

LOK SABHA

Friday, March 14, 1980/Phalguna 24,
1901 (Saka)

The Lok Sabha met at Eleven of the
Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Introduction of Public Distribution System in Orissa

*62. SHRI CHINTAMANI PANI-
GRAHI: Will the Minister of COM-
MERCE AND CIVIL SUPPLIES be
pleased to state:

(a) whether Government are aware of the fact that now sugar is selling at Rs. 6 to Rs. 7 per kilo in Orissa and mustard oil is selling at Rs. 15 per kilo:

(b) if so, what immediate measures have been taken to introduce public distribution system in Orissa and to distribute levy sugar to the vast masses of poor consumers in the villages; and

(c) whether levy sugar has been allotted to Orissa in January and February, 1980; and if so, the quantity reached and distributed so far?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). The prices are reported to be prevailing at about that level.

Levy sugar is being distributed through Fair Price Shops under the Public Distribution System at uniform prices. 10,723 tonnes of levy

sugar has been allotted to Orissa for the month of January, 1980 and 10724 tonnes for the month of February, 1980. Food Corporation of India has despatched nearly 6,700 tonnes of sugar till the end of January, 1980 and 15,592 tonnes during February, 1980. Government of Orissa have so far distributed 8,000 tonnes of levy sugar through Public Distribution System.

The Public Distribution System in Orissa has, at present, 11,660 outlets. The State Government is taking steps to further expand it to cover all the villages.

SHRI CHINTAMANI PANIGRAHI: From the statement it is quite clear that during January and February, 22,292 tonnes have been allotted to Orissa, but why so far only 8,000 tonnes of levy sugar have been despatched to the State to be distributed through 11,000 outlets. Therefore I would like to know from the hon. Minister as to what was the actual despatch in the previous year for the same period? Whether this despatch is more than the previous despatch to Orissa and if so, what is the criterion on which the levy sugar is being despatched to different States?

SHRI PRANAB MUKHERJEE: So far as the despatches are concerned, the figures are already there. In fact, the new distribution system for sugar has been started from December, 1979. Therefore the despatch from the sugar producing areas to consuming areas in December was practically negligible. January and February figures I have already given. These figures are related to the time when the sugar was being despatched from the producing point. But it takes some time to reach them. After that the FCI distributes it to various outlets.

So far as the allocation is concerned, it is between 400 and 500 gram per head.

SHRI CHINTAMANI PANIGRAHI:

Although the allotment of sugar to Orissa was 22,292 tonnes, what is the actual quota which has reached Orissa so far? Has it come to the notice of the hon. Minister that in FCI godowns in Orissa every dealer who goes to have one bag of levy sugar, is forced to pay Rs. 15/- as bribe? Has the Government decided to streamline the distribution system? What effective measures are being taken to see that these things do not occur, the dealers get sugar in time, they do not require to wait for days together and again pay Rs. 15/- as bribe? What measures are being taken by the Government to see that the quota would reach every block headquarter from the FCI?

SHRI PRANAB MUKHERJEE: So far as the quota for January and February is concerned, it is 10,723 and 10,724 respectively. So far as the suggestion that FCI is charging something extra is concerned....

SHRI CHINTAMANI PANIGRAHI: The FCI Inspectors are charging from the dealers.

SHRI PRANAB MUKHERJEE: I shall have to look into that point. I shall request my colleague in the Agriculture Ministry to look into it. The State Governments are authorised to add some costs towards transportation and handling charges. But, certainly it should not be Rs. 10 to 15 per bag. That specific allegation will be looked into.

Another problem which the FCI in particular is facing in Orissa is that they do not have sub-depots. Therefore, we have to take up with the FCI for opening up sub-depots at various block headquarters to ensure supply of sugar to villages.

श्री जैनुल बहार : उत्तर प्रदेश में, और खासकर पूर्वी उत्तर प्रदेश में

MR. SPEAKER: No relevance.

SHRI HARIKESH BAHADUR: In view of the fact that sugar is selling at Rs. 7/- per kg. I would like to know from the hon. Minister the steps which he is proposing to take to lower down the price of sugar?

SHRI PRANAB MUKHERJEE: So far as the general propositions are concerned, they have already been explained. We are trying to streamline the supply through public distribution system and more sugar will be channelised through public distribution system. Naturally, it will have some effect on the market. But it is yet to be seen to what extent it effects the normal market conditions.

I would like to give one information to the hon. Members which I had been told when I had the meeting of the Ministers of Civil Supply and Advisers to the Governors that in Orissa soon after a few people who were indulging in hoarding and other type of anti-social activities, were detained under the Preventive Detention Act, there had been some effect on the market and sugar price at that time was between 5.6 to 5.8. I have received figures of wholesale price of sugar per quintal. In Bombay it is Rs. 618 to 622, in Calcutta it is Rs. 480 to 485, in Delhi it is Rs. 535 to Rs. 580. So, it is having some effect. But I would admit that it is not having effect to that extent which you wanted to have.

SHRI JAGANNATH RAO: Apart from the gram panchayats, which are going to be the outlets in rural areas, would the Government consider the advisability of giving these dealerships to the retail associations of the registered unemployed educated youths in the country, which was tried as an experimental measure in my area?

SHRI PRANAB MUKHERJEE: We have told the State Governments that they can have fair-price shops, co-operatives, associations or panchayats. The main idea is to cover as much area as possible. Therefore, that can also be considered.

SHRI K. P. SINGH DEO: In view of the fact that the distribution of essential commodities in Orissa is being handled by a few hand-picked men of the last regime, who are putting enough bottlenecks to see that the essential commodities do not reach the common man, what are the steps taken to streamline such distribution as well as to set up the Citizenship Committees to monitor the position?

SHRI PRANAB MUKHERJEE: So far as the watch on the distribution system is concerned, it was agreed in the meeting of the State Civil Supplies Ministers that we will have advisory committees at the district and state level.

Rise in prices of Consumer Goods

*63 **SHRIMATI GEETA MUKHERJEE:** Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the continued rise in the prices of consumer goods all over the country;

(b) if so, the details and reasons therefor; and

(c) what effective and stringent measures are being taken to bring down the prices?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) to (c). A statement is placed on the Table of the House.

Statement

The prices of consumer goods have registered a sharp increase during 1979-80. The All-India Industrial Workers' Consumer Price Index (1960=100) moved up continuously from 332 in March 1979 to 374 in December, 1979 showing an increase of 12.7 per cent. The index for January 1980 (the latest available) has, however, declined to 371. The group-wise details are enclosed.

2. The main factors behind the price rise are: wide-spread drought, upward adjustments in administered prices of certain commodities, sharp rise in the prices of petroleum and its products, short-fall in the supply of essential inputs like coal and power, transport bottlenecks, stagnation in industrial production and presence of speculative forces.

3. Government is determined to tackle the price situation by:

(i) increasing production and supplies;

(ii) better supply and demand management;

(iii) removing power and transport bottlenecks;

(iv) streamlining of distribution arrangements;

(v) enforcement of existing legislation to check hoarding and black-marketeering.

All India Industrial Workers' Consumer Price Index (1960=100)

	March 1979	December 1979	Percent- age- change in De- cember 1979 over March 1979 +
General Index	332	374	12.7
I. Food	341	391	+14.7