

**GOVERNMENT OF INDIA
TRIBAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1843
ANSWERED ON:09.03.2015
IMPACT OF INFLATION ON TRIBALS
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Will the Minister of TRIBAL AFFAIRS be pleased to state:

- (a) whether the inflation in the prices of food articles has adversely affected the tribal people in the country; and
- (b) if so, the details of steps taken by the Government to protect the tribal people from the adverse impact of food inflation?

Answer

MINISTER OF STATE IN THE MINISTRY OF TRIBAL AFFAIRS (SHRI MANSUKHBHAI DHANJIBHAI VASAVA)

(a): Inflation in the prices of food articles adversely affects all sections of the society including tribal people of the country. It affects poor section of the society, including the tribal people, more than the affluent section of the society because, the share of total consumption expenditure of poor people on food articles is relatively very high. During 2014-15, there has been a significant moderation in general price level. Inflation in terms of Consumer Price Index (with base year: 2010), which averaged 9.5 percent in 2013-14 declined to 6.8 per cent during April- December, 2014. As per revised series of CPI with base year 2012, CPI inflation stood at 5.1 percent in January 2015.

(b): Government is committed to control inflation and is closely monitoring the price situation and taking measures to bring down inflation particularly food inflation. Various fiscal and administrative measures have been taken to control food inflation and to protect vulnerable sections of society including the tribal people from inflation. Some of the major steps taken by the Government are:

Higher allocation of rice to BPL and APL families in states and, higher allocation of wheat under Open Market Sales Scheme (Domestic) for 2014-15;

Moderation in increases in the Minimum Support Prices during the last and current season;

Advisory to the states to allow free movement of fruits and vegetables by delisting them from the APMC Act;

Restrictions on hoarding and exports of onions and potatoes.

Government has also signed with the RBI an agreement on flexible inflation targeting framework thereby mandating the RBI powers to administer monetary policy to keep CPI inflation within a range of +/-2 percentage points of 4 percent.