

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:6893

ANSWERED ON:17.05.2012

PURCHASING POWER OF RURAL POPULATION

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the purchasing power of rural population in the country is decreasing continuously;
- (b) if so, the reaction of the Government thereto;
- (c) whether the rising prices of food products and the items used in agricultural production like seeds, fertilizers, diesel, water etc. are the reasons for it;
- (d) if so, the details thereof;
- (e) the details of the decrease in the purchasing power in 2009-10, 2010-11 and 2011-12; and
- (f) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a) to (e): Labour Bureau compiles and maintains Consumer Price Index (CPI) numbers which measure the temporal change in prices of fixed goods and services consumed by Rural Labourers (CPI - RL) on base 1986-87=100. The CPI-RL is for specific target group and not for the whole rural population and the annual average General, Food Group and Fuel & Light indices for the years 2009-10 to 2011-12 are given below:-

Annual Average Index in respect of Rural Labourers

Food Fuel & Light General

2009-10	523	500	513
2010-11	573	577	564
2011-12	603	674	611

Year on year inflation rates (%) for Food Products and Agricultural Inputs are given below:

Items used as agricultural inputs Weight (%) 2009-10 2010-11 2011-12 (P)

Food articles	14.34	15.28	15.60	7.29
Food products	9.97	13.50	3.72	7.10
High Speed diesel	4.67	-2.10	14.10	8.45
Electricity (agricultural)	0.85	-1.94	9.99	5.11
Fertilizers & Pesticides	3.14	1.08	7.17	11.61
Agricultural machinery & implements	0.14	2.33	8.59	0.11

P: Provisional

(f): The Government has taken various steps in order to contain price rise in essential commodities. The steps are (i) to reduced import duties to zero for rice, wheat, onion, pulses, edible oils (crude) and to 7.5% for refined and hydrogenated oils and vegetable oils (ii) allowed the import of 50000 tonnes of Skimmed Milk Powder and other Milk product (iii) duty-free import of white and raw sugar has been extended up to 30.6.2012 (iv) banned export of edible oils (except coconut oil and forest based oil) and pulses (except Kabuli Channa and organic pulses upto a maximum of 10000 tonnes per annum (v) imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oil and edible oilseeds and in the case of paddy and rice for specific seven states (vi) Government allocated rice and wheat under OMSS Scheme, for BPL and APL families and as per Supreme Court's orders.(vii) Extended the scheme for distribution of subsidized imported pulses through State Governments/UTs with subsidy of Rs. 10/-kg for distribution to BPL families @ 1 kg per month and subsidized imported edible oils with subsidy of Rs. 15/- kg for distribution to ration card holders @ 1 litre per ration card per month.

