

17.47 hrs.

STATEMENT RE MAINTENANCE OF INTERNAL SECURITY (AMENDMENT) ORDINANCE, 1974

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): I lay on the Table an Explanatory Statement (Hindi and English versions) giving reasons for immediate legislation by the Maintenance of Internal Security (Amendment) Ordinance, 1974, as required under rule 71(1) of the Rules of Procedure and Conduct of Business in Lok Sabha.

MATTER UNDER RULE 377

FALL IN JUTE PRICES AND FAILURE OF JUTE CORPORATION TO COME TO RESCUE OF CULTIVATORS

SHRI JYOTIRMOY BOSU (Diamond Harbour): The Jute growers in West Bengal, Assam, Orissa and Bihar are being completely ruined by keeping raw jute prices at much below the economic level or cost of production. The Government of India's Jute Corporation are helping the jute millowners and big jute traders, and as a result, the rural economy in this region, particularly that of the jute peasantry is being completely ruined. On the one hand, there is the phenomenon of abnormally high prices for food and other items of daily use, and on the other hand, jute producers' products are being sold at below the cost of production.

In Calcutta some days ago even the West Bengal Ministers openly condemned the Commerce Minister's present policy and revealed that this was being done in order to further the interest of the jute millowners and jute tycoons. The Government must see that the jute growers get at least Rs. 250 per quintal and the Jute Corporation must make sufficient purchases so that jute is sold by the growers at seller's market,

Only last year the growers had an extremely hard time as their crop fetched only Rs. 40-42 per maund. This year if they got even Rs. 80 or Rs. 85, no harm will be done to the industry which has a very wide margin of profit due to overseas orders at very high prices in hessian and sacking.

The jute growers in West Bengal are facing an artificial demand squeeze manipulated by the jute millowners and jute tycoons in collaboration with the Central Government and the Commerce Ministry and the Jute Corporation, which is aimed at forcing a steep fall in the prices of raw jute. Raw jute prices have fallen in some districts abnormally causing serious distress to the jute growers. Now the West Bengal co-operative jute organisation have bought worth a crore of rupees and that is rotting in the godowns, but the Jute Corporation have not come forward to purchase it.

I had earlier requested that the Commerce Minister must give a reply because it concerns lakhs and lakhs of jute growing peasantry in the eastern region of the country. You know the jute growing peasantry have been fleeced for the last so many decades and they are in a miserable condition. Every year they have to give a pound of flesh because they produce jute. If this thing continues, I would only warn the Government of India that jute fields will be converted into food fields and jute mills will go out of existence. If they do not come forward with giving economic and profitable prices to the jute peasantry and providing food in sufficient quantity through a national food budget—because by sale of jute, we earn a lot of foreign exchange—if they do not come to the rescue of the jute growers, areas under jute will be discouraged and jute mills will be facing a crisis.

I would request you to make the necessary observation and direct Government to come forward with a statement tomorrow.