

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:33

ANSWERED ON:23.02.2010

CONFERENCE ON PRICE RISE

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo;Gowda Shri D.B. Chandre;Jeyadural Shri S. R.;Ramasubbu Shri S.;Vinay Kumar Alias Vinnu Shri ;Yaskhi Shri Madhu Goud

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether a conference of Chief Ministers was convened recently on the issue of price rise and to devise ways to check the same;
- (b) if so, the details of the issues discussed and the decisions taken therein alongwith the reaction of the Government thereto;
- (c) whether the Government proposes to take any steps including changes in rationing system, opening of retail sector etc. to check prices; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

- (a): Yes Madam. A conference of Chief Ministers was held on 6th February 2010 to discuss the issues relating to prices of essential commodities.
- (b): The major issues which were discussed
 - (i) Insulation of the poor and the vulnerable from adverse price movements as the prime concern of the Government.
 - (ii) The State Governments` role in ensuring that food articles imported or distributed through the Public Distribution System to quickly reach the intended beneficiaries through better targeting and strengthening of PDS, better procurement, better offtake of the commodities was highlighted.
 - (iii) Short term measures and long term strategies to ensure food security by increasing production and productivity of foodgrains so as to meet the demand.
 - (iv) Need to implement agricultural market reforms so as to improve marketing opportunities for farmers and minimize the cost of intermediation in the supply chain by using co-operatives and other institutions.

Decisions taken therein :-

The conference recommended the constitution of a Standing Core Group of State Chief Ministers and concerned Central Ministers. This Core Group will deliberate on and recommend measures to

- (i) Increase agricultural production and productivity(including long term policies for sustained agricultural rowth);
 - (ii) Reduce the gap between farm gate prices and retail prices;
 - (iii) Better implementation of and amendment to E.C. Act;
 - (iv) Ensure better and effective delivery of essential commodities to the vulnerable sections of society;
 - (v) Augmentation of warehousing and storage capacity (including cold chains);
 - (vi) Issues relating to inputs viz. seeds/fertilizers etc. The Government of India has agreed to constitute the Core group.
- (c): Reforms in the public distribution system are being addressed in the Fod Security Act under preparation. Expansion of retail section is also expected to address distribution bottlenecks`.
- (d): Does not arise.