

MR. SPEAKER: Nothing will go on record. I am not permitting anybody. I am sorry, I am not allowing you.

(Interruptions)

MR. SPEAKER: They do not hold good in this case. It is not a matter of recent occurrence. It is also a continuing matter.

(Interruptions)

MR. SPEAKER: Order, order. I have not allowed anything to go on record.

(Interruptions)

MR. SPEAKER: You are interrupting the proceedings. You can censure the Government; the Budget Demands provide a number of opportunities. I cannot ignore the rules. Prices are not a sudden phenomenon; it is a continuous matter. Rules say that it must be of recent occurrence. It is a continuing situation. You discussed it in the last session.

(Interruptions)

MR. SPEAKER: No, no. I am not allowing anything to be said now.

If you want to censure the Government, you can censure them on the President's Address.

(Interruptions)

MR. SPEAKER: I cannot interpret the rules as you like. The matter must be of very recent occurrence. The price-rise is not a matter of recent occurrence.

(Interruptions)

MR. SPEAKER: I am not going to agree.

(Interruptions)

You can discuss on President's Address, on the General Budget; you can censure it. I am sorry. I am

not permitting. I have already mentioned the reasons.

(Interruptions)

MR. SPEAKER: There is no question of the House deciding. I am deciding.

(Interruptions)

MR. SPEAKER: How long can we keep on watching this?

You will have ample opportunity to censure the Government. There is the debate on President's Address which is starting to-day itself.....

(Interruptions)

MR. SPEAKER: There are a number of ways open to you to censure the Government. On this Address you can give a motion, you can give an amending motion in which you can mention the price rise and have a vote on it.

(Interruptions)

अध्यक्ष महोदय : जहाँ तक मौके का सवाल है—आज माटे दिन नांग बोलने रहेंगे ।

(व्यवधान)

अध्यक्ष महोदय : इसमें आपको सेन्सर का भी मौका मिलेगा, आप बोलेंगे भी । लेकिन एक ही बात को मैं तीन दफे डिबेट में कैसे लाऊँ ?

12.40 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

ABNORMAL RISE IN PRICES OF ESSENTIAL COMMODITIES

MR. SPEAKER: Now, the calling-attention notice. Shri S. M. Banerjee.

SHRI S. M. BANERJEE (Kanpur): I would like to submit that....

MR. SPEAKER: I have allowed him to raise only the calling-attention.

SHRI S. M. BANERJEE: It is the bolot which has allowed me. I call the attention of the Minister of Agriculture....

SHRI SHYAMNANDAN MISHRA (Begusarai): This should have been addressed to the Finance Minister.... (Interruptions).

SHRI DINEN BHATTACHARYYA (Serampore): This notice is addressed only to the Agriculture Minister. But the prices have gone up, of all commodities and not only agricultural products.

SHRI S. M. BANERJEE: I shall explain why I had addressed it to the Agriculture Minister.

Last time when I had sent in my adjournment motion on the 14th November, I had addressed it to the Finance Minister, and the Agriculture Minister did not intervene at first; later on, he intervened at our request. Here, we are more concerned with the foodgrains prices, the edible oils prices and other things such as sugar etc. All this comes under the Agriculture Ministry.

SHRI SHYAMNANDAN MISHRA: We are concerned with all essential commodities.

SHRI S. M. BANERJEE: It is open to the Finance Minister also to intervene. After all, it is the collective responsibility of the entire Government. I have addressed the calling-attention notice to the Food and Agriculture Minister, because my whole concern was about the prices of foodgrains, edible oil, sugar etc. The Finance Minister can also intervene. So, where is the mistake?

SHRI SHYAMNANDAN MISHRA: The mistake is this; it is largely an economic subject and it is the

result of the total economic policies of the Government.

SHRI S. M. BANERJEE: When I had tabled my adjournment motion, that was addressed to the Finance Minister, because it was to censure the Government. Let my hon. friend read my adjournment motion. I have been in this House since 1957....

MR. SPEAKER: Where is the Finance Minister? Can he be called now?

SHRI S. M. BANERJEE: I have not said in this House all the time and not in the Central Hall or the Rajya Sabha . . .

SHRI G. VISWANATHAN: (Wandiwash): Why can you not intervene and solve this crisis?

SHRI SHYAMNANDAN MISHRA: This is the result of the total economic policies followed by Government. Why is my hon. friend taking offence at that? . . .

SHRI S. M. BANERJEE: I am not taking offence. My hon. friend has not heard me.....

(Interruptions)

MR. SPEAKER: I am not allowing him.

Where is the Finance Minister? Can he be sent for?

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY, MINISTER OF ELECTRONICS, MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF SPACE (SHRI-MATI INDIRA GANDHI): I think Shri Chavan is in the Rajya Sabha. If he is available, he can be sent for, but we do not know.

MR. SPEAKER: This notice has been addressed to the Minister of Agriculture.

SHRI ATAL BIHARI VAJPAYEE (Gwalior): What about the other notices? Were they also addressed to the Agriculture Minister?

MR. SPEAKER: Hon. Members know that it is always the first Member's motion which is taken up.

SHRI SHYAMNANDAN MISHRA: So, the other motions are spoilt.

SHRIMATI INDIRA GANDHI: A message has been received that the Finance Minister is in the Rajya Sabha just now.

MR. SPEAKER: Shri S. M. Banerjee.

SHRI S. M. BANERJEE: This was why we wanted the adjournment motion to be taken up. (*Interruption*). I was not interested in walking out. I was interested in the taking over of the foodgrains which many parties do not want. (*Interruptions*).

I call the attention of the Minister of Agriculture to the following matter of urgent public importance and request that he may make a statement thereon:

'The abnormal rise in the prices of essential commodities and steps taken by Government'.

THE MINISTER OF AGRICULTURE (SHRI F. A. AHMED): The rise in prices of foodgrains has been a matter of great concern to Government. There has been an upward pressure on the prices almost from the beginning of 1972. After showing the usual seasonal fall during October—December, 1972, the prices of cereals have again shown an upward trend.

SHRI JYOTIRMOY BOSU: There was no fall at any time.

SHRI F. A. AHMED: That is not correct. There was a fall.

SHRI JYOTIRMOY BOSU: Your statistics are wrong.

SHRI F. A. AHMED: The rise in the prices of coarse cereals has been particularly pronounced. The index of wholesale prices of cereals on 3rd February, 1973 was higher than last year's corresponding index by 16.2 per cent. The prices of pulses which were ruling very high between April and November, 1972, however, ruled easy during the period 16th December, 1972 to 3rd February, 1973. The main reasons for the rise in prices of foodgrains are:

(i) decline in production of kharif cereals in 1971-72 and the anticipated shortfall in the production of 1972-73 kharif crops on account of prevalent drought in many States;

(ii) increase in money supply with the public;

(iii) speculative hoarding by traders and others; and

(iv) psychology of shortage created by conditions of scarcity in some parts of the country.

With the beginning of the new sugar season, the prices have been ruling steady to easy. During the last few months, the wholesale price index for sugar and allied products has shown some decline. Increase in the minimum price of sugarcane and the rebate granted by Government have helped in the increased production of sugar in comparison with the corresponding periods of the last two seasons. This anticipated rise in the production has helped to restrain the rising trend in the price.

Due to continuous drought in the principal oil seed producing States, raw oil prices have shown a rising trend and as a result it is becoming increasingly difficult to keep the vanaspati prices unchanged.

the vanaspati prices had to be increased by 40 paise per Kg. with effect from 2nd January, 1973. To meet the situation special efforts are being made to augment the production of oil seeds, particularly Summer groundnut, sunflower, soyabean, rape/mustard and sunflower as also to exploit other sources of oil, particularly from cotton seed and rice bran. Additionally arrangements have been made to import about 100,000 tonnes of edible oil besides obtaining 80,000 tonnes of rapeseed from Canada under an aid programme.

The Government are fully aware of the hardship caused to the people due to rise in the prices of foodgrain and other commodities. Government have, therefore, taken a number of steps to check the rise in the prices. A massive emergency agricultural production programme was launched for effectively relieving the losses in kharif production by increasing the output of rabi and summer crops this year. At the same time, to meet the increasing demand of foodgrains from the State Government the release of foodgrains through fair price shops has also been considerably stepped up, the distribution during 1972-73 being nearly 10.6 million tonnes as against 7.8 million tonnes in 1971.

In addition to importing a limited quantity of foodgrains, overall steps quantity of foodgrains, several steps have been taken to intensify the procurement within the country so as to replenish and build up stocks with the public agencies. These steps have been suitably supported by anti-hoarding and other regulatory and austerity measures so as to create conditions favourable for achieving a reasonable stability in the price of foodgrains. The control over advances against foodgrains has been tightened and the banks have been advised to pursue a policy of cautious lending. As a long-term measure, a decision has also been taken to take over the

wholesale trade in wheat and rice which is expected to curb considerably the speculative hoarding and trading by interested parties.

SHRI S. M. BANERJEE: On the 14th November, when I moved an adjournment motion, practically the same reply was given by my hon. friend. The position was that—he said—the breaking of the monsoon was very erratic. This time he has not said so. I am really surprised whether the statement was read by the hon. Minister earlier, before he made the statement here. The statement is full of contradictions. What are the reasons? The main reason for the rise in prices of foodgrains are, as he has put it “decline in production of kharif cereals in 1971-72 and the anticipated shortfall in the production of 1972-73 kharif crops on account of prevalent drought in many States”. But it has improved in some of the States. Then, “increased in money supply with the public.” Then, “speculative hoarding by traders and others”. Who are they? When we asked the Government, we were told that a lot of foodgrains is eaten away by rats and pests. We said in this House that the biggest pest was Sardar Iqbal Singh who has eaten away Rs. 6 crores in the Food Corporation of India. Then the fourth reason they have given is, “psychology of shortage created by conditions of scarcity in some parts of the country.” So, the shortage is psychological. It is really a cruel joke on the miseries of the people. He says that a psychology was created. Psychology of what? Of shortage.

I am reading from the answer to the Parliamentary question, which the hon. Minister has replied on the 20th of this month, that is, yesterday. What are the price index numbers and the percentage of variation? Food articles—July, 1969, 203; July 1972, 236; January, 1973, 245; July 1972 over July, 1969—plus 16.2. January,

1973 over July, 1972—0.512. This does not reflect the retail price which is based on the wholesale price of the articles which are not available to the common man.

Then again, take foodgrains. Cereals, 206.7 in July, 1969. 225.2 in July, 1972. In January, it was 238.4. It is plus 13.4. Then, edible oils; 214. In January, 1973, it was 252.8 January 1973 over July 1972—plus 15.8. Then, sugar and allied products: it went up from 183.7 in July, 1969 to 280.6 in January, 1973. What was the percentage?

July, 1972 over July, 1969, it was plus 51.2.

Imagine that still, after supplying these figures to Parliament, the hon. Minister wants us to believe that the picture is not as gloomy as we think and that it is quite rosy. We have demanded in this House that the wholesale trade in foodgrains should be taken over immediately. The Government which has a faulty and wobbling policy has to make up its mind finally and firmly whether it should be taken over. I am told that a meeting has been convened on the 24th of this month where the Chief Ministers and the Ministers of Civil Supplies of the various States would be attending and a decision will be taken regarding taking over of wheat and rice. But what about the other commodities? What about the entire sugar stock? What about the nationalisation of the sugar industry? People have got rotten; it has remained in the election manifesto but never translated into action.

Is it not a fact that one of the causes of the constant price rise is deficit financing? During the First Plan deficit financing was Rs. 333 crores; it rose to Rs. 954 crores in the

Second Plan and to Rs. 1133 crores in the Third Plan. It was Rs. 850 crores in the Fourth Plan. There is another parallel economy run by those who have black money which amounts to Rs. 7,000 crores according to the Wanchoo Commission. What steps have been taken to unearth black money?

The hon. Minister says that the price of foodgrains is coming down in some places. In Delhi today the price of rice of some good quality is Rs. 2.85 per kg; and wheat sells at Rs. 1.50; a bag of 10 kg. of atta which the supper bazaar used to sell at Rs 11 or 12 now sells at Rs. 14 or 15. The hon. Minister Shri F. A. Ahmed said on 14th November, 1972 in reply to my adjournment motion that the total fair price shops had gone up from 1,28,000 to 1,58,000. I am not going to quote other figures. But the proof of the pudding is in the eating. The cost of green vegetables has gone up; the price of milk has gone up. As one who was himself purchasing green vegetables every week, I know that even cauliflower which was supposed to be the cheapest thing in winter was sold at 0.65 per kg. The price of meat has risen from Rs. 5 to 7, the price of fish has absolutely settled at Rs. 10; it has not gone down. The price of egg has gone up. In short the prices of all commodities have gone up. I am surprised why the State Governments have failed in the matter of procurement. Is it because they are in league with the big landlords and those who run the co-operatives? He should give us a clear-cut reply: What concrete steps are being taken to bring down prices?

13 hrs.

Then, I would like to know whether wholesale trade in foodgrains is likely to be taken over by the Government during this session itself. Is it going to be simply wholesale trade in wheat and rice? What about pulses? The price of pulses has gone

[Shri S. M. Benerjee]

up by 25 to 30 per cent; the price of edible oils has gone up by 26 per cent. Still, we have to believe that the situation is quite rosy, that there is nothing to worry about and that we are worrying because we are a psychological case. It is really surprising.

The correct thing would have been to censure this Government. The Food Minister for whom I have got the greatest regard makes a statement which has no relation with the rise in prices outside. I wonder whether the Ministers ever purchase their articles themselves or these are supplied to them by other people. Otherwise why should they not feel the pinch of rise in prices? When we Members of Parliament getting Rs. 51 per day with all other allowances, Rs. 500 per month and all that, feel the pinch of rise in prices and by the 25th of the month we have to get something on credit, what must be happening to lakhs of people who are practically below the starvation line? I would ask the hon. Minister to kindly assure us what concrete steps he is going to take to tackle the situation.

The sugar industry should be nationalised or I demand his resignation. I do not demand resignation every time because another gentleman will come in. The sugar industry should also be taken over by the Government.

So, my demands are: whole-sale trade in foodgrains should be taken over immediately; more and more fair price shops should be opened to cover rural areas also; all the stock of sugar should be taken over by the Government for distribution; the means of production should also be nationalised; big business houses should be taken over. Either the Government should move towards socialism or otherwise the piece-meal steps taken by the Government will not take us anywhere.

There should be demonetisation to unearth black money. The hon. Minister said last time that black money is there. With the take-over of all these things, I suggest, there should be a machinery that should not be a corrupt one. The efforts are being made to give a feeling that whatever article Government takes over either vanishes or it goes into the hands of corrupt people. I would urge upon the hon. Minister that the machinery should be improved both for procurement and distribution and it should be given to those people who have clean hands and who can possibly deliver the goods.

In the case of edible oils also, the prices should be reduced. What is the production cost of edible oils and how much profit is to be taken by them has to be assessed. Only the prices are being increased every time to suit the big monopoly houses.

Lastly, I would request the hon. Minister to give replies to all these points and assure us once again whether this Government which has miserably failed to tackle the food situation is going to face the situation boldly, honestly, intelligently and firmly.

At the end, I suggest, small statutory committees should be formed in all the districts with elected representatives of the people and the representatives of political parties to tackle the food situation. What is happening today? Everywhere the District Magistrate is actually the Chairman of the Committee and he nominates the elected representatives. We have already taken a decision at the Whips' Conference in Simla three years back that an all-Party Committee should be established because the food problem is a national problem and it has to be tackled on a war footing.

It is generally said, 'What can we do? We had no rains.' Always the-

shortage of foodgrains is attributed to failure of monsoon; they just say that the fight is going on between Lord Indra and Shrimati Indira Gandhi. This cannot be done any more. Nobody is going to be convinced of it. People know that sugar is available if they can spend Rs. 4 or 5 per kilo, that wheat is available if they can spend Rs. 2 per kilo, that rice is available if they can spend Rs. 3 per kilo. If the food situation does not improve in this country in another six months or one year, however much we may believe in Parliamentary democracy, we will be forced to ask the people to loot those shops which are full of foodgrains-sugar and other things. I cannot allow my children to starve. If such a situation comes, we will have to ask the people to do it and they will definitely do it. In case Government does not take steps to improve the situation, whatever talk of socialism may be there in the country, failure to tackle the food situation in the country is going to be the last nail in the coffin of the ruling Party.

SHRI F. A. AHMED: Mr. Speaker, Sir, I have listened with great attention to the various figures cited by the hon. Member to indicate that there has been a steady rise in prices of foodgrains. I have already mentioned in my statement that Government is aware of it and shares the concern of the hon. members with regard to the rise in the prices of foodgrains in our country. I have already indicated four reasons which are responsible for such a rise. The hon. Member has said that, in addition to those reasons, there is also the reason of deficit financing. Whether that is a reason or not, that is a different thing altogether....

SHRI S. M. BANERJEE: The Finance Minister has said that.

SHRI F. A. AHMED: I would like to point out that deficit financing is not peculiar to this particular year

It has been going on for the last four years. But so far as prices of foodgrains are concerned, even when there was deficit financing, the prices of foodgrains about two years ago were stable; they were stable because of the fact that there was increased production, because there was sufficient stock in our country. I would like the hon. Member to appreciate that during the last two years we have been having decreased production of foodgrains, particularly of coarse grains during the kharif season. In 1971-72 there was a shortfall of about four million tonnes of foodgrains. In 1972-73 also it is expected that there will be a shortfall in the production of coarse grains, and but for the steps which have been taken by Government for the purpose of retrieving the position during the kharif season and also for improving the situation during the rabi season, the shortfall would have been much more. So, I would like to tell the hon. Member that not only Government is thinking of taking measures in order to stop this increase in prices, but they have already taken steps which have been responsible for keeping down the prices at such a low level. I would like the hon. Member to appreciate that this is a phenomenon which is not peculiar to our country; it is a worldwide phenomenon.

SHRI S. M. BANERJEE. No one is dying in the pavements in other countries. Nobody is taking only one meal in other countries.

SHRI F. A. AHMED: May I tell the hon. Member that if we compare the present position to what happened in 1965 and 66, the hon. Member would appreciate that at that time the drought was not so severe as this year, at that time the prices had gone up by over 30 per cent during one year and we had to import 11-12 million tonnes of foodgrains in order to provide food to our people. But, this time....

SHRI BHOGENDRA JHA (Jainnagar): Let us know something with regard to Government's responsibility. You have increased the prices of *Vanaspati* and sugar. You have failed to procure rice. You have failed to nationalise the wholesale trade.

SHRI F. A. AHMED: I am just telling the hon. Member that with an import of about 2 million tonnes of foodgrains from outside, perhaps it would be possible for us to tide over the difficult year. If we have a good crop this year and if we pursue the policy of taking over the wholesale trade in foodgrains as has been indicated by the Government, I hope we will be able to tide over this difficulty.

May I also tell the hon. Member that the Government has already taken a decision so far as the take-over of wholesale trade in foodgrains. We are meeting on the 24th of this month in order to discuss the various details and the difficulties and other circumstances which are peculiar to every State. We want to sort out all these difficulties so that it may not be difficult for us to pursue this policy which we have already accepted as the policy for the coming *rabi* crop of wheat and also later on for rice. A decision has already been taken and this meeting is taking place to consider the report submitted by the Sub-Committee which has gone into details with regard to the take-over of the trade and after the decision is taken, we shall issue necessary instructions to the State Governments in the matter.

SHRI K. S. CHAVDA (Patan): You said regarding one committee. There was another sub-committee appointed by the Government. What about that?

SHRI F. A. AHMED: That was a sub-committee of officers to collect facts and figures from the various

States and the Central Government, on the basis of which the sub-committee has made some recommendations to be considered by the Food Ministers and the Chief Ministers' conference which is going to be held on the 24th.

SHRI S. M. BANERJEE: You are not going to appoint another committee—I believe.

SHRI F. A. AHMED: There is no question of appointing another committee.

So far as the hon. Member's question is concerned, the decision regarding take-over of foodgrains trade has already been taken and it is to work out the details and to consider the difficulties which we may have to face in the take-over of the wholesale trade that the Chief Ministers' conference has been convened on the 24th.

So far as sugar is concerned, the hon. Member is already aware that we have appointed a committee. As soon as the report of that committee is available to us, we shall take necessary action having regard to the recommendations which may be made by this committee. I am hoping that the report of the committee will be available to us within a few months.

SHRI BHOGENDRA JHA: You can take over the sugar stocks lying with the mills.

SHRI F. A. AHMED: I may tell the hon. Member that so far as the vulnerable sections of the population are concerned, they are getting sugar at a uniform rate all over the country.

SHRI S. M. BANERJEE: Sir, even in North Avenue shops where Members of Parliament live sugar was not available for a full fifteen days.

SHRI F. A. AHMED: I think that is not correct because sugar is now being supplied through fair price shops as well as co-operatives in various States.

So far as vulnerable sections are concerned I think one kg. per person upto a maximum or one ka. per family at least is being supplied by all the States through fair price shops.

SHRI S. M. BANERJEE: Any hon. Minister who is a diabetic patient should not speak about sugar.

SHRI F. A. AHMED: I am sorry about it. The hon. Member has complained about a particular shop. If he gives the details, I will ask the Delhi Administration to inquire about it.

So far as we are concerned, we are supplying sufficient stock of sugar to be supplied to the fairprice shops on the basis of the consumption and the population of every State concerned and I think, there has been no difficulty in this respect, and I may inform the House that so far as the production of sugar is concerned it is much more than what we had last year at this time and we are expecting that production of sugar this year may go up by about 3 or 4 lakh tonnes during the year. That increased production will ease the position a little.

I share the concern of the hon. Member. The prices of oil have gone up during the last few months. It has gone up as much as 30 per cent over what it was prevailing during last year, but this has been due to the fact that production of oil-seeds had completely failed, in the producing States like Maharashtra and Gujarat and there has been this scarcity of oil-seeds. We have been trying to import oilseeds from outside. We have imported about 42,000 tonnes of rapeseed and 40,000 tonnes of oils. We are importing rapeseed from Canada and also palm oil from Malaysia. We are taking various steps for increasing production during summer and we feel that the increased production may help us in easing the posi-

tion. So, these are all the steps which have been taken in this direction. I can assure the hon. Member that whatever is possible is being done. I hope with better production we may expect better results in the future.

SHRI P. GANGADEB (Angul): Mr. Speaker, Sir, this grave situation arising out of the non-stop rise in prices of essential commodities has assumed an alarming concern to us all. We are concerned about this problem because it has already hit the commonman's budget—a budget which is already meagre, which everyone knows. Let us not forget that about 40 per cent of our population are still living below the poverty line and now has come inflation—the present inflation—at the rate of 10 per cent to 12 per cent which is bound to add to the miseries of our 200 million people in our sub-continent.

Now, Sir, let me place before this House my own assessment of the price situation in a nutshell. In the last 12 months or so, the price index has sprung up by an average of 1 per cent per month adding thereby to about 12 per cent by the end of the year. Is it not horrifying? Is it not a monstrous rise? Everybody will agree on this. One can see therefore that the maximum increase has occurred in the prices of agricultural commodities, primarily, foodgrains, followed by manufactured articles of basic consumption. Widespread drought conditions and speculation, both of these have contributed to the abnormal price rise. This year we did not have even the same comfortable position in agriculture which we characterised as a green revolution just about two years ago. Apart from all these shortages in agricultural sector, I feel certain that there are other factors which have also contributed to the alarming price situation.

As the House is aware, there has been a sharp increase in non-development outlays together with heavy expansion in money supply which has accelerated the inflationary situation.

[Shri P. Gangadab]

This is a fact. In addition, this problem is added with more trouble by what I would call the black-money, the impact of which is felt on the price level. That is very much felt at this price level which we are facing so badly today. I

I am no doubt aware that some of the steps initiated by our Government so far are in the right direction, but they are not enough, if I may say so. Much more drastic action is needed. Therefore, humbly, I wish to suggest the following. Firstly, we should have a sustained buffer stock of foodgrains, even if it means larger imports. In my opinion, that is the only way-out to create a proper psychology. The psychology on the other side may be different. But it is my opinion that this is the only way-out to create a proper psychology and only this can be an effective deterrent to speculation and hoarding.

Secondly, we should strengthen the law enforcement machinery. Unless the offenders are given punitive punishment, we shall still have to live with the social evils of hoarding and black-marketing. Thirdly, procurement and distribution machinery for foodgrains should be built up and they should be well armed.

Then, fourthly, there is the question of money supply. It should be brought within manageable limits. For this, Government should exercise considerable restraint on non-developmental expenditure.

Lastly, I wish to suggest that the time has come to encourage and induce people to save more. It is in this connection that I feel that the taxation by Government should favour those who work hard and save out of their earnings. Let me hope that the hon.

Minister will soon bring about a solution to halt the rising prices of essential commodities. I would also like to know the reactions that the hon. Minister has to my suggestions.

SHRI F. A. AHMED: I entirely share the concern of the hon. Member with regard to the rise in prices. At the same time, I would like to point out that the suggestions which he has given are welcome and will be taken care of.

I would also like to point out that so far as the building up of buffer stock is concerned, that is the policy which we have been pursuing in the past. It was because of that policy that it was possible for us to tide over the difficult period during this year. It will be our endeavour in the future to build up a buffer stock and to increase the procurement of foodgrains in our country so that we may be able to see that the foodgrains are available to the people at reasonable prices and without a big rise in prices. That is our objective and that is our policy and we shall pursue it.

I also share the concern of the hon. Member that it is because of hoarding that sometimes we get into difficulties. As he has suggested, I think we have to think of measures which will help in checking this hoarding and dealing with the culprit by giving him punishment which will prevent him from indulging in this kind of unsocial activities.

So far as the other matters are concerned also, we shall examine them and see to what extent they can be implemented.

PROF. MADHU DANDAVATE (Rajapur): At the very outset, let me point out that I had rightly addressed this call attention notice to the Finance Minister because I am fully aware of the fact that the issues that we will be raising during this call attention.

though not beyond the comprehension of the Minister of Agriculture, will be beyond the scope and jurisdiction of his Ministry. Therefore, I had referred it to the Finance Ministry and I wish it had been sent to that Ministry.

Prices of essential commodities are actually moving at a galloping pace, faster than the pace at which Government is skidding back on the economic front. Repeatedly we had been assured by the Prime Minister, the Finance Minister and many other Ministers that there is no question of introducing a wage freeze in the country. In fact, one would have liked Government to introduce a price freeze, but unfortunately, in effect, it is some sort of wage freeze that is being introduced.

I will take this opportunity to ask of the Treasury Benches whether it is not a fact, as has been published in the newspapers of the 6th February, that the Finance Ministry has sent a confidential circular to all public sector managements that in spite of the rising prices in the country, if the trade union organisations of the public sector go on making demands for revision of the wage structure, under no circumstances should that demand be accepted. This is a most condemnable state of affairs, and all trade union organisations in the country are agreed and united on making the demand that such a confidential circular ought not to have been sent by the Finance Ministry.

Reference has been made to the problem of prices being linked to the drought situation. No doubt, the problem of prices is, to some extent, linked up with the situation of drought facing the country. But my contention is that the approach of Government in tackling the problem of the drought situation is something like the approach of a fire brigade. Only when a house is on fire, the fire brigade rushes to it and when the fire is extinguished, it goes back to the depot. That is how the problem of drought is being tackled. Even where drought

has been a recurring problem in States like Madhya Pradesh, Bihar and Maharashtra, this is what we have seen. For instance, in Maharashtra, this is the third successive year of drought and our complaint has been that no long-term perspective has ever been adopted at all. Even now, instead of taking up famine relief works which will be productive in content, they are taking up non-productive famine relief works. The famine will be over soon, in the year to come. But after all, you must undertake such projects in a long-term manner as will step up agricultural production.

Therefore, we want more famine relief works like percolation tanks, digging of tubewells, small irrigation schemes, building up of bunds and so on. In the State of Maharashtra, even on the basis of factual statements from Government, it can be very well established that there is no emphasis given to famine relief works of this type. If you begin to skid in this direction, even after the famine is over, the problem of augmentation of agricultural output will always be there. So this type of long-term approach and perspective that I have suggested should be adopted and then only will we be able to tackle this problem on a permanent basis.

As for the question of sugar prices, upto 1948 there was an accepted convention that the prices available to the growers would be 1/16th of the price of sugar. But unfortunately that convention has been broken. While sugar magnates have been having mounting profits in the free market, in the some proportion sugarcane prices are not available to the growers at all. This is also a disparity that has to be removed.

Again as far as the sugar problem is concerned, the Gundu Rao Committee had clearly indicated on the basis of statistics that in 1967-69, out of 215 sugar factories, the majority were in the age group 35-60. On the one hand, the millowners were not sure

[Prof Madhu Dandavate]

that the mills would not be nationalised. So they neglected the aspect of modernisation of the machinery. On the other, you are taking faltering steps towards nationalisation. Therefore, neither does the private sector feel any commitment in regard to sugar production nor is the public sector able to take charge. In this stalemate the production of sugar has gone down. That is the reason why the problem has been made more complicated.

In addition to that with a full sense of responsibility, I will say it again that prior to the elections some sort of unholy alliance was built up between the sugar magnates in the country and the ruling party in this country, and as a result of that, adequate concessions were given to the sugar magnates. Many of them have made it clear a number of times without revealing their names. I think that this is a factor that is responsible for the rise in the prices of sugar.

As far as the nationalisation of sugar factories is concerned either you take a firm decision that you are not going to nationalise them or a point of view with which I am not in agreement. The sugar industry needs more modernisation and therefore nationalisation is necessary. Not only sugar but I feel that the Government should make its position quite clear and as far as the production of essential commodities is concerned, they must be brought into the public sector and the wholesale trade also must be socialised. I do not want it to be merely stated. There is a distinction between state capitalism and the socialised sector. I want socialisation of the industry in which the consumers, the workers, all of them will have a say in the running of the industry, and if that is done, probably in a more rational and in a more efficient manner, the sugar industry can be run and the problem of sugar prices may be tackled to some extent. Unfortunately, instead of taking this broad approach of bringing under socialisation the production and distribution and the wholesale trade

in essential commodities, actually what is happening is, we are having a tinkering attitude of a mixed economy of which the joint sector is only a projection. If you pursue this policy of a joint sector, probably the problem of rise in prices cannot be adequately tackled because the joint sector concept will mean that the private sector will try to flourish and prosper at the cost of the investment that is available from the financial resources that are available from the financial institutions of the public sector. In effect, the approach that our Government is adopting is not basically different from the approach that the Tata memorandum has taken and, therefore, by merely having a majority of equity shares it will not be possible to control that industry so long as the pricing policy so long as the distribution policy remain as they are. As far as the investment is concerned you have no control over it. I know that the Finance Ministry can reply to this question and therefore without casting any aspersions on the Minister concerned I would say that this public sector matter ought to have been referred to the Finance Ministry so that this aspect could have been replied to properly.

I would like to pose one question regarding the effective procurement of foodgrains at the grass root level by offering remunerative prices to the agriculturists. Here I would like to make a concrete suggestion and I like to know from the Minister whether my constructive suggestion would be acceptable to the Ministry. The suggestion is that in order that the procurement of foodgrains at the grass-root level could be made more effective let us try to set up some sort of advisory councils on which representation will be given to the Government, representation to the co-operatives, representation to the consumers, representation to the trade organisations, representation to the trade union organisations in the country and also representation to the various political parties in the country. They can intro-

duce some sort of vigilance committees so that today the corruption that is very much there in this particular process of procurement can be eliminated to a very great extent. Unfortunately, wherever we give newer and newer spheres of productivity into the hands of the State,—I am all for it—the men in the private sector always condemn the public sector by saying that more public sector expansion means more bureaucracy, more inefficiency and more corruption, as if it is the exclusive preserve of the public sector and the private sector is completely free from inefficiency corruption and nepotism. There are a number of reports that are indicative of the fact that even the private sector suffers from these ills. If these things are left to the public sector, then this particular aspect is absolutely necessary.

I would like to make a passing reference, and would like to know from the Government whether the repeated recommendations that have been made—even the Wanchoo Commission has made that recommendation—namely, demonetisation, would be accepted to unearth black money which is to the extent of Rs. 7,000 crores. Of course, the Agriculture Ministry cannot reply to that question, and that is why the Minister is cynically laughing that questions are put in an irrelevant manner. I have addressed them to the Finance Minister, but unfortunately he is absent.

Lastly, some reference has been made, and I would repeat that. It seems from the contention of the Minister of Agriculture and it appears as if the problem of deficit financing is not very relevant as far as the problem of rise in prices is concerned. Here, he puts a contention. After all, it is not a new phenomenon. Deficit financing has been existing. But let us see the pace at which deficit financing has been advancing. In the first Five Year Plan, deficit financing was of the order of Rs. 333 crores.

In the Second Plan it was Rs. 954 crores; in the Third Plan, Rs. 1,133 crores and in the first three years of the Fourth Plan, Rs. 850 crores. It is estimated that deficit financing has reached the tune of Rs. 1,500 crores. There is no indication of its being curbed; on the other hand it is going up. Tragically enough in the approach to the Fifth Plan document which has been accepted by the Cabinet and National Development Council, you have bravely and courageously declared that in the terminal year of the Fifth Plan deficit financing will be reduced to zero. Wonderful, 333 crores, 954 crores, 1,133 crores, 1,500 crores and then zero. It is difficult to believe that so long as there is deficit financing at this rate, there will be inflationary pressure on the economy and with all their pious intentions, they will not be able to check inflation and consequent rise in prices. The problems should be tackled in an integrated way.

Lastly, in our country inflationary pressures are growing and prices are rising because 67 per cent of the expenditure of the Union Government is non-productive and non-development and is not used for agricultural production or industrial production. In this context, I do not think the problem of prices can be tackled in the manner in which you are trying.

SHRI F. A. AHMED: I thank the hon. Member for raising a number of questions but I shall deal with those questions which really concern my Ministry.

SHRI S. M. BANERJEE: The Prime Minister said that the Finance Minister was busy in the other House. Some very pertinent questions had been raised by the hon. Member. Some secret circular has been sent to the public undertakings not to raise the salary of the employees. It is a serious matter....(Interruptions)

AN HON. MEMBER: Let a short notice question be put to the Finance Minister.

PROF. MADHU DANDAVATE: Inconvenient short notice questions are never admitted.

SHRI F. A. AHMED: When the call attention motion was referred to me I bowed to the ruling of the hon. Speaker. If hon. Members want to know some information from my colleague the Finance Minister, let them put a question to him; he will certainly reply.

PROF. MADHU DANDAVATE: Anticipating that some of the issues will be linked with the Finance Ministry, someone from the Finance Ministry ought to be present. We have 60 Ministers.

SHRI F. A. AHMED: He has raised a very pertinent matter so far as emergency production programme is concerned and said that it should not be confined to temporary work but it should be permanent so that in future also they may get the benefit of the increased production programme. We have undertaken this programme not only for the coming rabi crop but for the future also. According to our information, apart from taking up work very near the villages, the State Governments are engaged in directing more and more funds for production work. In addition to that I have been writing from time to time to all the Chief Ministers that whatever funds we are now giving them should be spent for the purpose of taking up relief work of a productive nature. I hope the State Government are following our instructions. The suggestion made by the hon. Member has already been acted upon by us. He has also made certain observations with regard to the sugar industry. I agree with him that due to lack of effort at modernisation, there has been a shortfall in the production of sugar.

We are considering this matter. As soon as the report of the Committee is available, we shall take such steps and such action which will remedy this defect and which will help in increasing the production of sugar.

These are matters which were raised by the hon. Member so far as my Department is concerned and, I hope, he will refer the other question to my colleague....

MR. SPEAKER: Regarding the other question about instructions sent to Public Undertakings, I will ask the Finance Minister to reply.

SHRI F. A. AHMED: Before I sit down, may I say one thing? I made a statement earlier that we have already imported about 42,000 tonnes of rapeseed and 40,000 tonnes of oil. We are importing some more quantity of rape seed from Canada and palm oil from Malaysia.

PROF. MADHU DANDAVATE: When any matter is raised in the Calling Attention and if any Minister is replying, his complementary Minister should be present.

श्री श्री सिद्ध (खुर्जा) : ग्रन्थज महोदय, देश के अन्दर रोज़ाना की ज़िन्दगी बढ़त बढ़त होनी जा रही है, आज का इन्मान मह गार्ड से तड़कड़ा रहा है। सरकार ने महगार्ड के जो कारण दिये हैं उनमें तीन कारण तो गंभीरजनक हैं जो सरकार के कानू के बाहर हैं। लेकिन जहाँ तक सूखे की स्थिति का सवाल है, जब देश के अन्दर लोग सूखे की स्थिति में झुन्नमरी के कगार पर खड़े थे, इन विरोधी पार्टियों के लोगों ने उत्तर प्रदेश में, जो देश का सब से ज्यादा अनाज पैदा करने वाला सूबा है, बिजली इंजीनियरों की हड़ताल करा दी। एक तरफ़ लोग पानी के लिए लड़त रहे थे, दूसरी तरफ़ हड़ताल करा कर सूखे की स्थिति को ख़त्म करने में मदद करने के बजाय उम को बढ़ावा देने में मदद की।

इसी तरह से जब सरकार ने अपना प्रवर्तित्वील कदम उठा कर विचौलियों को खत्म करने की बात बोली, मङ्गई को ठिठान लगाने का प्रयत्न किया, तो इन प्रतिक्रियावादी पार्टियों के लोगों ने, जो बड़ी-बड़ी मण्डिया के आड़तियों की पनाह में रहते हैं, तरह तरह के अडने लगाने, राडे अटकाने का प्रयत्न किया । जैसे ही सरकार ने अपना का थोक व्यापार अपने हाथ में लिया, इन पेड़ के बादशाहों ने, चाबल के बादशाहों ने डालडा के बादशाहों ने, माबुन के बादशाहों ने, नेव के बादशाहों ने और नमक के बादशाहों ने माजिश करके इन तमाम चीजों को हौडे कर गिरा और वाम बड़ा दिये । सरकार ने जब भी देश के अन्दर लुहाली या नदम उठाया, तभी प्रतिक्रियावादी लोग, पूजेशाह लग विचौलियों को खत्म करने के मामले में हमेंगा अडगा लगाते रहे । ये लोग सरकार के किसी भी प्रयत्न को मफन होने नहीं देना चाहते हैं । मैं सरकार में कहना चाहता हूँ—जय सरकार ने देश के अन्दर दूसरी तरह के गजाओं के जीवनस्तर को परिवर्तित करने का प्रयत्न किया है तो फिर इन गल्ला बादशाहों, तन बादशाहों, डालडा बादशाहों, माबुन बादशाहों को भी खत्म करने का प्रयत्न बना नहीं करती है ।

सरकार ने गल्ले के थोक व्यापार को अपने हाथ में लेने का जो प्रयत्न किया है, वह प्रशंसनीय है । लेकिन इस मौके पर मैं कहना चाहता हूँ कि आज देश के अन्दर जो होडिंग हो रही है, जमाखोरी है, सट्टेबाजी है—यही मङ्गई के मूल कारण है, सरकार

उन पर भी काबू पा सकती थी । मैं सरकार में जानना चाहता हूँ कि हिन्दुस्तान के कित-कित बड़े शहरों में इन जमाखोरों, सट्टेबाजों पर छापे जाने गए और इन छापों में कितना अपनाज सरकार के हाथ लगा और इस काम में क्या-क्या कमगावियां शामिल की गईं ।

इसी मिनमिने में मैं यह भी निबदन करना चाहता हूँ कि हिन्दुस्तान का किसान अपनाज बैरा करना चाहता है, वह मेहनत करना चाहता है, लेकिन जब वह देखता है कि फटिलाइजर्स के दाम इतने ज्यादा बढ गये हैं तो उसकी कमर टूट जाती है । क्या सरकार फटिलाइजर एग्जैम्पिया जो प्राइवेट हैंड्स में है, इकानदारा के हाथ में है उनमें छीन कर स्वयं हिमाता का खाद बेचने का प्रबन्ध करगी ? क्या सरकार इस व्यापार का अपना हाथ में लेगी ताकि वह प्राइवेट हाथों में न रहे ?

मैं यह भी निवेदन करना चाहता हूँ कि आज इस बुद्धनरी का सब से बड़ा निवार पिछडे इनाक के नाग है अनुचित जानिया के नाग है पिछडे नाग है । मैं पूजा चाहता हूँ—क्या सरकार इन गरीब पिछडे नागों के लिए सॉब्सडाइज्ड रेट पर म्हायना क रूप में अपनाज देने का प्रबन्ध करेगी ?

SHRI F. A. AHMED: The hon. Member has raised two or three more important points. One is with regard to supply of fertilisers to the cultivators I would like to point out to him that, so far as Government policy is concerned—and that is what I have been insisting on the States to do—, the supply of fertilisers to the cultivators should be through co-operatives, and it is our effort that

[Shri F. A. Ahmed]

more and more co-operatives should be brought in that direction and the supply should be made through co-operatives.

So far as steps against hoarding are concerned, whenever I had the opportunity of meeting the Chief Minister or Food Minister concerned or of going to the various States, I have been insisting upon them to take suitable measures in order to prevent hoarding and in some places action has been taken. I have not got the details here, but if the hon. Member wants, I can give him the information about the action taken in various States and he will know to what extent they have succeeded in their efforts.

SHRI K. S. CHAVDA: What about the third point, subsidising foodgrains to Scheduled Castes and Scheduled Tribes?

SHRI F. A. AHMED: It is already being done.

SHRI P. M. MEHIA (Bhavnagar): The hon. House will recall that a motion, namely, 'This House do consider the unprecedented rise in the prices of essential commodities and the Government's inability to check the rising trend', was discussed in this House on 10th August, 1972. The House discussed it for nine hours and the concerned Minister, the Finance Minister, assured the House that adequate measures were being taken to check the price line, to arrest the rise in prices. But what has happened thereafter? Prices of almost all commodities have gone up further during the six-month period, July, 1972 to January, 1973. According to the reply given in the Rajya Sabha only yesterday, the prices of foodgrains, cereals, wheat, pulses, edible oil, sugar and allied products, fuel, power, light and lubricants, electricity, industrial raw materials, raw cotton, raw jute and mesta, oilseeds,

chemicals, soda ash, caustic soda, manufactures, intermediate products, cotton yarn, metals, finished products, cotton textiles, iron and steel manufactures non-metal products and other things have gone very high.

During the discussion on the motion in the previous Session, the consensus of the House—and it was a unanimous consensus—was that this Government had failed to hold the price line, to arrest the upward trend in prices. Now what further proof is required today, after having seen the reply given by the Minister in the other House?

Sir, it is not that they have failed in controlling the prices.

But I charge that the Government is abetting the price rise. For example, the levy price for sugar is raised by 20 paise. Then a price increase was given to Vanaspati by 10 paise. In Bombay the price of milk supplied by the Government dairy has been increased by 42 per cent. Then, the Government is the major producer of steel and steel prices have gone up in the last two years. All this has resulted in the general price rise including 100 grains and edible oils and other things.

This Ministry only is not responsible for the price rise. There are other factors which are also responsible. We cannot blame that this Minister only is responsible for price rise. Therefore, it would have been much better if the adjournment motion was admitted, to have a full-dress debate on this issue.

I will now ask some questions relevant to the Agriculture Ministry only.

Is the hon. Minister aware of the fact that the people of drought-stricken States like Gujarat and

Maharashtra and not getting adequate quantum of foodgrains from the central pool? I state that in Gujarat people are not getting even 3 Kg. of wheat per head per month and this is the situation since the last 2½ months or 3 months. No adequate steps have been taken by the State Government or the Central Government to supply enough quantum of wheat to the starving people of Gujarat. I want to know specifically when the Central Government will supply adequate quantum of wheat to Gujarat so as to give at least 7 Kg. of wheat per head to the people of Gujarat. That is my first question.

In the same way, prices of edible oils like groundnut oil in Gujarat have gone up to unprecedented high. The price of groundnut oil is Rs 6.75 per Kg. and the State Government has stopped giving groundnut oil at reasonable prices through the fair price shops. I want to know when edible oil will be adequately supplied to the people of Gujarat and how long it will take further. I want to know one thing. There was some suggestion from the State Government to create an Oil Corporation. I would like to know the reaction of the Central Government thereto.

In the same way, sugar. Now, the normal quantum of sugar supplied to Gujarat was, I think, 25,000 tonnes per month. Now, it has been reduced to 16,000 tonnes. So, I want to know specifically when will the quantum of sugar be restored to the original 25,000 or 26,000 tonnes which was given by the Central Government in the past.

These are my questions. I would not go to the other aspects of the price rise which concern the Finance Minister.

SHRI F. A. AHMED: The hon. Member has specifically raised three matters. One is with regard to the question of supply of foodgrains to the Gujarat State. I may inform the hon. Member that so far as Central Government is concerned we are meeting the reasonable requirements of the Gujarat Government, Maharashtra, Rajasthan and Mysore.

SHRI P. M. MEHTA. They get only 3 k g. per head.

SHRI F. A. AHMED I may tell the hon. Member that during the course of the whole year over 10 million tonnes of foodgrains have been distributed through the public distribution system as compared to about 7 million tonnes of last year and the majority of these 3 million tonnes of more foodgrains has been to these States. I share the anxiety of the hon. Member that they have not been getting the full quota of 7 Kg but there has been some reduction, and apart from wheat, coarse grain is supplied from the fair-price shops. We are trying to meet

SHRI P. M. MEHTA. No. Sir. It is a total of 3 kilogram, including all the coarse grains. The purchasing powers of the people are completely exhausted and so they are not able to purchase them from the open market.

SHRI F. A. AHMED: I do not exactly remember the number of fair-price shops which have been increased in Gujarat. But so far as the whole country is concerned, the fair price shops have increased from 125 lakhs to 165 lakhs and majority of these shops have been opened in Maharashtra, Gujarat and Rajasthan. We do all that is possible to overcome the difficulties of these States. The State Government of Gujarat is taking necessary steps in this direction.

[Shri F. A. Ahmed]

So far as the formation of the Oil Corporation is concerned, this matter is referred to us and this is under examination with the Planning Commission. We shall certainly take the views of the State Government into consideration, before we take a final decision in the matter.

So far as decrease in the supply of sugar is concerned this has been due to the fact that we have decreased the quota all over the country. Therefore, according to the population and consumption basis, Gujarat quota has also been decreased and this is an all-India phenomena, it is not only particular to Gujarat, but in the case of all State we have reduced the quota of sugar.

13.58 hrs.

**PAPERS LAID ON THE TABLE
NOTIFICATION ETC. UNDER INDIAN TELE-
GRAPH ACT**

**THE DEPUTY MINISTER IN THE
MINISTRY OF COMMUNICATIONS
(SHRI JAGANNATH PAHADIA):** On behalf of Shri H. N. Bahuguna, I beg to lay on the Table—

(1) A copy of the Indian Telegraph (Eleventh Amendment) Rules, 1972 (Hindi and English versions) published in Notification No. G.S.R. 1583 in Gazette of India dated the 16th December, 1972 under sub-section (5) of section 7 of the Indian Telegraph Act, 1885. [Placed in Library See No. LT-4184/73].

(2) A copy of corrigendum (Hindi and English versions) correcting the numbers of Notification Nos. G.S.R. 1446 and 1447 laid on the Table on the 29th November, 1972, under sub-section (5) of section 7 of the Indian Telegraph Act, 1885, to Nos. G.S.R. 1445 and G.S.R.1446 respectively. [Placed in Library. See No. LT-4185/73]

**NOTIFICATIONS UNDER ALL-INDIA SER-
VICES ACT**

**FORMER SECRETARY OF STATE SERVICE
OFFICERS (CONDITION OF SERVICE)
(REMOVAL OF DIFFICULTIES) ORDER
No. 1. ETC.**

**THE DEPUTY MINISTER IN THE
MINISTRY OF HOME AFFAIRS
(SHRI F. H. MOHSIN):** On behalf of Shri Ram Niwas Mirdha, I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 3 of the All India Services Act., 1951:

- (i) The Indian Forest Service (Fixation of Cadre strength) Second Amendment Regulations, 1972, published in Notification No. G.S.R. 478(E) in Gazette of India dated the 4th December, 1972;
- (ii) The All-India Services (Study Leave) Second Amendment Regulations, 1972 published in Notification No. G.S.R. 1617 in Gazette of India dated the 30th December, 1972,
- (iii) The Indian Administrative Service (Pay) Amendment Rules, 1973, published in Notification No. G.S.R. 7(E) in Gazette of India dated the 9th January, 1973;
- (iv) The Indian Administrative Service (Pay) Third Amendment Rules, 1973, published in Notification No. G.S.R. 49(E) in Gazette of India dated the 1st February, 1973.
- (v) The Indian Administrative Service (Cadre) First Amendment Rules, 1973, published in Notification No. G.S.R. 58(E) in Gazette of India dated the 12th February, 1973;
- (vi) The Indian Administrative Service (Pay) Second Amendment Rules, 1973 published in Notification No. G.S.R. 59(E) in Gazette of India dated the 12th February, 1973.

[Placed in Library. See No. LT-4186/73].

(2) A copy of the Former Secretary of State Service Officers (Conditions