

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

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HOUSE OF THE PEOPLE

Monday, 17th November, 1952

The House met at a Quarter to Eleven of the Clock.

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

11-45 A.M.

MOTION RE: FOOD SITUATION

Mr. Speaker: The House will now proceed with the main business, namely the motion re: the food situation.

Dr. Lanka Sundaram (Visakhapatnam): I have given notice of an amendment, and I do not know whether it is to be moved now or later.

Mr. Speaker: I have received some other amendments also. Some of them were received only this morning. But I am not going to raise any question of want of sufficient notice, as the debate was fixed on Saturday last and there was hardly any time for tabling the amendments. I would desire that the amendments may be considered after we have from the hon. Minister a statement of the Government's policy on the subject. Then we shall consider the question of admissibility of the amendments.

पंडित अलगू राय शास्त्री (आजम गढ़ जिला—पूर्व व बलिया जिला—पश्चिम) : मुझे एक प्रार्थना करनी है कि यह गल्ले का मामला बड़ा अहम है और सब लोग इस पर अपनी अपनी राय जाहिर करना चाहते हैं, इसलिये इस पर बहस आरम्भ करने से पूर्व भाषणों पर कोई टाइम लिमिट (time limit) मुक़र्रर
300 PSD.

कर दी जाये ताकि अधिक से अधिक आदमी इस मामले पर बोल सकें, या फिर इस पर बहस के लिये ज्यादा दिन दिये जायें। स्पीचों पर प्रतिबन्ध लगाना जरूरी है, क्योंकि अक्सर यह देखा जाता है कि एक आदमी बोलने के लिये खड़ा हो जाता है और काफ़ी बक्त ले लेता है और इस तरह दूसरे मंम्बर बोलने से रह जाते हैं। इसलिये टाइम लिमिट रखन के बारे में मैं आप से प्रार्थना करना चाहता हूँ।

Mr. Speaker: The hon. Member has raised the point of further extension of the debate.

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): His first point was some limitation of time to speeches. I entirely agree, but it is for you and the House to consider the question that some have not the chance to speak whatever the time may be, while a few have the chance to do so at greater length.

Mr. Speaker: I put that question first on this point of view, namely that the question of a time-limit will be considered in the light of the total time available. Otherwise, what happens is that the first speakers who come in get a larger portion of the time, and then if every aspect is not exhausted, the request for an extension of time has to be acceded to as happened last time. The idea is that, if the debate can be continued, then I shall adjust the time accordingly. If the idea on the other hand is that the debate must finish today, then I shall fix up the time-limit accordingly.

Shri Jawaharlal Nehru: In this matter I will be guided by your advice. We are hard pressed for time for other work, but I do not wish the

[Shri Jawaharlal Nehru]

House to feel that on an important subject like this, Government wish to suppress debate or limit it unduly. But I may suggest provisionally that whatever answer Government might give may be kept over till tomorrow; that means some extension of time today, for the rest. As far as possible, the debate might end today. Anyhow, I leave the matter entirely to you.

Mr. Speaker: Here is a compromise proposal, and I think the House may accept it, that the debate goes on till 5 P.M. this evening, and the hon. Minister's reply will be kept over till tomorrow. That means the House will get that much of time more for the discussion. I do not know what time the hon. Minister will take. Would he require about 45 minutes?

The Minister of Food and Agriculture (Shri Kidwai): For the opening, I think, I will hardly take more than 15 minutes.

Mr. Speaker: Is it his idea not to make a statement now?

Shri Kidwai: For that I shall take just two minutes.

Shri Jawaharlal Nehru: He is making a statement.

Mr. Speaker: It is entirely left to the hon. Minister to say what he wants, and take whatever time he wants. I was under the impression that if he can make a statement of his policy more fully.....

Shri Jawaharlal Nehru: The Statement of policy, according to him, will take 15 minutes now. He will make a statement of policy and say whatever he has to.

The Minister of Home Affairs and States (Dr. Katju): Brevity is the soul of wit.

Mr. Speaker: Let me first have the position clarified. I take it that the hon. Minister will first make a statement—whatever may be the time he takes—and his reply will be kept over till tomorrow, if at all he gives.

The Minister of Law and Minority Affairs (Shri Biswas): He is subjecting himself to voluntary rationing!

Shri Sarangadhar Das Dhenkanal—West Cuttack): Will it be possible to have a copy of the statement circulated?

Mr. Speaker: Let us hear it first. I believe some statements—whatever they may be—have been circulated. First let us hear what the hon. Minister has to say.

About the time-limit, I think it will be necessary to fix a time-limit in the light of what has been stated. We should follow the ordinary rule of 15 minutes to an individual speaker, and 20 minutes or so to a leader of the group. I think that will be sufficient, and the speeches may be adjusted accordingly.

Shri Kidwai: I beg to move:

"That the food situation be taken into consideration."

I begin with a statement of the objectives of the Government and of their food policy. Our objectives are that we should produce more, so that there will be no need for imports from foreign countries, and we should organise fair distribution at a reasonable price. This policy is being pursued through the existing controls or through the controls that were introduced in 1945-46, and through the grow-more-food campaign.

Now, the controls are not uniform throughout the country. In some places, they encourage people to grow more food, and in other places they have proved restrictive. Therefore, while we want to continue the controls, we have to alter them, in the light of the experience we have gained in the last few years. About the nature of controls, I want to say that in South India it is quite different from that in North India. In North India, most of the States are either surplus or self-sufficient, while in South India the States are deficit.

The procurement policy in South India is more rigorous, and sometimes they have to take away from the producer all but what he will require for his immediate needs, while for the remaining period of the year, he is supplied from the Government godowns. In North India, because it is a surplus area, the policy of procurement is less rigorous and a little loose, and we are hardly able to get the advantage of all the surplus produced.

What has been the effect on production? I shall give the actual figures of production in some States in North India and some States in South India. In Bihar, the acreage under cultivation between 1946 and last year has increased by four million acres. In Madras, the acreage has gone down by

ten lakh acres; in Punjab, it has gone up by ten lakh acres, in Uttar Pradesh, it has gone up by ten lakh acres, and in Mysore it has gone down for cereal crops by four lakh acres. Therefore, there is something wrong in the procurement system in South India. It is so rigorous that the producer has no incentive to produce more. Therefore, while the production of foodgrains is increasing in North India, it is actually decreasing in South India. But as procurement in North India is not as effective as in South India, we cannot get the advantage of the increase in production from North India for the benefit of the deficit States. This itself shows that some change in the policy is necessary.

Last year, we tried to allow in some States free movement from one part of the State to another. We also tried decontrol. But it was always in our view that whenever the prices started rising, we would come to the help of the consumer. And we did at some places, for instance in Bhopal, when the prices started rising, and we found that the free movement that was allowed of some coarse grain had to be checked. It was immediately checked.

Last night, some statements were distributed to hon. Members showing the prices that prevailed last year and the prices that are prevalent this year. In most of the States, this relaxation has caused some relief to the consumer because the prices have come down. We should keep it in mind that there is always a difference in the prices in the rationed area and in the non-rationed area. And in some States—take the case of Bihar—the rationed area—Jamshedpur—is very small. There is some arrangement of cheap price shops in Patna and from there purchases are allowed...

Pandit L. K. Maitra (Nabadwip): Also in the coal-fields.

Shri Kidwai: Of course, coal-fields.

The statement that has been circulated will show what has been the effect of this relaxation, because rice and wheat from the surplus areas have been allowed to go to the deficit areas, and it has brought down the prices considerably. It was also tried in U.P. at a time when rains had set in and free movement was not possible. Still the day decontrol was enforced, the prices of rice went down, and in most of the eastern dis-

tricts the next day they were below the official prices. In the western districts, they remained high because the rice-growing area was mostly in Eastern U.P.

Wheat prices went up from Rs. 16 a maund in Hapur to Rs. 22 a maund. But then the Chief Minister convened a meeting of the grain dealers and told them that the new Foodgrains Order that has been issued, authorising the Government to take over stocks at the procurement price, would be enforced if they did not bring down the price. And the price did come down to Rs. 17½. But other foodgrains were cheaper and easily available, so much so that from November 15 the U.P. Government have ceased to control all foodgrains except wheat, because wheat prices are higher. The explanation for it is that the U. P. Government are subsidising foodgrains. We cannot expect private dealers to subsidise foodgrains.

The U. P. Government themselves were thinking of raising the price of wheat from Rs. 16 to Rs. 19. They had fixed June 1 as the date from which the prices were to be raised. Then we pressed them not to raise the prices at that time, and they deferred the date to June 16. On June 4, the prices in Delhi were brought down from Rs. 19 to Rs. 16. Therefore, the U. P. Government thought that that was not the proper time for them to raise the prices. Now, they have raised the prices, and there is very little difference between the open market prices and the U. P. Government prices. This has been the experience in other States also. There is a large area where the movement is now free and the prices are going down, so much so that the Governments of these States are worried about the loss they will incur on the stocks they already hold.

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The experience of Madras is a little different. But I think Members will admit that decontrol has not caused the failure of rains, and if control had continued there and there had been a failure of rains, then something should have been done to help Madras out of the difficulty, because then procurement would not have been possible and other measures would have had to be taken to rush foodgrains to the State. Now, they are facing a famine. There has been a failure of both the rains and therefore, something has to be done to help them. The failure of rains, as I have said, has not been caused by decontrol. But really there is no decontrol. There is that Food-

[Shri Kidwai]

grains Order which the Madras Government at that time thought they did not need to introduce because the situation was such. This Order requires registration of all foodgrain dealers. They have to keep the State Government informed of the money advanced against foodgrains, and whenever the prices rise unduly the State Government can take possession of the stocks at the procurement price and sell them at the cheap price. The Madras Government did not introduce it because at that time they thought that the situation was under control. Now, on account of the failure of rains, they are a little worried and introduced the new Order in the State last week. I am sure that by the enforcement of this Order and the help that we may render them, they will be able to control the food situation.

I have stated briefly what has been our policy. We now want to introduce certain changes. They may be called a relaxation in the existing controls. They may be so called, but really they are not a relaxation. As I have explained to you, the experience has been that the surplus States have not been very particular about procurement, and now that they find that if they store certain foodgrains and the prices fall, they will lose, they are not procuring. And we have to procure whatever is there for the deficit areas. Therefore, we are making some changes in the existing controls, that is, we are allowing the deficit States to procure in the surplus areas also. If the Madhya Pradesh or Punjab Government are not procuring coarse grain, that is, millets and others, we are allowing the deficit States, like Bombay and Madras, to procure it there.

I will now read out the policy statement:

"It is proposed to continue the present inter-State cordons. But the State Governments will be free to buy millets and other coarse grains in any other State approved by the Centre and move them into their own States either on a State-to-State basis or by direct purchases through their own agencies. There will be no movement restrictions within each State except with the approval of the Central Government. Even in the case of inter-State cordons, movement of headloads will be permitted

for producers wishing to sell their produce in the neighbouring markets, though outside the border of the State.

Suitable measure should be taken to ensure that prices do not go up unduly as a result of competition by buying States. For such purchases, a price will be kept in view which will be related to the present procurement prices.

To ensure equitable distribution of the surplus, a proportion would be maintained in the purchases of different State Governments. For their own requirements, the State Governments may procure necessary quantities from within the State.

A watch will be kept on the price level to see that too much is not removed from surplus States, causing an undue rise in the price level."

As I have already said, we had already done it last year in Bhopal when the prices started rising. Then we banned all exports from that State:

"The effect of this relaxation will be watched by Government before any further relaxation of food controls is considered. Meanwhile, the existing controls on rice and wheat will continue, as at present."

As I have said, the new scheme is being introduced simply to ensure that the surplus States yield whatever surplus there is to the deficit States.

Now, there is the question of rice. I have to thank the Orissa Government for the help they gave last year and have promised to give this year also. They have been supplying us all the surplus rice, but we cannot say the same about other States. Therefore, we are negotiating with these States in regard to the quantity they would give to the deficit areas, because we have to be more careful about rice procurement this year than we have been hitherto. Rice from outside is costing us more and more every year and, therefore, we have to depend more and more on internal production. Therefore, from U. P., where the rice-eating population is confined to the eastern districts, and Punjab, I am demanding a large quantity of rice, and if they refuse to procure and supply us with that quantity, then perhaps some other change will

be made. But all that we are doing is to see that our food production as also our procurement go up and that our requirements are fulfilled from the production of the country.

Shri T. K. Chandhuri (Berhampore): One question, Sir.

Mr. Speaker: I shall place the motion before the House and dispose of the amendments.

Motion moved:

"That the food situation be taken into consideration."

Now, I have received notices of three amendments, one by Dr. Lanka Sundaram.

Shri Veeraswamy (Mayuram—Reserved—Sch. Castes): Members may be allowed to speak first.

Mr. Speaker: The hon. Member will wait for some time; and it is not good parliamentary practice that when the Speaker is on his legs other Members should stand up and put questions or begin to speak.

Now, the amendment of Dr. Lanka Sundaram is:

That at the end of the motion, the following be added:

"and having considered the same, this House is of opinion that hasty decontrol of food is fraught with dangerous consequences to the country."

I am reading others, because there is another amendment, a part of which, to my mind, is inadmissible, and therefore I am reading it. The second amendment is by Shri Sivamurthi Swami. It reads:

That at the end of the motion, the following be added:

"and having considered the same, this House—then I will not read some part which I want to delete—"urges upon the Government—

- (1) to take firm and effective steps to make the grow-more-food campaign a success by creating mixed agencies of State and its farmers among each group of villages in the State districts on co-operative basis with an active management to discharge the responsibility of executing the schemes of planned economy for concerned villages and thus for the whole mother State; and

- (2) to have an uniform policy towards decontrol and for the meanwhile to procure and to distribute certain foodgrains on fair prices to scarcity areas."

There is a third amendment of Sardar Amar Singh Saigal, which reads:

That at the end of the motion, the following be added:

"and having considered the same, this House approves the steps taken so far in the matter."

Now, all these, as I have read out, are in order and I will just ask each hon. Member who has sent notice as to whether he wishes to move it.

Dr. Lanka Sundaram: I beg to move:

That at the end of the motion, the following be added:

"and having considered the same, this House is of opinion that hasty decontrol of food is fraught with dangerous consequences to the country."

Shri Sivamurthi Swami (Kushtagi): I beg to move:

That at the end of the motion, the following be added:

"and having considered the same, this House urges upon the Government—

- (1) to take firm and effective steps to make the grow-more-food campaign a success by creating mixed agencies of State and its farmers among each group of villages in the State districts on co-operative basis with an active management to discharge the responsibility of executing the schemes of planned economy for concerned villages and thus for the whole mother State; and
- (2) to have an uniform policy towards decontrol and for the meanwhile to procure and to distribute certain food grains and thus for the whole areas."

However, in moving the above I would like to know why certain portions of my original amendment have been deleted.

Sardar A. S. Saigal (Bilaspur): I beg to move:

That at the end of the motion, the following be added:

"and having considered the same, this House approves the steps taken so far in the matter."

Mr. Speaker: Amendments moved:

(i) That at the end of the motion, the following be added:

"and having considered the same, this House is of opinion that hasty decontrol of food is fraught with dangerous consequences to the country."

(ii) That at the end of the motion, the following be added:

"and having considered the same, this House urges upon the Government—

- (1) to take firm and effective steps to make the grow-more-food campaign a success by creating mixed agencies of State and its farmers among each group of villages in the State districts on co-operative basis with an active management to discharge the responsibility of executing the schemes of planned economy for concerned villages and thus for the whole mother State; and
- (2) to have an uniform policy towards decontrol and for the meanwhile to procure and to distribute certain foodgrains on fair prices to scarcity areas."

(iii) That at the end of the motion, the following be added:

"and having considered the same, this House approves the steps taken so far in the matter."

Shri T. K. Chaudhuri: I wanted to put a question to the Food Minister whether the policy that has been laid down holds good with regard to West Bengal which is a rice-producing and rice-eating State.

Shri Kidwai: Yes, it will be followed; it will be introduced soon.

Shri S. S. More (Sholapur): The hon. Minister was pleased to state, if I understood him properly, that the prices of food grains are falling. May I ask him the reasons, whether the cost of production has gone down or whether the demand has undergone a diminution?

Shri Kidwai: Where the Government grain shops are selling at cheap-

er rates there the demand remains the same; where it is selling cheaper at other shops then the people resort to the other shops.

Mr. Speaker: As regards Mr. Sivamurthi Swami's question, I find that the portions, the deletion of which I have ordered, are full of inferences and, in a sense, not actually defamatory in the strict sense of defamation but casting an uncalled for slur so far as the relevancy of this motion is concerned.

Shri Jawaharlal Nehru: Sir, perhaps I may say a few words which might clarify the situation. The House has heard the Food Minister. The Food Minister has stated briefly what the policy of Government is. I should like to add a few words to remove any misapprehension. We are adhering to our old policy in regard to every basic matter completely. Nothing, so far as the Government is concerned or the Food Ministry is concerned is being proposed which is in any way a change of that basic policy which we have been pursuing. We are making adjustments and certain relaxations which are confined to millets. Nothing is being proposed with regard to wheat or rice, as far as the present policy is concerned. In regard to millets certain relaxations are proposed and even there the basic system is kept in view. That is the present position. Of course, it is open to the House to discuss it in any manner it chooses.

Shri Nambiar (Mayuram): On a point of clarification, Sir. Does this mean that the position in Madras as it stands today will continue?

Shri Jawaharlal Nehru: I suppose so.

Shri Kidwai: It will improve.

Shri Nambiar: I am asking for clarification, Sir.....

Mr. Speaker: He has got the clarification.

Shri Nambiar: It will continue?

Mr. Speaker: That is what he said.

Now we shall begin the discussion. As I have already said, the time-limit will be 15 minutes and perhaps I shall have to curtail it if a larger number of hon. Members wish to take part in the discussion.

Shri Gopala Rao (Gudivada): I rise to a point of order. This is a discus-

sion on the food situation, but the hon. Minister did not give the whole picture of the food situation in India (Interruption).

Mr. Speaker: Order, order. That is not a point of order at all. He may argue his point if at all he gets an opportunity; otherwise, he must accept such information as the hon. Minister has supplied.

Sardar Lal Singh (Ferozepur-Ludhiana): When it was announced by the hon. Prime Minister on Saturday that there would be a discussion on food policy on Monday, we had expected to get some sort of a note from the Government which would indicate the policy of the Government and which we could have a chance to discuss. I am glad therefore that the hon. Minister of Food has tried to clarify the position at least in the House. It was this morning, or rather last night, that we got this copy of statement, showing the comparative off-take of foodgrains and also the comparative prices prevailing in various months of the year and in different years. I must confess that in spite of my best efforts to make out something out of this statement, I found it rather difficult to understand much. For instance, while it is true that in connection with the off-take of foodgrains, the off-take has been more in one month and less in the other month, but if you add up, then the total off-take for the first eight months from January to August under "statutory" comes to 25 lakh tons in 1950; 24 lakh tons in 1951 and 21 lakh tons in 1952. If to the statutory rationing, figures under 'Others' are added, total comes to 41 lakhs in 1950; 41 lakhs in 1951 and about 39 lakhs in 1952. So, I was not able to make out anything, because no great difference is revealed.

Now, coming to the comparative prices, while it is true that in the case of all the States the prices after decontrol in 1947 had shot up by 50 per cent. to 250 per cent. as compared to pre-control, but when you consider the position after decontrol in 1952 we find a curious position. I have been trying to analyse the position in various States. For instance, in Bihar, after decontrol, the prices have generally declined except in some cases which are unexplainable. For instance in Jamshedpur and Ranchi the prices had gone up.

Shri Kidwai: In Jamshedpur the old prices remain, because the Government was supplying from its own shops.

Sardar Lal Singh: With regard to Madras, I find that the prices after decontrol are attempted to be shown as lower than previously, but the snag there is that the black market price of 1951 has been taken into consideration. I submit that that is not a true index. It can be highly misleading. Thus, it is difficult to support the conclusions attempted to be arrived at from these statistics.

In Bihar the prices have more or less been the same, although there has been a slight increase after decontrol. In the case of Saurashtra also, the prices are more or less the same. There is, however, another snag. It is not quite fair to compare the prices of 1951 with 1952 month by month unless we know that there have been no other factors disturbing the price factor. For instance, we must study climate factors as also the comparative local production during these two years, and so on. It is possible that in certain States, because of favourable weather conditions, the crops may have been better and the prices may have gone down because of good production there. So, in the absence of these facts and figures which could not be studied because this statement was supplied to us only this morning, I am afraid it would be rather difficult to come to any conclusion.

In this plethora of figures, one gets bewildered and lost, and I personally feel that they are more of an academic interest than anything else. The crux of the problem is whether production is increasing or decreasing—in other words, whether the country is on the way to self-sufficiency or not. If there is a decline, then we must find out the reason. I say these figures and this discussion of control or decontrol, are of academic interest because if there is a satisfactory production in the country the Government may or may not have the control—or the control may be redundant—and even if you have the control it is likely to be successful. On the other hand, if there is a very serious shortage of food, then controls may be indispensable but they will hardly serve the purpose. They will only lead to corruption, degradation and demoralisation of the people as well as the governmental machinery, and the remedy many a time proves worse than the disease itself. Judged in this light, I am afraid the position is not at all gratifying. If we take the authority of the Planning Commission, then we find that the output has actually decreased by about four million tons although

[Sardar Lal Singh]

the area under cereals has remained more or less the same. Consequently, the position is very disquieting.

[SHRIMATI AMMU SWAMINADHAN in the Chair]

As regards the future, I must warn the Government that our hopes are likely to be frustrated. I would therefore beg the hon. Prime Minister kindly to take into confidence the Opposition Members or at least call a conference of the State Directors of Agriculture, the agricultural experts and the practical farmers and find out the reasons for decline. It is a very serious matter, because after spending Rs. 75 crores on the grow-more-food campaign and in spite of the increased production, resulting therefrom, if there is an overall decline in the production, there must be some other reason for it and I would beg the Government to go into this matter rather seriously. I am certain that if such a conference is called and it is attended by people who understand the subject in all its aspects, the Government will be greatly disillusioned. I should have liked to discuss this matter in greater detail and go into the probable reasons for failure and what the Government ought to do to increase production but I must return to the subject of prices and control, lest the Chair pulls me up on the ground of being irrelevant.

Whether Government decides in favour of control, partial control or no control, I as a representative of the agriculturists, would like to put before the Government the view point of the cultivators. There are after all two main courses open to the Government: (a) to let the law of supply and demand have its full play; or (b) to have strict planned economy.

Under the law of supply and demand both the consumer and the producer have to take chances. In years of low production the cultivator naturally aspires to get good prices and sometimes perhaps a fancy price, for his produce and in years of heavy production he naturally has got to be contented with very low prices, and sometimes disgustingly low prices. Under strict planned economy, however, both the grower and the consumer are protected. To illustrate this I may give the example of Switzerland where I happened to study some years back how this plan of strict planned economy was working. Gov-

ernment fixes the price of crops—when crop is ready for harvest—on the basis of cost of production plus a reasonable margin of profit, in consultation with a committee representing consumers and a committee representing growers. After the price is fixed, in case the production is less than the total national demand, there is naturally no difficulty in the disposal of the produce at controlled prices. Government allows the import of only that much of stuff, with required import duty, which would suffice to meet the deficit and the price level is maintained without any difficulty. In case, however, the production is more than the total demand in the country then Government buys over the surplus, either for storage or for conversion into alcohol, because alcohol is used there in place of petrol and most of the foodstuffs can be converted into alcohol without much difficulty. By this method, Government guarantees a reasonable price to the cultivator and at the same time protects the consumer against having to pay a very high price for food in certain years.

As an agriculturist I would have no objection to any of the two methods being followed, that is either to allow the law of supply and demand to operate, in full force or to strictly adhere to the policy of planned economy. But unfortunately in India, due to the helplessness of the cultivators, who are not organised like trade unions and who cannot make effective protests, the Government, dominated as it is by non-agriculturists acts in a manner which is always prejudicial and detrimental to the interests of the cultivators. When there is shortage of production and the consumer has to pay more, the Government, as an advocate of strict planned economy, steps in thereby depriving the cultivator of getting a high price in that particular year. On the other hand, if there is a heavy production then "the law of Supply and Demand" is allowed to cause havoc to the cultivators and many a time they are not able to get a price which can meet even the cost of production. For instance, some years back, in the pre-partition period, I remember the cultivators were forced to sell their wheat at Rs. 1/8 per maund. Government then felt no concern. On the other hand, during the last few years when the prices began to shoot up, of course, Government readily fixed a ceiling thereby preventing the cultivators from getting the advantage of high prices.

Mr. Chairman: The hon. Member has got two minutes more.

Sardar Lal Singh: In fact the control prices fixed for Indian cotton and wheat are much lower than the prices that India Government is paying for the imported cotton and wheat from Pakistan and other countries.

Similarly, the control price of gur was fixed at Rs. 20 per maund about two years back, even though the cultivators could get about 50 per cent. higher. Any cultivator charging even four annas extra was likely to be sent to jail. On the other hand when the prices in last March came down to rupees five a maund against the control price of Rs. 20, Government felt no concern. In fact, I have to say with regret that some high officials including Ministers, expressed a sort of satisfaction at the low prices prevailing without realising that the cultivators were being ruined. All appeals of the cultivators to allow them to export gur, to Pakistan or other countries fell on deaf ears of the Government. But as soon as the gur passed from the hands of the cultivators to middlemen, export was at once allowed, with the result that prices again shot up by about 300 per cent. That is how the controls have been working in India to the detriment of the cultivators.

Mr. Chairman: The hon. Member has taken about 16 or 17 minutes. If he could finish in a couple of minutes he may go on.

Sardar Lal Singh: A perusal of the prices of crops—whether cotton, sugar-cane, oil seeds or any other crops, would show how the poor cultivator gets a low price at the time of harvest and how the prices jump up after a short time when the produce goes out of his hands.

Only the other day, our hon. Food Minister gave a further proof of Government's solicitude for the cultivator in connection with sugar-cane prices! A couple of years back as the House knows, sugar was being black-marketed at rupees two to three a seer. Even in the best of hotels one could not get sugar more than a spoonful, as if it was a medicine. There were sugar scandals all round. Industries, depending on sugar, were dying out and people could not get sweets to eat, because sugar prices had gone up. Thanks to the efforts of the cane-growers, sugar is now available in any quantity without harassment and without resorting to blackmarketing, and that also at a cost of about six annas a pound, which I think is a very reasonable price, as

compared with other commodities, especially when it is borne in mind that sugar is largely consumed by rich or middle class people. Sugar-cane growers deserved gratitude of the country. On the contrary they have been penalised for increasing production. Our hon. Minister of Food has thought fit to cut down the prices by 25 per cent. by one stroke of his pen. The price of sugar-cane now is Rs. 1/3 at out centres or Rs. 1/5 at the gate of the mills. This price does not pay even the cost of production. And what is more, the price has been fixed at a time when the crop is ready, when the cultivators have incurred all the expenses on growing it and had expected to get the same prices as during the last two years. It is nothing short of taking advantage of their helplessness because the crop is of a perishable nature. I may also add here that even though protests have been sent to the Food Minister from all the cane-growing areas, even though the cane experts of the Governments in different States have stated that these low prices would prove extremely detrimental to the sugar industry, and although the Indian Central Sugarcane Committee—the highest and most competent body in the country to speak on the subject—have also passed resolutions asking the Government to revise the prices of cane and stated that this sudden and steep reduction in prices would prove disastrous to the industry, and it is also an open secret that three biggest cane-growing areas in the country namely Uttar Pradesh, Punjab and Bihar have also written to the Government that Rs. 1/6 to Rs. 1/9 should be the absolute minimum price, still the hon. Mr. Kidwai seems rather adamant. All appeals and arguments have fallen on deaf ears. I would request him to feel for the cultivators at least as much, if not more, as he does for the sugar mills. Because, after all, it is the cultivators whom Government must satisfy.

I propose to discuss this matter again when the question of the sugar excise duty comes up. Before concluding I would appeal to the Government not to be satisfied with a superficial examination of the problem, not to indulge in academic discussion but to diagnose the root cause of the decline in food production and to consult those who are in a position to understand the subject in all its aspects. Either follow the policy of a rigid planned economy with all that it implies, or allow the law of supply and demand to have its full play. And declare the policy once for all so that the cultivators may know what

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to do and what crops to grow. And I am certain that the cultivators would increase production and see that the nation does not face shortage of food.

Lastly, I appeal that the cultivators should not be driven to desperation. They have already begun to feel that Government is unsympathetic, and I hope the cultivators will not be forced to think in terms of agriculturists and non-agriculturists, or urban and rural, or forced to resort to the formation of unions like the trade unions. If the cultivators are convinced that they cannot get a sympathetic, fair and just treatment from the Government they would naturally be driven to desperation and resort to other means.

Shri Bagharamaiah (Tenali): Some objection has been taken to the showing of black-market prices in the statement so far as it relates to Madras. I may say at the outset that from the common man's point of view nothing else could have been done by the Government. The black-market price was undoubtedly the ruling price in non-statutory areas.

Shri Kidwai: They have been quoted by the Madras Government.

Shri Bagharamaiah: I am grateful to the hon. Minister for the clarification. As you are aware, out of 360 millions of people in this country only about 126 millions are under rationing. Out of them only about 40 millions are under statutory rationing, and it is only in the statutory rationing areas that the procurement price has got any meaning. Outside that no peasant has, so far as my knowledge goes, sold any paddy on the procurement basis; it was always at the blackmarket rate. Take for instance my own area. At a time when the procurement price was Rs. 18 to 20 per bag of paddy the blackmarket price was anywhere near Rs. 30, and no one outside the statutory rationing area could have got a bag for anything less than Rs. 30.

The most interesting thing which these statistics, however, show is this. If you take the deficit areas like Rayalaseema you will find that there has been a reduction by about 50 per cent. in the prices that were in vogue prior to the introduction of this decontrol system. It is true that the pre-decontrol prices were the blackmarket prices. But in Rayalaseema as elsewhere one could not get anything at the fair market prices. Therefore, from the common man's point of view the figures given by the Food Minis-

ter are the only figures which have any interest.

I am told that, in Rayalaseema which contains most of the deficit districts in Andhra the relief that has been given now has been very much acclaimed and has caused a good deal of satisfaction among large sections of the people.

It is true that in surplus areas there has been a slight rise in the price after the introduction of this decontrol system. For instance, in the delta areas, immediately after the introduction of the new system, prices began to shoot up from Rs. 25 to about Rs. 35 per bag. But that was only temporary and was caused by the buyers from the deficit areas rushing to the surplus areas. But as soon as there was a fair distribution of stocks the prices began to come down again: so that today in Madras I think it would be correct to say that the position is that although there was a slight increase in the prices immediately after the introduction of decontrol, now the prices are more or less coming round to what they were in 1951 during the same months. Therefore, although it is yet too early to give a final verdict about the Madras condition—because, as the hon. Minister himself pointed out, there has been failure of rain, and we do not know how the traders and the merchant classes are going to react to the new crop—with all that, so far the policy of the Government has been received very gratefully.

The amount of relief can be understood only if we have at the back of our minds the state of affairs in Madras prior to the introduction of this system. As the hon. Minister pointed out, procurement was of the strictest type. Very often you come across ryots who would say that so much had been taken away from them by the Government that they had hardly anything left for themselves to eat. And there was of course naturally a good deal of corruption and maldistribution, and the whole prestige of the Government was at stake. The producer was dissatisfied that the stuff was being taken away from him, while the non-producer in the non-statutory areas was miserable that he could not get any grain at all.

On the whole, therefore, so far the policy pursued by the Madras Government and approved by the Centre has been a success. But I am not one of those who would say that on the experience so far gained in Madras we should straightway jump at decontrol throughout the country.

I am not for the system of *laissez-faire* which is one of the things advocated by Sardar Lal Singh. As we all know, according to the Planning Commission, even after that Commission's work is put through, that is by about 1955-56, there will be a deficit of about three million tons. And the population in this country has not been very stationary.

Shri Kidwai: There will be no imports after that.

The Minister of Planning and Irrigation and Power (Shri Nanda): May I clarify the position? The Planning Commission expect an increase in production to the extent of about 7½ million tons, and also they expect a progressive reduction in imports, so much so that we feel by the end of the Plan period we should have no imports at all.

Shri Raghuramaiah: I am grateful to the hon. Minister for the correction. But I remember to have read somewhere that for a few years even after that time we will be importing every year three million tons of food-grains, and although our effort will be to make the country self-sufficient we cannot overlook the prospect of having to import three million tons a year.

In any case the population is increasing by four millions per year and if you compare our production in 1941 with that in 1946 it has been more or less stationary at about 46 million tons. Of course the Planning Commission expects to increase our production by about seven million tons. At the same time there is the prospect of an annual increase in population at the rate of four million persons. Therefore the situation is not one which we can look forward with any degree of equanimity. This requires that the Government should proceed cautiously and the policy that has been called a relaxation of controls wherever such is possible should, I think, receive the approbation of this country. I should like to modify the terminology, if I may. Perhaps it is a case of controlled decontrol, because it is not really complete decontrol. In a place like Madras what is allowed is a free movement in certain districts and in certain other districts the fair price shops have been continuing to give the relief which the ration shops were giving before. The blackmarket has been converted into whitemarket and we hope that with the new paddy coming in, the price of the white market will gradually come down.

In some of these surplus districts, as I said before, people found it a little difficult in the beginning to find grain at the prices at which they were available before but that difficulty, I think, could have been met by the Government opening a number of fair price shops. Particularly in delta areas in Guntur, Krishna and West Godavari, there have not been so many shops opened as there should have been. If, at the time of the introduction of decontrol or immediately thereafter, they had introduced a number of fair price shops, then that slight increase would not have been there. I would therefore urge upon the Government to see that in all those areas—even in surplus areas where there was a marked tendency for the prices to go up—fair price shops are opened. The price will not then shoot up and people's hardships will be lessened and there will not be any trouble. On the whole I think I should commend the Food Minister for the policy he has followed, a policy which is so well laid-out. I also agree that in a country like ours at a stage like this when we have got a planned economy, we cannot tolerate any inflationary tendencies to go up. It is but correct that the Government should keep a watch over the distribution and see that prices are set at a reasonable level; we must keep the general structure of control intact so that the moment prices go up we can restore the controls again.

Shri Gopala Rao: I am very much disappointed by the hon. Minister's statement. I was expecting a complete review of the situation so that we can really discuss the motion on the food situation but those expectations are not fulfilled. The food problem is one of the major problems. For the last six years so many experiments are going on but in spite of these experiments, Government is not in a position to solve the problem. There must be something fundamentally and basically wrong somewhere. That is why I say let us have a thorough discussion on this matter because due to the failure of Government's policies and due to the failure of the solution of the food problem, people are suffering like anything, not suffering, are starving and dying in some sectors. Of course, the hon. Minister may not accept my statement because there are occasions where a lot of controversy takes place—in Madras and in other places where there are a large number of starvation deaths. The question now before the House is how to solve this problem, how to approach this problem, after the Government's efforts in various ways, sometimes

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partial control, sometimes full control, sometimes decontrols, import policies, formal rationing, informal rationing, statutory rationing—all these methods failed during the last six years. That is why it is high time for us to take into account the whole situation and find out the ultimate and correct solution to this.

We shall take into account the present state of affairs. In Madras and other States also comparatively prices have shot up very high. They have gone up almost from 25 to 40 per cent. I can give you any number of quotations from various papers. In the Madras State after the introduction of the decontrol policy, the whole problem has taken a new shape and new problems come up before the people and before the Government.

By decontrol policy we mean an indication of the new policy on behalf of the Central Government.

You have to understand it that light. Let us refer to the Planning Commission's Report. On one side the Government says that it is going for a planned economy. It is clearly stated in the Planning Commission Report that:

"any step in the direction of decontrol under present conditions ... a certain rise in prices is likely to jeopardise the entire system of food controls which has been built up in the country with considerable effort. The consequence of complete decontrol, it is hardly necessary to say, would prove more dangerous".

I am not able to follow whether the Government's policy on the food front is consistent or is opportunist. After the introduction of decontrol in the Madras State, the prices have shot up. If you want, I can give any number of quotations from various papers. From Rs. 18 before decontrol, it has shot up to Rs. 32 per bag of two maunds in Vijayavada, Rs. 34 in Eluru, 30 in Tanuku, 29 in Tenali. Even if you refer to Madras city, even today, it is Rs. 35 per bag of paddy. In the first week of the decontrol system people were enthusiastic due to the wrong control system that was being adopted for the last eight or ten years. During the controls, people were fed up with corruption, low quality of rice, the very small quantity that was given, and the forcible procurement from poor peasants. When the controls were lifted, for the time being, for the first one or two weeks, people were enthusiastic. Now, they have realised

the whole situation and they are faced with a serious position. As a result of this decontrol in Madras, broadly speaking, the famine area has extended. Previously, Rayalaseema and some other districts in Tamil Nad were famine-affected. Now, it has extended to the surplus areas like Kistna, Godavari and Tanjore, the granaries of the South. In these districts, in the village sectors, the situation is very serious after decontrol. Agricultural labour, poor peasants, artisans and other classes are all facing a very serious situation. Merchants from Madras and other cities came and bought all the grains at exorbitant prices as there was no control or restriction, and the local people are left completely helpless.

It was announced by the Chief Minister of Madras on the eve of the introduction of decontrol that they have got enough stocks for 1½ years and whenever the necessity arises, they are prepared to open fair price shops throughout the country. But, when the question of practice comes, when in the months of August, September and October, there was a hue and cry and thousands of people marched in demonstration to district collectors in hunger marches, demanding food for them, Government are not in a position to open fair price shops according to the promise. I am very doubtful whether it is a fact that they have stocks sufficient for 1½ years. If it is a fact, certainly, they can immediately send those stocks to the starving millions and open fair price shops also.

Mr. Chairman: It is now one o'clock. The hon. Member has five minutes more. Would the hon. Member like to continue after Lunch?

Shri Gopala Rao: Yes.

The House then adjourned for Lunch till Half Past Two of the Clock.

The House re-assembled after Lunch at Half Past Two of the Clock.

[MR. SPEAKER in the Chair]

Shri Gopala Rao: In the morning I was saying how decontrol system affected the various sections of the people in Madras.

As I said at the beginning, the first achievement of the decontrol policy is high prices. The second achievement is extension of famine areas even to surplus districts such as Tanjore, Krishna, Godavari etc. Even in the surplus districts, people's organisations have come into existence to save the people, and give them some help. You can see this from the leading Congress dailies. Today,

I have seen a news item that in Samalkot Taluk, a part of East Godavari, the granary of Andhra, 2,000 people are being fed for the last one month. This is the result of decontrol policy. The third result is that the market is completely open to the big merchants and big landlords who reap the fruits of the decontrol policy, and the starving millions are completely left at the mercy of these hoarders and big merchants.

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes): Are there no fair price shops there?

Shri Gopala Rao: They are very insignificant. There was a big agitation to open fair price shops because at the very beginning, the hon. Chief Minister announced that there was sufficient stock for 18 months, but unfortunately very few shops were opened here and there, and I came to know that definite instructions were given to the officers to adopt delaying tactics, because the Government is waiting for the new harvest. Actually, there were no stocks with the Government to face the situation. That is why they are waiting for the new harvest coming in November and December. That is why, wherever there is a hue and cry and they feel the situation is difficult, they are nominally opening a few shops, and promising many. That is the condition of the fair price shops. They are not in a position to cope with the situation.

When control policy was there, there was forcible procurement, but big stockists were completely left out, and there was corruption. Bad quality and insufficient quantity were supplied, and the supply was not regular. Now, there is decontrol policy. In both the cases, Government have failed to take the people into their confidence, and secure the co-operation of the people and the other political parties and various organisations that have come into existence to serve the people in this connection. Many political parties formed themselves into one organisation to solve this problem, but the Government did not take them into confidence and adopt a popular food policy in the people's interest.

It would have been better if the hon. Minister had reviewed the actual position in Madras State, not only the question of prices. Is the food situation there a bit better than it was before the introduction of the decontrol policy, or is it worse? I wish the hon. Minister had given a

complete and comprehensive picture of the whole situation.

I have seen some statements of the Food Minister in which he said that there were plenty of stocks with the Government. In September, the External Affairs Ministry also issued a *communiqué* stating that there was a two million tons of stock with the Government. But I do not accept that statement. If such big stocks are in the hands of the Government, there is no necessity for these starving millions to suffer like this miserably.

The second argument which is advanced is that the off-take in the ration shops and fair price shops is becoming less day by day. If it is a fact, we must find out the reason for the fall in the purchasing power of the people. And Government must take the responsibility of raising the level of the people's purchasing capacity. That cannot be a reason to take a different course of action in this matter.

In these circumstances, whether it is decontrol or any other policy, it must be in the interests of the people. I put a straight question: "Is the Government prepared to take the responsibility of feeding the people?" If that is the aim of the Government, you can have the co-operation of every political party, and the people in the country. No force, no hurdles can hinder the resolution of this problem. Government must open gruel shops, relief centres and cheap grain depots wherever necessary. They must rise to the occasion and adopt the necessary methods. Whenever paddy is procured, the procurement price also must be reasonable for the producer, but the procurement must be taken from the big stockists especially. When there was control policy—even now it is there in some provinces—procurement was not going on properly. I read today that in Travancore-Cochin where there was progressive levy system, a landlord having a thousand acres had to pay the same amount of levy as a peasant holding 30 acres.

Shri P. T. Chacko (Meenachil): No, no.

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): It is not true.

Shri Gopala Rao: I speak subject to correction.

Procurement must be taken from the big stockists, and if necessary, imports must be brought in, of course, and properly distributed in the countryside and in the towns.

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I want to repeat that the steps taken by Government must be with the help of the relief committees, food committees and various political parties. If the Government is prepared to take such steps and adopt a popular food policy protecting the interests of the consumers and the producers, of course, every political party will be in a position to co-operate with them. I hope Government will come forward with a completely new policy and secure the co-operation of the people and the various political parties.

Shri T. N. Singh (Banaras Distt.—East): At the outset I would like to emphasise that this problem is not a party problem or a party question. It concerns the whole nation, and I would appeal to the entire House that our approach to this problem should not be in a party spirit, but with a view to understanding exactly what the implications of the situation are, and how we are going to meet it.

I would not describe the statement of policy made only this morning by our Minister of Food and Agriculture, as a policy of decontrol. I do not think it is a policy of decontrol at all. What he has told us this morning is that in regard to millets, there is going to be removal of restrictions on their movement particularly between Madhya Bharat and Bombay. That was the special reference he made to. I think millets have never been one of our strictly controlled commodities, I think there was some control in the beginning when the hon. Minister assumed charge. Then he referred to interzonal controls or thought of bringing together certain deficit and surplus zones with a view to making them self-sufficient, at the same time taking full responsibility for certain industrial towns like Calcutta, Bombay and other places. I think that policy continues to a certain extent, but we have not yet before us the full picture as to how the zones are going to be actually brought together, and how they are going to function. We have to wait for the definition of this policy for some time more till he has finalised it. In the meantime a question has certainly arisen owing to a new policy in regard to millets...

Shri Nanda: There seems to be some misunderstanding about the zones. There is no question of any zones.....

Shri T. N. Singh: I only said that we are still awaiting the enunciation of that policy.

Shri Nanda: There is no intention to have any zones now in view of the fact that the inter-State barriers are to remain, so far as the various States are concerned.

Shri T. N. Singh: I am very glad to hear this clarification of the policy. Now the question really lies in my opinion to be viewed from a perspective from which unfortunately the problem has not been viewed. And this raises the question of inferior and finer grains. There is and has been a shortage of finer grains in our country not only after the war, but I think, always. Our people have always been under-nourished and the majority of them have lived on the inferior grains, while many of them have had to be content with one meal a day while others could not even have that. So, that has been our perpetual problem. After *Swaraj*, we made a valiant declaration of our policy that it is the responsibility of the Government to see that all must be fed and fed properly too. And I claim, without bringing in any party politics in this that during recent years, especially the last four or five years, our people have taken more and more to finer grains. That is a fact, and it is no use disputing that. Even in villages—I myself come from a village, and I know what the position there is—many of us who did not know what wheat or rice was, have now taken to wheat and rice. I welcome that. If as a result of this factor there is shortage of the finer grains, we need not be upset about it. At least it is for that consummation that our people and our Government have to work.

The real question is how are we going to solve the problem? Of course, the ultimate solution is more production, and unless we have more supplies of foodgrains, there will be scarcity and there will have to be control in one form or another. A certain amount of control will have to be there because we must distribute equitably what is available, among our people. Therefore so long as production and our supplies remain what they are today, or do not alter appreciably in the near future, we will have to continue the policy of control in whatever shape considered practicable. The effort of our Government, as I have been able to understand it, for the past several years has been one of reducing the irksomeness of controls. That is what we have been doing. In several provinces attempts were first made to

have total levy and total procurement. In others there were modified systems. In certain places, it was monopoly procurement, in certain others procurement was through trade channels and a certain percentage of the intake was through traders. According to varying situations, according as time went on, according to the experience gained, we have been modifying this policy of getting the total fund of wheat, rice and other foodgrains available to us for distribution. That is what we have been doing, and this policy which our Food Minister has recently announced, in my opinion, amounts to nothing more than a certain modification of the previous system of procurement and distribution. That is all it amounts to. Therefore to describe this policy as decontrol is wrong, and for any protagonist of decontrol to get ecstatic about it is also wrong. We need not exult over the fact that there has been some modification in the food control policy today. It does not amount to decontrol as a matter of fact. Certain modifications have become necessary, and if anyone here tries to make the hon. Minister say something which he has not intended to mean, then I think we will be putting him as also everybody else in the wrong by trying to raise false hopes. Raising of false hopes in the people is very dangerous. Even from the point of view of procurement and control, I would very strongly urge this: let us not characterize this policy as one of decontrol, and thereby enter into any controversy on these questions. In fact that question itself does not arise.

Shri Gadgil (Poona Central): It does.

Shri T. N. Singh: It does not.

Mr. Speaker: Let the hon. Member proceed with his speech; otherwise the debate will not end, and we may have to give more time.

Shri T. N. Singh: The real question that arises, as far as I know—and that is what has been worrying me most—is that we have got a certain amount of foodgrains with us, and with a certain amount of austerity I think even today we can manage quite a lot, and there will not be any necessity for so much of imports as we are having today. That is true, and at the same time we cannot think of expecting people who have taken to finer grains to go back to inferior grains. But the trouble is the capacity of the merchants and traders to corner grains—even if we were to

assume that somehow or other that there is small favourable margin, considering our production—and raise the prices at which they may in future, be sold. That is the real danger in any step that we may take in regard to decontrol and we have to guard against that. I am told that the Government will have at the end of the year a stock of about two million tons.

Shri Kidwai: 18 lakh tons.

Shri T. N. Singh: I may not be mathematically accurate about what stocks we have. But assuming that the offtake of the provinces continues at the present level, we should have approximately two million tons of foodgrains. I am also told that on a very conservative estimate the stocks of grains in the hands of our merchants and traders are in the neighbourhood of 2.5 million tons. Now, that has created a certain problem and anxiety in me and I have been trying to think out as to what its implications are. Obviously to me it appears that today when the grain trade is not so free and is controlled and restricted the merchants can afford to stock 2.5 million tons. What is there to prevent them from stocking another two million tons when there is complete relaxation of controls, though that will depend, of course, on their capacity, or on the blackmarket money or whatever may be with them, or free money as it is called? (An Hon. Member: No more money.) I cannot subscribe to that view. I think it has yet to be proved that there is no such free money with the merchants. The Finance Minister will be in a better position to assess the situation. I have my doubts as regards the availability of such money and the way it can be manipulated, despite the banking regulations and controls that may be exercised later on. That is the real problem and if that happens I am sure, no merchant will lose the opportunity of making money when he can make it even at the cost of untold sufferings to the people. That is the unfortunate position today and we must take that into account. We must admit and we must be prepared to assume that that may be a possibility and if we have that in view, then we have to guard ourselves against it, because it will create a serious situation. I think the House should apply its mind to this question as to how far we can go even with the modifications that can be made in the existing system of controls, of procurement, supply and distribution, with this

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risk staring us in the face. I think Government has rightly decided that it is not prepared to take the risk of removing controls because the implications are very serious. If there is a real cornering by some merchants or by a large number of merchants and if we cannot supply the food needs of our people there will be no civilised Government, can take starvation. I think no Government, that risk, and I welcome the statement made by the Prime Minister after the Food Minister's statement which has certainly set my mind at rest on this point. (*Interruption*) He supplemented the information supplied by the Food Minister.

Then, a number of issues have been raised about this question of prices. Prices form a fundamental part of the structure of the whole control system and a very exhaustive and analytical study of the price structure, as it has ruled in the past and as it is today, has to be made; and also as to how far it has reacted on our production. That is another important aspect of the problem. The hon. Member from PEPHU referred to this problem. He has suggested one way of dealing with the whole question. He suggested that the prices should be allowed to go up. Production of foodgrains will then go up and in the subsequent years when there is less demand the prices will come down (*Interruption*). That is the usual *laissez faire* argument in such matters. That may have been accepted but again that involves risks which the Government would not have been legitimately entitled to take. I think therefore Government took the right decision, in stepping in.....

Mr. Speaker: He has already taken 14 minutes; he has only one minute left.

Shri T. N. Singh: If you give me five minutes, I will be obliged, Sir.

Mr. Speaker: I can give the whole time provided the other Members agree. Hon. Members will see that they should only make out points in as short a time as possible so that others also may place their viewpoints. So he will finish now.

Shri T. N. Singh: I bow to you, Sir. I am sorry, Sir. I am not able to develop my point about the price structure owing to the shortness of time, but I will only say this much, that the 'supply and demand' principle should not be applied to this

case. At the same time, we should try our best to restore the parity of prices that existed before the war between inferior and finer grains. If we do that, I think we shall be solving our problem to a certain extent. Any system of control or modification of control which goes towards that and restores the old parity between the finer and the inferior grains will be helping a solution of our food supply problem, and it will also be resulting in a more balanced production of the various kinds of foodgrains. That is what I feel. If one were to analyse the price figures of today and of the past one would find that there used to be a ratio of about 1 to 2.5 between finer and inferior grains. That parity should be restored. At the same time, I do not think that it is right for the Government or for the Food Minister to base any conclusions on figures of open market prices last year or this year. They are unrealistic; they are untrue and misleading for the very simple reason that when controls are there, the prices are not realistic. They are unnatural and therefore, we have no data which are comparable so far as control and decontrol price parities are concerned.

Shri Kelappan (Ponnani): On this very vital problem there seems to have two opinions. One section holds...

As Hon. Member: Three.

Shri Kelappan: Yes, three if you please. One section holds that the control must continue intact. There is the other opinion that the control has to be abolished. And there is one section that takes a middle course, that the control must be systematically and steadily abolished so that in the course of the implementation of the Five Year Plan we should stop importing any foodgrains. The Minister of Planning told us a little while ago that that was the policy of the Government. I do not know if there is any plan behind the Five Year Plan or what the Government has been proclaiming as their plan. Do we have any plan? Do we propose to have self-sufficiency in at least food and clothing, the two very vital items, in our programme? If we do, then this is not really the way to go about it. The grow-more-food campaign has failed, and rightly too. It could never succeed. (*An Hon. Member:* Grow-more-food has failed rightly!)

Pandit Thakur Das Bhargava in a supplementary note to the Report of

the G.M.F. Enquiry Committee says:

"The grow-more-food activity was for several years only confined to the Parliament Hall and the Food Ministry, and perhaps in some measure, to the Agriculture Ministers of the States. It took good time for this to percolate to the districts and the tehsils. It has hardly reached the villages yet."

3 P.M.

And now if after spending 65 crores of rupees it has not percolated to the villagers who are to produce the food, then how do you expect such a scheme to succeed? This Committee, headed by Shri V. T. Krishnamachari is of the opinion that the grow-more-food campaign has failed to enthuse the masses. As long as we are not able to take the masses into our confidence and inspire any enthusiasm in them, our schemes are bound to fail. We have to take a lesson from our experience of this grow-more-food campaign.

About the Madras experiment, some Members here, were saying that it had failed and the prices of foodgrains had gone up. Really, the people of Madras feel that this experiment has succeeded. They have welcomed decontrol. (Interruption) I mean the Madras State, the whole State. One of the most deficit areas is Malabar and the people of Malabar really welcome it. I know the prices have gone up a little but what about the state of things before there was decontrol? We must be fools to think that the people were living on the four or five ounces of rice that they got. They were purchasing rice from the blackmarket and the blackmarket prices were high. Now, after the introduction of this decontrol, the prices have gone down. The blackmarket prices were the ruling prices and they have gone down considerably. In certain areas, the prices are now the same as the prices in the fair price shops.

I really cannot understand why these producers of foodgrains should not be given an equitable price. We find that the prices of all other commodities have gone up. If you expect them to produce food crops then they also must get an economic price. As far as commercial crops are concerned no one grumbles the prices are high. Should not the poor peasants also be able to live? Now, the figures given by the Minister of Food showed that in Madras the area under foodgrains has gone down. Yes, I know that in several places people have taken to money crops. There is no reason why they should not. We were really

300 PSD.

following a dangerous policy and had it not been for the fact that the Food Minister cried 'halt' to that policy and asked the States to pay for the imports full price, he would have had to go on importing more and more. In 1947 we imported foodgrains to the tune of 2.5 million tons or so. In 1951 we imported 4.7 million tons. Now, had it not been for the fact that the States were called upon to pay the full price for the imports, the estimated import would really be eight million tons. They went down to 4.7 million tons.

Another reason why this grow-more-food campaign failed was that we did not take several other factors into consideration. This food problem is intimately connected with land reform and several other allied problems. As long as the peasants are not sure about their position in the lands they cultivate, you cannot expect them to take any interest. As to the proprietors, they will certainly get their rent; so they are not bothered about it; and then the people as a whole, when they find that the State Governments will supply all the foodgrains that they require, are also not going to take any keen interest in it. I do not believe that if the Government were to go on at this rate, after five years they will be able to stop all imports. They once told us that by 1951 they would stop all imports of foodgrains. But they have not succeeded; on the other hand, they had to import more. So, I say there is really no planned economy in all that Government has been doing.

Before this, there was another Committee constituted under Shri Purushottamdas Thakurdas. They have made certain very valuable suggestions and one of them is that *panchayats* have to be organised and co-operative societies formed and they must be entrusted with the work. In fact, they are the only bodies that can take charge of this scheme if it were to be successful. We are dividing and sub-dividing land so that it becomes uneconomic. Now, Acharya Vinoba Bhave has got his own solution of the problem. He says that just as air and water are free, the land also must be free. Air and water are nobody's property; they are common property. Similarly, land also must be common property. If land belongs to the community to be administered by the *panchayats* and if land is available to persons who stand in need of cultivating it, then and then alone you can really succeed. But are we prepared to have these radical reforms as far as lands are concerned? Unless you take note of this very important problem, I doubt whether your grow-more-food campaign or decontrol will succeed. You must first create an

[Shri Kelappan]

enthusiasm and faith in the people that your efforts are going to succeed.

As far as the recommendations of this Committee are concerned, I doubt whether they are pointing the right way. The recommendation is that the Collector should take charge of the scheme at the district level, the *tehsildars* at the *taluk* level and the village officials at the village level. My opinion is that these people are the least competent to take charge of this scheme. It is merely a case of putting new wine in old bottles. I am not finding fault with these officials. The old bureaucracy is still continuing and these officials who were brought up under different circumstances have their own way of doing things. My fear is that the new ideas which we want to put into force may not materialise if they are entrusted to them for execution. If they are to take charge of this scheme, we would only fail once again. Your scheme would succeed only if you have non-official agencies. Otherwise, your efforts will meet with the same fate that overtook the grow-more-food campaign and other schemes undertaken so far.

Shri K. K. Desai (Halar): I welcome the declaration of policy by the hon. Food Minister, further clarified by the hon. Prime Minister. The question of food is a very important one and one cannot afford to monkey with it.

An. Hon. Member: So, it is a monkey problem!

Shri K. K. Desai: I welcome this declaration of policy, because during the last three or four weeks a lot of confusion had been created in the minds of everybody. While considering the food policy, certain basic factors should be clearly borne in mind. During the last two years we have imported very large quantities of food from abroad. In 1951 we imported 4.7 million tons and the import in 1952 is said to be nearly four million tons. In one of his declarations recently somewhere in Bombay, the hon. Food Minister had stated that at the end of 1952 there is likely to be a carry-over of two million tons. These figures prove that on an average the country has consumed 3.5 million tons of imported foodgrains. This may perhaps be one of the reasons why most of us feel that the situation is a little more comfortable. I do not think the Government of India intend to import such huge quantities of foodstuffs during 1953 or 1954. If that be so, then the position is not as comfortable as some people are apt to believe.

When the food question is discussed, most of us are likely to look at it from the point of view of our own respective States and the hon. Food Minister has clearly stated that the question of procurement, prices and production varies from State to State. Broadly speaking, he has said that Southern India is a deficit area and Northern India is a surplus area. My suggestion is that this question should be tackled in an integrated way. A statement was recently made that if some incentive is given, there will be more production, that is, if decontrol is effected in a State, probably more food will be produced, but as against that in the Punjab alone where you have vigorous monopoly procurement....

Shri Kidwai: No. no.

Shri K. K. Desai: Please wait—I mean monopoly procurement at trade level—you find that in spite of this, the Punjab has produced more. So, what I mean is that what happens in one State is no criterion for judging the position in several other States. The present policy as I understand it is this. Decontrol to a large extent, that is, as far as millets are concerned, is contemplated State-wise and the trade in these particular commodities as far as deficit areas are concerned will be at the State level, that is, a deficit State may be able to get these commodities from the surplus States at State level either by appointing its own agents in the surplus States, or the surplus States themselves will procure for the deficit State.

Shri Kidwai: That is it.

Shri K. K. Desai: Now there is one danger in that. If along with this the power to requisition the foodstuffs remaining with the trade is not assumed, it is likely that the prices both in the surplus and deficit areas will shoot up.

Shri Kidwai: The powers are there.

Shri K. K. Desai: But the question is whether the hon. Food Minister intends to exercise them and watch the situation closely and critically. Otherwise, the situation will again go out of control. In 1947 when decontrol was effected, assurances were given more or less on the same basis as the hon. Food Minister is doing today. We were told that if prices rose, Government would use all its powers to bring down the prices, but the very figures supplied by the Food Ministry show that at that time the prices had become nearly double of what they were before the decontrol in 1947. I think at this stage we cannot afford to take

any risk. So I believe what the Food Minister has stated in the course of his statement is nothing else but the existing policy of overall control over the foodstuffs with such modifications as are necessary for the purpose of better production, better procurement and stable prices, if not lesser prices. So, the new policy is to be judged from these three criteria and while administering the modified control policy as it has been placed before the House, I believe the hon. the Food Minister would have his close eagle eyes on the situation that may arise. . . .

Shri Kidwai: I am short-sighted.

Shri K. K. Desai: Short-sighted, but eagle eyed.

An Hon. Member: Closed eagle eyed!

Shri K. K. Desai: And see that the three criteria which he has placed before the House, production, procurement and prices...

An Hon. Member: What about distribution?

Shri K. K. Desai: Distribution is only a method. Prices, procurement and production are the main factors. I have no doubt in my mind that the present policy has been placed before the country with a view to remove some of the irksomeness, irritation, etc., which some people may be feeling at the policy that is being adopted.

It has been stated in the course of the debate by Mr. Nanda that by the end of the Plan period, the country may be self-sufficient in cereals and its food requirements. That means that during the next three and a half years the country will be in a position to produce at least five million tons of more food.

Shri Kidwai: Seven and a half millions.

Shri K. K. Desai: If it is so, it will not be produced only at the end of the Plan period, it will be a gradual increase in production every year. If that is the real plan, I believe and I pray that the present modified policy of control will receive good response from the country.

Now one of the speakers this morning seriously pleaded for that old and ancient theory of demand and supply. I think it is better that we forget these old theories of classical economics now. The House will readily appreciate that if all the plans—and plan particularly in regard to food—get going and we get better results, there will be plenty in the country and a situation may arise, as is bound to arise, when we would have to apply controls

in a reverse way. Now Government is trying to protect the consumer. A time is bound to come when Government will have to protect the producer, when a floor price would have to be fixed. Whether it is ceiling price or floor price, it is of course control and to the extent free market is permitted between the ceiling and the floor prices there is elbow room only for a margin. So, I think we must accustom ourselves now to the policy of control.

Let us now not talk about decontrol. Today you are having control in the interest of the consumer. Very shortly we will have to think in terms of controlling the whole economy with a view to seeing that the producers are protected.

Before I sit down I would like again to appeal to the Food Minister that the powers they have assumed under the Essential Commodities Act should be used in case private trader in a State tries to corner the coarse grain for the purpose of trading with a deficit State, because it should not be forgotten that the coarse grain is about one-third of the total production of this country and the coarse grain is generally being used by the poor of this land. I welcome the present policy which is no departure from the overall general control policy as far as food is concerned.

Dr. Lanka Sundaram: I am glad that this debate is taking place today, for the reason that already it has the effect of assuaging public apprehensions which have been aroused as a result of a series of remarkable statements made a few weeks ago by my hon. friend the Food Minister.

Shri Kidwai: Will you please quote any?

Dr. Lanka Sundaram: Your Poona speech, for example.

Mr. Speaker: Order, order. Let the hon. Member address the Chair; so also the hon. Minister.

Dr. Lanka Sundaram: The debate has been responsible for mitigating the apprehensions held in various quarters of the country as to the present and future position of controls, food controls in particular. In between the statement made by my hon. friend the Food Minister, supplemented by the clarification of the Prime Minister, I think, two or three very important propositions emerge.

In the first place, State Governments are free to buy where they want, whatever food they want. Number two is the problem of continued procurement within the precincts of each State,

[Dr. Lanka Sundaram]

and, thirdly, there is no change at all about rice or wheat, while as the Prime Minister put it this morning there will be only a slight adjustment of movements of millets.

I am not satisfied that these three propositions arising out of two statements of the Food Minister and the Prime Minister would solve the problem fully, because I believe there is a tremendous need today—and I hope my hon. friend the Food Minister while replying to this debate will clarify the position—for basic factual information on the three aspects of the question. Are we going to import next year, or are we not going to import next year?

Shri Kidwai: We are.

Dr. Lanka Sundaram: If so, to what extent. Then, what has happened to the declaration made by the Prime Minister sometime ago that there would not be any food imports after 1951? I am not entering into a debate.

An Hon. Member: It is an old statement; it has been given up.

Dr. Lanka Sundaram: According to the Planning Commission Report we will be self-sufficient after three and a half years. In what way will the level of imports of food, particularly non-wheat food, be regulated, in order that the revised food policy of the Government can be maintained especially in the South of India?

My hon. friend the Food Minister in his statement this morning said that the three objectives of the Government of India are production of more food, fair distribution and the Government of India coming as a helpful buffer in case there is any difficulty in any particular State. While doing so the Food Minister was anxious to show that the grow-more-food campaign has gone on to the benefit of this country.

[SHRI N. C. CHATTERJEE *in the Chair*]

I am sorry to say that the figures that he has himself given do not sustain the claim made by him. In the State of Madras it was shown that there was a reduction of acreage under food of as much as ten lakh acres. I had occasion last month to show the Planning Commission the sort of grow-more-food drive which is going on in my part of the country, namely Madras State. I have shown the Planning Commission last month a circular invitation from the Collector

of my district asking me, as an *ex-officio* member, to be present at the meeting of the District Food Committee which is a statutory committee. And then I also showed them how there was no agenda for that conference! After ten years of activity in this country in regard to the grow-more-food campaign, after the elections, this first meeting did not have an agenda, with the result that I was able to convince myself that as yet in this country we have not come to a stage where the grow-more-food campaign can be taken as a serious proposition. In fact, this decline in the cultivation of food crops to the extent of ten lakhs of acres in one State only is a tragic commentary on the manner in which our agricultural economy is getting out of hand.

I am one of those very few people in this country who have been shouting for the past five or six years that something must be done to stop this menace of cash crops. I speak with a sense of responsibility, especially with regard to my own district. During the past two or three years, lands in these deficit areas which were previously areas of food production in that part of the country, have now been replaced by greater and greater increase of cultivation of sugarcane, jute and so many other commodities like tobacco for example—a deficit area going over to non-food crops! In fact I take a very serious view of the position as to the manner in which the Government of India in the first instance and the various State Governments in the second instance are not tackling the menace of cash crops. There is no point in planning for a self-sufficiency in food if this increasing menace of cash crops is not met. I am sure some of my friends on my right would tell me it is an idea which involves some sort of a political ethic. I am free to confess that there is no particular ethic or ideology behind this statement. It is a factual position, and one of tremendous import to the well-being of this country, that if something is not done immediately to curb the extension of cash crop cultivation in this country I am afraid all the planning and development so far undertaken and projected will not be of any use to our people at all.

I was, rather surprised to listen to my hon. friend the Food Minister this morning when he claimed that after decontrol of foodgrains in Madras in June this year there was a fall in prices. In fact one or two other friends, Sardar Lal Singh in particular, elaborated on that point. Here are the prices of foodgrains since June which

have been circulated to us last night. In Visakapatnam the price of rice per maund was Rs. 17-4-6. Today the ruling price is Rs. 23. In Eluru (Andhra) from Rs. 16-6-0 it rose to—the latest price was for the last week of October—Rs. 23. And so on I have built up the position barring one or two places, and the prices have gone up. I consider that a comparison of the ruling price of today with the blackmarket price prevailing at this time last year would be most unfortunate in its implications, for this reason that when controls were on, even at the peak prices, there was a minimum guaranteed supply of food to all ration card holders both in the urban and rural areas. I do not deny that people went to the black market for supplementing the rations given. But the basic thing, which was rather missed by my friend this morning, was that there was a minimum guaranteed supply of a quantity of food at a controlled price. That cannot be forgotten, with the result that to say that today the price is only Rs. 23 compared to Rs. 50 last year would not be a fair comparison at all.

I do sincerely believe that unless and until there is rationing properly and adequately maintained, mere price fixation will not solve the problem. After all, there must be a method of control of prices, effective prices, and such control is completely linked up with the question of rationing and enforcement of rationing properly. I assure you that I am not wedded to food control or rationing for the sake of establishing a dogma. I am not unaware of the fact that controls having been badly administered so far have led to abuses and created vested interests and bottle-necks. But it occurs to me that I must make a statement very clear, namely that I have seen with my own eyes in the rural areas of Andhra, people in the past three years, especially those who are not agricultural landholders, for example agricultural labourers, unable to buy food, whatever the price. And the ruling prices were very heavy: with the result that whether it is statutory rationing or no statutory rationing, or urban or rural area, the problem is access—a complete minimum, satisfactory minimum, of food at a price which the people can afford, must be made available. I hope that as a result of the so-called modifications in the Food Plan as propounded this morning by my hon. friend the Food Minister and supplemented by the Prime Minister this point would not be overlooked. For, otherwise, I consider the gravest possible injury will be done to the interests of the people at large, in the urban as well as in the rural area.

One other point which I would like to emphasize this afternoon is this. Is there a shortage of food supply in this country—wheat as well as rice? Is the population growing? Have prices risen or not risen? How are we going to control all these factors? Not by decontrol. In fact I feel very strongly on the point that the greatest amount of psychological damage has been done by....

Shri Kidwai: You want us to control population also?

Dr. Lanka Sundaram: Certainly. Why not? I think your hon. colleague the Health Minister was very much committed to that proposition. She said so—unless it be that she spoke for herself.

I was saying that these three important factors cannot be lost sight of. And, as I was saying, the greatest amount of damage was done psychologically and emotionally to the people by the unthinking advocacy of slogans of decontrol.

For my part I consider that there were politics about decontrol. Let there be no mistake. The zonal system was so arranged as to keep the people with territorial interests in view. I will not weary the House further with that proposition. Coming from the north to the south—I come from the north—Srikakulam, Visakapatnam and East Godavari was one zone. The second zone began like this: West Godavari, Krishna—Guntur was removed from there and Nellore was added on—and Madras City was tacked on, and Guntur was added to Rayalaseema. This is the unfortunate and unfair way in which the zonal scheme was done. I know why it was done. It was to take away the surplus grains of Godavari and Krishna belt to Madras City and the South. I have been there in-between the sessions for two months, travelling in these districts, and the way in which rice was being taken away from these areas by hotel-keepers of Madras and South India is something which I cannot express adequately this afternoon. I say politics have entered, and I put in a caveat. Food can never have politics. It is not a party question. I heartily agree with my hon. friend Mr. T. N. Singh that there cannot be any politics in food. It should not be made a play-thing of party politics, and I do sincerely trust the Government of India will hold the scales even.

Coming from Madras, may I put this question to the hon. the Food Minister: If there has been a reduction of ten lakhs of acres of land under food in Madras State, why does the

[Dr. Lanka Sundaram]

Government of India agree to continue food supplies?

Shri Kidwai: Because the supply is there.

Dr. Lanka Sundaram: And in what way does it help the Government of India, especially my hon. friend Mr. Nanda, to carry on the food self-sufficiency drive under the Five Year Plan? I think there are a number of important questions involved in this matter, and I am raising them in order to show that it is not unrelated to politics, with the result there is trouble in this country. I am glad that as a result of the two statements made this morning by my hon. friend the Food Minister and the Prime Minister my hon. friends opposite have closed their ranks and the earlier apprehensions will no longer be held.

श्री राबेलाल व्यास (उज्जैन): माननीय समापति जी, आप ने मुझे जो इस समय बोलने का अवसर दिया है, उस के लिये मैं आप का अत्यन्त आभारी हूँ। यह खाद्यान्न की समस्या एक जटिल समस्या है। मुझे वह दिन अच्छी तरह याद है जब सन् १९४७ में इसी दिल्ली नगर में फूड मिनिस्टर्स कान्फ्रेंस हुई थी और उस में मुझे भी सम्मिलित होने का सौभाग्य प्राप्त हुआ था।

Shri B. K. Chaudhuri (Gauhati): I would like to know whether you are calling persons who catch your eyes or you are calling persons from the list. I would respectfully like to mention to you, Sir, that for the last twelve days I had not made a single speech. I would respectfully ask you to allow me to speak.

Mr. Chairman: I am sure the hon. Member from Assam will catch my eyes. I will do my best to help him.

श्री राबेलाल व्यास: उस समय बाबू राजेन्द्र प्रसाद सेन्टर में फूड मिनिस्टर (Food Minister) थे और मैं ने यह देखा कि मध्य प्रदेश और ग्वालियर के अलावा बाकी दूसरे सभी प्रान्तों के फूड मिनिस्टर इस पक्ष में नहीं थे कि डिक्न्ट्रोल (decontrol) किया जाय।

इस के साथ ही यह भी मैं आप को बतला दूँ कि सारे फूड मिनिस्टर्स को महात्मा जी ने बिड़ला हाउस में बुलाया और उन से इस मसले पर बातचीत की थी और महात्मा जी ने उन से यह कहा था कि तुम को इस समय डिक्न्ट्रोल कर देना चाहिये जब कि सिर्फ एक दो अपवाद को छोड़ कर जितने फूड मिनिस्टर उस कान्फ्रेंस में मौजूद थे डिक्न्ट्रोल नहीं करना चाहते थे, तो भी गवर्नमेंट आफ इंडिया ने उस जमाने में नियंत्रण को हटा लिया। इस के अलावा मुझे वह दिन भी याद है जब सन् १९४८ में महात्मा जी की मृत्यु के बाद दूसरी फूड मिनिस्टर्स कान्फ्रेंस हुई थी और उस में भी मैं सम्मिलित हुआ था। उस में मैं ने पाया कि वह सारे प्रान्तों के फूड मिनिस्टर जो पहले डिक्न्ट्रोल के विरोधी थे, वह सारे के सारे केवल एक दो अपवाद को छोड़ कर देश में फिर से कन्ट्रोल लागू करने का विरोध कर रहे थे, उस समय फिर से कन्ट्रोल लागू करने की बात चल रही थी। उस फूड मिनिस्टर्स कान्फ्रेंस के विरोध के बावजूद भारत सरकार ने फिर से खाद्यान्न पर नियंत्रण लागू किया। इस प्रकार से मैं यह समझता हूँ कि यह प्रश्न बहुत ही जटिल है और आज भारत सरकार उसी तरह फूक फूक कर कदम रखना चाहती है जिस तरह एक दूध का जला आदमी छाछ को फूक फूक कर पीता है। भारत सरकार आज इस प्रश्न के हल में उलझी हुई है और उस की दशा ठीक उस दूध के जले हुए पुरुष के समान है जो छाछ को फूक फूक कर पीता है।

इधर पिछले कुछ महीनों से लोगों पर ऐसा प्रभाव पैदा हो रहा था कि भारत सरकार कुछ डिक्न्ट्रोल की ओर जा रही है लेकिन आज जो फूड पालिसी (Food

Policy) माननीय फ़ूड मिनिस्टर ने बतलाई है, उस से जो इस प्रकार का भ्रम कुछ लोगों में पैदा हो गया था वह दूर हो जायगा और आज के उन के वक्तव्य से ऐसा मालूम होता है कि भारत सरकार अभी अपनी उसी पुरानी पालिसी पर दृढ़ रहना चाहती है। मृशे इस सम्बन्ध में कुछ सुझाव देने हैं और वह यह हैं कि देश की खाद्य स्थिति को अगर देखा जाये और जैसा अभी हमारे माननीय नन्दा जी ने बतलाया कि भारत सरकार अभी जोन सिस्टम (zone system) के पक्ष में नहीं है। मैं नहीं समझता कि यह कोई आखिरी बात है, या कोई आखिरी निर्णय है। वह अगर देश के हित में है और यदि उस से समस्या हल्की हो सकती है तो जोन सिस्टम को बुरा नहीं कहा जा सकता। देश की खाद्य स्थिति को अगर देखा जाये तो जो आंकड़े भारत सरकार ने दिये हैं उन से यह मालूम होता है कि लगभग ३० लाख टन खाद्यान्न की हम को प्रति वर्ष जरूरत पड़ती है। मैं समझता हूँ कि सारे देश को तीन जोनों में बांटा जा सकता है। एक जोन - तो आसाम, बंगाल, बिहार और उड़ीसा को मिला कर बन जाता है और इस जोन के लिये लगभग तीन लाख टन आयोग, क्योंकि उस में आसाम और उड़ीसा सरप्लस (surplus) हैं, हाँ बंगाल डिफ़िसिट (deficit) है। आसाम डिफ़िसिट नहीं है सरप्लस है। वहाँ से पिछले दो तीन साल में १६ या १८ हजार के करीब आया है, सन् १९४६ में उस ने ४६ हजार टन दिया था। इसी तरीके से उड़ीसा भी सन् १९४६ से लेकर सन् १९५१ तक सरप्लस प्रान्त रहा है और अब भी है। बिहार और बंगाल जरूर कुछ कमी वाले प्रान्त हैं और इन चारों प्रान्तों को मिलाया जाये तो इन चारों प्रान्तों की आवश्यकता प्रति वर्ष तीन लाख टन की होती है। मेरा

ऐसा अनुमान है कि यह चावल खाने वाला प्रदेश है, इस को अलग रखा जाये और कलकत्ता जैसे बड़े शहर में जो ढाई लाख से ज्यादा आबादी वाला शहर है, राशनिंग जारी रखी जाये और वहाँ आप भले ही प्राइस कन्ट्रोल (price control) रखें, लेकिन मूवमेंट (movement) फ्री (free) रखें और मिलेट्स (millets) के अलावा चावल वहाँ की मुख्य फ़सल है, उस का मूवमेंट पूरे जोन में खुला रखें, तो उस से वहाँ की समस्या बहुत कुछ सुलझ सकती है।

दूसरी जोन सदर्न जोन (Southern zone) है। यह चार रियासतों से मिल कर बना है, मद्रास, बम्बई, मंसूर और त्रावनकोर कोचीन, और इस जोन को जो इन चार रियासतों से मिल कर बनता है बीस लाख टन प्रति वर्ष की आवश्यकता रहती है और यह एक ऐसा जोन है जिस की वजह से सारे देश भर पर इस कन्ट्रोल और डिक्न्ट्रोल का असर पड़ता है। इन दो जोनों को छोड़ कर अगर सारे देश भर का एक तीसरा जोन बनाया जाय और सन् ४६ से ५१ तक के जो आंकड़े दिये हुए हैं उस के मुताबिक कुल ६ लाख टन का बाकी सारे देश भर में डेफ़िसिट रहता है। ६ लाख टन के लिये सारे प्रदेश में कन्ट्रोल कायम करना और वह केवल दक्षिण की चार रियासतों के लिये जिनकी आवश्यकता यह है, मैं समझता हूँ कि उस में इस तरह का नियन्त्रण रखना कोई खास आवश्यक नहीं जान पड़ता और इस से जनता को जितना लाभ मिलना चाहिये वह नहीं मिलता है। मेरा सुझाव यह है कि ऐसा दक्षिण का जोन बना दिया जाय और उस में परिस्थिति के अनुसार जितना और जैसा नियन्त्रण आवश्यक जान पड़े लगाया जाय। बड़े बड़े शहर जैसे मद्रास बम्बई वगैरह हैं उन में नियन्त्रण रखा

[श्री राधेलाल व्यास]

जाय, स्टैट्यूटरी राशनिंग (Statutory Rationing) रखा जाय और वहां देहातों से माल भर कर लाने की जरूरत नहीं है।

श्री नन्दा : बाहर से हमेशा लाते हैं।

श्री राधेलाल व्यास : हम बाहर से नहीं लाना चाहते, लेकिन फिर भी पिछले साल तो इतना अधिक आया है जितना पिछले तीन सालों के पहले नहीं आया। बाहर से तो लाना ही होगा अगर जरूरत बाकी रहती है और वहां की खपत से बच जाता है। आप यदि वहां पर ग्रो मोर फूड स्कीम (grow more food scheme) की वजह से अधिक गल्ला उत्पन्न करते हैं तो आप अतिरिक्त गल्ला दूसरी जगह भेज सकते हैं। आप कंट्रोल को ढीला कर दें और बाकी सारे प्रान्तों का एक जोन करके वहां पर मूवमेंट फ्री कर दें, आप भले ही कुछ प्राइस कंट्रोल रखें, तो मैं समझता हूँ कि निश्चित तौर पर पैदावार भी बढ़ सकती है और इस तरह वहां से जो ज्यादा गल्ला उपलब्ध हो वह आप दूसरे प्रान्तों को, दक्षिण के प्रान्तों को भेज सकते हैं।

जहां तक कंट्रोल के रखने ब रखने का सवाल है, मुझे केवल इतना ही निवेदन करना है कि अगर आप कंट्रोल रखना चाहते हैं, तो उस को सख्ती से रखिये, यह नहीं हो सकता कि आप कंट्रोल तो रखना चाहते हैं लेकिन उस को ठीक तरह नहीं चला सकते और आप उस को कुछ ढीला रखना चाहते हैं। मैं प्रोक्योरमेंट (procurement) के बारे में अपने मध्य भारत की बात बतलाऊँ। वहां कोई भी आदमी गैर कानूनी तौर पर एक सेर अनाज भी व्यापार के लिये नहीं खरीद सकता है।

लेकिन गवर्नमेंट के पास करोड़ों रूपया चाहिये जिस में वहां जितना उत्पादन होता है उस को खरीदने के लिये तैयार रहे। गाड़ियां आती हैं लोग अपना अनाज देना चाहते हैं, लेकिन समय पर गवर्नमेंट नहीं खरीद सकती है। इस से किसानों में बड़ी मायूसी फैलती है और उन में घबराहट फैलती है। किसान अनुभव करता है कि उसकी गाड़ियां आई हैं, लेकिन उस को वक्त पर पैसा नहीं मिल सकता है, वक्त पर अनाज नहीं तुल सकता है। इसलिये आप की मशीनरी काफ़ी मजबूत होनी चाहिये, कि जैसे ही अनाज आये, उसे तोल लिया जाये और पैसा दे दिया जाये। यह नहीं कि अब चिट्ठी दे दी जाये और दस पंद्रह दिन तक चक्कर लगा कर वह छेत्ता फिरे। इस से अच्छा वातावरण नहीं पैदा होता और न उत्पादन बढ़ाने में ही कदम आगे बढ़ सकता है। इस लिये जहां पर कंट्रोल रखना है वहां पर ठीक से रखना चाहिये। समय पर माल खरीदने और बिकरी का उपाय होना चाहिये और साथ में समय पर कीमत भी मिलनी चाहिये।

इस के साथ ही अच्छे व्यापारियों के हाथ में कंट्रोल न होने की वजह से बीज वगैरह भी समय से उपलब्ध नहीं होता है। हमारे मध्य भारत में बीज की बहुत ज्यादा जरूरत थी। हमारे फूड मिनिस्टर साहब मौजूद हैं, बड़ी मुश्किल से इन्दौर अधिवेशन के समय पर उन्होंने हमें बीज दिलवाया।

श्री किदवाई : जिस रोज मांगा उसी रोज दिया।

श्री राधेलाल व्यास : लेकिन शायद आपको यह पता नहीं कि उस के पहले डाइ-

रेक्टर आफ फूड (Director of Food) वहां से यहां आये थे और आप के डिपार्ट-मेंट ने उन से कह दिया था कि हमारे पास बीज नहीं हैं, और वह यहां से निराश हो कर चले गये थे। हां, उस के बाद इन्दौर में ज़रूर आप ने बड़ी कृपा की और जितने बीज की ज़रूरत थी वह आप ने दिया, लेकिन बहुत देर से। कारण यह है कि हमें बीज बोन के समय चाहिये, मर देर होने से बाद में बोया गया। किसानों के लिये यह ज़रूरी है कि समय पर बीज मिल सके क्योंकि उसकी आदत हमेशा से ऐसी पड़ी हुई है कि वह महाजनों से उधार लिया करता है और फिर बाद में देता है। अगर समय पर बीज बोया जाये तो उत्पादन अच्छा होता है। सन् १९४८ ई० में मध्य भारत को एक करोड़ रुपये का बीज उधार दिया गया था, उस का असर यह हुआ कि जो डिफ़िसिट सन् १९४७ में हुआ था वह सन् १९५० में सरप्लस हो गया। इसलिये मैं अनुभव के आधार पर कहना चाहता हूं कि बीज बगैरह की ठीक व्यवस्था होनी चाहिये। इस तरह से अगर कंट्रोल रखना है तो हमें उत्पादन की ओर ज्यादा ध्यान देना चाहिये।

इसके साथ ही मुझे यह भी निवेदन करना है कि जैसा कि अभी बतलाया गया है कि केवल मिलेट्स पर से हथ ने कुछ प्रतिबन्ध हटाया है और वह इधर उधर जा सकेगा। लेकिन इस सम्बन्ध में एक बात और कही गई है कि जो सरप्लस स्टेट्स हैं वहां और डिफ़िसिट स्टेट्स वाले आ कर उसे खरीद सकेंगे। यह एक नई चीज़ है जो अभी तक गवर्नमेंट की पालिसी नहीं थी। अगर वहां बाहर वाले आ कर इस तरह से खरीद करेंगे तो वहां के लोगों पर बहुत ज्यादा असर पड़ेगा। यह बिल्कुल नहीं होना चाहिये। और अगर किसी को

खरीदना भी हो तो उस राज्य की गवर्नमेंट ही खरीदे, अगर उस के पास पैसे की कमी हो बम्बई गवर्नमेंट या मद्रास गवर्नमेंट किसी राज्य को खरीदना हो और उस के पास खरीदने के लिये पैसा न हो, तो आप उसको पैसा दे दें जिस में वह पेप्सू, पंजाब या विन्ध्य प्रदेश में अनाज खरीद सकें। लेकिन उस राज्य की सरकारों को ही सारा माल खरीदना चाहिये, बाहर से आने वाले व्यापारी या उन के एजेंट उस को न खरीद सकें।

समय समय पर कहा गया है कि गवर्नमेंट जानती है कि कंट्रोल में खराबियां हैं, बुराइयां हैं और वह कंट्रोल से जल्दी छुटकारा पाना चाहती हैं, लेकिन धीरे धीरे जैसे जैसे कि स्थिति अनुकूल होती जाये। इस के लिये मैं कहना चाहता हूं कि गवर्नमेंट दक्षिण की चार रियासतों और पूर्व की चार रियासतों को छोड़ कर सबों की हालत की जांच करे कि वहां कुछ डिफ़िकल्ट हो सकता है या फ्री मूवमेंट हो सकता है या नहीं। और अगर जबदस्त कंट्रोल रखने की ज़रूरत हो तो गवर्नमेंट को उस तरफ भी ज़रूर क़दम उठाना चाहिये।

इतना कहने के बाद आप को धन्यवाद देते हुए मैं समाप्त करता हूं।

Mr. Chairman: Shri Tulsidas.

Shri R. K. Chaudhuri: Sir, on a point of order, according to Parliamentary practice, a sitting Member cannot catch the eye of the Speaker. The hon. Member was sitting before being called upon to speak.

Shri B. S. Murthy (Eluru): Now, it is four o'clock. There are a number of hon. Members who want to speak. May I know whether this debate will be extended to tomorrow or whether the hon. Minister will be replying to the debate tomorrow?

Mr. Chairman: I have got here a long list of speakers and I am getting more names. I am happy to announce to the House that Government has agreed to extend the debate for an-

[Mr. Chairman]

other day. You can go on. There will be ample opportunity for discussing this particular question by the House.

Shri Loknath Mishra (Puri): Will you admit new names, Sir? I am sending one.

Mr. Chairman: I got the first list from the Speaker which contained 31 names. Now, there are ten more names. I think it is quite enough.

Shri Altekar (North Satara): Sir, I have to move my amendment.

Mr. Chairman: Yes; let him move the amendment.

Shri Altekar: I beg to move:

That at the end of the motion, the following be added:

"and having considered the same, this House approves of the policy of Government regarding general control of foodgrains and welcomes the desire of Government to adjust the same to suit local or temporary conditions without prejudice to the basic objectives."

Mr. Chairman: Amendment moved: That at the end of the motion, the following be added:

"and having considered the same, this House approves of the policy of Government regarding general control of foodgrains and welcomes the desire of Government to adjust the same to suit local or temporary conditions without prejudice to the basic objectives."

I hope the hon. Member would not make a speech now. I only allowed him to move the amendment. I have already called Shri Tulsidas.

Shri R. K. Chaudhuri: Sir, I beg to give notice of an amendment to this amendment:

"That the last five words of the amendment be deleted."

Shri Tulsidas (Mehsana West): I rise to make a few remarks on the food problem of the country.

We have been very pleased to hear the statements of the hon. the Food Minister and the Prime Minister today and to note that the policy of the Government has been consistent and not changing. There has been a certain amount of expression of views throughout the country that the policy has considerably changed because the hon. Food Minister has been telling the country that he goes on the lines of ultimate decontrol. The policy he has adopted in certain regions, perhaps, might have been misunderstood as decontrol. But, in effect, it is not really

decontrol in the sense in which one understands decontrol of foodgrains. What he has tried to do, in my opinion, is an adjustment of the control policy, which has been now endorsed by the Prime Minister. One thing, that I feel that the Food Minister has done, is this: he has created an impression in the country that there is no more scarcity of food in the country, that food is sufficient whether it is from procurement or from imports, and that food will be rushed to wherever it is necessary. That atmosphere is really the crux of the whole problem.

I may point out, and I am sure every Member here knows that fully well, that our country was never self-sufficient in food. We always used to import food even before the war when we had no controlled economy. We used to import about 1½ or two million tons of foodgrains every year from our neighbouring country Burma and that food used to be distributed through normal channels. There was never any scarcity or any shortage.

4 P.M.

The reason is, in my opinion, that the scarcity was not being advertised then if I may say so, at any rate, not so much as it is being done now. My point in saying this is to show that deficit does not mean that there should be always a controlled economy at governmental level. We had controlled economy during the war, and the period soon after the war, and it was necessary. It was absolutely necessary in those times, because otherwise the conditions would have been such that nobody would have liked. But, soon we shall have to revert to the conditions to which we were accustomed before the war. I know, in a planned economy, a certain amount of controls is necessary, and to that extent, our economy will have to be adjusted. But that does not mean that the controlled economy has to continue as we have been accustomed to during all these ten years.

Now, I come to the point that has been raised recently, and in this House by my hon. friend Shri Lal Singh—it is a very important point—regarding the price that the producer gets for his commodities including foodgrains. The grow-more-food campaign which has been pursued during the last few years, for which Government has spent a tremendous lot of money, has not yielded satisfactory results, and not at all up to the expectations of the country. Really, the farmer or the producer has been feeling that the price which he realises for his product has not been economically sufficient for his needs. When I use the words "economically sufficient", I mean the things he would

like to have for his normal standard of life, apart from anything else. I do not mean to say that he should live in the same way as farmers in other parts of the world—in America or in Russia—live. He has not been able to live even in the way he used to live before the war if we consider the price which he has been able to realise for his product.

My hon. friend Mr. Lal Singh has pointed out certain instances. I can also cite the example of cotton. We are large importers of raw cotton. We have been importing to the extent of Rs. 100 crores every year into this country. We have been paying the exporting countries three times the price which we are paying our producers here. And at that time, our farmers were not allowed to sell even at a higher price. Well, he had his one consolation, and that was that he was getting his cloth perhaps at the control price, but I may say with all humility that the poor farmer never got it at the control price. Now, what has happened? Now, the price is controlled at the ceiling and the floor. During the last year, in the marketing period, the farmer could not sell his cotton for about a month and a half—there was not a buyer—while, still we were importing cotton at about twice the price which the farmer was getting. So, how do we expect the farmer to produce any commodity in which he has no stability of income? I do not say he must get stability of income to the extent that any other would get, but at least he must get a stability of income in each commodity which you want him to grow.

Even in the case of foodgrains, so far we were importing foodgrains at the price of Rs. 24 per maund when we were procuring and not allowing the farmer to sell even at half the import price. How do we expect the farmer to grow more foodgrains? We look at our problem from the angle of rising prices, but we must look at it also from the other side. We can reduce the price only provided our production has gone up to our requirements. And that can only be done provided the farmer gets his price for the different commodities. I do feel that ultimately, in order that our economic condition of life may stabilise to a certain extent, our farming population will have to be guaranteed a minimum income for the commodities grown by them. Unless the farmer is assured a minimum income, there is a variation of ups and downs and he produces one year a particular type of crop, the next year another type of crop. And then he does not know where he is. That is one point which I wanted to mention.

I will finish by saying that I do commend very much the policy which the Food Minister has tried to follow for the last three or four months. Rajaji has also tried to bring in the factor regarding the income of the producer, and that is also being now helped by our stopping this food subsidy which was responsible for seeing that the farmer did not get the minimum price at least which he ought to get.

There is one more point which I would like to mention at this juncture. We have now a definite national plan. We have formed that plan, and it has to be implemented. I believe that the implementation of this plan can only be from the bottom—starting from the broad-based bottom; that means that the local person whether he is a producer, distributor, labourer or a small merchant, must be given an opportunity to have his say and to help in the implementation of this plan. I would like to add that if each one of us here looks after the way in which the plan is worked in his constituency, we will be able to do much better.

The Minister of Finance (Shri C. D. Deshmukh): In the time that my hon. colleague allowed himself by a sort of self-denying ordinance, he was not able to elaborate his philosophy, nor was he able to give certain statistics which I think it is necessary to furnish the House for giving it a perspective against which to consider the present problem.

As regards the statistics, I would first like to refer to certain statistics of wholesale prices just as a background. The wholesale price index for all commodities has risen from 383.7 in September, 1948 to 386.3 for the week ended 1st November, 1952. That is to say, it is more or less at the same level as four years ago. The index for food articles was 395.5 in September, 1948 and it is 376.6, that is to say a little lower, today. Now this category of food articles is made up of Patna rice, gur, jowar, salt, coffee and arhar dal. The index for rice, jowar, arhar dal, cotton, groundnuts etc. is as follows:—

Item	Sep. 1952	11-10-52
Rice	965	894
Jowar	187	..
Arhar Dal	692	..
Cotton	455	..
Groundnuts	616	..
Item	18-10-52	25-10-52
Rice	894	858
Jowar	..	179
Arhar Dal	..	763
Cotton	..	424
Groundnuts	..	619

[Shri C. D. Deshmukh]

All these indices are against a base of 100 in 1939, the index for 25th October 1952 being the latest that I have got.

Now I think the lesson of this is that the grower of cereals has not done so badly, and there is not really very much in the point made by Dr. Lanka Sundaram that cereals are now giving place to cash crops. Actually the grower of rice still gets apparently a better price, and even if it is true that there is a certain amount of substitution from time to time as between them, I do not think any State concerned loses or the country as a whole loses. We want most of these things either as the raw material of industry or for export, to the extent to which the State makes a special effort; in regard to jute we promised that we will make up the deficiency as we did in the case of West Bengal, and if any change is taking place anywhere else in Madras, then we shall have to take notice of it. That is the inference that I draw from these wholesale index figures.

Now I shall turn to the cost of living index figures....

Shri S. S. More: Has the hon. Minister got figures as regards the cost of production of the different commodities at different stages? Without such figures, we cannot draw any reliable inference.

Shri C. D. Deshmukh: I think the point made by the hon. Member is correct. But one of the most difficult things to determine is the cost of production. I remember that the Indian Central Cotton Committee and the Imperial Council of Agricultural Research carried out an inquiry extending over three years between 1936 and 1939 into the cost of production of cotton, and the results were quite bizarre; in some cases there was a profit while in other cases it was conclusively proved that there was a continued loss for the last three or four years, which it did not seem to be possible. Therefore one has to content oneself with some kind of datum line and that datum line, as I said, has been taken as the price level of 1939 at which it is assumed that almost every crop was producing some kind of a profit. Well, the hon. Member Mr. More is shaking his head very vigorously, and I feel that he is entitled to shake his head and keep his opinions fixed.

As regards the cost of working index....

Sardar Lal Singh: I want to interrupt the hon. Minister just for one minute, if he would allow me to do so. He has just said that an inquiry into the cost of production in the case of cotton showed that some of the farmers in some localities were not making any profit, which "seemed rather unlikely". I want to tell him that this is so and there is nothing unlikely in it. The Board of Economic Inquiry—which has been carrying on investigations in the Punjab for the last 20 years—and it is presided over by no less a person than the Financial Commissioner—has conducted certain inquiries, and if the hon. Minister would refer to the printed Reports, he will find that a peasant-farmer, even though owning his own land, has not been able to earn as much as a farm labourer does, which means that the peasant is not getting even his actual wages. If he had worked as a labourer, he would have got more than as a farmer. So, I think, there is nothing wrong in that conclusion that some of the cotton growers are not making any profit out of their cultivation.

Shri C. D. Deshmukh: Shall I be allowed five minutes more?

Mr. Chairman: I will give you two minutes more.

Shri C. D. Deshmukh: That is quite possible. In this case, I had occasion to study these figures, and the holdings were in the same village; one holding showed a profit, while another holding more or less comparable with that showed a loss. I find I am not able to give any more satisfying reasons for that discrepancy.

In regard to the working class cost of living indices, I would refer to them only to sound a note of warning. If we take Madras, the figures were as follows:

Month	Food	General
January 1947	303	251
September 1952	350	330

The food index has been rising since April, the figures for the various months being as follows:

Month	Index
April 1952	347
May "	350
June "	354
July "	358
September "	360

I think finally when we consider whether the Madras experiment has succeeded or not—whatever the reason may be, may be failure of crops or may be failure of the system—we should have to keep these figures at the back of our mind, because these are the final criteria. In this or similar figures one must start a new series for the middle class cost of living or the agricultural workers' cost of living. But some such series would have to be considered to see what the effect has been.

As regards prices, I was glad to find one of the speakers, Mr. Khandubhai Desai, placing emphasis on certain main criteria, the price level also being one of them.

Shri Sinhasan Singh (Gorakhpur Dist.—South): On a point of information. When the hon. Minister is giving us the figures, may I ask him also to supply us the amount of new acreage that has been brought under cultivation since 1947.

Shri C. D. Deshmukh: If the hon. Member will wait a little more, he will find that I am coming to still more statistics.

When one would have to deal with prices, what is more important is that one would have to watch the figure of imports. If it is said that prices were high, they happen to be low this year. It is a thing that simplifies our problem very much. If we had been taking this decision last year, I think we should have considered the risk too big, because the price of the imported wheat was Rs. 24 per maund, while this year it is Rs. 16 per maund, which is about the same as our procurement price, and that makes a world of difference.

The third thing which we have to consider is our ability to find any money for subsidy. In regard to this last point I quoted a great many figures and I pointed out that we have lost a great deal of our income by the same process which has brought the buyers' market, namely we have lost crores of rupees, by way of export duties, and I am afraid the process has not ended. These are the points or beaconlights on which we should have to keep a weather-eye.

Now that brings me to the next point. I talked about resources and subsidy and so on. Actually I think it would be most convenient if we regarded this question as the concomitant of the question of implementing the Plan. Now those who have had the opportunity of studying not only last year's draft outline but this year's draft in various consultations would have found

that the kingpin of all this Plan is some kind of implied control. And the reason is this. As an undeveloped country, we want to maximise our investment effort, that is to say, we want to increase the size of the Plan as much as we can. We realise that no plan produces its effects instantaneously and there is always a time-lag and the larger the time-lag the greater the danger of a disparity arising between purchasing power and the stock of essential consumer goods. And that is why we have to ensure that the distribution of essential consumer goods will remain on an equitable basis, and the only means we have achieved by and large is of course by the imposition of physical control. Therefore, if one were to say that "things are easy and therefore, in these essentials one might afford to be slack"—I am not talking of one year or two years; conditions this year are certainly very abnormal, but over the whole period of the Plan—then I, as one of the planners would say that we are not putting forward our maximum possible effort in planning, because if that is so, if there is slackness in the system, then obviously one ought to pay more money and take up more schemes to the point at which a control becomes necessary. Therefore, it is no use saying that there are circumstances for a planning country in which a state of decontrol would be a state of bliss. Certainly it would be; but that state of bliss would not last very long. Not a day passes without my getting some kind of demand for adding to the Plan. By way of amusement—because I really cannot do very much about it, I have them added—they already amount to Rs. 93 crores. So now on the one hand I am asked to increase the size of the Plan by, say, Rs. 100 crores, and on the other hand, there are some gentlemen—fortunately very few—who say that we could run a plan with a threat of decontrol running eternally in our minds. Now those two things are not compatible, and that is what Government have recognised, and I believe, that is what the majority of the House would recognise. Now that being so, we have got to consider what are the different factors in the situation. There are several questions that fall to be answered. Do controls affect production of cereals? Well, frankly, one does not know. The trouble is that we are not agreed even as regards our statistics. Till a few months ago I was under the blissful impression that the ICAR statistics were the last word on the subject. I am sorry now to have to say that there is another Statistician who thinks they are rather under-estimates. They are under-estimates by as much as, well, X per cent., X being a double figure.

Shri Gadgil: 99?

Shri C. D. Deshmukh: It is not as bad as that. But I will take for argument the ICAR figures.

All cereals :	Million tons.
1949-50	45.5
1950-51	44.2
1951-52	44.4
Rice:	
1949-50	22.9
1950-51	22.0
1951-52	22.8
Millets:	
1949-50	16.1
1950-51	15.5
1951-52	15.4

There is not really very much in these figures, and one has to remember if reports are correct and if the requests I get for assistance for relief works are considered, there is scarcity and famine over a larger area this year than there has been in the previous years. Well, if one makes allowance for that, I do not think it is proven that controls affect production one way or the other.

Then the next question is: Is there any difference between Northern and Southern areas? Now there too I have taken the overall figures, and I find that there is not really very much in it. Taking Bihar, Madhya Pradesh, Punjab, U.P., Madhya Bharat and Orissa as the North, these are the figures:

1949-50	23.2 million tons
1950-51	21.8 "
1951-52	22.0 "

There is a slight reduction in the South—Bombay, Madras, Mysore, Hyderabad, Travancore-Cochin.

1949-50	13.6 m. tons
1950-51	13.2 "
1951-52	12.9 "

There again we must remember that there have been scarcity areas in the South and some more are emerging now. So if you ask my own judgment in the matter, I should say that that also is not proved. I have also looked at the figures of production and I for one am not convinced that laxity or rigidity in methods of procurement has any great effect on production. Punjab has done extremely well and Punjab is running a system of procurement, although it is not a very efficient system indeed. And, therefore, on that point also I would not myself

be prepared to dogmatise. But these are personal opinions.

Then the third question is: Will increase in prices raise production? Well now here we find by going through a bit of economic history that there is no fixed relation between prices and production over the whole field of agriculture. You can certainly promote production by substitution by giving incentive to one single crop, and the smaller the crop the greater the effect of this stimulant. Take sugarcane, or take jute. It is a classic example. Prices went up after decontrol to Rs. 100 and the area went up. I do not think all of that represented production, but anyway it was regarded as production. And this year the prices are Rs. 25. Now one can only sit with one's fingers crossed and keep hoping that the prices would not go down. I might incidentally dispose of a point here. That brings me to the heart of the matter and that is that what we call procurement prices in a period of rising prices are 'floor' prices in a period of falling prices. That, I think, gives some validity to the point made by Shri Lal Singh. He says: "You cannot have the best of both the worlds. You cannot say 'demand and supply' when prices are going down and the poor cultivator gets five rupees, four rupees, three rupees for what he grows in the anticipation that he would get a good profit judging from last year". So either you choose that system and then you leave him to his own way or you keep the 'floor' and work for stability. (An Hon. Member: That is right.) And, therefore, I think that one ought to think for good days and evil. It is an essential plank in our policy that we must keep a ceiling and a floor. We must keep a floor under the cultivator's prices. Now once that is done, then you can get your stability. That means, as somebody suggested, that if somebody brings coarse grain, we must be prepared to buy it. It is no use saying that your challan will take, as my hon. colleague said, four months to cash. He must get the money on the spot; nor can you say.....

Shri Kidwai: Somebody there must complain.

Shri C. D. Deshmukh: I know it. But you were sympathetic to them. I quite agree it is quite absurd to tell anyone who offers ready grain: "Wait and go through this procedure". What is intended for the protection of the revenue must not act as a detriment to the cultivator, when you undertake State-trading. Nor will it do to say that our storage accommodation is

limited. That is not the cultivator's concern. It is up to you to see that you have enough storage accommodation. And then if it all goes bad, well it is your 'funeral'.

So I think, therefore, that floor prices reasonably spaced as between two different crops are very necessary. That brings me to the point that was made by the hon. Member there who seemed to me to propound very dangerous theories about conceding a price rise to everyone who wanted to grow. I do not suppose he has paused to think what will happen to Indian economy if one were to do that. I agree that for about six months or a year everyone would be very happy but after that I fear that even he would start feeling miserable, because we shall not be able to export anything, we shall not be able to keep up our imports and I do not know what will happen to our country.

Shri Tulsidas: What I was saying was that there should be a floor and that is now what you have accepted.

Shri C. D. Deshmukh: I accepted it long before the hon. Member said it. There has been a floor for cotton for the last four or five years. In the last season I gave an assurance that I was prepared to buy every bale that was offered to me. Unfortunately no bale was offered to me. (*An Hon. Member:* Last year?) Yes, last season, in January-February, I offered to buy—in this House, I announced that I was prepared to buy cotton at the floor price. The dispute was about what the floor should be—that is quite irrelevant for the purpose of the present debate—whether it should be Rs. 450 or Rs. 500 or Rs. 600. I do not think that increase in price necessarily will increase production over the entire field of agricultural production. And, as I have said, a fixed price acting as a floor has a great deal to recommend both from the point of view of the consumer and from the point of view of the cultivator.

The next question is, "Has the food deficit diminished?" I have incidentally referred to it. According to the view of our statistical officer both our production and our consumption are bigger; in other words, we have achieved by statistics what the five years of planning could not have achieved.

Shri Kidwai: Yes.

Shri C. D. Deshmukh: If we want to make efforts to reduce our imports, as we are all anxious to do, and we seem to be united on this one matter and I do not think there is a single

dissentient voice in this House of 500, we can do so more in the consciousness that perhaps we are producing a little more and consuming a little more. Therefore the belt can be tightened a little. So, I think, as a long term policy, the policy advocated by the Planning Commission is the only one that is acceptable by the country, namely, over these next 3½ years we must eliminate the import. Whether you can do it next year or not, I cannot say, and my hon. colleague is bound in view of the commitments in the light of International Wheat Agreement. I do not know—he looks doubtful.

Shri Kidwai: No, no.

Shri C. D. Deshmukh: If he is not, then I would be the happiest man because I have got to find the exchange for it.

I hope there is a demand of about 625 lakh tons. Whatever it may be, that is a matter which we have to consider—I have a note here in my pocket and I will ask him about it. That is about imports. It is against this background that I think we must consider what we are going to do this year. I personally think that we should not allow our ideas about controls and particular methods of procurement and so on to be fossilised. It is not right to keep them on the same track and in the same rut, levy, monopoly procurement, this or that. It may be that conditions this year are such that we ought to think of something new and the conditions are now peculiar, in this way that an unexpected slump has come upon every producer, including the producer-hoarder. And with the deflationary measures which, I would like to point out, we were enabled to carry out by the sale of the two million tons of wheat, which by themselves formed our additional stock. So, it is a double-edged weapon. We got the stock and we got the money. We sold it out and we got money for our development purposes. Therefore we killed not two birds but three birds with one stone—not the stone in the wheat, the wheat was not so bad. So that is what we are able to do today. We have got some stock in our hand, something to manoeuvre with. Also for a certain period, the producer-hoarder like many of his betters is wiser and is coming out into the market. There is a good deal of grain coming in the market. At the same time, our ships, not one ship a day but three ships a day call at the ports and when the monsoon was very inexorable in May and June we had little more storage accommodation, we had no confidence that we could cope with the problem. In Madras, for

[Shri C. D. Deshmukh]

instance, we had four lakh tons of rice already in the hands of the Madras Government, which, at the rate of five ounces a day meant a minimum of 15 months or at seven ounces a day, 12 months for all the rationed areas. There were two deficit districts, Malabar and Nilgiris. They said they can manage this and that is why the experiment started. Whether that experiment will be successful or not, one cannot say finally until one sees the result of this monsoon with Madras production. When we see it successful, it does not mean that what we did in Madras should automatically be repeated in other States also, because the result of that would be to stereotype the pattern of control and the burdening of the Centre with the residual responsibility, whatever it may be. Now, if that responsibility is to be discharged, there are only two ways of doing it, call it in whatever way. You may call it one million tons for a population of 20 millions, call it four millions for a rationed population of 40 millions, or eight million tons for a population of 110 or 120 millions. There are only two ways of getting it, procurement and imports. Now, we do not want imports. Therefore, what you have to do is to procure. For this we say that the essential machinery of procurement shall not be interfered with and we can turn back to it if necessary, if our present plenitude comes to an end. If it does we ought to be able to go back to procurement. There must be some kind of system and that is why I think we have not agreed to take away the State barriers at the moment except for small things like gram. We have controlled it and decontrolled it some four or five times. About millets, it is a different position because it is 1/3 of our total produce and that is why there is no question of sufficiency or not. The idea behind a sense of self-sufficiency is that nothing serious will happen. But that is not so. Sometimes unexpected shortages develop and in free movement this kind of unexpected shortages are likely to be aggravated into very big shortages as happened in the famine of Bengal in 1943. In Bengal, statisticians have calculated that the original shortage in rice was only six per cent., but the moment it was known that there was going to be a shortage, people started saying that it will develop and the shortage extended to the point at which people could not subsist. That kind of thing is likely to happen in any zone. Therefore, a self-sufficiency zone is not really a zone which can always afford confidently to run a system of decontrol. A country which is self-sufficient cannot necessarily say that we can run a system

of decontrol because then they would have to depend on some kind of import. Therefore, I think that some kind of rational form of control is wanted, with fair prices which will enable us to put part of the grain as a store against these which will serve as a sort of buffer stock. That is a kind of system that we want and that is a system that has been thought of in the F.A.O. and other international bodies and in which, I think, there has been a kind of proposal that there will be an international pool for that purpose. These are the matters which I wanted to explain.

Shri Meghnad Saha (Calcutta—North-West): The hon. Minister has referred to the Bengal famine. I must correct certain facts. The Bengal famine was due to the fact that from certain areas foodgrains were removed for fear that the Japanese will occupy those areas.

Shri C. D. Deshmukh: That is an additional cause—that the boats were removed.

Shri S. S. More: May I make a request to the hon. Minister through you, Mr. Chairman? A crop of figures have been supplied to us by him. Could they be circulated to us?

Shri C. D. Deshmukh: A crop of food, did you say?

Shri S. S. More: No, a crop of figures; perhaps they may give us some food for thought.

Shri Kidwai: These figures were always with you.

Shri C. D. Deshmukh: They are taken from printed books.

Dr. Krishnaswami (Kancheepuram): After having listened to the Finance Minister's exposition of the food policy, it now remains for me to express a few doubts that I feel regarding this policy. First of all, before I examine the implications of what he has stated, I should like to clear the ground by making a reference to the figures that have been supplied to us this morning. The question that was raised by one of my colleagues this morning was how there was such a reduced offtake from the ration shops and for this the explanation seems to be quite simple. In the first place, due to our having reduced ration requirements there is bound to be a certain amount of reduction from the issues from the ration shops. Secondly—and this is an important factor—the rise in foodgrain prices has led to certain consumers not drawing the full extent of their rations

and going in for subsidiary articles of food consumption. This is particularly so among the lower middle classes and the lower income groups. Thirdly, the offtake depends upon the composition of the rations that are given. For instance, in certain areas people are not willing to consume certain articles to which they have not been accustomed and they do not draw those articles at all.

Now, the question that has been raised by the Finance Minister today is that if we are to have a sort of planning then undoubtedly we should have some type of control or other. Some type of control is undoubtedly envisaged, but the question is what type of control we want. I would like to remind those on the other side that for the past ten years or so, we have been living under what is called a system of distribution controls. Distribution controls have their disadvantages. They are quite different from production controls. I should like to elaborate this matter a little bit, because on it will hinge the question of how far we are going to have areas of decontrol and what type of controls we are going to have in which there will be a system of free enterprise operating without in any way militating against the planning scheme of the Government.

Hon. Members on the other side are aware that a system of control spread over a period of ten or twelve years tends to get rusty and many of the difficulties that we have been experiencing with regard to procurement, stories of corruption etc. are partly due to the fact that there has been this system of distribution controls. As a matter of fact, I was inclined to agree with what an author had said on this particular subject. I think he has gone into this question at considerable length and his estimates are bound to have some value to those who attach importance to scientific investigation. This is what the learned commentator says in the *Tatas Quarterly*:

"On the whole, the policy of control as it has operated in this country during the last four years appears to have proved injurious to the growth of production."

Of course, he gives figures but it would not be proper for me to go into them at length because the time is so short. He continues:

"The output of foodgrains.....
.....needs to be reviewed."

Shri C. D. Deshmukh: Who is the author?

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Dr. Krishnaswami: It is Mr. Pandit, I think, although the article is not signed. On the whole, I think the figures he has given are fairly reliable and I agree with the estimates he has put forward.

During the last four or five weeks there has been a certain amount of controversy as to what exactly is the nature of the controls that we are visualising. I would like to remind the House that during the past decade important changes have occurred in income, in taste etc. and the system of distribution controls that we have evolved tends to stratify consumption and to that extent it tends to distort the price structure. If that were not the consideration in view, then I suppose my hon. friend the Finance Minister would have no objection whatever to doing away with all distribution controls as they are at present, but as he has reminded us we have also to keep in mind the perspective of the planning period in which we live. We have also to remind ourselves that today 50 per cent. of the income is spent on cereals and food and therefore the whole idea of control is of strategic importance. As a matter of fact, if we have to resort to deficit financing to the extent of Rs. 300 to 400 crores, then some type of controls has to be visualised. As against this, I should like to place before my hon. friend the Finance Minister the other factor which he has been frequently stressing before the House, namely, that we are on the eve of a big agricultural revolution and the great multi-purpose projects which we have already conceived and which are well under way would in a year or two...

Shri C. D. Deshmukh: No, four years.

Dr. Krishnaswami: ...very well, they would in four years lead to an increase in agricultural production and the patterns of production and consumption would also alter. I would not like to elaborate on this but for the fact that my hon. friend has mentioned that within three or four years this change will happen. Even if it happens within three or four years, we have necessarily to have a different type of plan or control which would simultaneously give us the benefits of a greater measure of freedom and at the same time bring about increased production. It is a very simple thing, when you come to think of it. Take the Damodar Valley Project, for instance. As a result of its getting under way, a lot of water is supplied to the agriculturists, undoubtedly.

An Hon. Member: Not for another three years.

Dr. Krishnaswami: The irrigation portion would be under way in the next year. That is what is anticipated by the Government and if that actually happens, then we would have to think of what types of crops would have to be grown and what types of production would have to be encouraged. The present type of distribution controls tends to a large extent to distort the price structure and may not yield the maximum results. There is also the fact that if we live too much a system of distribution controls we may not be able in the long run to control the production system for the best purposes. If that be so and if we are to have a type of control then we have to think in what areas we should have a certain amount of decontrol and what are the risks involved and what steps should be taken to eliminate them. If the risks are insuperable, undoubtedly we may not be in a position to resort to this experiment of decontrol in certain limited areas, but if the risks are not insuperable then certainly we would have to think in fresh terms as to how far we are going to have an increased area under decontrol and have a different type of control which would promote the objectives that we have in view. One of the great dangers of immediate decontrol as has been visualised by the Finance Minister would be the extraordinary spurt in prices which would follow in the wake of decontrol. That has been the experience of Madras; that has been the experience of all countries where there has been a shortage of goods, and particularly now we find it very difficult to visualise an absolutely decontrolled economy for the simple reason that the imported foodgrains are much higher in prices than the foodgrains that are produced within our country. If it is possible to have imported foodgrains at a fairly equal level with those grains which are produced in our country, then I think the possibilities of our having decontrol over a large area would be considerably simplified. The possibilities of building up buffer stocks would be considerably easier and undoubtedly when these foodgrains are cheaper it would be possible for us to build up these buffer stocks with which we can certainly bring into reasonable parity and hold these buffer stocks for the purpose of supplying high price regions. To my mind and to those who have given some thought to this problem, I think it would be clear that what we have to do now is to resort to stricter methods of internal procurement in order to build up these buffer stocks so that with these buffer stocks we might be in a position to control prices in different areas.

As regards the decision that has been taken by the Food Minister to

decontrol millets, I think that indeed is a very sensible decision.

Shri Nanda: There is no decision to decontrol millets.

Dr. Krishnaswami: What is the decision about millets then?

Shri Nanda: It is a decision to strengthen control on millets.

Dr. Krishnaswami: Then, I should like to be enlightened.

Shri Nanda: The position, as has been explained by the hon. Food Minister is that inter-State barriers will continue. Provisions have been introduced now which will enable a deficit State to procure its requirements from a surplus State more effectively than before, on a State-to-State basis.

Shri T. K. Chaudhuri: May I make an appeal to the Government, through you, Sir, to determine their terminology? First we heard relaxation of control, then modification of control and now it is intensification of controls. Where do we stand—we would like to know.

Dr. Krishnaswami: All that I can say is that the explanation has made the position more confusing than what I thought it was. So far as millets are concerned, I hope it is common ground with the Government we are not importing one ton from abroad. Everything is being produced in this country. At least there is agreement on that point.

Shri C. D. Deshmukh: In future or in the past?

Dr. Krishnaswami: In the past.

Shri C. D. Deshmukh: In the past we imported a lot of milo, which is millet.

Dr. Krishnaswami: Rough millet, I mean.

The Minister of Agriculture (Dr. P. S. Deshmukh): Milo is very red rough millet, like *ragi*, *juar* and *makka*.

Dr. Krishnaswami: I mean indigenous millets which are internally produced and which go to make a good part of the diet of the lower income groups. It is possible in an area which can safely decontrol it without being faced with consequences of rise in prices or any great difficulties. The only safeguard which I should like to suggest is that even here it might be better to build up a small buffer-stock against certain contingencies, because sometimes some people have a habit of cornering these millets and the lower income-group which we precisely want to help may not be benefited at

all by our having given absolute freedom of trade in this particular category of millets.

But what should be the long term policy that should be pursued by Government? That after all is the thing which really interests most of us and on which I should expect the Government to throw some light. My hon. friend the Finance Minister referred to the Planning Commission and to all the great plans that are to be drawn up for the purpose of increasing the prosperity of our country. I am one with him that we should certainly draw up plans for the prosperity of our country. But I would like to ask the Government and the Finance Minister in particular whether it is really not possible to have a different system of controls in our country. The long term policy should be that we should go in for production controls rather than for distribution controls. I think the time has arrived when we should progressively relax distribution controls and go in only for production controls; controls that operate at an earlier point of time will not lead to a distortion of the price structure and may be easier of operation. For instance agriculturists who have a certain area of land, say about 25 or 30 acres, might be given a few of the Government's production plans and a certain amount might be reserved for production of cereals. The great advantage about having production control rather than having distribution control is that in the long run we would have a greater amount of freedom and incentive on the part of the producer to produce more. What would happen in that situation is that private traders and others would get enough stocks of grain to sell in the market as a result of production controls. In the event of there being difficulties, or, in the event

of Government wishing to break up anything which is sold at a higher price, all that they have to do is to enter into the market, buy it at market price and build up buffer-stocks for themselves, so that they might be in a position to break down prices. I hold the view that we have now to revise our views on the control policy as we have been pursuing it and think in terms of a different type of controls. I am one with the Finance Minister when he says that in these matters we cannot adopt a fossilised attitude. For over ten years we have tried the system of distribution controls. The time has now arrived when we should relax distribution controls and think in terms of production controls. That would give us greater scope for planning and achieving maximum results. Distribution controls in an underdeveloped economy do not work as efficiently as they would in the case of a fully developed economy. Therefore, from the point of view of enlightened planning I suggest to the Government that they should adopt a policy of production controls, touching controls at the source rather than at some place far remote from the source, because that is very difficult to touch, particularly in view of the inadequate administrative machinery that we have at our command.

5 P.M.

Shri Barman (North Bengal—Reserved—Sch. Castes): After the day's long debate, in the course of which many things have been said, I do not like to deal with broad policies. I shall, therefore, confine my remarks to certain matters which have not been mentioned.

The House then adjourned till a Quarter to Eleven of the Clock on Tuesday, the 18th November, 1952.