

MR. SPEAKER : The hon Members should not talk.

(Translation)

SHRI DHARAM PAL SINGH MALIK : You may speak.

(Interruptions)

[English]

MR. SPEAKER : What do you do with these people ? Now, what do I do with these people ? Can you do something with these people ? They are talking like this...

(Interruptions)

MR. SPEAKER : Mr. Choubey, you can go outside and talk to him. You can have a wrestling match with him—not in the floor of the House.

SHRI NARAYAN CHOUBEY : You should give us some time also.

MR. SPEAKER : I am not giving any time. That is what I am saying. You are taking away my time.

SHRI NARAYAN CHOUBEY : He has also taken ..

MR. SPEAKER : Yes, he is also taking. If you want to have a verbal duel you can go outside and have it. Who are you wasting the time of the House ? You are both becoming irresponsible.

(Interruptions)

MR. SPEAKER : I will have to ask the Marshal to take you both out. That is what I am going to do.

SHRI LALIT MAKEN : Emergency has not been declared and you are concerned about that...

(Interruptions)

MR. SPEAKER : Mr. Maken, will you behave yourself ?

[Translation]

You can go outside and talk to him...

[English]

—not in the House. It is not a debating place for both of you.

MR. MALIK,

12.18 hrs.

CALLING ATTENTION TO
MATTER OF URGENT PUBLIC
IMPORTANCE.

Recent fall in prices of agricultural produce and steps taken by Government to ensure remunerative prices to agriculturists.

[English]

SHRI DHARAM PAL SINGH MALIK (Sonepat) : I call the attention of the Minister of Agriculture and Rural Development to the following matter of urgent public importance and I request that he may make a statement thereon —

The recent fall in the prices of agricultural produce and the steps taken by the Government to ensure remunerative prices to the agriculturists for their agricultural produce including raw jute, tobacco, paddy, coconut, wheat, etc.

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT (S. BUTA SINGH) Sir, Hon'ble Members have mentioned about the recent fall in prices of agricultural produce including raw jute, tobacco, paddy, coconut, wheat, etc However, a review of the price situation between April and 13th July, 1985, for which latest wholesale prices index numbers are available, reveals that the prices of rice have risen continuously and the price index which was 272.4 in April increased to 287.4 on 13th July. The prices of wheat, barring a seasonal decline, have gone up after May and the latest index is 216.9 compared to 208.6 in May. The price

indices for bajra and maize have also been rising continuously during this period while for jowar there is a mixed trend.

2. Hon'ble Members are aware that raw jute prices had gone up to unusually high levels during 1984-85 following the fall in production. The index number of raw jute prices went up from 262.3 in February 1984 to 695.8 in April, 1985. The price of raw jute for W 5 grade in Calcutta reached Rs. 975 per quintal in January, 1985. Clearly this high price is untenable and continuation of such high price will not be in the interest of the farmers. This year the jute crop prospects are considered to be good and as a result, prices have started coming down. Even then, the index number of raw jute prices as on 13th July, 1985 is higher at 352.4 as against 280.8 in July, 1983. The present level of prices is also well above the remunerative support price declared by the Government. As regards tobacco, it is observed that the price index had risen since January 1985 except in the month of June when it registered some decline. However, the latest index number as on 13th July, 1985 is 196.5 as against 181.3 at the end of July, 1984.

3. In respect of oilseeds, it is observed that the index numbers of wholesale prices had declined in May and June but has since improved by the week ending 13th July, 1985. During this week, the index numbers stood at 294.3 as compared to 292.6 in the month of April, 1985. A similar trend is noticed in the case of rapeseed and mustard which came to the market from the month of March. The index numbers of wholesale prices declined from 241.9 in March 1985 to 231.8 in June 1985. However, the prices have since picked up and as on 13th July, 1985 the index stood at 241.3.

4. There has been some concern about the behaviour of coconut prices in recent months. Hon. Members are aware that in the last Session, I had mentioned that Kerala unfortunately suffered from an unprecedented drought in 1982, the effect of which on the

coconut crop was felt in 1983 and 1984. Because of fall in production, prices ruled at a very high level till December 1984. From January 1985, with the prospect of a better crop, the price started coming down from the unusually high levels reached in 1983 and 1984. In Cochin market, the price of coconut per thousand nuts was Rs. 1950 on 28th April, 1985 which came down to Rs. 1600 on 28th June but has again risen to Rs. 1800 on 12th July, 1985. The present price level of coconut at Cochin and Alleppey is higher by 33 per cent and 27 per cent respectively compared to the prices in 1982.

5. I had mentioned on earlier occasions in this House that the agricultural price policy of the Government is primarily directed towards ensuring remunerative prices to the producers and safeguarding their interest. In every season, Government announces support prices for this purpose and to ensure that the growers get remunerative prices for their produce, support purchases are organised through a number of public sector and cooperative agencies. Hon'ble Members will be happy to note that during the current marketing session a record quantity of rice of 9.77 million tonnes has been procured up to 19.7.1985 by the Food Corporation of India and State Government agencies. In wheat also, the procurement this season of 10.3 million tonnes (up to 19.7.85) has already surpassed the last year's record level of 9.3 million tonnes. Expecting better harvest of raw jute this year, Jute Corporation of India has been alerted to enter the market in a significant manner. In order to help the coconut growers in Kerala, who are largely small and marginal farmers, Government of Kerala have also initiated measures for marketing support through Kerala State Cooperative Marketing Federation. The Federation, which started purchases from 27th June, 1985 had purchased 5012 quintals of copra by 9th July, 1985 in order to stabilise the price of copra at reasonable level.

6. Government has also initiated a scheme for providing market support.

to rapeseed and mustard and other commodities, which is operating through the NAFED as a Central agency and State Cooperative Marketing Federations as the State agencies. For rapeseed and mustard, instructions have been issued to State Governments to alert their Cooperative Marketing Federation to enter the market when the price falls below the support level. The market intervention operations in this commodity are being carried out in the States of Rajasthan, Gujarat, Madhya Pradesh, Haryana and Uttar Pradesh. As on 24th July, 1985, a quantity of 76,120 tonnes has been purchased by NAFED as price support operation. Prior to this, support operations were also carried out in respect of soyabean in Madhya Pradesh.

7. I can assure the House that the Government is fully alive to the needs of the farmers and will spare no efforts to see that they receive remunerative price for their produce. In fact, Government is already organising marketing support through Central and State agencies in a number of commodities. Through these efforts, I am sure we would be able to provide the required support to the farming community.

SHRI E. AYYAPU REDDY (Kurnool) : Sir, not a single sentence has been said about cotton.

MR. SPEAKER : They can ask that.

[*Translation*]

SHRI DHARAM PAL SINGH MALIK : Mr. Speaker, Sir, the hon. Minister has directly or indirectly conceded in his statement that there has been fall in the prices of tobacco, oil-seeds and coconut, the reason might be import, drought or any other factor.

India is predominantly an agricultural country and about 80 per cent of the people live in villages whose main occupation is agriculture. The formula adopted by the Government for fixing the prices of agricultural commodities is not at all realistic. Many

factors are not taken into account while fixing the prices of agricultural commodities. The prices of foodgrains should be fixed after taking into account the cost of agricultural inputs like tractors etc. and the cost of cultivation.

Government must ensure remunerative price to the farmers for their produce in *mandis*. I would like to point out that whatever minimum price has been fixed has become the maximum price for some time past because nobody sells or purchases at a price higher than that. In India, it is only the agricultural commodities the prices of which are fixed by some body else. A shopkeeper himself fixes the prices of the goods that he wants to sell, but the prices of agricultural commodities are fixed by the purchaser. Government did try to fix their minimum prices, but the farmer did not get the desired benefit. As I said earlier, it has rather become the maximum price, and the farmers do not get a higher price than that.

I would like to say that when the cost of living goes up, the salaries of the Government employees are also raised proportionately. The farmer should also get the benefit in the same ratio. The prices of agricultural produce must also increase accordingly.

You might remember that in 1939 and 1940 the price of wheat was Rs. 2 or Rs. 2.50 per maund. This price rose up to Rs. 8 per maund in 1942 during the Second World War. Now in 1985 its price is Rs. 154 per quintal, i.e., Rs. 60 per maund. I mean to say that the price of wheat, which was Rs. 8 per maund in 1942 has increased 8 times, i.e., it is being sold at Rs. 60 per maund in 1985. Now, if we look at the salaries, we shall find that the salary of a State Government employee, which was Rs. 25 per month in 1939 has gone up to Rs. 800 to 900 per month in 1985. His salary has thus increased 32 times, whereas the prices of agricultural produce have increased only 8 times,

12.26 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

Now, let us come to tractors. Before 1947 there were no tractors. Tractors came in 1948. At that time a Massey Ferguson and Fourson Major were considered very good tractors. Their price was Rs. 6000 per tractor. But in 1985 the price of the same tractor is Rs. one lakh. In this way its price has increased 16 times. Similarly, in 1948 the price of wheat was Rs. 10 per maund whereas today it is Rs. 60 per maund. Thus, you will see that there has been a steady increase in the prices. The Governments budget on agriculture is far less than the subsidy it provides. I would like the hon. Minister to state the amount allocated for subsidy and the amount allocated for agricultural purposes other than irrigation every year. Is it not less than the amount of subsidy ?

Government have fixed the price of wheat at Rs. 154 per quintal whereas the minimum price of Rs 200 per quintal was recommended by the agricultural experts. Government should accept the recommendation of the scientists nominated by it and fix the prices accordingly.

The seeds are very costly. When they are with the farmer, they are very cheap, but when he purchases them for sowing purposes, their price goes up 8 to 10 times, which results in loss to the farmer.

In 1947-48, a labourer used to get a wage of four annas per day. Today, he gets Rs. 16 to 17 per day, in other words his wage has increased 64 times. I do not mean to say that I am against the employees or the agricultural labourers. I would like to say that if the wages of a labourer or Government employee have increased due to increase in the cost of living, the farmer should also be given his due benefit. If other persons are given the benefit of increase in the general price index, the same benefit should be extended to the farmer also.

Besides, the public distribution system should be strengthened. Essential commodities should be sold at subsidised rate for the benefit of the poor harijans. Today, the position is that the farmer grows foodgrains for others but he himself faces starvation. That is why the farmer is feeling discouraged. He can be encouraged only if he gets a remunerative price for his produce. If he is encouraged, he will produce more.

The prices of essential commodities purchased by the farmer are soaring high, whereas the prices of his produce are going down, particularly when the produce is in his possession. He suffers a lot there by, The poor farmer is kept in the dark. It is the other people who derive the benefit by exploiting him.

The hon. Minister has just stated that the prices of oilseeds have fallen due to their import. Can we not manage through indigenous production without resorting to import of oil seeds, so that their prices do not fall and the farmer also gets a remunerative price ? The prices of the agricultural commodities should be fixed keeping in view the labour involved and the prices of the commodities required by him.

With these words, I conclude and thank you.

S. BUTA SINGH : Mr. Deputy Speaker, Sir, the hon. Member has given many suggestions. Such suggestions have been given by the hon. Members of the House from time to time and it has been the constant endeavour of Government to ensure remunerative prices to farmers in the form of support and procurement prices, keeping in view the suggestions of the Members. The hon. Member in the first instance referred to the mode of fixation of the prices of the agricultural produce. He said that the prices of agricultural produce were fixed by somebody else.

Mr. Deputy Speaker, Sir, you are well aware of the principle of demand and supply which determines the prices

in the market. The Agricultural Prices Commission was appointed to ensure remunerative prices and justice to the farmer and to ensure that he was not exploited. The Commission was directed to follow certain guidelines while fixing the prices of agricultural produce. It is, therefore, wrong to say that the prices of agricultural produce are fixed by somebody else. The Commission consists of experienced persons having full knowledge about agriculture. Senior scientists and experts are appointed on it, who have got experience in agriculture. These very people fix the prices.

The Commission, while fixing the support price or the procurement price, take a comprehensive view—

[English]

—of the entire structure of the economy—not only of the agricultural sector but of the entire structure of the economy of a particular commodity but a number of other factors are also indicated like the cost of production, changes in the input prices, input and output price parity, trends in the market prices, the forces of demand and supply, the inter-crop price parity, the effect on the industrial costs structure, the effect on the general price level, the effect on the cost of living, the international market price situation, the parity between the prices paid and the prices received by the farming sector. Not only that, after taking into consideration all these factors, the Commission further goes into the cost of cultivation which is taken into account and which includes the paid-out costs such as hired human labour, the bullock labour, the machine labour and the rent paid for the lease of the land, cash and kind expenses, fertiliser prices, prices of manures, pesticides, irrigation charges including cost of diesel and electricity for operation of pump sets, etc. Besides the cost of production imputes the imputed value of family labour. The cost also covers the depreciation of the farm machinery and building. As such the cost of production consists not only the paid out costs but also the imputed value of their assets including land and

family for which the farmers do not incur cash expenses. The estimates of the cost of production are taken into consideration before fixing the support or procurement prices.

As I just now mentioned, they also examine the inter-commodity price parity, the inter-sectoral price parity, the input-output price parity the party between the price received and the price paid for the consumption of goods by the farmer. All these factors are taken into consideration before arriving at a final recommendation to the Government of India by the costs and accounts services of the Agricultural Prices Commission and then their recommendation is also again referred to State Governments and the State Governments give their opinion on those recommendations and at the final stage the price for a particular commodity in a season is fixed by the Government of India.

Having said all that, I need not go into the early 1940 prices mentioned by the hon. Member because they are hardly relevant to the present situation. You cannot just pick out of reference and in isolation the prices of 1940 and compare them to the present-day prices. The whole scenario has changed with the developments that have taken place. Things have rapidly developed. The same acre of land which used to produce a particular quantity of a given crop in the '40s produces much more to-day. I remember when we were children, there were certain crops which we do not find to-day. Better crops have come, more paying crops have come, most high-yielding varieties of the same crop have come and the whole situation has changed in the agricultural sector and we are proud that in India our farmers, with the help of our scientists and the extension services and the Universities, are now in a position not only to stand on their legs but they are doing better. Of course, the ideal situation is yet to arrive. The farmers have to be given a better deal but the present state of our Indian agriculture is far ahead of most of the developing countries & can be compared to any developed country in the world,

[S. Buta Singh]

I take the suggestions of the hon. Member which he has made during the course of his supplementaries and we will see that his suggestions are given due consideration.

SHRIMATI GEETA MUKHERJEE (Panskura) : There is a little difficulty with regard to this call attention because many items are lumped together. For example, there is jute which is ruled by the Textile Ministry and the other agricultural goods by the Agriculture Minister. Therefore, I would request you to give a little time and also see to it that the Minister for Textile takes part in the debate because otherwise our problem will remain.

S. BUTA SINGH : Sir, I am here to answer questions on jute. The Minister for Textiles is also very much here.

SHRI INDRAJIT GUPTA : If you take care of everything, nothing like it.

SHRIMATI GEETA MUKHERJEE : Sir, before I go to jute which is a big concern of West Bengal and also neighbouring State of Bihar to some extent and which occupies a very important part of our economy, I would like to put supplementaries on other things.

First of all I say that I do not agree with the intention that all that can be done for giving remunerative prices to the peasants is being done by the Government. In support of my contention I first of all want to point out to para 3 of this very statement where it deals with oilseeds. It makes clear : Oilseeds come to the market from the month of March. Then it claims : That prices had declined in May and June but have since improved by the week ending 13th July, 1985.

Sir, the crop came in March. In the four months from March to June everything was out of the peasants' household. Then in July there is price rise. Is that called giving remunerative prices to the peasants? Am I to believe it?

What was the government doing in these four months when the peasants sold it?

Coming to coconut you have claimed that the prices went down but then now they are up in the Cochin market. What I hear is that the prices did go up for a few days only. Again they fell. During the Budget Session the Agriculture Minister here said that they are not going to declare any support price for coconut. But the Chief Minister of Kerala is assuring that he has taken it up with the Central Government and the Central Government has agreed to declare a support price. I would like to know whether the Central Government would really declare a support price for coconut which is very much needed because Rs. 1,800.00— even if that is the price ruling even now which, I think, it is not—is not the remunerative price?

About tobacco I only want to put one specific question. Tobacco prices have increased a little but then the minimum export price which is declared by the Government and the minimum support price between the two there is a difference of Rs. 230 to Rs. 250.

At present, the export price is Rs. 600 per quintal. The difference between the support price and the export price is from Rs. 230 to Rs. 250. Let us assume the figure of Rs. 250. Now, it is the growers who are deprived of this margin because they get the support price at much lower rate and the exporters get Rs. 600 per quintal. I would like to know that in view of this whether the Government would reconsider the support price of tobacco so that the gap could be cut down and a larger slice be given to the producers. What is the Government's reaction on this?

Now, Sir, I come to jute. Sir, here in paragraph 5 of the statement, the Government has mentioned that they are expecting better harvest of raw jute this year. The Jute Corporation of India has been allowed to enter the market in a significant manner. Then,

they said earlier on 13th July, 1985 that the index number concerning raw jute is higher that is, the price is at Rs. 352 etc. etc. They say that there is nothing to worry. First of all, I want to make it clear that when we left Calcutta on 20th instant or so, in the Cooch-Bihar market, the raw jute was being sold at Rs. 100 per quintal whereas the Government itself has prescribed statutory minimum price of Rs. 223 per quintal. This may not be the situation now and it might have improved a little. But then one must understand that it is still much below the statutory price declared by the Government. I would like to know how the claim that has been made by the Government about instructing the JCI in this regard can be sustained. They knew very well that this jute season is going to bring a bumper crop of jute because of last year's high price etc.

Now, Sir, let me tell you that this year about 1.2 crore bales of jute will be available according to the press report and other reports. This figure includes the jute coming from Bangladesh in an invisible manner. Now, if this figure of 1.2 crore bales have to be cared for, then I would submit that our domestic requirement would be 75 lakh bales. That means there will be a huge surplus of this commodity. Now, to protect the farmers, there is no other way but to have a buffer stock of jute to be built up through the J.C.I. Let us see how the J.C.I. would act in this season. The jute season began from 1st July officially because during that time itself, in North-Bengal jute starts coming in the market. Here I have a copy of the Notification issued by the Jute Commissioner, Calcutta, dated the 9th July 1985. Here is the photo copy of that Notification where they have declared the minimum price fixed. Jute season has begun from 1st July and on the 9th July the Jute Commissioner issues a notification what will be the price. Then the Board meets on the 12th about fixing up the target of purchase, then the target of purchase will go to Delhi, and then the Reserve Bank will have to give the money, etc.

etc. Even now, if the Government would move quickly say before August, nothing like that really. But upto now, as far as the setting up of the machinery is concerned, nothing has happened. The Jute Commissioner says that 25 per cent will be bought and the Minister states that 33 per cent will be bought. When Sir? Will it be after the principal jute markets are totally flooded? Will it be after the prices go to rock-bottom? Only then will the Jute Corporation think about clearing all these things? Is this the promptness on the part of the Government? So, firstly, what is the expected purchase that they want to make? What are they thinking about creating a big buffer stock? Will the money be sanctioned for this? What do they think really is the remunerative price? I challenge that the price fixed in this regard by the Jute Commissioner is not at all remunerative. Rs. 248 in Calcutta plus some taxes, say Rs. 300, is not a remunerative price at all for the jute growers. Why should the jute growers be paid that little? Let me tell you this. This is the *Daily Telegraph's* report on 30 June. The Birla Jute Industries has shown a net profit of Rs. 4.9 crores in the year ended March 31, 1984. If the jute barons, the highest of the all-mighties, the Birlas can make this, why should our jute growers suffer in this bad way? Our demand is that a minimum remunerative price of Rs. 600 should be fixed for jute and this, as a support price, has to be given to the growers. We request the hon. Minister that very serious measures for setting up the entire machinery for saving the peasants be taken up. Our jute growers are in distress. The entire jute industry will be in distress again for the third year, as generally is the situation.

S. BUTA SINGH: Hon. Deputy Speaker, the hon. member has raised the issue of 5 crops. I will start with oilseeds. She mentioned that the commodity started arriving in the market in the month of March. I was giving the figures for July and in my statement, I have shown that the prices have stabilised. But she forgot to tell the

[S. Buta Singh]

House as to how this has come about. As soon as we received the report in the month of March—end of March and beginning of April—that the prices of oilseeds, mustard and others are below the support price fixed, we issued instructions immediately to the States concerned. Also, through our own agency, NAFED, we entered the market and started purchasing the oilseeds, effecting a trend of marked improvement in the States which are producing rapeseed and mustard. The result is that in the States of Rajasthan, Gujarat, Madhya Pradesh, Haryana and Uttar Pradesh, the price at the moment is higher than the support or the procurement price.

SHRI NARAYAN CHOUBEY :
That is but natural !

S. BUTA SINGH : It is natural, because we entered the market. If we had not entered the market, the prices would not have gone up. *(Interruption)* Perhaps, the hon. Members must appreciate that for the first time such a prompt action was taken by the Government of India, and by the State Governments, and the farmers were saved from making a distress sale of the oilseeds.

I am also happy to inform the hon. House that this time, the production of oilseeds is very encouraging. I am seriously thinking of suggesting the banning of import of edible oil, so that our own farmers could get a better price.

The hon. Member mentioned about coconut. Yes, in the case of coconut also, prices declined; and the Government of Kerala did face a situation in which copra prices had gone well below the market price—in Andhra Pradesh as well as Kerala. Although there was no provision because these plantations stand on a different footing than the ordinary crops—rubber, cardamom, pepper and arecanut are crops which are governed by the Ministry of Commerce—here I did not stand on formality. As soon

as the Government of Kerala approached us saying that the farmers are in distress, I allowed the State Government to go in for purchase.

I am again happy to inform the House that at the intervention of the Kerala State Cooperative Marketing Federation, the Corporation started purchasing copra at a slightly higher price than the market price, in order to stabilize the price of copra at a reasonable level.

The operations were started from the 27th June, and by 9th July, they had procured 5012 quintals of copra valued at Rs. 63 lakhs. The market operations are going on Kerala in 60 centres spread all over the State. This has helped in stabilizing the price of copra, and eventually that of coconut.

SHRIMATI GEETA MUKHERJEE :
My question was about support price.

SHRI SURESH KURUP (Kottayam):
The Chief Minister of Kerala is repeatedly saying that the Central Government has assured to give support price for coconut. What is the position ?

MR. DEPUTY SPEAKER : Mr. Suresh Kurup, if you had wanted to ask a question, you should have mentioned it earlier. Otherwise, everybody would rise.

S. BUTA SINGH : There has to be a policy for this category of crops. But as I informed the House, I did not stand on formality, I immediately came to the rescue of the Kerala Government, and I told the Kerala Chief Minister to go ahead, and said that we would try to help the State Government... *(Interruptions)* So far, there is no scope, I said that this was a separate category. For this kind of crops, there is no support price. So, by going in for the purchase of copra, the Government of Kerala has been able to stabilize the price. Now, as stated by the hon. Member, prices have picked up, and farmers are satisfied.

SHRI SURESH KURUP : Who says the farmers are satisfied ?

S. BUTA SINGH : About jute also, the hon. Member has spoken. The Jute Corporation makes arrangements for undertaking price support operations. The Corporation has about 183 purchase centres in all the jute-growing States, besides having 240 centres operated by the cooperatives. During 1983-84 and 1984-85, the Corporation did not undertake any support price, operations because obviously the ruling price was much higher than the support price. Even to-day, when the hon. Member is very rightly trying to highlight the problems of jute growers—my sympathies are with the jute growers—even at this moment, the price in the market is higher than the support price fixed. We will not be found wanting. As soon as the price declines further...

SHRI INDRAJIT GUPTA : Further from what ?

S. BUTA SINGH : It means the support price.

SHRI INDRAJIT GUPTA : Below the support price ?

S. BUTA SINGH : Even at the support price. When it comes to the support price, we will definitely enter the market. Support price is meant for this. (*Interruptions*) The philosophy behind the support price is that is considered to be a level at which the farmer will not go into distress. At the moment, my information is that the market price...

13.00 hrs.

in Calcutta is higher than the support price fixed by the Government, and at the same time, in consultation with my hon. friend, the Minister for Textile, we have made a stand-by arrangement and the Corporation is going in for commercial marketing, and we are in favour of creating buffer market. Let the hon. members not give this impression to the growers.

SHRI AMAR ROYPRADHAN : What about JCI ?

S. BUTA SINGH : As soon as it feels that growers need help of the JCI, they will go in for; and the Minister for Textile says that he has already given instructions that as soon as it touches the level, minimum support price plus 25 per cent, they will go in for purchase, and we are ready. Let me tell you JCI will be in full readiness to purchase the crops as soon as that level comes, and we will not let down the growers in West Bengal suffer.

About tobacco, the hon. members had mentioned that there is a gap between the export price as well as the procurement price. It is bound to be there. For export, the hon. members must know tobacco has to be processed; it has to be graded. So, naturally, the support price has to be different from the picked up, graded and processed tobacco.

SHRI V. SOBHANADREESWARA RAO : Only Rs. 300 is sufficient, but you are selling it at Rs. 600 difference.

S. BUTA SINGH : I would like more tobacco to be exported; that is why their price has been fixed attractive. I would like more and more quality of tobacco to be produced and exported. This difference will continue to be there; it is in the process itself. The support price in Andhra Pradesh is Rs. 9.75 per kg; in Karnataka, it is Rs. 11.50 per kg. Now, a new system has been started in Andhra Pradesh. The farmer has been saved from the middleman. The Government of India has in cooperation with the State Government already started auctioning of tobacco on public platforms. In Andhra, although the support price was Rs. 9.75, through auction it came to Rs. 10.30 per kg., and in Karnataka, it was Rs. 11.50 and it came upto Rs. 13 per kg. From here you will yourself make out that farmers in Kerala and Karnataka are not deprived and they are supported by adequate measures by the Government of India through the public platform auction system.

SHRI V. SOBHANADREESWARA RAO : The minimum support price can be increased and that is the request of the farmers. Still it is Rs. 200/-.

S. BUTA SINGH : Every year, the Prices Commission goes into the revision of the prices, whether upward or downward, taking into account the various factors which I have mentioned in my reply to the first question; and we will wait for the Prices Commission for the tobacco for the next crop, and then we will be able to inform the House how best we can increase the support price for tobacco.

The hon. lady member has mentioned about four crops. I have tried to give as much information as I have in my possession. I will welcome the hon. lady member to suggest more about jute because the State from which she comes is the major jute growing State, and we are looking for better quality, for better seeds to improve quality and also the productivity of jute in our country.

MR. DEPUTY SPEAKER : The House stands adjourned for lunch to meet at 2 P.M.

13.05 hrs.

The Lok Sabha then adjourned for Lunch till Fourteen of the clock.

The Lok Sabha re-assembled after Lunch at seven minutes past Fourteen of the Clock

[**MR. DEPUTY SPEAKER** *in the Chair*].

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE—Contd.

Recent fall in prices of agricultural produce and steps taken by Government to ensure remunerative prices to agriculturists

[*Translation*]

***SHRI AJIT KUMAR SAHA** (Vishnupur) : Mr Deputy Speaker, Sir, we

*The speech was originally delivered in Bengali.

all know that agriculture is the cornerstone of our economy. But the farmers who build this economy are the most deprived and exploited class. When they take their produce to the market, they do not get the proper and remunerative price for that. On the other hand when they go to the market to purchase the commodities of their daily need, they have to purchase them at a high price. This way the poor farmers are being exploited both ways and their condition is very miserable. Here in his statement the hon. Minister has said that the Government is alive to the needs of the farmers and will spare no efforts to see that they receive remunerative price for their produce. Some time back our hon. Prime Minister Shri Rajiv Gandhi said in Bombay, I am quoting from the 'Statesman' dated 18th February 1985, "The Prime Minister, Mr Rajiv Gandhi, today assured farmers that the Congress (I) would fix remunerative for their produce and ensure availability of cheaper fertilizers and seeds." Sir, these sort of assurances have been given again and again. In spite of that what is the condition of farmers today? After this statement of the Prime Minister, when the price of potato started falling and it touched as low as Rs. 15 a quintal, we demanded during the last budget session of Parliament that Government should start procurement of potato crop and make arrangement for its export. But the Government did not come forward to save the poor potato growers. On the other hand the Central Government is giving hundreds of crores of rupees as subsidy to the multimillionaire owners of sugar mills, jute mills etc. and helping them to export their products. But they did not grant any subsidy to save the potato growers.

In reply to a question a few days back in this House, the Minister for Fertilizers and Chemicals, Shri Virendra Patil justified and supported the grounds advanced by the tyre manufacturers for increasing the prices of tyres and tubes viz. the rise in the price of inputs etc. But Sir, the cost of the inputs of the farmers like, seeds, diesel, fertilizers,