price rise is an important issue concerning the Finance Ministry and the Finance Minister is not present here.

HON. DEPUTY SPEAKER: No. The Minister of Food, Shri Ramvilas Paswan is sitting here. He is a Cabinet Minister.

...(Interruptions)

HON. DEPUTY SPEAKER: There are three Cabinet Ministers sitting.

...(Interruptions)

HON. DEPUTY SPEAKER: There are three Cabinet Ministers. They will take care. Do not worry.

...(Interruptions)

HON. DEPUTY SPEAKER: Whatever he has said, nothing will not go on record.

...(Interruptions)

HON. DEPUTY SPEAKER: Shri Karunakaran, please continue.

...(Interruptions)

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री (श्री राम विलास पासवान) : प्राइस राइस के सम्बन्ध में जो डिस्कशन हो रहा है, यह बहुत ही महत्वपूर्ण और गम्भीर मुद्दा है। कैबिनेट की ज्वान्ट रिस्पांसबिलिटी होती है और मोर ओवर जो माननीय सदस्य ने डिस्कशन शुरू किया है, वह दाल से शुरू किया है, खाद्य पदार्थ से शुरू किया है। मैं आपको विश्वास दिताना चाहता हूँ कि जो खाद्य पदार्थ से सम्बन्धित है, उसका जवाब मैं दूँगा और फाइनेंस मिनिस्टर ओवर ऑल जवाब देंगे।... (व्यवधान) मैं सारे प्वाइन्ट्स को नोट कर रहा हूँ। करूणाकरण जी बहुत ही अच्छी तरह से बोल रहे हैं। मैं इसमें कोई पार्टी पॉलिटिक्स नहीं चाहता हूँ।

मैं माननीय सदस्य से यह भी आग्रह करूँगा, चूँकि जब मैं बोलूँगा तो दोनों प्वाइन्ट्स को रखूँगा। हम लोग आज पोजीशन में हैं, पहले अपोजीशन में थे। यह हमेशा की बात है। मैं जरूर यह चाहूँगा कि आप सरकार की जमकर क्विटेसाइज कीजिए, लेकिन थोड़ा सा सजेसन भी देते जाइए कि इसको रोकने के लिए क्या-क्या हो सकता है? जैसा आपने खाद्य के संबंध में कहा कि हमारा प्रोडक्शन कम हो रहा है, हमारी डिमांड बढ़ती जा रही है। फॉरिन की पॉलिसी यह है कि वहां भी प्राइस राइज है। वहां अब दाल मिल नहीं रही है। आपने कहा कि किसान को अधिक से अधिक उत्पादन करना चाहिए, एमएसपी ज्यादा होनी चाहिए, लेकिन आपको मातूम है कि एमएसपी से बहुत ज्यादा रेट पर अनाज मिलता है। एमएसपी बहुत कम होता है। आप उसे कितना भी बढ़ाइएगा, उसकी बराबरी नहीं हो पाती है। कल हम लोगों ने गन्ने के ऊपर चर्चा की थी। गन्ना कैश क्रॉप है। कितना भी उसका दाम कम दीजिए, लेकिन किसान गन्ना उपजाएगा। वह मर जाये तो मर जाये, वह उसे उपजायेगा। दाल कैश क्रॉप में नहीं आता है, फूड पदार्थ कैश क्रॉप में नहीं आता है। इसलिए हम चाहेंगे कि आप प्रब्लम्स को भी रखें और उसके साथ-साथ सुझाव भी देने का काम करें तो हमारे लिए वह बहुत लाभदायक होगा।

SHRI P. KARUNAKARAN: Sir, during my deliberation, I made all those points clear as regards procurement, storage facilities, domestic production, etc. Though I had criticized, but I had also made all these points.

SHRI RAMVILAS PASWAN : No, I have noted down all your points.

SHRI P. KARUNAKARAN: Sir, price rise has its own adverse affect on the family budget, which destabilizes their family; it has its own effect on the day to day life of the people all together; and it has its own effect on the political structure also. It has also become a determining factor in the political changes that we can see in our country. I remember that the first Chief Minister of Kerala, Shri E. M. S. Namboodiripad, who was not only a Communist, but he was a good administrator, a historian, and also an orator. He was known to all. In a discussion during the election review at a time when we had a set back, he said that : "Do not think that voters are always your tenants. When they feel they will react." Of course, it was a lesson for us at that time. When the UPA Government was there, along with BJP we fought against price rise. The then Finance Minister, Mr. Chidambaram and Dr. Manmohan Singh were making the same argument that the international prices were going up. Hence, what can we do about it. They also talked about the failure of monsoon, etc., and they were not ready to accept the real factors responsible for it. But when the elections took place, the people were not ready to accept their arguments. Hence, they lost and they were reduced to 42 or 44 in number.

The present Government -- within one and a half years -- have also realized this issue. You are also arguing on the same facts and you are also making the same arguments, and you also got the answer in Bihar elections, Delhi elections, Gujarat elections, and even in the MP elections where we got the highest majority as you lost that seat by 90,000 votes to the Congress. Why is it so? There are a number of other issues, but this is the most important issue. This is the lesson that we have to learn from the people. When they have pain and when they feel, then they would react. It would be better if you realize it. It would be better for your Party and the Government. Otherwise, more dangerous days are coming to address you.

With these words, I conclude.

HON. DEPUTY SPEAKER: The House stands adjourned to meet tomorrow the 18th December, 2015 at 11 am.

17.59 hours

*The Lok Sabha then adjourned till Eleven of the Clock
on Friday, December 18, 2015 / Agrahayana 27, 1937 (Saka).*

* षड् म्श्रुद अ ष्ढत्तुड्डड षुडदधुड षुडु दणुडुठ दड षु षुडुडुडुडुडुडु त्तुडुडुडुडुडुडु षुडुडु षुडुडु दवुडुडुडुडुडु षुडुडु षुडुडुडुडुडुडु षुडुडु दधुडुडुडुडुडु दड षुडुडु षुडुडुडुडुडुडु षुडुडु षुडुडुडुडुडुडु.

* षुडुडु षुडुडुडुडुडुडुडुडुडु.

* षुडुडु षुडुडुडुडुडुडुडुडुडु.

* षुडुडु षुडुडुडुडुडुडुडुडुडु.

* षुडुडुडुडुडुडुडुडुडुडुडुडु षुडुडुडुडुडुडुडुडुडुडुडुडु षुडुडुडुडुडुडुडुडुडुडुडुडु त्तु षुडुडुडुडु.

* षुडुडुडुडुडुडुडुडुडुडुडुडु.

* षुडु.

* षुडु.

* षुडु.