

15.34 hrs.

PROMOTION OF SECULARISM BILL*

[English]

SHRI SYED SHAHABUDDIN : Sir, I beg to move for leave to introduce a Bill to provide for the application of the principles of secularism in Government and administration.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the application of the principles of secularism in Government and administration.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

MARRIAGE WITH FOREIGN NATIONALS (REGULATION AND REGISTRATION) BILL*

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : Sir, I beg to move for leave to introduce a Bill to regulate and register the marriages of Indian citizens with foreign nationals.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to regulate and register the marriages of Indian citizens with foreign nationals.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

15.35 hrs.

AGRO-BASED INDUSTRIES RESERVED FOR THE PRODUCERS AND WORKERS COOPERATIVES BILL—(Contd.)

[English]

MR. DEPUTY SPEAKER : Now we take up further consideration of the following motion moved by Shri Balasaheb Vikhe Patil on the 18th July, 1986 :

“That the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries, be taken into consideration.”

Shri G. L. Dogra.

SHRI G. L. DOGRA (Udhampur) : I support the Bill. Last time Shri Daga made a scathing attack not only on the Bill itself but also on the co-operative movement. I do not think what he said is justified on facts.

I would like to say that the Constitution of India recognises three sectors—public sector, private sector and co-operative sector.

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Joint Sector also

SHRI G. L. DOGRA : No. Joint Sector is not known to the Constitution.

So far as the public sector is concerned it is doing a good job. Very important and basic industries are being run by the public sector and we should lay more stress on the public sector industries so that economy becomes self-reliant and we may depend on ourselves rather than on any other country.

So far as the private sector is concerned, it is also getting enormous help from the Government. A very good portion or a major portion of the resources is placed at the disposal of the private sector one way or the other, or by one device or the other.

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[Shri G. L. Dogra]

So far as the co-operative sector is concerned, it is totally ignored. Shri Balasaheb Vikhe Patil was very modest when he said that agro-based industries should be restricted for co-operative sector. We should encourage industrial co-operatives. Unless we encourage co-operative sector, we cannot improve the lot of the poor people, the poor artisans, the poor agriculturists, the poor people working in industries. It is only through cooperatives that you can do it.

It is true that some professionals have also entered into co-operatives. It is true they spend money while seeking elections in co-operatives and then they make money many a time out of it. Government Departments are the party to the evil of squandering away money. But the co-operatives face hardship and the poor people are being exploited, therefore, I would like to say that it is anti co-operative lobby which my friend Shri Daga and some other persons are leading and are very vociferous. But it is a fact that without healthy and strong co-operative movement, the lot of people of India 90 per cent of which are poor cannot be economically improved. We have to keep in view thing. I must say that as far as the Governments are concerned, the State Governments are using the cooperative institutions as political instruments. The ruling party everywhere wants to rule through the cooperative institutions. Whichever may be the ruling party they always want to do it. It is only in certain States that the members of the cooperative institutions are independent and resist any interference. But otherwise there are States where elections to the cooperative institutions are not held for the last 20 years. It is cooperative only in name. These are being run by IAS officers. It is a very deplorable condition. Nobody in authority feels perturbed over it. If all the State Governments are made aware of the utility of the cooperative movement, I think, we can have a very strong movement and healthy economic growth. We can help those elements who are being exploited by others, and thereby we will be making really an India of the dreams of Gandhiji and Pandit Jawaharlal Nehru. But I don't think that our economists and administrators are really looking towards this aspect of the

problem and are conscious of the utility of the cooperative movement. This has got to be done. Somebody has got to do it. Our young Prime Minister has paid his attention to many a problem but this are has not drawn his attention. We want Hon. Prime Minister to look towards this also and the Hon. Cooperative Minister who is also young should draw particularly his attention to this aspect of the problem. Hon. Cooperative Minister should see that the cooperative are organised in all sections of the society.

Therefore, without taking much of your time and the time of the House, I would urge that either this Bill should be passed or the Government should bring forward a well-thought-out Bill reserving some industries for the cooperative sector. If they don't want to reserved some industries exclusively for the cooperatives, at least, they should mark out some industries and say that for them the help will be given by the Government. They should see that such industries will be given adequate help and are properly looked after.

There are allegations that sometimes bureaucrats interfere in the cooperatives. But certain things are essential. After audit report, certain things come to the notice of the Government. So, they have to take steps. If they supersede the management of a particular cooperative, they should hold elections again within 3 months if it is possible, or within 6 months, in every case. It should not be postponed beyond 6 months. It should be left to the members of every cooperative to solve the problem and the Government should only help them, and if necessary guide them. But they should not super-impose themselves on the cooperatives.

With these words I support the Bill.
Thank you.

15.45 hrs.

[SHRI SOMNATH RATH *in the Chair*]

PROF. NARAIN CHAND PARASHAR (Hamirpur) : Sir, I rise to support this Bill. Shri Balasaheb Vikhe Patil has rightly sought to focus the attention of the House and more so of the Government to one of the

most exciting sectors of our economy. Most of the cities have been thriving at the cost of the villages and rural development is the first victim in the onward march of this nation.

We provide all the facilities in the cities, and as Gandhiji said, India as a whole lives in the villages. Therefore it is right that he has sought to request the Government that agro-based industries be set up in the rural areas with Central assistance and that they should be reserved for the workers as well as producers. And he is right because if it is not done, what would happen is that the people from outside capture these industries as they have been doing all along. So, in the interest of the people of villages it is essential that this reservation is made exclusively for those who are actually involved in agriculture, and we have the actual experience of doing something with agriculture.

The word 'cooperative' may become very unpopular with some people, especially those who have lot of money with them. But that is not our concern. Our concern is to make this movement a healthy one and as Pandit Jawaharlal Nehru used to say that one of the dreams of his life was to usher in the cooperative movement and the other two were panchayat raj and the democratic functioning of our polity. The cooperative movement is not bad if it has not fallen in the hands of some sharks of industry and capital. In some States we find that it is in a very bad shape. We should try to bring forward some legislation so as to help this movement. So, agro-based industries with the help of the cooperatives in the villages—that is one solution that can do so many things. Firstly it can arrest the march from rural areas to the cities which are springing up like giants and swallowing our resources. Secondly, it will also provide home-based employment to people from poor families who are looking to find employment and marching towards the cities. They will be able to have something and earn something of their own in the villages for their living. Thirdly, it will also give a boost to our economy because now we find very little attention has been paid to our land resources and management of land resources and as a

result, a uniform pattern of management of land is imposed, may be through consideration of holdings in the country, without taking into account the geographical nature and the quality of soil in the country. The result is that the people are suffering and as the same pattern is imposed on the hills as is imposed on the plains, the result is that the land management becomes a very neglected phase of our activity. So, we should try to see that with the help of agriculture we can provide employment, we can make the movement of cooperatives very healthy.

So far as elections are concerned, one victim of bureaucratisation is the panchayati raj, the other is the cooperative movement. Who is responsible for the present state of cooperatives? Not only the capitalists, but also the officers. For every group of societies there is an Inspector of Cooperative Societies and also an I.A.S. officer at the district and divisional level. If there are some people who are manipulating, they are manipulating things in cooperation and collusion with the officers of the district. Then action should be taken as much against the officers as against the actual defaulter. It is not O.K. or it is not healthy to single out only the farmers and the producers for the malpractices in the cooperative movement. They may be innocent, but there are other officers who are at fault. Therefore, if some healthy movement is to be developed as a life supporting system for the agro-based industries, this can also be the cooperative movement.

The concept of reservation is also very essential. It is because, so far as you know, if you give licences, the industrial houses have the choice. They keep them pending for some years and if they find the raw material and other conditions quite happy and conducive they set up their industry. Otherwise they back out and the Government can do nothing except that the firm can be blacklisted, that too very rarely, at a later date. So, they exploit our resources, denude our forest, denude our agricultural lands and set up industries in the city and create pollution also. So, in various sectors of our economy, this approach has to be welcomed and I congratulate Mr. Patil on

[Prof. Narain Chand Parashar]

having brought this Bill. I request the Hon. Minister, Mr. Makwana, who is friend of the poor and who is well-known for his love for the weaker sections, not to stand on formalities and look into the merits of the Bill and probe a little deeper. If the House can pass the Bill unanimously, it is very good. But even if it is not done so, the Government should come forward with a comprehensive Bill to see that the future of the economy of the villages can be brightened. After all, India is having only a couple of 100 cities and there are 5,000 and odd blocks. It means, India is living in the villages and the economy of the villages is more important than that of a few cities and, therefore, I support the Bill on merit.

[Translation]

SHRI HARISH RAWAT (Almora) : Mr. Chairman, Sir, we formulated many schemes and agriculture also developed but the benefits of the development of agriculture did not reach a major part of the society in the manner it should have reached it. The maximum benefits of the development of agriculture and of changes in the technology have gone to big farmers, who had large land holdings. The small farmers, marginal farmers, the Harijans and the Adivasis have not been benefited.

The main reason for this has been that we have never given a thought to assist the small farmer, to utilise his produce in the village itself because he does not have the means to take his meagre produce to the market.

Alongwith the changes in the different fields, there have been changes in the industrial field also and its benefits have gone mostly to the cities as big industries have been set up only there. The result is that the small farmers and the poor are migrating to the cities and this is the reason that the population in the cities is increasing which is causing concern to the planners and others. The question is how to stop it? This exodus can be checked only when we are able to set up such industries in the villages which

conform to their traditions and customs and are also agro based. There is a long list of agro based industries, since 55 to 60 per cent of our total industrial production is based on agriculture, horticulture and forests. Had we set up even 5 per cent of the agro based industries in the villages or had promoted the traditional rural industries, perhaps we would have been able to provide better employment to 10 to 15 per cent people in the villages. We did not do that in the villages.

I do not say that big industries like tea and coffee processing plants or other industries should be set up in the villages but you can make a beginning and for this we can use the effective medium of cooperatives.

When I talk of the cooperative sector, I do not mean the cooperative sector of my State. I am talking of the cooperatives which exist in Kerala and Maharashtra who have done a good work and have made significant contribution to change the rural economy. The situation in Uttar Pradesh is such that when we make a mention of setting up a cooperative society.

AN HON. MEMBER : Situation in Bengal is the same.

SHRI HARISH RAWAT : Right. The people there drink the same water which flows down from Uttar Pradesh.

So the situation in Uttar Pradesh, Bihar and Bengal, so far as cooperative sector is concerned, is so bad that if we say that we want to form a cooperative society of the village for the purpose of constructing a pond for fishery or setting up a dairy farm or some agro based industry, the people will think 100 times before becoming its member. Even if somebody is persuaded to become its member, his wife will not allow him to do so. She will say that he will squander whatever ornaments and land is left with them. Such is the position of the cooperatives there. The situation in Uttar Pradesh is that in villages there are ordinary cooperative societies but their condition is miserable. There it is not the bureaucracy only which is corrupt; the publicmen connected with them too are corrupt. We cannot claim that

we are spotless. People look at us as well as at the cooperatives with suspicious. Crores of rupees of the farmers deposited as share capital have sunk. In villages people have lost their savings. But the question is that we should remove their difficulties and set the thing right. If we ignore the cooperative sector, we shall have to take recourse to nationalisation on a very large scale. If Government enters every field or the private sector is allowed to enter every field it will result in exploitation. Therefore, to avoid both, we shall have to follow a middle path. This problem can be solved through the cooperative sector only. Your Ministry should formulate some scheme for bringing improvement in the cooperative sector.

In the cooperative sector you have organisations which have big names. They have their shares in the cooperatives and they remain engaged in other business also. I do not say that they have done some bad work and they have made no contribution but they have not been providing as effective as they should have. Some of them have done marketing work, sale-purchase work and some have also allotted shares to industries. But in addition to it, there is need to bring more improvement in this. For this I suggest that small scale industries should be set up in the villages and farmers there should be given shares. They should be made partners in those industries, and should also be told that these are their industries and their children will get employment there and whatever they produce in the fields will be consumed in these industries. The Government should take in its own hand marketing responsibility of the products of these industries. Only by doing so, progress can be made.

All other socialist countries do work on this basis but they have given some other names to these activities. They told people that they should look after the industries and the profit accruing from them will be theirs.

An Hon. Member from Gujarat was just now saying that they have a Milk Dairy Sangh whose profit is used in extending social facilities. These things need to be done everywhere. This Bill of Shri Patil has

played an important role in drawing the attention of the Government. It should, therefore, be accepted on technical ground. Shri Makwana understands the agony of the rural areas and at present is also looking after the Department of Cooperatives. Therefore, I urge that it should be started at some place or the other. But this beginning should not be made from Maharashtra because the people of Maharashtra are themselves quite enlightened and so they do not need to much goading. We the people of Uttar Pradesh, not only lack initiative but also make a men of everything and are totally directionless. Therefore, it is essential to make a beginning from here. I have full hope that the Minister would definitely consider from this angle.

With these words, I conclude.

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Mr. Chairman, I support this Bill moved by Shri Balasaheb Vikhe Patil. But I have some suggestions within the scope of this Bill. In fact, these days we talk of industries, specially development of the rural areas and to fight unemployment and poverty line. The concept of this Bill, as I understand in the right spirit, which Shri Balasaheb Vikhe Patil has moved, will reflect many more points.

16.00 hrs.

What I want to submit to-day is that before moving the Bill possibly Mr. Patil had the scene of Maharashtra in his mind and to a great extent the scene of Gujarat also. But these days in India right upto the development of science and technology if you strictly consider, barring a few itmes, almost all the industries are closely related and closely linked with the agro-based industries. If you talk of textile industry, it is based on cotton and it is an agro-based industry. If you talk of oil and other oil products, these are all agro-based industries. If you try to make a list of all the industries, I think Mr. Makwana will find a great difficulty to accept the entire position of the Bill in the sense that Mr. Narayan Datt Tiwary and the other Department Ministers will wage a war.

[Shri Priya Ranjan Das Munsii]

What I want to suggest is that I think the Bill is very good. But we have to understand one basic thing. That is whether the infrastructure that we have in the country at the moment permits us to accept the proposition or not. Now I would like to explain three points in this regard. The first point is : while we talk of producers and workers' co-operative—I thank Mr. Patil for including the workers—but the definition of producers needs to be explained with a greater precision because what we extract from the land and what we produce from the land and water, actually until the land reforms are completed the producers are not the actual tillers or the persons concerned who toil on the land. The actual producers to-day are those who figure in the land records as the owners of the land. Therefore, unless a vigorous land reform is done and there is a time-bound programme for land reforms, if you say 'producers' co-operatives' there will be a danger. Here I am talking of West Bengal.

I am talking of the Scheduled Castes and Scheduled Tribes who toil on the land as tillers and share-croppers. They will be deprived of becoming partners of the co-operatives. I think this point needs the attention of the Minister.

To implement this Bill we need three things.

(a) a Total land reform on a uniform pattern throughout the country in a time-bound programme. (b) A comprehensive Bill from the Finance Ministry for the total financial support and to build up a separate financial institution to support the co-operatives throughout the country under the command of the Finance Ministry. (c) Classification of the priority industries based on agriculture which are to be promoted and developed now and looked after by co-operatives. For instance I take the example of fisheries. In West Bengal through this industry also the exploitation is so acute for the last four decades. One cannot explain it. The condition of the people who are involved in the fisheries in terms of manual labour are so horrible. But the actual benefit in the name of producer goes to a few individuals and for their own co-operatives in the fisheries

right from the beginning. As per the Land Reforms laws to-day the dream of Mr. Patil would have been fulfilled. But it was not so. I suggest that the land reforms laws, the land ceilings laws and other things should be vigorously implemented and rightly implemented and in selective areas. I think there are 4 to 5 areas where this reservation can be granted right now. One is sugar and sugar cane. Khandsari sugar and molasses. This need not go to urban industrialists and the private sector people. It can be managed by co-operatives as in Maharashtra. The example of Maharashtra can be given to other parts of India with a certain amount of direction and dynamism of the Government of India from the concerned Ministry. The other selective areas of these agro-based industries are mustard oil, groundnut oil and other vegetable oil. All the oil products which you consume today are mostly adulterated and they spoil the hygiene of the people and the health of the people. These are now exclusively in the hands of not only the private sector but the multi-nationals. I am of the opinion, as you may also be knowing, Sir—in Orissa you may have experienced—that at the village level, the oil products made by the peasants and the cooperatives are not only pure but they preserve a certain amount of honesty in terms of business also because they consider that, if they adulterate, it will be a crime on the society; that kind of feeling is there among the villagers. So, if this particular area is reserved for the cooperatives, then not only employment will be created but our health will be protected and our hygiene will be protected. When you have given it in the hands of the private sector and multi-nationals, what is happening today is only scandal after scandal and even a lot of investigations could not help I was calculating the other day. I will talk of groundnut oil and mustard oil. If the groundnut oil and mustard oil are taken from the producers and given to the *Mandi* and from the *Mandi* they go to the mill, the actual profit of the mill-owner is 80 per cent. But the actual tillers who start sowing mustard seeds and groundnut seeds get only 5.5 per cent. If this calculation is true, you can well imagine why the poverty line is maintained years after years in the rural sector.

Thirdly, I should also select another area which is wheat and also dairy. About

dairy, the Minister will agree that Gujarat is the example to show how they have developed the dairy development programmes in the cooperatives. They remain a model to the whole nation in this field. Dairy, wheat and the bakery products which you consume every day and without which we cannot live...

AN HON. MEMBER : Flour mills also.

SHRI PRIYA RANJAN DAS MUNSI : Yes, flour mills also. These are unnecessarily given to the private sector. 90 per cent of the private sector who look after bakeries and big flour mills have additional industries in 19 other sectors. The black money that they get from the other sectors, they put in flour mills and other industries. If these are reserved exclusively for cooperatives in the rural sector—all these machineries are not very sophisticated, they are normal, indigenous machinery and equipment, they are not imported—not only will employment be created but a new infrastructure will be created in every village. Out of more than 530 Blocks, you can select about a 100 Blocks in the country where these three or four items at least can be reserved, as an experiment, for cooperatives in the coming years.

Lastly, I will submit, keeping in view the corruption prevailing in the States in cooperatives—in connivance with officers they are not holding elections for years—that the time has possibly come when with 20-point programme alone we may not be able to fight poverty in villages; the time has come when the Government of India should seriously think of having a suitable legislation, even by amending the Constitution; the entire cooperative programme in the country should be channelised exclusively by the Government of India, in the Central sector with national directives to every State having their own independent infrastructure; and for the financial support to the cooperatives in this sector, I propose that, instead of cooperatives rushing to this financial institution or that bank, an independent financial institution by the Government of India be created in every State to support these cooperatives in this reserved sector.

With these words, I conclude.

[Translation]

*SHRIMATI BASAVARAJESWARI (Bellary) : Mr. Chairman, Sir, I whole-heartedly welcome the Bill brought by Shri Patil. I am sure that such Bills if accepted will help the agriculturists. Our country has enormous natural resources. Our land is also very fertile and the climate is well suited for various crops. With the help of modern techniques we are able to grow more foodgrains. We have become self-sufficient in foodgrains and we are even exporting. In this august House I would like to congratulate the agriculturists of our country for their hard work. Our farmers are working day and night and they are producing sufficient quantity of cotton, sugar cane, rice, wheat and silk.

Pulses and oil seeds are also produced. Agro based industries have to be set up to help the farmers. At present the farmer has to face several problems. He is not getting good prices for his produce. On the other hand, the consumers are complaining that the prices are going up. Under these circumstances it is essential to encourage cooperative movement. Especially during harvesting season the prices go down and this affects the farmer. Therefore it is essential to establish more and more agro based industries on the basis of the availability of raw materials. There are pressing factories, ginning factories, sugar factories and other factories. These have not helped the farmers. Those who invest the money get all the benefit. Therefore it is very essential to see that the benefit is shared between the producer and investor. This can be done only through cooperative societies. There are agro based industries in Gujarat, Maharashtra and Karnataka, which help the rural people. In other States this movement must be encouraged.

Our Government is trying its best to decentralise industries. It is also starting industries in the no-industry districts. Incentives, subsidies and soft loans are given to help the people. Unfortunately industrialists are not coming forward to establish industries in the rural areas.

*The speech was originally delivered in Kannada.

[Smt. Basavarajeswari]

I hope that this Bill help the rural-masses. Today we find fluctuations with regard to prices. In a private factory if the price paid for 1 tonne sugar cane is Rs. 140/- the same quantity of sugar cane can get Rs. 280/- through cooperative societies. We have seen several such cases. This clearly shows how the cooperative movement can help the agriculturists. In the absence of cooperative society the farmers are exploited and the middle men become richer and richer.

Agro based industries can be set up for extraction of fruit juices, production of jam and jelly etc.

There is the problem of labour in ginning mills, rice mills, spinning mills etc. Therefore this problem also should be solved. Many mills have been closed on account of labour problems and non-availability of raw materials. At such junctures only cooperative societies can come to the rescue of such mills. Sometimes the farmers do not give sugar cane to the factory thereby forcing the factory to close. Hence some coordination is necessary to see that sugar cane is supplied to the factory regularly.

In cases where farmers are not in a position to pay their share money, financial assistance may be provided to this end. For this purpose State Government and also the Central Government should come forward.

Another important factor is training of these who start agro based industries. If untrained persons start agro based industries, it would be a failure. Therefore it is essential to train them well.

Agro based industries and cooperative societies will also help the country in wiping out the unemployment problem. They will lead our country to the progress and prosperity. Therefore I feel very happy to support this bill brought by Shri Patil. I request the Government to give all possible assistance for the establishment of more and more agro-based industries throughout the country. The Government should also help

in making the cooperative movement a success.

I thank you Sir, for giving me this opportunity to speak on this vital subject and with these words I conclude my speech.

[English]

MR. CHAIRMAN : There are so many Hon. Members who want to speak on this Bill. If the House agrees, we may extend the time for this Bill by one hour.

MANY HON. MEMBERS : Yes, Sir.

MR. CHAIRMAN : The time for this Bill is extended by one hour.

[Translation]

SHRI MANOJ PANDEY (Bettiah) : Mr. Chairman Sir, I whole heartedly support the Bill moved by Shri Balasaheb Vikhe Patil. There are many points in this Bill about which there would be unanimity in general in the House. The persons who spoke before me raised certain points regarding the farmers. In my opinion, all these people are farmers who take interest in the farming activity. There can be no two opinions about it. The kind of people who reside in our villages are either farmers or labourers. Only these two categories of people live in most of the Indian villages. Again, a close relationship exists between a farmer and a labourer regardless of the way in which we may think. This link has not been established today but has been in existence since the very inception of our village system. No political system can sever this bond. The origin of our villages has a long history. Our villages were created along with our customs and practices. The people migrated to the villages and settled there. The village was called 'gram' and this nomenclature also has a story behind it. So, it is of utmost importance today to treat the farmer and the labourer at par. I would like to warn that no such matter should be raised inside the House or outside by which this relationship between the farmer and the labourer could be snapped because both complement each other. In the absence of the farmers in the villages, rural labourers will not be

there, and similarly, in the absence of rural labour, the farmers will not exist. Therefore, this matter should receive our attention. In this connection, I would like to talk about the farmers of Bihar and Eastern Utter Pradesh. In fact, I think it is essential that I should say a few words about their condition. The announcements regarding the minimum support price are made by the Central Government from time to time. The States also follow suit. Our colleagues from Maharashtra and Gujarat are aware of it. But in my State, no such system has been evolved by which the minimum support price could be made available to the farmers. So we have first to consider whether the farmers have the financial capacity to establish agro-industries on a co-operative basis. It is important to keep this point in view.

I would like to submit a few important points in regard to the conditions of farmers which is a matter of common discussion today. We are always talking about the marginal and the small farmers. However, what the Members have expressed regarding the ceiling on land should be appreciated. The Land Ceiling Act must be implemented and it should be a time-bound programme. This is a matter of common agreement. Agrarian problem is the biggest problem facing us. The Land Ceiling Act has not been enforced in many areas and has been applied in such areas where apart from the small and marginal farmers, the Middle class farmers are living. They own between 5 to 15 acres land and are not covered by the Land Ceiling Act. Whenever such matters are discussed in the House, only the Marginal and Small farmers are discussed and the Middle class farmers, who own 5 to 15 acres of land and are not covered by the Land Ceiling Act, do not receive any attention. What have you thought about them? We have never paid any attention to the conditions of the Middle class farmers. Such families are still living in the villages and we all know about them. We are also aware of their substantial contribution to the agricultural production. I am talking of my State U. P. where the middle class farmers have made significant contribution in increasing agricultural production. What I imply is that the farmers should be re-classified and a rational mixing of the

Middle class, Marginal and the small farmers should be done.

Sir, secondly, the biggest industry in our area is the Sugar industry and there is no other industry. All the sugar mills are in the private sector and I will now relate to you the condition of this industry. It is ironical that sugarcane should sell at Rs. 23 per quintal and bagasse should sell at Rs. 25 per quintal. Similarly, there is another by-product called 'fresh mud', which we get after the sugarcane has been crushed and its extract taken. It is used as fertilizer and hence it is called 'fresh mud'. Rs. 150 is charged for at trailer full of this by-product, which is around 30 to 35 quintals. The sugarcane has certain other by-products as well, but shouldn't the farmers have any claim over these products when three-fourth of the sugar-cane is supplied by the farmers themselves and only one-fourth is supplied by the Sugar factories? When three-fourth of the raw material is supplied by the farmers and the mills sell even the residual products at Rs. 25 per quintal then you can imagine what their income might be. Each sugar-factory is making enormous profit and its owners live in large cities like Delhi, Bombay, Calcutta and Madras. On the other hand, the farmers are being exploited. Therefore, I would request that this Bill must be presented in the form of a Government Bill so that the farmers in general could benefit through the co-operatives. Although, after looking into the conditions of the co-operatives in my area, which I have found are not free from exploitation, I cannot be a great supporter of it, yet the various points in this Bill and more so the underlying intention is what I respect. I hope that our Minister who is quite familiar with this system and has seen it from close quarters, would make efforts to create the same conditions in our area as are obtaining in the State of Gujarat. With these words I support the Bill.

16.32 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

[*English*]

SHRI N. TOMBI SINGH (Inner Manipur) : I am grateful to you for calling me to take part in this very important debate.

[Shri N. Tombi Singh]

I must, at the outset, express my thanks to our Hon. friend, Shri Patil, for bringing forward this important Bill. It has got quite a few important aspects. It mentions about the agro-based industries and also connects them with our cooperative movement thereby tries to suggest means for the protection of the rural folk and also to relieve the pressure on our urban population and extension of the urban sector.

I would not like to repeat the points which have already been made by my friends. I am one with those who said that the cooperative movement in the country, as a whole, is not a success. Although here and there it has shown successful results, we have to make a total review of the cooperative movement in the country as a whole. Here I would not like to go much into the details.

Coming to the reservation of agro-based industries for the cooperative sector, particularly manned by the producers, farmers, labourers, this is an objective which we should pursue. If we can make a beginning at the national level with the agro-based industries connecting our farmers, labourers, poorer sections of the population particularly rural population engaged in this cooperative sector, I think we shall be taking a right step in the right direction.

I represent a State in North-East, Manipur, where the land holding is small. There are not many landlords. So there is not much need of land reforms there, because there are only a few families who can be counted on finger tips who possess more than 10 acres of land. So, we do not have many rich people though we also do not have very poor people. We have a ground to start as an experiment such as agro-based industries, because big industries cannot go there and big house do not like to go there for any industry. Naturally the only way to save the rural folk of these handicapped areas like my State, Nagaland, Tripura, Mizoram, is to organise agro-based cooperative. If Hon. Members would ask me

whether the cooperative movement there is a success, here again I would like to be very frank that this has not succeeded. Then whom to blame? I would not like to blame the Government. Here the factor of motivation, I think, has been very weak. So, naturally we should go to the rural people by strengthening the mediums of motivation. There are so many mediums of motivation by which we can strengthen the cooperative movement. It is rather a pity that after so many years of our freedom, after so many years of our educational movement and awakening in the economic field, cooperative sector remains one field where we all just make slogans, we all wish for success, but we have not been able to make any success. This is an area where big industries are not to be dreamt for decades to come and where employment facilities are just very limited in the absence of industries, railways, etc. Only government offices and some schools and colleges are there.

Regarding agro-based industries, I would like to go into a little detail. We have huge production of maize. This production of maize is going waste because the big people, the rich people would not like to take the risk as the stocking of maize is a very difficult job. If we have a glucose factory or some factory which can use the locally produced maize and if we can involve the producers of maize in that industry, they will be the direct beneficiaries. So, in this context I would like to suggest that the Government should formulate a national policy and also legislate for the reservation proposed by the present Bill. In the normal process, I think the Bill may not come to be passed. So, we would like the Government, the Hon. Minister Shri Makwana who himself is representing a large section of the people and who also knows about the cooperative movement from a close range, to assure the House that the spirit and also the provisions that have been provided in this Bill will be incorporated to a Bill to be brought before the House in due course, as early as possible, and then this should be followed by implementation with due sincerity. With these words, I would like to support this Bill and also request the Hon. Minister to give due assurance to the House that this will be brought in the form of an official Bill.

[Translation]

*SHRI AJIT KUMAR SAHA (Vishnupur): Mr. Chairman, Sir, I extend my full support to this Bill brought forth by Shri Balasaheb Vikhe Patil before this House. He has advocated the setting up of agro-based industries on cooperative basis to benefit the large number of small farmers, agricultural labourers and workers in the rural areas. I wholeheartedly support it.

In the Statement of Objects and reasons of this Bill it has been stated, "such industries should be reserved for producers/workers cooperatives to help in mobilising direct participation by farmers and farmers".

So, the mover has laid down who will be members of these cooperatives. These cooperatives will consist of the farmers and farm labourers. But Sir, our experience is that whenever such cooperatives are formed, they are generally controlled by the big landlords and producers. It is they who actually control these cooperatives and squander away the funds of the cooperatives to meet their own interests. That is why the cooperatives are not successful. In this context I fully endorse what Shri Daga said on this subject when he spoke on this Bill. He said that the actual producers, farmers and workers shall be members of these cooperatives. If only such people are allowed to be members of these cooperatives who till the soil with their own hands and if the Government gives adequate help to them then only these cooperatives can function successfully. If big landlords and big farmers control them, then the very purpose will be defeated.

The vast number of poor rural masses for whom we are showing concern and for whose benefit this Bill has been brought forth will not derive any benefit at all.

Sir, in our country we have not been able to carry out radical land reforms till this date. There are still a large number of zamindars who own thousands of acres of

*The speech was originally delivered in Bengali.

land in Benami. Whatever concessions or aid or facilities is given by the Central Government through cooperatives, that is mostly enjoyed by these big rich farmers and zamindars. All the benefit goes to them only, this is our sad experience. We know that 75 per cent of the people in our country live in villages and they are totally dependent on agriculture. The economic upliftment of these people is possible only through cooperatives. Our experience is that the big industrialists like Tatas, Birlas and others who have other factories and industries under their control are taking interest in agro-based industries, sometimes in Benami also. It is they who mostly controlling the agro-based industries. The poor farmers and agricultural labourers in the villages who are raising the agricultural produce are not deriving any benefit out of them. All the profits are being whisked away by these big industrial sharks. In this connection I want to say Sir, that in West Bengal and in the entire north Eastern region a variety of fruits are grown in abundant quantity. Mango, guava, pine apple, oranges etc. are abundantly produced in that area. If agro based industries are set up there under the cooperative system, then millions of poor people living in that area can be immensely benefited. We know that in Tripura a huge quantity of pine-apples are grown. But a large quantity of that gets destroyed in the forests for lack of facilities of utilising them properly. There is a great scope for setting up agro-based industries here if the growers get enough assistance as contemplated by Shri Patel in his Bill. Loans can be arranged for them by the Central Government through the banks, cooperatives can be set up for their benefit and proper utilisation of available resources. If this is done then surely the cooperatives will function successfully and the objectives of this Bill will be fulfilled. This will also bring about some economic upliftment in the lives of the large number of poor farmers and labourers in the rural areas. That is why I am supporting this Bill. At the same time I want to say to the Hon. Minister of Agriculture that to achieve all this, the most important thing is to carry outland reforms. Till we are able to bring about radical land reforms, till we are able to give land to the tiller, all our efforts in other directions will go waste. We will not be able to give any benefit to the vast masses of poor farmers and labourers who live in villages and who

[Shri Ajit Kumar Saha]

constitute 75 per cent of our population. I hope the Government will wake up and try to carry out land reforms speedily and issue directions to that effect. With that Sir, I extend my full support to this Bill of Shri Patil and conclude my speech. Thank you.

[*English*]

SHRI K. P. SINGH DEO (Dhenkanal) : Mr. Chairman, Sir, first of all, I must congratulate Shri Balasaheb Vikhe Patil for bringing this very important Bill. Although it is a very simply drafted Bill, it is pregnant with meaning because of the simple reason that India lives in villages and more than 82 per cent of our people live in rural areas. Most of them are small farmers, marginal farmers, landless agricultural labourers etc. And especially after the land reforms have come in, the big holdings have gone. And therefore it is very very essential that we must do whatever is possible to see that those depending upon agriculture—either farmers or those who work in these farms—get a chance to improve the quality of their lives.

First of all, in our country agriculture is the basic industry and at the same time not only does it contribute to more than 60 per cent of our national income, but at the same time, it gives a lot of employment. In fact it has been calculated that for every thousand crores investment in agriculture, small-scale industries and heavy industries, agriculture gives the largest amount of employment. Agriculture still is dependent upon the vagaries of the monsoon and weather. With the systematic destruction of the environment we have been beset with all the three natural calamities, that is, flood, drought and cyclone. So it is in the fitness of things that Shri Balasaheb Vikhe Patil has brought this Bill. I had been to his sugar factory in Pravaranagar, which is a revolutionary institution formed by the agricultural labourers in the cooperative sector. This was set up by his father and the foundation stone was laid by no less a person than our first Prime Minister, Pandit Jawaharlal Nehru. There is Government's commitment to the upliftment of the weaker sections of the society and the underprivileged and the unorganised sector and the cooperative movement. The

Pravaranagar sugar factory started off in a humble way but it is now running an Engineering College, Women's College, a Women's Polytechnic, Vocational training centres etc. and this is entirely based on this Pravaranagar sugar factory. So, if this sort of agro-based industries are located in various parts of the rural area, this will bring in not only economic development but upliftment of the rural economy and at the same time improvement in the life of the people.

Agriculture is our basic culture, our agrarian culture and it has kept our society bound together. Therefore this is a very laudable Bill which he has brought especially in the light of the latest BPE guidelines where large industrial undertakings are located in these various areas are not expected to give employment to the local people, although in 1981 we had approved the new industrial policy here in this very House where the concept was to have a large nucleus of industries in the rural areas which would give employment. But the latest BPE guidelines nullify all that and therefore, and there is no avenue for employment in the rural areas since none of the big industrial houses are keen to go to places where there are no infrastructural facilities. Therefore, the only way in which we can help is to stop or arrest migration of rural population to the urban areas leading to slums, shanties and unhygienic conditions and social tensions and develop our rural areas by helping the rural farmers and agricultural labourers and this is where the Central Government and the State Governments can act as a catalyst and play a meaningful role which will also go a long way in our poverty alleviation programmes. So, I wholeheartedly support Shri Balasaheb's legislation and I congratulate him for having brought this legislation.

SHRI Y. S. MAHAJAN (Jalgaon) : Mr. Chairman, Sir, I rise to support the spirit and sentiments behind this Bill. The policy suggested by Shri Balasaheb will bring millions of our people in the country above the poverty line.

The Bill has a very wide scope perhaps not realised by some persons. The agro-based industries, Sir, include not only textile,

jute and sugar, but handlooms, powerlooms, rubber, coir and leather industries, food processing and processing of vegetable oils. At present the large-scale units in these industries are located in the cities and are in the hands of the capitalists. Very few of the sugar and textile mills are in the hands of cooperative societies. The Bill is for the small scale and village industries which are spread over the countryside and the object of the Bill is to promote the development of rural areas and raise the living standards of the people in the rural areas. Seventy per cent of our people live in villages and to a large extent they have been deprived of the advantages of industrialisation. If the idea behind is to help development of rural areas, then industry will be carried to the villages and it will be run on cooperative basis and it will raise the living standards of the people. This will become an instrument for rural industrialisation which has been the object of our policy because unless industries move to the villages for the purpose of ensuring the well-being of millions of people, the country will not reach higher levels of prosperity.

The second advantage of this is that if the industries grow up in the rural areas, the rural people will be able to manage industries. That is a very important thing. They will learn business methods, methods of managing industry and the difference between the industry and agriculture will be reduced. This will also prevent the industrialists from manipulating or from exploiting people in the rural areas.

Sir, our Government has been trying to develop these industries through setting up agro-industrial corporations. There was a proposal to set up such an All India corporation. I do not know whether it is there now, but many States have set up such corporations, we have one in our State, Maharashtra, and they have encouraged cooperatives. I mean, these agro-based corporations have encouraged cooperatives for this purpose with the result that we have a large and medium units organised on cooperative lines in textiles and sugar in Maharashtra. Haryana had proposed to set up 20 medium and large-scale units in 1985. Some are to process cotton seeds and some are to deal with wheat products. Such units would work

for the prosperity of the farming community, train them in the methods of business management in industry, reduce the gulf between rural areas and urban areas and prevent exploitation of the former by the later.

Such a policy has been in the thinking of our policy-makers and planners for a long time. It was in 1962, the Planning Commission set up the rural industries planning committee and this committee made a very revolutionary suggestion which has not been carried out. The Committee aimed at evolving an approach for creating a cooperative agro-industrial economy, a short of economy which Mr. Balasaheb Vikhe Patil had in view. That was in 1962.

I need not dilate on the advantages of cooperation. Everybody know it. It avoids the extreme of State-run industries on the one hand and the private-run industries on the other hand : The first means inefficiency and corruption, at the moment, and the second means, exploitation. The middle course, cooperation, means that the producers themselves, those who benefit by the process, have a share in the management of the unit. There were great hopes about cooperatives in my State. But after 50 or 60 years, they came to the conclusion that though cooperative had failed, cooperation must succeed. That was the slogan, after 50 or 60 years of cooperation in Maharashtra. But I am glad to say that at the moment, this sector is growing as vigorously in our economy but it should be promoted with certain reservations.

Sir, one Member referred to the managers of cooperatives as sharks. It is too strong a language. What I will say is that malpractices are there. It happens that somebody organises a cooperative society in the House building, for instance, and then he exploits his position; or somebody has an influence in certain area, with the result that his leadership becomes a permanent one and in this way, we have certain malpractices or certain undesirable things taking place in the cooperative sector. But I hope the administration of these cooperative societies will be improved,

[Shri Y. S. Mahajan]

Another suggestion is, if you start a sugar factory say in Maharashtra, you collect about Rs 70 lakhs or Rs. one crore and the Government lends about Rs 8 crores. In effect, it is not a cooperative society. It is a society run on the Government capital, (*Interruptions.*) If it is to be a fully cooperative, the capital must be contributed by the members themselves.

An attempt should be made to improve the administration of cooperative societies to eliminate the present malpractices. If they are eliminated, then this approach promises us good results and an improvement in the living standards of millions of people.

With these few remarks, I support the spirit, the principle and the sentiment behind the Bill.

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : Mr. Chairman, Sir, I thank you for giving me an opportunity to express my views on the Bill which has been brought forward before this House by Shri B. V. Patil, who is a real cooperator and who has done so much for the rural development, for the rural upliftment in Maharashtra in general, and in his area, in particular. I fully agree with the objectives of the Bill. Though the Bill does not specifically mention the agro-based industries that are to be reserved for the producers and workers cooperatives, it has given an opportunity for the Members of this House to express their views so that our Minister of State for Agriculture, Mr. Makwana, who

17.00 hrs

comes from Gujarat which is a State where the cooperative movement has made very rapid and healthy strides and which has become an ideal for other States also to follow, to exercise his energies on the lines of this Bill, consult people's representatives, specialists in farm sector and farmers leaders and come forward with a Bill by the Government itself incorporating the agro-based industries that are to be reserved in tune with the objectives of the present Bill.

You know in our country the main problem is exploitation of the farmers by the middlemen. I only quote two examples. You know every year the prices of cigarettes go on increasing. They have never come down. But there are many years when the tobacco growers faced the worst economic crisis and similarly every year, the cloth prices are increasing. But there are many years when the cotton grower has suffered a lot and he feels it very difficult to further invest on the next crop. To minimise such exploitation and also as one of our friends has said, in spite of the Government's sincere efforts to arrest the migration of the rural people to the urban areas, we have to agree that it is not a success because, after all, the rural poor, the rural unemployed, and the rural under-employed people, migrate to urban areas with a great hope that they will be able to get some job and thereby they can live a comfortable life there. But unfortunately they are compelled to stay in slums and you know the social problems and how much it is costing the exchequer to face the several aspects of this urbanisation.

By reserving and setting up and developing the agro-based industries in the rural areas, it will help the dispersal of industries to the rural areas. Unfortunately till now, in spite of the Government's tall pronouncements many a time these industries are set up only in the cities or in the periphery of the cities. They are not going to the rural areas. So, by reserving some agro-based industries to be set up in rural areas, the Government can do a great service in removing the unemployment. You know there are millions of people who are living below the poverty line. That will help these unfortunate people. In spite of our Government's proclaimed policy and its journey towards socialistic pattern of society, unfortunately in this country, there are some families who are controlling Rs. 2,000 crores worth of financial empires.

In these circumstances, these cooperatives of producers and workers will further help in reducing the economic concentration in a few hands and it will help lakhs of agricultural farmers, producers and workers to participate in the financial matters of the institutions. The agricultural labour also will

be able to get higher income by way of getting some additional bonus that can be given to those people from out of the profits that will be got by these cooperative institutions. Even in countries where there is complete privatisation and where even manufacture of aeroplanes is in the private sector, even in such countries, many agro-based products are under cooperative sector; there also, the farmers are forming themselves into cooperatives and they are managing the fruit and food processing units. In this connection I would like to make one or two suggestions. Especially in our country, fruit-canning should be reserved under this category. Nowadays people have more tendency to consume natural fruit juice like that of mango or guava or coconut rather than the other soft drinks like Campa, etc. We have seen that in one country, in the Philippines, even the kernel of the tender coconut is also canned; and it is so tasty. In our country, sometimes the coconut growers face problems when prices are slashed to the minimum. This sort of canning will help the coconut growers to overcome such crisis.

Regarding potato also, the farmer is denied even one rupee per kilo whereas 50 gms. packet of chips is sold for more than a rupee in restaurants, theatres and other places. This type of production of food items should be reserved for the producers' and workers' cooperatives.

The Agricultural Universities and research centres should conduct research into small-sized agricultural implements that will be particularly beneficial to small and marginal farmers in this country and that technology should be given to cooperatives of technologists or engineers or educated people who are in the villages and they should be given opportunity to manufacture those items and make available those things to the farmers of this country.

Lastly, Government have desired that by the end of the Seventh Plan period, our processed food exports should be doubled, and in this context I make a fervent plea to the Hon. Minister, Shri Makwana, to seriously think over the scope of this Bill

and come forward with another Bill incorporating the same objectives, reserving certain items of agro-based industries exclusively for farmers', producers' and workers' cooperatives.

SHRI UTTAM RATHOD (Hingoli) :
 Mr. Chairman, I feel privileged to support this Agro-based Industries Reservation for the Producers and Workers Cooperatives Bill piloted by Shri Balasaheb Vikhe Patil. It was the vision of late Shri V. K. Patil, father of the pilot of this Bill, who was impelled, by the very nature of the agricultural produce, to have a cooperative sugar factory in Maharashtra in a drought-prone area. Why do you want this particular sector to be reserved for the agricultural farmers and labour? There is a reason behind it. The agriculturists and the labour remain poor because they do not have the bargaining capacity. Why does the farmer not have the bargaining capacity? Because, the produce that he gets out of agriculture is perishable. Take anything, be it sugarcane or cotton or jowar or wheat. It is perishable by nature, and that very character limits his bargaining power. He will gain the bargaining power only when he is allowed to have cooperatives in some sort of processing industries producing finished goods. That experiment was conducted by Hon. Member Shri Balasaheb Vikhe Patil's father in Maharashtra and it succeeded. They started with a capacity of 350 metric tonnes and today they have a huge cooperative empire imparting education to farmers, medical education, engineering education, technological education, education in all fields and disciplines. They have also started constructing houses at the farm-site for the farmers, a project worth crores of rupees. These people could do it because the farmer had the capacity to bargain, the farmer had the capacity to process the goods, to process the agricultural produce and bargain in the market. We want you, through this Bill, to give that power to the farmer. Unless you give that power to him, he is not going to come up. Your APC is not going to help him. It will allow him to sustain his living only, not more than that. I do not know, Government sometimes behaves in a very peculiar fashion. You have the APC, and you told us that our produce would be purchased at a specific price. We went a

[Shri Uttam Rathod]

step ahead. We had a monopoly purchase in cotton in Maharashtra. Unfortunately, this year we sustained a heavy loss. And you started putting impediments in our way in clearing that scheme. I ask you: why do you do that? Is it not a fact that your Cotton Corporation suffered a loss of Rs. 100 crores during the last 15 years? What was your turnover? It was not more than the two-year turnover of Maharashtra. Still you sustained a loss of Rs. 100 crores.

We have started spinning mills in the cooperative sector. But you say that we cannot have composite mills. Why? Why don't you allow composite mills in the cooperatives? You are allowing the old private spinning and weaving mills modernisation, and under modernisation those private companies modernise and make huge profits. You cannot stop that. It is for these reasons that we want the rural economy to be strengthened, and that can be strengthened only by giving the bargaining power to the cultivators; and that bargaining power can be given to these people by allowing them to have their own processing industries, industries which are based on agricultural produce.

[Translation]

DR. G. S. RAJHANS (Jhansjharpur) : Mr. Speaker, Sir, for a long time I was in two minds whether to support Shri Patil's Bill or not. In the end, I came to the conclusion that it was very difficult for me to support it. There are two types of States in this country. On the one hand, there is Maharashtra, where cooperatives have achieved a miracle, Gujarat and Maharashtra's cooperatives have set a model for the whole country, on the other hand, in my State, Bihar, the cooperatives have ruined the people. They have ruined the small farmers. The people who control the cooperatives have established their stranglehold on them to such an extent that they do not let anybody else enter them. The persons of ordinary means ten years ago are the millionaires of today. But the small farmers, who set up the cooperatives, were ruined. A cabinet Minister from Uttar Pradesh, I will not tell his name, was saying that the same situation prevailed in Uttar Pradesh...

SHRI RAJ KUMAR RAI : He was right. The condition is even worse than that.

DR. G. S. RAJHANS : It is proving to be a gold mine for a small group of persons who dip into it and draw as much as they like. They are becoming rich day by day and the ordinary people are being ruined. Therefore, to my mind cooperatives should not be allowed to set up agro-industries in Bihar and Uttar Pradesh.

SHRI RAJ KUMAR RAI : The Government should take them over.

DR. G. S. RAJHANS : Yes, the Government must take them over but in a joint sector. There is a big scope in the agricultural field; a number of industries can be set up because raw-material is available in abundance which is going waste at present. But it should be taken up in the joint sector instead of the cooperative sector. The people have no faith in the cooperative sector. In Maharashtra, cooperatives are all right but I request you that there should be no cooperative in Bihar.

SHRI RAJ KUMAR RAI : Sir, this issue is connected with the farmers and their produce I would, therefore, request you to allow 2 to 4 minutes extra time. We are farmers and also represent farmers and, therefore, we know their problems. Please allow some more time. We shall be thankful to you.

[English]

PROF. N. G. RANGA (Guntur) : Mr. Chairman, I wish to congratulate my Hon. Friend, Shri Patil, for having brought forward this Bill and placed this particular issue for consideration in the House. As you all know Congress itself had decided just one or two years after we became free in favour of establishing so far as rural India is concerned a cooperative commonwealth but there unfortunately for a long time the Planning Commission has led the country in another direction.

I am all in favour of the points that our friends have made and all that I wish now to

add is only two points. One is the management of these cooperatives. As you all know, it is left now to the State Governments and they do not help the democratisation of the cooperative movement. There we have got to pay special attention in order to see that the cooperatives are helped and are also obliged to regulate their own management in a democratic manner under the eye of the special courts and certainly of the Supreme Court. We have got to relieve them from the administrative and political control of the Governments at the Centre as well as at the State level otherwise politics would be imported there.

Then in regard to their own internal management except in Maharashtra and Gujarat in other places their internal management has not been satisfactory. There also these big people swallow the small people and control them. Not only do they control but also exploit them. Some means have to be found in order to see that real democracy, at least maximum degree of democracy, would prevail in the management of these cooperatives.

Thirdly, we are now talking of cooperatives consisting of farmers as well as workers. In actual practice, now the workers are not able to have any hold at all. As you are having a kind of reservation in regard to various other facilities, social and economic, have you must ensure that either one-third or one-half of the membership is reserved for agricultural workers, who work in the local area. Then alone you can persuade them also to have some inducement to remain in their villages. They would have some stake in the cooperatives. Most of them do not have land; at least, let them have shares in these cooperatives so that they can feel some attachment to their village to their local enterprise also.

When this reservation is made in regard to marketing, storing and value adding process and so on, necessarily Government will have to pay special attention to their efficient management, and in the name of efficient management, you should not allow Government to mismanage these cooperatives and then overawe them and exploit them for

political purposes. In this direction and several other directions also, special care has got to be taken to see that a maximum degree of democracy would come to prevail. I am all in favour of principle underlying this Bill and I would like the Planning Commission and the Government to give special attention to this and various other points also that are germane to democratic functioning as well as welfare of the agricultural workers and farmers and give a new direction to the policy of industrialisation of our rural areas.

Now, a final word. This industrialisation of rural areas should not lead to the elimination of either the self-employed peasant or the worker himself who happens to remain in the village and is attached to the rural economy.

MR. CHAIRMAN : The time allotted for this Bill is already over. The Minister has yet to intervene and the mover has also to reply. One Hon. Member also wants to speak. If the House agrees, we may extend the time allotted to this Bill by half an hour. This Bill has to be completed today.

MANY HON. MEMBERS : Yes, yes.

MR. CHAIRMAN : The time for this Bill is extended for another half an hour.

[*Translation*]

SHRI RAJ KUMAR RAI (Ghosi) : Mr. Chairman, Sir, the party to which I belong also holds the view that the interest of the farmers and farm labourers should be watched, the human resources and the raw material should be utilized properly and the poor should be saved from exploitation. I thank Shri Balasaheb Vikhe Patil for affording us an opportunity to speak by introducing such a Bill.

Sir, you yourself have a good experience in this field and the whole House knows that our country might be progressing in other fields but the situation regarding agricultural labour, agriculture and agricultural produce is not good. There is no proper utilisation of the farm labourers and the raw-material,

[Shri Raj Kumar Rai]

The middleman is exploiting them. Our farm labourers do not get proper wages as they are not organised. Just now as Dr. Rajhans was saying about cooperatives, keeping the time limit in the mind, I would say only this much that the people in Gujarat and Maharashtra have faith in the cooperatives sector and can hope to achieve some thing but the people of Uttar Pradesh and Bihar cannot even imagine that cooperatives can do any good to farmers or farm labourers. There should be a union of farmers in our country through which they can buy the raw-material at fair price. Therefore, I do not agree to the establishment of cooperatives but this much I want to say that the Hon. Minister of State for Agriculture, who has the good of the farmers, the poor people, farm labourers and rural people in his heart and wants to work for them with a zeal, should bring forward a legislation in the House to ensure their welfare and fair price for their produce. The farm labourers should also get proper wages at right time.

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION (SHRI YOGENDRA MAKWANA) : Sir, this Bill seeks to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries. The object of the mover of the Bill is laudable. I can understand the spirit behind it. I appreciate his intention to bring this Bill in helping the farmers and producers in the rural areas.

Sir, though the object of the Bill is very good, it is very difficult to put it in practice. The time is not ripe for it as we have seen and the experience has shown, that the cooperative movement in the country has not developed uniformly. I have heard all the speakers with rapt attention. Nearly, in all, 23 speakers have spoken. Everybody has accepted that except in Gujarat and Maharashtra, the Cooperative movement has not well developed. Elsewhere it has taken roots, and some work is being done. But not fully

developed. In such a state of affairs, it is very difficult to reserve the entire area for the cooperatives sectors. The Government gives priority to the cooperatives. But the main intention of the mover of the Bill was to protect the farmers and agricultural labourers. In the Statement of Objects and Reasons, it is stated that human resources and raw materials are not properly utilised in rural areas. The big and medium industrial houses exploit farmers and force them to sell the raw materials at throw away prices. So, one thing is about the prices and another is that the farmers are unable to utilise the raw materials for want of finance. The third thing is, this Bill will also reduce the migration of the people from rural areas to urban areas in search of employment. So, the important consideration in the mind of the mover is the migration of the people from rural to the urban areas. Such industries should be reserved for producers and workers cooperative to help in mobilising very keen participation by farmers and farm labourers.

All these things are being taken care of by the Government. The Government ensures that the farmers should get the remunerative prices. The Agricultural Costs and Prices Commission takes into account the cost of production of the agricultural produce. Thereafter, it fixes the prices of the agricultural produce. Sir, every year, it is our experience that the price fixed by the Agricultural Costs and Prices Commission is moving to the higher levels and the farmers are getting the remunerative prices. Wherever there is a fall in prices, the market intervention takes place, viz that the Government enters the market and purchases the produce of the farmers. In case of account, we intervened in the market in Kerala and purchased the coconut from the farmers. In case of rice, wheat—these foodgrains—where the procurement prices are fixed, the Government procures it through the Food Corporation of India.

So far as credit is concerned, there is an institutional credit available to the farmers—short term, medium term and even long term—from the Cooperative Banks, from the commercial banks also. The Government is keen to help the farmers. We have set up a separate bank called NABARD, exclusively for financing the agriculturists in the country.

Then in order to help the farmers, there is a subsidy on the fertilizers, agricultural inputs are subsidised by the government. Transport subsidy is also given for fertilizers. Then irrigation potential is created in the country to help the farmers so that they should not depend on the vagaries of the monsoon. Today, 40 per cent of the land is under irrigation, and every year it is extended to other areas. Then infrastructure like storage of godowns, storage godowns, roads and other things are created under the IRD programme of Government of India. The farmers are helped and if the people migrate from rural areas to urban areas it is mainly in search of better facilities which are available in the urban areas. Then they get better education for their children. Now, all these things are taken care of by the government under the rural development programme. Drinking water facilities are provided, school buildings and college buildings are constructed under the IRD and other programmes. Roads and other infrastructures are created. So, it helps the farmers and it helps the producers in the rural areas.

Now, there are members who talked about reserving certain areas for cooperatives. The government is also thinking in that direction and has doing something. So far as dairy development is concerned, we have operation flood programme : in the operation flood areas, private units are not normally licenced. The Cooperative Sector gets first priority. In other areas cooperatives dairies are given preference and the experience has shown that the dairy development in this country has taken deep roots. In a number of States, it is doing very well. In my State, Gujarat, we have a dairy in every district, and today, even though there is a dairy in every district, we are not able to take the milk of the farmers because the production of milk has increased. What is the reason and how it has increased? It is because of the cooperative movements. The farmers, the producers are getting better prices for their produce, that is the milk. They are getting better feed concentrate for their cattle. Health facilities are looked after by the dairy industry. The progeny of the cattle is also being improved. The bread, the upgradation of the local bread and the cross-breed of the exotic and the local bread has improved the cattle in this country and production of milk has increased.

There are a number of State where dry land is under agriculture. It is rain fed agriculture. For the development of dry land farming, there is a programme government has undertaken. This also helps the farmers.

Then there are a number members of who have made specific points. I would like to reply to the points made by Shri Balasaheb Vikhe Patil, Shri Shantaram Naik, and Shri Janga Reddy and soon. They all strongly advocated for the promotion of the cooperatives and establishment of agro-based industries in cooperative sector. Agro-based industries cover a very vast area. If we try to enumerate, almost all the industries will be covered under agro-based industries such as spinning mills, jute mills, sugar mills, then dairy, everything will be covered, because all industries are based on agriculture. It is not possible to take care of all these under the cooperative sector. However, the Government is financing cooperative mills, cooperative sugar mills. Under the NCDC programme we have financed nearly 2458 units. A huge amount is provided to the spinning mills, sugar mills and other cooperative mills by the NCDC and the Government also. So the Government is very keen to see that the cooperative sector develops. But the time is not ripe when we can reserve all the agro-based industries for the cooperative sector. Therefore, it is not possible to accept the Bill of the Hon. Member though I appreciate the intention of the Hon. Member.

SHRI RAM PYARE PANIKA (Roberts-ganj) : If you are not accepting his Bill, you should bring your own Bill.

SHRI YOGENDRA MAKWANA : I appreciate the efforts and spirit in which this Bill has been brought by the Hon. Member. I agree with him to a certain extent that the Government should help the cooperative sector. That much we are doing. However, under the present circumstances, it is not practical to reserve all the agro-based industries for the cooperative sector. I, therefore, request the Hon. Member to withdraw his Bill.

SHRI BALASAHEB VIKHE PATIL : In selected areas you should reserve something.

SHRI YOGENDRA MAKWANA : In dairy we are doing something. In spinning it is the cooperative sector which is prevailing. In sugar industry 80 per cent is under the cooperative sector. So, the Government is helping the cooperative sector. By and by it can take over other industries also. But the time is not ripe for reserving all the agro-based industries for the cooperative sector. Therefore, I request the Hon. Member to withdraw his Bill.

PROF. SAIFUDDIN SOZ (Baramulla) : Sir, I want to speak on this Bill. I may be given just three minutes. I will not take more than three minutes.

MR. CHAIRMAN : This is not the stage to speak. Do not take time of the House.

SHRI RAM PYARE PANIKA : After the reply of the Hon. Minister, how can he speak ?

PROF. SAIFUDDIN SOZ : The mover of the Bill is Mr. Patil and not the Minister. The Minister was intereving. I would take only three minutes. Moreover, the Mover has yielded. You do not look to the left. Left is very important.

SHRI YOGENDRA MAKWANA : But right is more strong.

MR. CHAIRMAN : Even if he has yielded, I have not allowed you. Shri Patil.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Mr. Chairman, Sir, I am thankful to the Hon. Minister and the Members of the House for participating in this discussion. If we want to adopt socialist policies in the country, there is no alternative to the cooperative movement. It solves three to four problems First, the rural capital remains in the villages itself and unemployment is reduced. We can also enter new areas which can create new employment opportunities. Secondly, it also helps in preventing concentration of wealth. Thirdly, the coopera-

tive movement can be helpful in the establishment of a secular society. Fourthly, it would also help in the democratisation of politics, which we wish to bring about. A person can have any number of shares but he has only one vote. So considering all these aspects, it appears to me that this is the only way. The Hon. Minister has said that they will consider it in some selected areas but I do not agree with his assertion that the time is not ripe for the cooperative movement. We must pay attention to the farmers and the labourers. If we do not pay attention to them, it would never be possible to undertake rural industrialisation. If you give licences to big industrialists, they will never go to a village but will set up their industries in a corner of a city and in this way the problems in cities will go on increasing. So, you should reserve some selected areas for the cooperative industries which are directly related with the farmers and the labourers. Through this we can solve the problems of the rural industries to some extent. If we want to realise Mahatma Gandhi's dream of a self reliant village and to usher a socialistic pattern of society then there is no other way except the cooperative movement.

At present, you want to do it in selected areas and you may do it, But I want to say one thing that I am pained when you yourself say that the time is not ripe for the movement. The cooperative movement is not running smoothly in the States of Uttar Pradesh and Bihar where these are being run by the officials. How can then the future of this cooperative movement be bright ? It is necessary to entrust it to the farmers and the labourers. But when the Government itself thinks that the present time is not appropriate for the movement than how can its future be bright. Therefore, get rid of this doubt and start this work in selective areas in right earnest.

The financial institutions have refused loans to the cooperative societies on the pretext of paucity of funds. I want that you should pay attention to it and hope that the Government would be sympathetic towards the movement in the interest of the farmers and the labourers. This is an important work and I wish that it should be done in the Seventh Five Year Plan.

With these words, I want leave to withdraw the Bill.

[English]

MR. CHAIRMAN : First I will have to put the amendment to the motion for consideration, which was moved by Shri Mool Chand Daga to the vote of the House.

The amendment was put and negatived.

MR. CHAIRMAN : Now Shri Patil may move for leave to withdraw the Bill.

SHRI BALASAHEB VIKHE PATIL : Sir, I beg to move for leave to withdraw the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries.

MR. CHAIRMAN : The question is :

“That leave be granted to withdraw the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries.”

The motion was adopted.

SHRI BALASAHEB VIKHE PATIL : I withdraw the Bill.

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17.43 hrs.

WIDOWS' PENSION BILL ✓

[English]

SHRI VIRDHI CHANDER JAIN (Barmer) : Sir, I beg to move :

“That the Bill to provide for payment of pension to destitute widows, be taken into consideration.”

[Translation]

First, I would like to highlight the objects and reasons of the Widows' Pension Bill introduced by me in the House.

We have seen that often the women of lower and middle income group with no adult son become destitute after the death of their husbands. Sometimes the condition of such widows becomes so miserable due to poverty that some unscrupulous persons take undue advantage of their helplessness and disgrace them in the society. In order to eradicate this evil and to meet the requirements of the Articles 39 and 41 of the Directive Principles of the constitution, it is expedient to grant pension to the widows with a view to provide suitable financial help to them so that they may lead an honourable life.

The object of this Bill is to achieve this end. The States have formulated rules under the social security policy to give pensions to the old and the handicapped but this pension of Rs. 50 per month is insufficient. Neither the old nor the handicapped can maintain themselves with the help of this amount. We have certainly made provision for pensions to the old and the handicapped but no such provision has been made for the widows and this is very essential. Our society treat the widows with gross injustice. There has been struggle for the rights of women and they have got some rights but the condition of the widows is a blot on our society which we have to eradicate. Today the widows are looked down upon in the society. In certain sections of the society, the situation is so deplorable that a widow is not allowed to participate in her son's marriage. They cannot even apply a bindi on their foreheads. So, the widows are despised by the society. Previously, the society used to give financial help to the widows but now neither the family nor the close relatives help a widow in times of distress. In the present context the very definition of family is changing. Now besides the family and relatives, the society also does not help the widows. In the old days, if any person of a family faced some financial problem, the other members of the family used to make small contributions to help him.

I was in my constituency on the 27th and there one of the issues was that the