

15.42 hrs.

AGRICULTURAL PRODUCE
PRICE FIXATION AUTHORITY
BILL

By Shri Bhagwan Shankar Rawat

[English]

MR DEPUTY-SPEAKER: We now take up further consideration of the following motion moved by Shri Bhagwan Shankar Rawat on the 24th February, 1994, namely:—

"That the Bill to provide for the establishment of an authority for the fixation of minimum remunerative prices of all the agricultural produce and for matters connected therewith, be taken into consideration."

SHRI N.K. Baliyan

[Translation]

SHRI N.K. BALIYAN (Muzaffarnagar) Mr. Deputy Speaker, Sir, I have risen to speak in favour of Agricultural Produce Price Fixation Authority Bill which has been presented by Shri Bhagwan Shankar Rawat.

15.43 hrs.

[SHRI TARA SINGH *in the Chair*]

Sir, we all know that 70% of our population is engaged in agricultural work. And it is a matter of great pride that the former has made our country self-reliant in the field of production of food grains. But is it not distressing that even today no scientific basis has been fixed for the

payment of his produce? The farmer has no such trade unions/organisations like other production units, to pressurise the Government to yield to his demands. It is also true that he is not able to store his produce for want of funds and as a result thereof, cannot survive the fluctuations of the market and thus, does not get the reasonable price for his produce and the middlemen take away the whole profit. Sir, the farmer does not even have a say over the cost-price. The prices of fertilisers, seeds, water, pesticides are constantly increasing. The wages of the workers have also increased manifold. It is important to keep these factors in mind while determining the prices of the produce. The farmer has also to face the natural calamities like drought, floods, hailstorm, windstorm etc. Our agriculture is a gamble because of its dependence on Nature and there is always a situation of uncertainty. The need of the hour is to establish a remunerative payment system for the protection of occupation of the farmers and prosperity of the nation. That's way, once Chaudhary Charan Singhji had said that a way to prosperity of the country is through agricultural fields. He also opined that the government should establish a system to provide scientific prices to the farmers, no matter even if they have to close down various bodies set up in the name of progress of the farmers. But it should also make such an arrangements that the farmers must get prices for their produce on Scientific basis. If it happens, then, the farmer himself will be able to get good quality seeds, fertilizers, water and pesticides and the country will prosper. Our Country has recently signed the Dunkel Proposals resulting in the uncertainty of our farmers future. His future has become very uncertain. One condition of the Dunkel proposals is that we will have to regularly import three and half per cent of our consumption of

[Shri N.K. Baliyan]

foodgrains from abroad irrespective of the fact that our country may already be self-reliant in the field of foodgrains. This condition is going to adversely affect the economic condition of our farmers. Two years back the price of wheat in the open market was Rs. 550 per quintal but the government imported 30 thousand metric tonne wheat from abroad resulting in the decline in the price of wheat to Rs. 200 per quintal and farmer was not able to get minimum prices. It is very difficult to understand that in view of the said circumstances how will we be able to compete with the international market and make progress.

I will cite the example of the current year, when the farmers were given the remunerative price for sugarcane, they were able to resume the pending construction work. They were able to do much more and it helped to give a boost to his economic progress. When the labourers, money-lenders, shop-keepers began having a regular flow of money in their hands the economy of the villages also started progressing. There was only one reason behind it. The farmer became hopeful of getting remunerative prices for his produce. So far as the inflation is concerned, if we study the impact of the inflation on the prices of items used by the farmers we will see that the manner in which the prices of agriculture-linked products have increased, the farmer is not getting the remunerative prices for his produce accordingly. Besides, the standard of living in our villages is also improving and the daily expenditure as well as requirements are also increasing. In view of these the farmer is not getting remunerative prices for his produce and the labour he puts in. If we propose to make our country forge ahead, improve the village-econo-

my and we want to make our country self-reliant in respect of foodgrains, it is imperative to establish such a system so as to make payments to the farmer for his produce on scientific basis. With these words, I conclude and thank you for allowing me to speak.

KUMARI MAMTA BANERJEE
(Calcutta South): Mr. Chairman, Sir, I am grateful that you have allowed me to speak on the Bill and put forth my views. I, definitely, support the intention with which this Bill has been presented by the hon'ble Member Shri B.S. Rawat for the improvement in the condition of the farmers because party affiliations should not come in the way of discussion on improvement in the condition of farmer. Every one of us should consider it that it is essential to bring the farmers into the mainstream. Our country survives because of the hard labour put in by the farmers, the progress of our country depends on the prosperity of our farmers and our country can forge ahead with the success of our farmers only. The hard work of the farmers had resulted in the green revolution, they had slogged day and night. I want to congratulate the farmers of our country.

Sir, it is true that the farmers are putting up in villages and are engaged in agriculture but they do not even get the reasonable prices for their produce, and this situation has mainly been created by the middlemen. The major portion of the benefit is taken away by these middlemen without putting in any labour but the poor farmer, who slogs in the fields, does not get even the minimum prices for his produce.

Mr. Chairman, Sir, I am aware that the central government has set up an Agricultural Price commission to ensure the payment of remunerative prices to the farmers. But this commission is also

not being able to fully protect their interests. Today the members of the opposition are propagating that the congress party is not in favour of the farmers. I would like to tell these people that the congress party is the only party which is a well wisher of the farmers. The congress party was greatly instrumental in bringing about green revolution. The rural development schemes have been launched because of congress party only. RLEGP, NREP, IRD, 20-Point Programme, Jawahar Rojgar Yojana, Indira Housing Scheme, Nehru Rojgar Yojna, Rural Electrification etc. several programmes have been launched because of congress party only. This year also 40 per cent of the budget has been earmarked for Rural Development.

Efforts have been made since the time of Pt. Nehru to upfit the condition of the farmers from the grass root level and oversince all the facilities have been provided to the farmers. Panditji's slogan was to modernise the country. The slogan of our former Prime Minister Shri Lal Bahadur Shastri was "Jai Jawan Jai Kisan". This feeling was from his core of heart because he was the well wisher of the farmers. Similarly, Indiraji had launched "Garibi Hatao" Programme but the opposition Parties had tried to defame that programme by dubbing it as "Garib Hatao".

Rajiv Gandhiji had also started several rural development programmes immediately after swearing in as the Prime Minister. Now the opposition lament about GATT. The Chief Prime Minister of China writes to the Indian Prime Minister that they want to be included under GATT. The Communist Party of Cuba has also expressed desire to be included under GATT. I have read from the proceedings of the meetings

held in this regard and the chief Minister of China had said.

[English]

"The GATT will be our moral booster and it will be big booster for our exports."

[Translation]

It will make it clear that there is a big difference between what they say and do.

When Rajiv Gandhiji was the Prime Minister, these people used to say that on being defeated he would go abroad with the Indian money but even after getting defeated Rajivji remained in this country only and even gave his life for this country.

"Pyaaasi Zamein thei, Lahu pila diya. Mujh par vatan ka karz tha maine chuka diya."

Rajivji and Indiraji showed that they would fight for this country and finally gave their lives for this country. But, at no cost, they ever misled this country.

I have read the statement of the Commerce Minister given in Marcos we are not proposing to change our policy made, for the farmers and they will be given full protection. We do not propose to withdraw any subsidy on fertilizers. I suggest that the farmers should be given support price. Several laws are enacted in our country and are implemented by the State Governments. If there is any need to issue guidelines to the State Governments, the Central Government should do so, otherwise, the State Government would sit idle and indulge in politics. The farmers are of the opinion that there should be no politics.

[Kumari Mamta Banerjee]

16.00 hrs.

Besides, the farmers need to be imparted training in post-harvest technology also. There are many vegetables, etc. but the farmers face difficulties in cultivation of these vegetables for want of complete knowledge. It would be fruitful if the farmers are trained for this. I would like to request the hon'ble Minister that it is a very important matter and he should not let them down. The farmers should get the first support. There is no need to constitute a new commission. The farmers should be given the support price within the existing set-up only and side-by-side the consumers should also be given attention.

The prices of the essential commodities are on a constant increase. I would like to remind the government that they have essential commodities Act but several State Governments do not implement it, and as a result thereof, black-marketeers, hoarders want to take advantage and the public has to face difficulties as a result thereof.

There is a lot of politics indulged in, in providing lease to farmers. Even if they get lease, these are embroiled in some lawsuit and the case goes on for 20-25 years. Though it is not linked with it, yet I would like the hon'ble minister to pass it as to the Ministry of law because it is very important to solve the lease problem to the farmers.

We have had land reforms. The farmers should also be benefited from it.

With these words I support it and want to say that it should be made more successful.

SHRI RAMASHRAY PRASAD SINGH: (Jahanabad): Mr. Chairman, Sir, I support the Bill introduced by Shri Rawat and thank him that he introduced the Bill in the interests of the farmers at proper time.

First of all I would like to submit that India is a large country. It is called an agricultural country. The deteriorating condition of farmers is a topic which is discussed time and again in the House. There are many reasons behind this. Farmers work hard to grow crops. But when crops are ready for harvest, sometimes they are damaged by floods and at other times by drought thus the hard labour and expenditure of the farmers go waste. But it does not demoralise him and he goes on with his hard work. The factories which are running in loss, are closed down and the labourers working there are removed. However, the farmer of this country does his work unrestrained despite bearing a heavy loss, he feeds the entire country. The Government should pay attention towards this. I would suggest the implementations of crop insurance policy for this purpose. At some places this scheme has been implemented but not in the drought prone areas. The land of Bihar is extremely fertile, but still this state is being neglected. The Government spends crores of rupees in providing relief, but it does not provide any permanent relief, instead, the Government should formulate a policy to protect the crops of farmers.

Farmers do not get remunerative prices of their crops. It is true. The poor section of the society has to purchase majority of the household items from outside. Farmers have to spend a large amount in purchasing the things required

for agricultural purposes as well as those of household goods. These commodities are manufactured in factories—whether it is fertilizer of the household item like soap etc. A proper coordination should be established between the commodities manufactured in factories and those produced in fields so that the farmers do not have to purchase the articles from outside and suffer loss. By doing so the government would be protecting the interests of farmers.

Adequate irrigation facilities should also be provided to farmers. It is a powerful section of the society. They can produce foodgrains which may suffice the demand of the entire world. If the quantity of Basmati rice is increased, we may export it and thus earn foreign exchange. This would strengthen the country.

The Government has signed the GATT agreement. It is being opposed everywhere today. If the Government want to compete in the international market, adequate facilities including irrigation water will have to be provided in agriculture. Water of many rivers is going waste these days. If that water is utilized properly, the farmers can be benefited. The Pimpun Dardha and Murhar Schemes of Bihar have been lying incomplete since 1980. Had these schemes been completed, for the farmers of the State, agriculture would have been beneficial. Today, agriculture is proving non-profitable to farmers there, thus creating many more problems. If a farmer acquires 20-25 acres of land and have two children, he cannot keep his children with him, because in that case, the land would be non-profitable to him. If the land is profitable, all the family members would enjoy the benefit. His children can be educated and get job thus bringing prosperity to the family. People do job to lead

a prosperous life. If the agriculture is made profitable it would be beneficial both the ways. These peoples have been in power for the last 42 years but they never paid attention to farming, so we are witnessing the consequences thereof.

They state that the position in agriculture in Punjab and Haryana is good. Such a State in agriculture could have developed in all other States too. But they did not take measures in that direction. Who is at fault, it is their mistake that they did not pay any attention to agriculture. That is why only the older generation and not the coming generation of farmers are inclined towards farming. Had agriculture elsewhere been developed like that in Punjab and Haryana, it would certainly have checked unemployment and the terrorist activities which are being carried out all over the country and the country would have become prosperous to the extent that it could rather export and not import the food-grains.

I would like the Government to fulfil the demand of constituting a commission, review the various aspects of agriculture and fix remunerative prices to provide benefit to the farmers.

With these words I support the Bill and conclude.

SHRI MANJAY LAL (Samastipur):
Mr. Chairman, Sir ours is a country of farmers and 80 per cent of the total percent of the total population of this country depend on agriculture. However the number of big farmers here is quite less but the number of small farmers is very high. The census is carried out after every 10 yrs. which reveals that within the passage of every ten years more and more number of small farmers are ren-

[Shri Manjay La]

dered agricultural labourers due to the division of their land. By selling the land in fragments on occasions like sickness, marriages etc. they are rendered labourers.

When our country was enslaved the population was quite restricted and still we had to import foodgrains from other countries. Thereafter the farmers worked hard and made the country self reliant. But we are not paying any attention towards farmers and agriculture. If adequate irrigation facilities are made available, the production of food-grains can be doubled. But the increase in production would be of no use as long as we do not fix any price policy. The farmers have to sell their produce at cheaper rates and purchase the items of their necessity at higher rates. That is why Dr. Lohia had suggested to adopt a fixed price policy. Regarding agriculture he had stated that '*Ann daam ka ghatna barhna ana seir ke bheetar ho, karkhania maal ka daam laagat kharch se diyorha ho.*' Whatever a farmer produces he has to sell it at cheaper rates. But if he has to purchase the same articles after 5-6 months he has to pay much more than his selling price. If the variation *i.e.* rise and fall in the prices remain within a fixed limit the farmer would neither have to purchase the foodgrains at higher rates nor to sell it at cheaper rates. Besides, the prices of the commodities manufactured by the capitalists in factories also vary at large. A policy in this regard should also be fixed under which the price fixed for the commodity should not exceed on and a half times more than the actual cost of the commodity. In this manner, there would be a proper balance between the prices of agricultural products and the commodities manufactured in factories. Which would ulti-

mately help in checking the current tendency of changing heavy prices of various commodities.

I am thankful to Shri Rawat who has introduced a Bill for the prosperity of farmers and the country. It would provide remunerative prices of agricultural produce to the farmers. I do support this Bill.

[English]

SHRI YAIMA SINGH YUMNAM (Inner Manipur): Sir, I rise to support the Bill for the establishment of an authority for the fixation of minimum remunerative prices of the agricultural produce in the country. As you know, a little more than two-thirds of the entire population of the country are agriculturists. So, it will be logical to say that until welfare of the large population of the agriculturists is not ensured welfare, we cannot claim the country to be a welfare country.

So, I support this Bill which proposes for the formation of statutory authority for fixation of remunerative prices for all the agricultural produce. As mentioned in the statement of objects and reasons, I also agree with the Member in-charge of the Bill that while in the case of industrial products, the producers fix the price of their produce. In the case of agricultural produce, the agriculturists do not have that power to fix the price. It is fixed by the Government. So, sometimes, the agriculturists who are the agricultural producers are exploited. While considering the interest of the consumers, the Government sometimes fix the price of the agricultural produce just below the remunerative rate. So, there is a clash between the interests of the producers and the interests of the consumers. In that case, I would like to propose that the Government must pro-

vide subsidy in favour of the agriculturists so that they may not be exploited.

As proposed in the Bill, I also support for the establishment of the statutory authority which will consider all the expenditure incurred for producing the agricultural produce while fixing the price. At present, the traders, the capitalists, some vested interest industrialists exploit the agriculturists and try to exploit the agriculturists at their mercy. Until the agriculturists are paid a reasonable price of their produce, the country cannot claim that it is a grown-up country.

I would say, in my State, the farmers produce maize in large quantity. But where is the market for it? The producers are at the mercy of the traders. The producers have no right to claim the remunerative price. In that case also, if this Authority is instituted, it can look after their interests also. I am not prepared to give a long speech on this. I simply rise to register my support to the Bill and also for the case of agriculturists in the larger interests of the country.

With these few words, I support the Bill.

SHRI RAMESH CHENNITHALA (Kottayam): Sir, I rise to support the Bill which is introduced by our hon. Shri Bhagwan Shankar Rawatji.

This is a welcome step. The intention of this Bill is definitely welcomed by all sections of this House.

This Bill is for establishment of an Authority for fixation of minimum remunerative price for all agricultural produce.

Our country is predominantly an agricultural country and 90 per cent of

the population is dependent on agriculture and major part of our total production is agricultural products. So, we have to give more importance and emphasis for the proper development of agriculture in our country.

This primary sector, as other hon. Members have pointed out here, should be given more importance and more care so that we will be able to achieve the largest production in this field.

We have achieved self-sufficiency in foodgrains. It is because of the achievements during the time of the Green Revolution. But now it is necessary for us to strengthen all aspects of agricultural revolution. This green revolution has definitely given a stimulus to our agricultural sector. So, we are now self-sufficient in foodgrains. Even though we are self-sufficient in production of foodgrains, we have to strengthen this agricultural sector.

The productivity side is the most important thing. We are far below the international level of productivity. For example, in the case of wheat our productivity per hectare is very low as far as the international standards of productivity are concerned.

About rice also, it is the same case. The per hectare yield which we are getting in our country is far less than international productivity. A concentrated effort should be there to achieve the international level of productivity so that we can be more self-sufficient and excess can be exported to other countries and our economy will be strengthened by this.

Our agriculturists are facing lot of problems. There is no availability of new

[Shri Ramesh Chennithala]

technology and new varieties of seeds. The most important is the escalation of prices in the case of fertilisers and lack of power and irrigation facilities. These are the problems which every farmer in the rural area is facing. If we are able to make available new technology, our productivity level can be raised easily. There are a variety of seeds. Unfortunately, in the rural areas, we are now still dependent on age-old mode of cultivation and sowing. We are selecting seeds which can give us only the yield.

Our agricultural operation should be strengthened. It must be streamlined. More and more new technologies which are available in the world should be made available to the farmers. Our farmers should be given proper training for this. All agricultural operations should be streamlined.

Next, power shortage is one of the major impediments coming in the field of agricultural operation, especially in the rural areas. Everyday, we can see that the power-cut is hampering the prospects of agricultural operations. So, the shortage of power is one of the major impediments. Now, our farmers are coming out of the age-old cultivation. When they are going to adopt the new methods, power is the most important factor. Lack of power and a series of power-cuts are definitely hampering their agricultural prospects.

About irrigation facilities, time and again in this august House we have discussed about the inordinate delay in the commissioning of the irrigation projects. Some of the irrigation projects which were taken up earlier were not completed. Inordinate delays are there. We visualise that such and such irrigation

project will be commissioned and it will be helpful to the farmers in a particular area and their operation can be conducted very carefully. But because of the inordinate delay in commissioning of these irrigation projects, they are facing a lot of problems. From our exchequer itself, we are spending crores and crores of rupees. If the original estimate is of a particular sum, because of the inordinate delay, when the project is commissioned, it would incur an expenditure of double the original estimate or more than the original estimate envisaged. Our exchequer is losing much on this. Minor irrigation operations will be affected by this. The total plan will be upset by the inordinate delay in the commissioning of the irrigation projects especially in the rural areas where we are laying more emphasis on minor irrigation. Of course, the minor irrigation activities are taken up by the State Governments. But it is very unfortunate that the State Governments are paying little attention to minor irrigation and lift irrigation. Minor irrigation projects and small minor irrigation activities could not be carried out by the farmers in the rural areas because of non-availability of support from the State Governments. Particularly, there is inadequate planning in this area. We can divert more of the rural areas for agricultural operations by improved irrigation methods. So, I think we should attach much importance to this so that we can be able to extend our agricultural operational areas and ultimately it will help in the increased production of foodgrains in our country.

Next, in the case of industry, if an industrialist is producing an industrial product, when it comes to the question of fixing the price, it is definitely the industrialist who is producing the product who will decide the price. According to his price fixation policy, we have to buy

his product But in the case of agriculturists, the prices are fixed by the Government. Therefore, the Government should take ample care while fixing the price of the agricultural products. Government should take care of the various conditions, various problems which are faced by the farmers and cultivators in each and every area. How are we fixing the prices now? At present, the system is that the price is fixed on the basis of the overall expenditure. If we look into the price fixation policy, the fixation of price is not at all satisfactory. Ant we see that poor farmers are very much distressed with the price fixed for each and every product and they are arguing for this and they are going on strikes. This means that they are not satisfied with the present mechanism of fixing the prices. I think, the Government should take care of this and the Government should review the present policy and present mechanism for fixing the price. For example, I am coming from a State where we give more importance to agriculture produce like spices and rubber. Rubber is the concern of the Commerce Minister. The price of rubber is revised in every two or three years. Our Rubber Board has suggested price which is remunerative. But the Study Group rejected the proposal of the Rubber Board and they fixed the price which was not at all remunerative. The prices of all inputs are going up. But they are not taking into account all these things. For example, wages are going up and the price of fertilizers are going up; price of pesticides are going up. And rubber cultivation has become more costlier. When the Government is fixing the price, they are not looking into all these aspects; they will not look into the wage component. They will not go into the reality. Because of this small holders, small farmers and middle level farmers are suffering. The price fixing mechanism is not at all satisfactory and the small

farmers are not getting the remunerative price. I have quoted this example because we have been experiencing this for so many years. The support price is announced when the season is over. Even if they declare the support price, it will not give any benefit to the farmers because by then season will be over. Because of this, medium level agricultural holders are suffering a lot.

Regarding coconut, coconut is grown in almost every house especially in Southern part of our country. There have been repeated requests made by the Chief Ministers of the Southern States for announcing the support price for coconut. But the Government has not announced it. We have been repeatedly requesting for the announcement of the new support price for coconut through the Question Hour or by way of submissions. In every house, coconut farmers are there and their livelihood is plucking the coconut. There have been repeated requests made by the Members cutting cross party lines as there was fall in the price of coconut oil, but till now the support price of coconut has not been announced. Then how are you expecting the farmer to perform well? How can you expect that our farmers can grow more agricultural produce? How can you visualise exporting agricultural products if you cannot satisfy our farmers? (*Interruptions*)

SHRI GEORGE FERNANDES (Muzaffarpur): Without knowing, you are speaking against the GATT.

SHRI RAMESH CHENNITHALA: I am saying that if you cannot give proper prices of our agriculturists we cannot export. There are ample opportunities now available under the GATT for the

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export of our agricultural products. The only point is we have to encourage our farmers, we have to give remunerative price to our farmers, so that they can produce more and export. We have to take care of that. We have to utilise that opportunity. That is my contention.

I request the Government to review the present mechanism of fixing the prices for agricultural products and spices. Otherwise every year we will have the same problem. When we are announcing the prices it is after the harvest. After everything is over, the Government is coming forward to announce the prices. It must be done in time. It must be remunerative and after taking into consideration of all the aspects and the prevailing after taking into consideration all the aspects and the prevailing condition of each and every agricultural operation. Then only we will be able to achieve and stabilise the results of the Green Revolution.

[*Translation*]

PROF. PREM DHUMAL (Hamirpur):
Mr. Chairman, Sir, I rise to support the Agricultural Produce Price Fixation Authority Bill introduced by the hon. Member Shri Bhagwan Shankar Rawat. This bill has been introduced for the establishment of an authority for the fixation of proper remunerative prices of the agricultural produce and making provision for concerned subjects.

As all the speakers have just now, pointed out that the spirit with which it has been introduced is appreciable. Because the economy of the country depends on agriculture. About 80 per cent of the total population depend on agriculture. Most of the raw material

supplied to the industries is from agriculture. The provision made under part (a) of section 6 at page 2, which has been supported by all the speakers, states that 'it would fix and declare the remunerative prices of agricultural produce before sowing every crop' This has been said about the authority proposed to be set up.

Mr. Chairman, Sir, the Government do fix the prices of agricultural produce every year. Rather it has become just a tradition that the Government would increase the prices of food-grains every year. It appears that they have found a cheaper and popular way to prove themselves to be the well wishers of farmers. This procedure is proving fatal to the middle class people and poor section besides farmers. As I have already submitted that we do welcome the economic perspective, but assuming that fixing the prices of some agricultural products would solve the problems of farmers or improve the economy of the country is not feasible. I have a chart which shows that the price of wheat during 1982-83 was only Rs. 151/- per quintal which has been increased to Rs. 305/- in 1992-93. Mr. Chairman, Sir you also belong to the community of agriculturists and you are well aware of the fact that all farmers do not produce as much quantity that they way sell their produce in the market. Therefore, whenever a Bill for the fixation of agricultural produce is introduced or a law is enacted, the Government should be considerate to the interests of consumers *i.e.* a common man and also to the fact that a small farmer who does agriculture work during a limited period throughout the year, is also a consumer and purchases things. When the prices of several products are increased thus causing a negative effect in the market, it may prove beneficial to the big farmers

but not to the small farmers. I do not include Shri Netam in the category of big farmers. Rather I am referring to Shri Bhagwan... (*Interruptions*)... You should not have any objection to my statement. If you listen to me, you would realise that the big farmers may get profit out of it but not the small farmers. The Government should adopt a balanced policy in this regard and bring a comprehensive Bill in the House, so that the farmers may get remunerative prices of their produce.

MR. CHAIRMAN: The time allotted for discussing this Bill has expired. Is it the pleasure of the House to extend the time allotted by one more hour?

SEVERAL HON. MEMBERS: Yes

MR. CHAIRMAN: So, the time allotted for discussing the Bill is extended by one more hour. Shri Dhupal may continue.

PROF. PREM DHUMAL: My submission is that fixing the prices should not be restricted only to a formality or a ritual. A few days ago we have witnessed the scenes while fixing prices as to what things are to be taken into consideration. The announcement of a heavy increase in the minimum support price of Rabi crops has raised several questions. Due to the differences between the various ministries, the announcement was delayed too much and resultantly the farmers did not get any moral boost to sow wheat. This increase has been beneficial only to big farmers and not to small farmers. Because the small farmers do not have extra produce to sell. An increase in prices is likely to increase inflation. Our Budget is an evidence of steep increase in the inflation due to this fact. The increase in prices is not proportionate to the cost price of the products. So much so that it has led to an increase in the price of wheat being

sold under Public Distribution System. The most surprising thing is that whenever the matters regarding price-rise, consumers price index etc are raised here, the Government justifies the price rise on the plea that it is but natural in view of the increase in the support price of agricultural products. But how much increase was made in the support prices of agricultural products? Farmers were given a bonus of only Rs. 25/- per quintal, thus making a rate of Rs. 3-30 per kg. However, the Government is selling foodgrains at much higher prices under PDS. Has PDS been set up to gain profit by the Government?

The purpose behind it is that the poor should be provided foodgrains at cheaper price if they can't afford to purchase the same due to market competition. But its result has been quite adverse due to the policy of the Government. The Govt. claims that they had offered better procurement prices to the farmers and hence there was increase in the rates of foodgrains in the Public-Distribution System. I did not want to raise this GATT issue on this occasion, but Kumari Mamata Banerjee and Shri Ramesh Chennithala have supported the GATT here. But GATT is not the sole cause for increased rates of foodgrains in the Public Distribution System. The Government so often reiterates that it has given increased support prices to the farmers and therefore, the prices have increased. But it is not the fact. Rather the Government has been compelled to increase the prices of foodgrains in the Public Distribution System under the pressure of foreign countries.

Mr. Chairman, Sir, the most important factor behind it is that the Government did not announce it prior to the sowing season. It has always been emphasized. Every manufacturer or industri-

[Prof. Prem Dhuma]

alist first finds out as to which items have the highest demand in the market and then increases or decreases his production accordingly. But our farmers are kept in dark and they do not know what price they will get of their produce. When their crops are nearing harvesting season, the Government fixes the price of their produce. Therefore, the main objective of the introduction of the Bill by Shri Bhagwan Shankar Rawat in this August House is that prior to sowing the farmers should know the rates they are going to get for his produce.

The farmers must know that from the prices of their produce they will be able to recover the expenditure they have incurred on fertilizers, electricity charges, irrigation labour and the instalments of insurance premium, if any. If he feels that he will be in loss, he will not sow that crop. It is, therefore, essential that the Govt. should announce the support price of foodgrains prior to seed time.

Mr. Chairman, Sir, emphasis has been given on this point in Clause 9 of this Bill. It has clearly been stated that the authority likely to be set up for fixing these agricultural produce will make wide publicity of the price fixed through mass-media, like radio and television and press. It is good. But if this announcement does not reach the farmers living in rural areas how can they be benefited? It is good that its wide publicity will be made because the farmers will come to know as to what seeds they should sow so that they can get incentives therefor.

Mr. Chairman, Sir, along with the agricultural production there is another important issue of Agricultural Science Centres. You must have experienced its

need in your own constituency too and it might have been a long-standing demand of the people there to set up such centres there.

It is good that the hon. Minister of Agriculture is coming here. In order to provide remunerative support price to the farmers and to ensure a quality improvement and bumper production, the farmers should essentially be trained in cultivation with latest equipments. Agriculture Science Centres at various suitable places in the States should be set up for this purpose. The Hon. Minister of Agriculture is present here. He is aware of the fact that such demands are frequently being made from the States but the Government expresses its inability to fulfil the demand for want of funds. If they are not imparted such training how can they increase their production and improve its quality? As stated by Shri Bhagwan Shankar Rawat, if the Government really wants that our farmers compete with those of America and England, they should be properly trained through these Agriculture Science Centres so that they may be in a position to compete in the global market.

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR): By-and-by.

PROF. PREM DHUMAL: You want this change gradually, but the world is progressing very rapidly. Through you, I, therefore, would like to submit that on the basis of proposals received from various States including my constituency in Himachal Pradesh Agriculture Science Centres should be opened there and farmers be imparted training in them. The government points out that there is shortage of funds and therefore, farmers from other districts should join the Agriculture Science Centre which are al-

ready functioning and get training there. But I would like to point out that Himachal Pradesh is a hilly and backward area. Farmers would have to spend plenty of money to travel from one district to another. Therefore, they will prefer to purchase fertilizers with that fund.

Mr. Chairman, Sir, we do support that the farmers should get the genuine remunerative price for their produce but any by effecting increase in the prices of their produce a vicious circle is created which leads to a hike in the prices of other commodities and this trend should be checked. I, therefore, told that I supported the spirit of the Bill, but this Bill is unlikely to solve this problem. I, therefore, request the government to introduce a comprehensive Bill in this regard which may safeguard the interests of consumers. In this era of global competition the government would have to provide all such facilities to farmers as may enable them to compete with others in international market.

SHRI BHOGENDRA JHA (Madhubani): Mr. Chairman, Sir, I would not like to repeat what my other Hon'ble colleagues have stated but this issue of consumer prices has always created an atmosphere of conflicts. On the one hand when we talk about the remunerative prices of agriculture products, a contradictory argument from the side of mass-media, press and urban people is that it will further enhance the burden on consumers. This also causes an impediment in the policy of the Government. Previously, we did not bother about it. Earlier we used to take care of the consumers only and imported rations under PL-480 on certain terms laid by the exporting countries. During sixties we brought about some amendment in the policy and thereby some relief was given to farmers and consequently the produc-

tion increased from 5 crore tons in 1950 to 19 crore tons today. Land reforms have contributed to a great extent in this achievement. Of course ever increasing irrigation facility and price policy have also contributed to some extent. But merely the fixation of prices cannot ensure remunerative prices to farmers. As many of my Hon'ble colleagues have stated that majority of our farmers are small and marginal, for example their percentage is 87 in Kerala, 87 to 88 in Bihar, 91 to 93 in West Bengal. The number is more in Punjab. Punjab is the only State where the position is reverse. I would not go into its merits and demerits. There the affluent people take the land of small and marginal farmers on contract. In other parts of the country the marginal and small farmers take the land of big farmers having access land in their possession on contract. Thus the agricultural production in Punjab has increased because farmers take land even on contract and apply modern methods of agriculture. The Bhakra Nagal Dam has played a key role in the agricultural prosperity of Punjab. But in the remaining parts of the country the majority of the farmers are bound to sell their produce right from the beginning of harvest time even if later this may lead them to starvation. This is called the distress-sale. They sell wheat or paddy, whatever they produce, during the harvest time irrespective of the fact that lateron they might have to purchase foodgrains/seeds even by selling out their land for it. But they do not get remunerative or even minimum support prices lateron; The middle men earn double profit by selling their production in the village or market.

I would like to quote the example of the Government which we had supported. Shri George Fernandes was the Minister that time. That Government

[Shri Bhogendra Jha]

announced the increase in the procurement price of wheat two times and the second announcement of increase in price was made in the month of May. Now you can guess who filled their coffer by making such announcement. The wholesalers were benefitted. Some of such wholesalers were cultivators as well. I think that the integrated agriculture policy needs to be formulated. The first aspect of the integrated agriculture Policy is that the farmers should get remunerative prices. While fixing these it must be noted that after reducing the total cost wages and expenditure incurred on latest technology, the farmers get profit. While formulating such policy it should be kept in mind that when prices of factory items increase, prices of agricultural goods should also be increased. The Government should fix the procurement prices for farmers and purchasing price for actual consumers in such a way that the difference between these two should not be more than 20 or 25 per cent. So that the interest of the consumers is protected. I am not talking about the middlemen who plunder money in the name of actual producers. My submission is that the difference between the price given to actual producers and purchasing price given by consumers should not exceed 25 per cent. There should not be any clash between the interest of these two. There is no village throughout India where the farmers themselves are also not consumers. Even they have to purchase foodgrains for one to five months for their own consumption. Therefore, the Government should make such an arrangement that farmers get remunerative prices. It is not that only urban people have to purchase foodgrains at higher prices.

The farmers should be provided inputs at prescribed price and that too

in time. In a State like Bihar the seeds are supplied there after the season for agriculture has passed. A little quantity of seeds is used for sowing and its major portion is used for consumption. Therefore, the seeds should be supplied at the proper time and in proper proportion. Seeds, agriculture equipments and fertilizers should also be supplied. Usually they do not get electricity. Electricity or diesel should be supplied through government's fair price shops. The Hon'ble Minister of Agriculture and the Hon'ble Minister of Finance are present here. In this atmosphere of Dunkelization we doubt whether we will be able to protect our agriculture or not. Some of our medium farmers will be reduced to small farmers and the small farmers are likely to be reduced to marginal farmers. The marginal farmers would go adrift and live in penury and come on roads. Our country is not Hong Kong, Singapore or Taiwan. If the country having a population of 90 crore becomes a pauper nobody will be left here to purchase the agricultural produce obtained from thousands of acres of land then what will be the condition of our country? Which country will feed us? Therefore, the agricultural policy was formulated after great deliberation. That time the ruling party was divided. Great thinkers, like Late Shri Raja Gopalachari and Late Shri Charan Singh revolted in the congress and demanded to stop land ceiling and land reform. It led to severe conflict that time.

In the present situation who will be ready to buy our industrial goods. The indigenous market of the country will disappear. In the want of purchasing power there will be no indigenous market. Therefore, this vast country cannot progress merely by exporting or importing. Therefore, a serious threat has been posed. Since the Government have already bowed down before the Dunkel agreement. Some certain precautions

are a must. The Hon'ble Minister of Agriculture has assured us to introduce a Bill. We want to get that Bill introduced in time so that we can discuss it properly and adopt it unanimously. So that we can safeguard the interest of agriculture, farmers and national interests.

We are still backward in certain fields. We were lagging behind in the production of pulses and oil seeds. But we have improved our position to some extent after we put some emphasis on their production. The cotton was fetching genuine prices to farmers this time, but due to the Dunkel's GATT agreement cotton was imported. The agriculture produce was imported. Is it proper that our farmers are not given genuine price of their produce. Ensuring genuine prices to them through our price control policy or our Public Distribution System and instead of this foreign goods and surplus American goods are being imported through European common market. It will prove a very dangerous policy.

Even if the Hon'ble Minister of Finance and the Hon'ble Minister of Agriculture regret it, the loss cannot be made up. We can follow Family Planning Programme, but no policy has been evolved in the family planning which may ask to withdraw a 15 year child. Such a grown up child is being presented in the form of the Dunkel's proposal, and it cannot be withdrawn.

I, therefore, would like to submit that our Hon'ble colleague has merely paved way for such improper things by introducing the Agriculture Price Policy Bill. But we want that the Government may introduce such a Bill which is worth deliberation. Comprehensively and by which interest of farmers can be protected.

There is still immense possibility to boost agriculture production. Water is an important resources and there are enough opportunities for its exploitation but some hindrances are being faced in this regard. There are persons who do not want construction of Tehri and Narmada Dams. Both Madhya Pradesh and Gujarat are at logger-heads in this regard as if there is no sanctity of the entity called 'Bharat' and there are only individual States. People advocating the cause of tribals want that they should continue to live in jhonpris and not concrete houses, devoid of electricity so that they continue to backward. In fact they do not want the tribals to become modern. People pleading such things could be sincere and honest but still the country has to progress. I submit that integrated price policy should be formulated for improving the lot of the farmers.

It has been said by hon. Members that hon. Minister of Agriculture should pay more emphasis on land reforms with regard to land ceiling and share cropping. If it is so, then I am happy. He should fix target of one year for implementing these and implement the same within one year period. Man power is our national asset. We have 90 lakh strong labour force. I would like to submit that greater emphasis should be laid on production. Alongwith agriculture extra planned productive activities should be started to fully utilise this manpower.

In the presence of both the hon. Ministers of Agriculture and Finance, I would like to submit that cheap means could be evolved in the country by developing appropriate indigenous techniques. There is a person called Ramprit Pandit who has developed pipe made of clay under the brand name of Prabhakar potteries. About 12-14 years back i.e. in

[Shri Bhogendra Jha]

1982-83, around 30 such tubewells were installed in the vicinity of Masaur Chowk in Darbhanga district and these are functioning quite satisfactorily. Even iron gets rusted but clay never gets rusted. If this technique is adopted then cost will come down five times. This technique was implemented and adopted in two districts and some grant was also given but later on it was abruptly changed. At present, the Government of Bihar is not agreeable to it because in the iron deals probably crores of rupees as commission could be got.

17.00 hrs.

However, commission in clay products is not possible. Number of clay tubewells or big tubewells could be increased five times in the country. Therefore, the Government should go in for such tubewells. I am prepared to render all the required assistance in the matter of improvement. This will totally bring about transformation in the country. The person engaged in this task does not have sufficient capital to take such risk.

Similarly, I would like to make a submission about an agricultural produce, which is not grown on other places. In my area it is known as 'Rahriya-Seem and Vokula'. This is grown in Mithila region of North Bihar. I got a study conducted in this regard from Agriculture University, Ludhiana and Agricultural Research Institute. They have sent the study report too. It is better than Soyabean in many respects but unfortunately, it has not been imported from USA. I submit that if its cultivation is undertaken then production cost will be very low. For the last two years I have undertaken its cultivation in my kitchen garden of the residence allotted to me as MP. Produc-

tion cost is low and yield is more. Likewise cultivation of 'Makhana' is also undertaken on largescale in my area. This also is not cultivated in other regions of the country. It is a very protein rich food. 'Makhana' sells at R. 50 per kilo in my area. However in Bombay and Madras, its selling price is Rs. 100-125 per kg. and in USA it is Rs. 2500 per kg. Its cultivation is not an easy task. Persons engaged in its cultivation have to sow the seed in deep water. It is a unique commodity and therefore, I urge that its cultivation should be undertaken on a large scale. Experts in its cultivation could be engaged for starting the cultivation in other areas too. 'Makhana' is not cultivated anywhere else in the world. I would like to submit that a rosary of 'Makhanas' was presented to Krushchev by a Minister when he visited India. There are some things from which much benefits could be derived through less expenditure and a little bit of modernisation. I submit to the hon. Minister of Finance who always talks about foreign exchange crunch that huge amount of foreign exchange could be earned from the export of 'Makhana' as it is not grown anywhere else in the world except India. Probably Indian soil is more suitable for its cultivation. Therefore, I submit that if not everywhere atleast in some areas its cultivation could be undertaken.

The hon. Minister of Agriculture should himself introduced a Bill in the House regarding the new price policy to make agriculture a profitable profession so that the agriculturists may not think it to be a non too profitable profession as it is being thought about at present. Persons owning even 10-15 acres of land crave for service and try to dispose off land to lead a prosperous life. It is not easy to sell lands and since there is no interest left in agriculture, so nothing is happening. Therefore, lands remain un-

cultivated. In this scenario, I would like to submit that an integrated price policy to take care of the interests of the agricultural labourers should be adopted to avoid conflict between the interests of the rural and urban people because consumers live in both the areas. Only the middlemen at present reap all the benefits without putting in any efforts or investments. These middlemen traders take loans from the banks as per the directions of the hon. Minister of Finance, Dr. Manmohan Singh. These middlemen traders with bank loans, procure agricultural crops at throw away prices and store them in bank godowns produce of farmers gets stocked in godowns. Consumers cannot go to the godowns directly. That's why the demand and supply theory propounded by the economist Adam Smith becomes operative when prices shot up, these traders mint lot of money, by releasing stocks from godowns. Moreover, Government is going to accept Dunkel proposal so that the middlemen may amass more money. So, for no efforts and pains they are becoming millionaires. The hon. Minister of Finance has paid no attention till now towards the interests of the farmers, who have been left on the mercy of the big capitalists. In this context, I urge adoption of an integrated price policy and a integrated agricultural policy so as to compete with others. With these words I conclude my speech.

[*Translation*]

SHRI P.C. CHACKO (Trichur): Mr. Chairman Sir, thank you very much for this opportunity. I am very happy that this House is getting another opportunity to discuss the problems of the farmers about which this Government is very much concerned and is very much committed.

Sir, this Bill is being brought before this House by Shri Bhagwan Shankar Rawat. I congratulate him because I support the spirit of this Bill, the idea behind this Bill but whether such a Bill is necessary in view of the steps the Government is going to take will be explained by the Agricultural Minister. Anyway, it is very good and it is very happy to note that even the BJP is concerned about the farmers' problems, even though most of the time they used to oppose the farmers' interests in the name of GATT and other things. When the farmers are getting opportunity even such leaders like Shri Bhogendra Jha are also having a lot of confusion about the farmers' opportunities which they are going to get because of GATT.

When political issues are overtaken most of the friends who are thinking at least occasionally about the farmers' interests, they forget the farmers' interests and they go as per political slogans. Anyway this has brought certain vital issues before the consideration of this House and I hope that the hon. Agricultural Minister who is a supporter and protector of the farmers' interests in this country will definitely take note of these things which are being brought before this House in the form of this Bill.

Sir, fixation of the agricultural prices in the existing system definitely needs overhauling. It needs some change because India is an agricultural country; from State to State different kinds of agricultural produce are being produced in large quantities and this country and the world is proud of Indian farmers who produced 180 million tonnes of food-grains this year. Whatever the prophets of doom have been campaigning in this country and in spite of the failing monsoon, the farmers of this country under the able leadership and support of this

[Shri P.C. Chacko]

Government could make wonders and they could produce record foodgrain production in this country. This is something unique in the whole world. Farmers in this country definitely need encouragement and there problems are to be understood in the right perspective. I am sure that this Government, the Agricultural Ministry and the hon. Agriculture Minister will not fail to understand their problems. Sir, because of inherent problems in the system, their problems are not being understood properly. I would like to highlight these things only taking a few minutes.

I come from a State which is producing cash crops in large quantities. We are not producing food grains but cash crops. My friend Shri Ramesh Chennithala was explaining about one or two items.

We are producing cardamom. The largest quantity of cardamom in the country is being produced by the Karala State but we are not able to get international price of cardamom most of the time because it is also produced in Guatemala and other countries where productivity is more and this cardamom is smuggled through Nepal and other big borders of India. It is coming to the country and the Indian cardamom price is being slashed. So the remunerative price for the farmers is a big problem. Of course, I know this problem is dealt with in Commerce, Finance and other Ministries also. But the fact remains that the Indian cardamom grower is not getting remunerative price.

Same is the case of clove farmers. I come from the Central part of Kerala where people took this new form of cultivation.

When they started clove cultivation some ten years ago one kilogramme of clove was getting Rs. 400. The ruling price now is Rs. 80 per kg! It has become totally unremunerative. What can the farmers do? The situation is that we are producing hardly what is enough for the country. If there is a small quantity which is brought to this country through clandestine methods, or smuggling across the borders, the produce in the whole country gets affected. The prices are slashed and the farmers suffer. We have made representations and the Minister of Agriculture was very sympathetic to us. He had asked the Ministry to prepare a note to examine how to help the clove farmers. They are on the verge of perishing. They cannot sustain for long. In the last two or three years almost continuously their produce has been attracting a very low and unremunerative price and they are not able to sustain. The farmers are not people with resources or reserves and with one crop or two crops if they cannot get a remunerative price they suffer a lot. This is happening to the cloves Kerala is producing.

Shri Ramesh Chennithala has explained about rubber also. Whatever price is there, that is fixed by the industry. The farmers are not getting a remunerative price. The Rubber Board which is the nodal agency as far as the industry is concerned had recommended a price. Shri Ramesh Chennithala is a Member of that Board also. They went and visited and recommended a price. I know that the Ministry of Agriculture is not exactly concerned. The Commerce Ministry also is involved in it. But it is basically an agriculture problem. The price paid for the rubber is a totally unremunerative price.

What is the price of a tyre? What is the component of rubber used by the

rubber industry? What is the *modus operandi*? The industry is not paying the farmer what is due to him. That is the problem. So, rubber is not getting a remunerative price in the country.

The same thing is happening with coconut also. The hon. Minister is very considerate. The Chief Minister had spoken to him about this and one or two conferences were held where detailed discussions took place. The Agricultural Prices Commission was not at all realistic. They have recommended a price which is not realistic, to the Ministry.

The price of fried copra is fixed at Rs. 2150 per quintal. I am very much grateful to the hon. Minister and I would like to thank him on behalf of the Kerala coconut farmers as he had raised the price by Rs. 75. But even this price of Rs. 2,225 per quintal is totally unremunerative and the coconut farmer is facing a crisis the type of which he had faced never before.

All these products, like cardamom, cloves, rubber and coconut show that the farmers in Kerala even though they are producing spices and cash crops, they are not getting remunerative prices.

So, as suggested in this Bill by the hon. Member, there are certain factors which are never taken into consideration. I am not blaming the Ministry of Agriculture. Whoever is the existing agency for making the recommendations is only making stereo-typed recommendations. Every year it is being done. One point is, the increase in the cost of production should be taken into account. The farmers are paying more for the fertiliser, more for pesticides, and for the labour, though I welcome more being paid for labour. All these aspects where the prices are going up, the increase in the

inputs, the increase in the raw materials have to be considered. When these are not taken into account the farmer is at a loss. A remunerative price is not fixed.

Sir, now the Indian farmers are going to get good prices in the world. We are very proud about that, whatever they may say, or block the roads or disturb Parliament, or raise bogus slogans, it is true that the Indian farmer is getting a very big opportunity. Because, we know what the prices of agricultural products in other countries are. When we go to the markets of other countries, when we go to buy some fruits or any agricultural products, we know the price. What is the Indian farmer paying there? What is the global price? We are hopeful to get a good price. Here is an opportunity for Indian farmers to get a good price.

But whoever is going to oppose that, that is not going to stand and the farmers of this country will welcome that. I am sure that the Government is thinking of bringing forward a total comprehensive legislation to help the farmers in sorting out this problem.

I do not think, it is necessary for this House to pass this Bill for the time being. But the idea mooted through this Bill should be recognised and should be considered by the Government because the farmers not only in foodgrains but also in cash crops and many other areas are being deprived and exploited and at their cost intermediaries or middlemen or industry or wherever the value added process is taking place, they are all getting profits.

The farmer, who is toiling in the field, is the real asset of the country and is the backbone of this country. If the farmer is deprived of his share and at his cost if somebody is allowed to pocket

[Shri P.C. Chacko]

something, then that is unethical and immoral and the Government should not allow that.

The idea behind this Bill is very good and I appreciate that. I congratulate Shri Bhagwan Shankar Rawat for that. But taking into account the issues that are raised in this Bill. I hope that this Government will definitely, in the post GATT situation, when it is thinking of bringing forward a comprehensive legislation to help the farmers, take into account all these aspects.

With these words I wind up while supporting the essence of this Bill and requesting the Government to take into account all these aspects.

[*Translation*]

DR. P.R. GANGWAR (Pilibh.t): Mr. Chairman, Sir, India is an agricultural country and 80 per cent of its population depends upon agriculture. We wish that agricultural production should increase in the country but farmers are not getting remunerative prices for their produce. Therefore, the farmers are worried.

17.18 hrs

[SHRI P.C. CHACKO *in the Chair*]

Mr. Chairman, Sir, I support the Bill brought by Shri Bhagwan Shankar Rawat. I would like to say that our farmers have small land holdings whereas American farmers have big farms and are getting remunerative prices for their produce. Agriculture, in our country, is not making the required progress as the farmers are getting low price for agricultural produce. India cannot progress unless the agricul-

ture is developed and the farmers make progress. Farmers cannot store their produce due to their poverty. They have to sell it immediately at low price to buy the essential commodities.

Mr. Chairman, Sir, as per Government policy the foodgrains from the farmers should be purchased through sales counters opened by the Government but these counters are either not opened or if they are opened, they buy foodgrains from commission agents with the result that the poor farmers all unable to sell their produce. Sometimes, when farmers launch an agitation then they are given 2 or 4 rupees more per quintal and that too goes waste. Labour also charges Rs. 6-7 per bag from the farmers and thus farmers incur loss in this respect also. Employees in the grain markets also prohibit farmers from carrying their produce to other markets for selling. My suggestion is that the farmers should be given freedom in this respect but at present it is not so. I would like to say that price should be fixed before the harvest. Remunerative prices should be fixed on the basis of cost incurred on seeds, fertilizers, water, pesticides etc. You may not include the cost of labour but remunerative price should be fixed on the basis of the cost incurred by the farmer. As I have said earlier also, we have a large number of middlemen and the foodgrains of these agents is weighed first and not of farmers. Price of sugar-cane was raised by Rs 4 per quintal this year or last year but as the same time price of sugar was also raised by Rs 2. per k.g. 9 to 10 kilograms of sugar can be prepared from one quintal of sugar-cane. Thus the price of sugar was raised by Rs. 20 per quintal, which mean that you gave Rs 4 per quintal only to the farmers but industrialists get Rs. 20. Ultimately farmers suffer due to such wrong policies. I would like to say that

the existing policy is a wrong policy. You have raised the prices of other commodities by Rs. 4.35 whereas the prices of wheat and rice have been raised by Rs. 3.3. It is injustice. I would like to tell that earlier the cost of sugarcane production was Rs. 45 per quintal which has escalated today to Rs. 179 per quintal. But we are not getting the remunerative prices whereas cost has increased.

Just now Ms. Mamta Banerjee was saying that Congress Government had given a lot of relief to farmers but I would like to say that even today farmers are not getting remunerative prices, for their produce. Moreover, the land on which our farmers used to make salt for foreign companies has now been handed over to those companies. Farmers staged Satyagraha and were on strike on this issue but the Government paid no heed to it. Those farmers are on the verge of unemployment. Kargil company has acquired 25% right on sunflower seeds. How our farmers will be benefited by it? Ms. Mamta Banerjee also mentioned about GATT. Our Minister has also said, that we will be out of GATT if we do not accept their conditions within a period of six months. I would like to tell that farmers produce foodgrains but according to the Dunkel proposals, farmers will not be permitted to use seeds produced by him and it will be essential for the farmers to buy seeds from those companies. There is also a provision for imprisonment for three years with a fine of Rs. 10,000, if the seed is of inferior quality. Moreover, we will have to import 3.3% of our total agriculture produce. According to our present total production, we have to import 60 lakh tonnes of foodgrains. Our farmers produce foodgrains in such a large quantity that it is exported after fulfilling our requirements. Then what will happen to our agricultural production? Who will buy it?

At present, the prices of potato and tomato seeds are Rs. 300 per kg in our country but we have to buy this seed at the rate of Rs. 15 thousand per kilogram from foreign companies from where this money will come? Hon. Minister of Agriculture, is really more learned person and has many acres of land but we are small farmers, He has large holdings, more than one thousand acres but in a country like ours, 80 per cent of the farmers have small land holdings and they will suffer. And time may come when we will again become economically dependent.

With these words I conclude and support the proposal brought by Rawatji regarding the Agricultural Produce Price Fixation Authority Bill.

DR. LAXMINARAYAN PANDEYA (Mandsaur): Mr. Chairman, sir, I fully support the Bill presented in the House. I know that the Minister of Agriculture cares for the welfare of farmers. In his statements he repeatedly assures to solve the problems of farmers but I could not understand why farmers do not have their say in fixing the price of their produce for which they labour hard day and night in winter, rainy season and summer season, whereas on the other hand, the prices of goods produced by other people are fixed by the producers themselves. The farmer is the only class in the country whose production is sole through auction in the market while other goods are not auctioned in this manner. It is very unfortunate for the farmers. Gradually land holdings are becoming smaller and uneconomical due to division of land. There is a need for radical change in Agriculture policy so that small farmers could be benefited.

Several charges have been levelled against the Agriculture Minister and

[Dr. Laxminarayan Pandeya]

I have the proof with me. We see the newspapers which say that announcements made by the Agriculture Minister are hollow. I would like to draw your attention towards a news published in "Nai Duniya" which says that principle enunciated by Agriculture Minister that farmers should be compensated for the increase in the cost of agricultural production is dangerous. This principle does not apply to any other sectors. Dearness allowance cannot be considered as compensation for price rise.

If this principle is implemented by the salaried class will be adversely affected the revenue of the Government. I am unable to understand how for this is correct because the prices of goods produced by other sectors also have effect on the price hike and inflation. The increase in the prices of diesel and petroleum products, will definitely increase the prices of other goods. I do not agree with it that there will be inflation if the support prices of agricultural produce are increased. I would like to say that while replying to this question, the Agriculture Minister should clarify the point as to how the interests of the farmers will be protected by making an increase in the support price of agriculture products and its negative impact on the market, and how you have come to this conclusion that this is the only reason of price rise. (*Interruptions*) I am mentioning the same charge which has been levelled against you and which has not been contradicted by you anywhere. The poor farmer produces paddy from the land and remains worried as he has to depend upon the nature. Farmer becomes happy and prosperous if there is enough rain. Otherwise if there is drought, he rushes to seek help. Recently in my constituency, crops were destroyed by cold wave and farmers rushed

to you for relief. After all, why the farmers face all these difficulties. What is the support price? Support price is the price fixed for his produce on the basis of the cost incurred by him. But he gets less price for his produce than the cost incurred by him. I am not talking about the remunerative price; our farmers do not get it. Had farmers been given remunerative price, today, the price of wheat would have been fixed at Rs. 600-700 instead of the present price Rs. 320.

He has not been given even the cost incurred by him. The rate of electricity has been increased by about 38 per cent, prices of edible oils have risen by 22 per cent and the price of diesel etc. have risen by 20 per cent similarly, prices of other things have also risen enormously. In the light of increase in the cost of agricultural inputs, the support prices are quite insufficient. For one thing you have increased Rs. 5 and for other it is Rs. 20. Prices of sugarcane have been increased by Rs. 10 per quintal but sugar mills have paid Rs. 70. 80 and 90 per quintal for sugarcane in open market. You know this very well. In proportion to the increase in the rates of electricity, fertilizers chemical pesticides and thrashers, it would have been better if the Government had increased the prices of agricultural produce by 50 per cent. But you have not increased and I am pained.

I agree to the point that an Authority should be constituted for fixing the prices as has been proposed in the Bill under consideration. The Bill says that the chairman of the proposed authority would be appointed by the Centre but he should be a qualified person so far agriculture is concerned. What is your objection to it? This authority should have one member from every State and Union Territory, one representative each from Agriculture, Chemical and Fertilizer Mini-

stries, four representatives from Indian Council of Agricultural Research, to be appointed by the Central Government, representatives of labourers, to be appointed by the Government, four representatives of farmers and six members of the Parliament. I would like to know what objection you have to this proposal?

What your Agriculture Price Commission is doing? Its officials prepare report sitting in Krishi Bhavan. In the fields, it is possible that one farmer may suffer loss due to cold wave and other may not; two farmers may suffer from the hailstorms and four may remain unharmed but the affected farmers will not be compensated under the Group Insurance Scheme which you have introduced. Because the compensation is paid only for 50 or 60 per cent damage of crops. This is the rule but if a single farmer is ruined, he is not given any compensation. Why are you not introducing the individual crop insurance scheme, so that farmer may insure the crop as he desires. You are not accepting it. I, therefore request you to accept the demand regarding constitution of Agriculture Produce Price Fixation Authority and implement it at the earliest.

Mr. Chairman, Sir, some more points have been mentioned in this Bill. It says that expenditure incurred by farmers on the inputs should be kept in mind while fixing the prices. I come from Mandasaur area which produces opium. Sir, you have visited this area. You have laid foundation stones of several schemes in that area. Sir, the daily wages of the labourers engaged in opium farming has risen upto Rs. 40 to 50., though it is said that these are still low but at the time of wheat harvest, the daily wages are generally paid at the rate of Rs. 25-30. In the same way higher labour charges have to be paid for the crops of 'Urad'

and soyabean. And thus, farmers are not getting even the cost incurred by them on these crops.

In the beginning, soyabean was sold at Rs. 1200 per quintal, after some-time it used to be sold at Rs. 800 but presently, its rate is Rs. 700 per quintal. In the same way, in the beginning, the rate of cumin seed was at Rs. 1000 per quintal which came down to Rs. 800 per quintal but at present it is being sold at Rs. 300 per quintal. These ups and downs ruin the farmers economically. Just now the hon. Chairman was saying that the crop of cardamom is grown in his area and for these crops, the farmers have to depend totally on the market. They do not get any opportunity to balance themselves economically. They do not get opportunity to prosper. The small farmers cannot prosper.

There are people who have acquired 500 acres of land in the name of their near relatives. People who own large areas of land are benefited. The Government also gives encouragement to those people. All Government schemes are aimed at benefiting the big shots and small farmers receive no benefits.

Mr. Chairman, Sir, the Bill gives an account of expenditure made by farmers on farming, seeds, chemical fertilizers, wages and on reaping and sowing etc. In addition they have to take loan for agricultural purposes.

The co-operative societies provide loans at 13-14 per cent interest. When loan is not available from these societies, the farmer has to take loans at 20 per cent interest from the market which overburdens him monetarily. The farmer will be benefited if all these factors are kept in mind while fixing the prices of agricultural produces.

[Dr. Laxminarayan Pandeya]

The farmer sells his produce in the open market. The Government had also said that they will fix support price for open market. On the contrary it asked the Cotton Corporation of India to make purchases.

[English]

MR CHAIRMAN: The time allotted is over, it was up to 5.35 p.m. Now five more Members would like to participate in this discussion. If the House agrees, we may allow them to speak.

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI MALLIKARJUN): Initially, three hours were allotted. It was extended by one hour more. In all fairness, it will be justified, if the hon. Minister is asked to reply. Again, the Member has to reply back.

MR. CHAIRMAN: I am thankful to the Minister for pointing out this. But this being an important issue, I would suggest that if the House agrees, we can allow four more Members.

SHRI OSCAR FERNANDES (Udupi): This is a very important subject and we would like to speak on this.

SHRI MALLIKARJUN: I have no objection provided it is completed today.

MR CHAIRMAN: I would request the Members to the very brief.

SHRI GEORGE FERNANDES (Muzafferpur): After completion of this Bill, I hope I will be permitted to just move my Bill today for consideration.

Once this discussion is over, I may be allowed to move the Bill so that it comes on the 6th May for consideration.

MR. CHAIRMAN: If we can finish the other discussion before 6 O'clock, we can take it.

[Translation]

DR. LAXMINARAYAN PANDEYA: I would like to draw your attention to the storage need of the farmer for which proper ware-houses are not available to him many times. He is, therefore, compelled to sell his produce at throw away prices in the market. I would like that ware-housing facilities should be provided to the farmers at different places. Though, the Central Warehousing Corporation has for the past some time made arrangements for storing their produce but it is very less. Therefore, attention should also be paid to this aspect.

The Bill provides that the farmer can sell his produce in the open market but in case he fails to do so, the Central Government should procure it at fixed prices through the Food Corporation of India.

It is regretted that whenever the question of giving a subsidy to the farmer arises, it is said that it is difficult to give such grants while the hon. Minister of Agriculture assured that if grant is not given, the farmers would be supplemented in some other way.

I would like to cite an example. prices of other commodities are controlled by the prices of agriculture produce. At present, there is a need to check prices of agricultural commodities. Agriculture is the backbone of Indian economy. We will face dire consequenc-

es of destroying this bone under the pressure of International Monetary Fund. An Indian farmer receives a grant of only 4 US dollars per annum while an American and a Japanese farmer gets 32 dollars and the farmers of the European community receive 82 dollars as grant.

I am citing this example from an article of 'Nai Dunia'.

This should be pondered over seriously. There should be a provision to grant subsidy to the Indian farmer in regard to chemical fertilizers and other cases.

An hon. Member was just now saying that the Bharatiya Janata Party is not the patron of the farmers. I think that most of the BJP members come from real rural areas, the agricultural areas. I come from an area totally dominated by the farmers. The Bharatiya Janata Party is the real well wisher of the farmers what is the condition of farmers there, today. Cumin, Asagandha, Shatawari, Sugar-cane, Soyabean and Sunflower are grown there still the condition of an ordinary farmer is not as good as it should have been.

I welcome the provision of this Bill in regard to support price. It envisages that the authority should be made so powerful and effective as to protect the interests of the farmers and make small and marginal farmers feel protected. The prices of many commodities fluctuate and the farmers face hardship. At times, the prices of garlic register a steep fall Rs. 50% per quintal from Rs. 150 per quintal and at other times it makes a quantum jump upto Rs. 3000 per quintal. This throws the farmer into troubled waters. There is a need to announce its

support price to the farmers in advance. By that, the farmer will prepare himself to face any eventuality and it will be beneficial for his family as well and make him capable of strengthening the country's economy. I hope that the Government will pay due attention to it, take it seriously and accept the Bill. The Government as well as this Bill aim at safeguarding the interests of the farmers. I would, once again, impress that this Bill should be accepted. I support it once again.

*SHRI V.S. VIJAYARAGHAVAN (Palakkad): Mr. Chairman, I am happy that this Bill has given us an opportunity to discuss the problems of our farmers. India is an agricultural country and agriculture is the backbone of our economy. If the interests of our farmers are not protected, then agriculture will suffer and the economy will be ruined. The present Bill seeks to create an Authority to fix remunerative price for the farmers produce. Sir, the most important issue is fixing a remunerative price for the various crops. The price the farmer gets today is not remunerative at all. It does not even cover the cost of production. The cost of all inputs has gone up phenomenally over the years, but that is not fully taken into account while fixing the prices of agricultural commodities. Mr. Chairman and my friend Shri Ramesh Chennithala have already spoken about it in detail. So I do not want to go into any details. But the fact is that the farmer has no right to fix the price of his produce. The price of fertilizer is fixed by the factories which produce it. The prices of agricultural implements are fixed by the manufacturers. But the farmer has no freedom fix the price of the crops he grows.

* Translation of the speech originally delivered in Malayalam.

[Shri V.S. Vijayaraghavan]

Sir, when India became independent, we had 35 crores of people and we were not able to provide even one time meal to our people. We were importing foodgrains from America and other countries. But thanks to the hardwork of our farmers and the inventive genius of our scientists and the correct policy approach of the Government, today we have achieved self-sufficiency in food production. Our population has reach almost 900 million but we have enough foodgrain to feed them. The farmers contribution in the attainment of self-sufficiency is the most significant. But his interest is not fully protected.

I am coming from Kerala and Kerala derives its name from 'KERA' which means coconut. Coconut is the backbone of Kerala's economy. Sir, the coconut growers of Kerala are facing a serious crisis today due to the steep fall in its price. Coconut is subjected to wild fluctuations in the markets because of persistent demands. The Government has fixed a support price. But it is quite inadequate to say the least. The coconut growers are demanding a reasonable support price, But nothing is being done by the Government. I am sure, the Hon'ble Agriculture Minister who is present here, will take care of the interests of the farmers. He is an experienced farmer himself. He is fully aware of there needs and he supports them. Shri Jhakhar was the Speaker of this House for ten long years and he used to give priority to issues relating to the farmers in the House. So, I am sure that the interests of farmers are safe in his hands.

Sir, I do not want to go in to any details. My friends have already spoken at length. I strongly feel that a foolproof mechanism should be devised to provide

remunerative prices to the farmers. He has to pay higher power charges. He has to pay higher water charges. In the Ayacut areas, the farmers have to pay for water whether water is available or not. So much so, that he has to pay even higher charges for water drawn from the tanks and rivers which are under the control of the Government. Now, this should change. So, my demand is that the Government should evolve a suitable mechanism to fix remunerative prices for the farmers produce. This Bill in the present form may not be adequate. But the Government itself should come forward with suitable proposals very soon. I thank you for giving me an opportunity to speak on this Bill.

PROF. RASA SINGH RAWAT (Ajmer): Mr. Chairman, Sir, I support the Agricultural Produce Prices Fixation Authority Bill presented by Shri Bhagwan Shankar Rawat.

In fact, India is primarily an agricultural country and 80 per cent of its population is dependent on agriculture, one way or the other. First of all, I would like to pay my obeisance to the farmers. A poet has rightly said — '*Sheet kampta jiske bhaya se, aatap thankda pad jata hai, liye phawada path par aata, warsha se voh kya darta hai.*'

Our Purans make a mention of moving Shiva and it is, in fact, in an Indian farmer that we can have a direct view of a moving Shiva. As Shiva can be easily appeased, he bestows to other any boons demanded of him. He himself does not eat good food, or wear good clothes but sacrifices everything for his country and countrymen. In Vedas, it is said Krishi meeth Krishaswa—i.e. oh man, you are a farmer, do farming and maa akshaima divya—do not take to gambling. That was the message for man and since

then agriculture is continuously moving ahead on the path of progress in this country. Fortunately, today we have achieved self sufficiency in agriculture. On this occasion, I am reminded of late Lal Bahadur Shastri. India's dormant self esteem was awakened when America threatened, in order to mount pressure on us, that it would not supply wheat under PL 480. Then late Lal Bahadur Shastri gave the slogan, 'Jai jawan' 'Jai kisan' and make an appeal to one and all of his countryman to observe fast on Monday every week and take meals once a day. He also advised people to use vacant land around their houses for producing crops so that our food problem is over. The self-respect of the Indian farmer was shaken and he made efforts in the direction of making the country self-sufficient. Green revolution was brought about in this country by the efforts of the contemporary Government and other agencies. As a result, we are, today, totally self-sufficient in the matter to food. Still, Sir, I would like to say, through you, that the most talked about Dunkel is a slur on the face of this country. On the one hand, we have the salaried bureaucracy or the organised union availing the dearness allowance, the interim relief. They have the Pay Commission, Earned leave and various other facilities, the LTC the pension and gratuity. But a poor farmer, after producing crops expects a remunerative price in return but does not get it. Through you, I would like to urge upon the hon. Minister of Agriculture to announce support prices prior to reaping season of crops so that the farmer may continue to make efforts for increasing production on the basis of support price. Then we take agricultural decisions and fix cost prices etc. While sitting in the air-conditioned rooms of Krishi Bhawan. Such teams on Members of such commissions should, at times, take agricul-

ture related decisions only after sitting among the farmers, talking to them and assessing the ground realities. I was saying that employees and their salaries least affected by famines. Heavy rains, hailstorms, droughts, storms, tempests etc. do not effect on the organised unions. All their demands are concealed to but when a poor farmer witnesses with own eyes that his blooming crops are being destroyed by a hailstorms or a tempests he loses everything and all his labour goes waste, he must be compensated for it. We have the crop insurance scheme in the country, but some states have adopted it while others have not.

I do not consider crop insurance scheme to be a success because its position is very deplorable in the country.

Farmers are not compensated under it. They are faced with power failures and burning of motors and all these problems are artificially created for them. I would, therefore, like to say, through you, that the Government should accept this Bill whole-heartedly because it provides for setting up an Agricultural Produce Prices Fixation Authority and the Constitution thereof. Its Chairman will be appointed by the Central Government who should be a well versed and experienced agriculturist. It will also be represented by a member each from a State Government and the Union Territory administration and from the Union Agriculture Ministry and Ministry of Chemicals and Fertilizers.

In addition, there would be four representatives from the Indian Council of Agricultural Research, one representative of agricultural labourers and 6 Members of Parliament.

Sir, it is not a matter of difference of opinion but a matter of the interest

[Prof. Rasa Singh Rawat]

of the farmers. It is a matter of the interest of 80 per cent population of this country. It concerns all whether it is a marginal, small or big farmer. Therefore, I would request that the Government must pay attention to it and fix the prices of crops after taking into consideration all the factors that have been suggested so that they can get remunerative price for their produce which would help further them to lead a comfortable and happy life.

Sir, the farmer of India is born in debt, lives in debt and also dies in debt. It is said about our budget.

[English]

"Indian Budget is the gambling of the monsoon."

[Translation]

Farmer is the worst hit by famine and excessive rain. Therefore, it is essential to provide facilities to the farmers. In the event of natural calamity, he should be duly compensated so that he could gather courage to put up a brave front to such calamities. It is ironical that the price of his produce is determined by the Government. I would request that keeping in view the hard labour of a farmer and all other factors he should be given remunerative price of his produce.

With these words, I conclude.

[English]

SHRI OSCAR FERNANDES (Udupi): Sir, I am going to speak in Kannada.

SHRI GEORGE FERNANDES: But no translation is available.

MR. CHAIRMAN: Please speak in English;

SHRI OSCAR FERNANDES: I will speak in English Sir.

Sir, our farmers have to depend on the vagaries of nature. The farmers have become intelligent enough today to decide as to which crop they have to switchover. But this should not be the case because experience has shown us that if you stick on to a particular crop, you will be able to get a better yield. Now if the farmer does not get proper prices, the farmer is forced to change the crop.

18.00 hrs.

For example in our State farmers have switched over to cocoa. When the prices fall down, that would destroy the entire cocoa plantation. We are landing in the same situation as far as coconut is concerned. The prices of coconut shot up like anything at one time. For example in Delhi we were paying a price of Rs. 12 to Rs. 15 a coconut at a time when we were paying around Rs. 5 to Rs. 8 there. But now the price of coconut has come down to Rs. 2 a coconut and in Delhi we are paying Rs. 7 to Rs. 8 a coconut. This has made our farmers think whether they should go in for coconut cultivation also. Many people were depending on coconut. Especially people in Kerala and coastal Karnataka are heavily depending on coconut. The price of coconut is falling. The same thing happened with sugarcane. When by and large the sugarcane prices are falling down the farmers feel if we grow sugarcane we will not get a good price, okey, we will switch over to some other crop. This year because the production was low, farmers have again switched over to sugarcane and there will be a surplus.

It is a cycle which goes on and on, one year the farmers will lose and another year they will gain. For this we need a proper and through law. The country has to decide how much we have to grow each crop. In a country like India it is very difficult. I know as a practical farmer it is very difficult in a country like India to tell the farmer that this is the crop you have to grow. But my point is if the farmer knows that whatever crop he grows he is going to get a definite price through which he could sustain, then we can tell the farmer that look, here is a crop you grow and whatever is the loss or profit we will try to help you out. But it is a very difficult proposition that I am making. It is necessary in a country like ours if we have to support the farmer.

There is an interesting thing. In villages we see a lot of traders. When they enter the village they come as practically paupers. But within a couple of years you see how they flourish. But the farmers still live in debt. So there should be a change of the living condition of the farmer. He has to send his children to school; he has to give them proper education and health care. For this he needs a definite change in his living condition.

We have to tackle farming in various ways. I come from a district where there are a number of rivers where the water is continuously flowing into the sea. If we can impound this much of water and we are able to utilise it, then we are able to grow a better crop. Now our effort is to have dams. But, for big dams a lot of money is required and large areas of land will go under water. So in order to avoid this situation, if we are able to have small barrages at a run off say ten kilometers all over, then I think this water could be properly utilised and we will have a better farming in many of the

coastal districts, whether it is the west coast or the east coast in our country.

MR. CHAIRMAN: Please resume your seat for a minute. The extended time was up to 6.02 p.m. The time is over. If the House agrees we will extend the time of the House for another half an hour and finish the discussion today. The Hon. Agriculture Minister has been patiently listening to the discussions and he may want to intervene. So we can finish this Resolution today. I would like to know the sense of the House.

[Translation]

SHRI SURYA NARAYAN YADAV (Saharasha): Mr. Chairman Sir, it is an important matter since it concerns agriculture and farmers. Therefore the time must be extended.

[English]

SHRI MALLIKARJUN: The Business Advisory Committee allowed three hours for this discussion. We have already extended it for two more hours. I think in all fairness we should finish it. The extension of the sitting up to 6.30 is fairly good enough and it should be acceptable to all the hon. Members. (Interruptions)

MR. CHAIRMAN: We will finish it by 6.30 p.m.

(Interruptions)

[Translation]

SHRI SURYA NARAYAN YADAV: No, Sir. Business Advisory committee to take a decision, but....

[English]

MR. CHAIRMAN: There is no difference on that point. Everybody agrees that this is a very important subject and is why the Minister also has agreed to it even though he has other programmes. So, we will finish this by 6.30 p.m.; and the time of the House is extended upto 6.30 p.m.

[Translation]

SHRI SURYA NARAYAN YADAV: Please allow a couple of members who have been left to speak and thereafter let the Agriculture Minister reply to the debate.

[English]

MR. CHAIRMAN: There is enough time. Now, only one Member has to speak and then, the Minister will reply. We can finish it by 6.30 p.m.; and the time of the House is extended upto 6.30 p.m. Now, Shri Oscar Fernandes may continue his speech.

[English]

SHRI OSCAR FERNANDES: We have certain crops like potato, onion, apple or fruits. During the season, we do get a big crop coming in and we have to sell it at a throw away price. We do not have sufficient processing facility or proper storage facility. If we have this storage or processing facility, may be, the farmer will be able to get a better price. When we are talking of remunerative prices, we appeal to the hon. Minister that if these kinds of facilities are made available, then, the farmer will be able to get a better price throughout the year rather than selling it at a throw away price.

It happens in the case of fish also. I come from the coastal district and I have seen it on many occasions that we have plenty of fish at times and it was thrown on the road; people were not able to carry it to the cold storages; ice was not available. Similarly there is famine in fish also. At times we have plenty of fish and at times, we have famine in fish with the result the fishermen also have good days and bad days. If we have enough storage facility for storing fish or for storing agricultural produce like fruits and vegetables, I think, the price will stabilise at a particular level and the farmers will benefit.

My ultimate appeal to our Agricultural Minister—he is taking so much interest for the welfare of the farming community—is that he has to see that more facilities are extended to the farmers and a better price is given for farmers.

[Translation]

SHRI SURYA NARAYAN YADAV: Mr. Chairman, Sir, I heartily support this Bill because the former of this country is helpless. The natural contour of this country is such that although the laws are enacted in the Lok Sabha, no facilities can be given and better prices fixed for the farmers according to these laws. These laws prove to be useful in some parts of the country but in other parts these may be harmful. However, no survey in this regard is done. The result is that one who provides food to us becomes helpless. Although, he produces food, the prices are determined by the money lenders sitting in Delhi. The Hon'ble Minister also fights for that and then it becomes a fight between the money lenders and the Minister. In the meantime, the farmer suffers a huge loss. This

has been happening for the last several years. It is my personal experience. As far as the Hon'ble Minister is concerned, he is very experienced person as well as a farmer. He has great sympathy for the farmers. The Government too has its own problems. Let these problems be studied. I do not say that the study undertaken by the hon. Minister or the incentive he is prepared to give to the farmers, is inadequate. He would agree that the remunerative prices, which the farmers were supposed to get and which he had wished to give them, were not received by them. For instance when the farmer produced more jute, its prices dropped to Rs. 300 per quintal. The farmer thought that growing jute is not remunerative and so he did not grow jute the next year but the prices that year shot upto Rs. 1500 per quintal. What measures would the Government adopt in this regard? Will the big traders determine this also? Until it is in the traders hands, the Government can not give remunerative prices to the farmers for their produce. That is why I support this Bill. Many points have been left out in this Bill. But if the Hon'ble Minister agrees to give representation to the representatives from every State, they themselves will determine the prices and it would definitely benefit them to some extent. Now, the hon. Minister is the only ray of hope. When Devi Lalji was in the Government, he had said that he was formulating an Agricultural policy and for this, a board had been set-up. I do not know what happened to that Agricultural Policy? We were hopeful that their Government would certainly work for the better fortune of the farmers but it did not happen. Now, we have expectations from the hon. Minister because he too is a farmer. Everytime, it is the son of a farmer who becomes Agriculture Minister and if the hon. Minister does not pay attention to their grievances, who

else will? Perhaps he is bound by the law. When Shri George Fernandes was the Minister of Railways, he too was bound by the law and inspite of having a desire, he could not accomplish many of the tasks. But to accomplish task the restrictions are required to be done away with and one who does it, becomes the man of the age and earns a name. Therefore, I submit that he should look into it. This House as well as the farmers who constitute 80 per cent of the population of this country are behind him. Although the farmer has made the country self-reliant, but even yet the Government have failed to provide him water, electricity, the facility of transportation and schools for the education of his children. After all the people of this country will not eat gold, silver or jewellery; they need food. The farmer has been rightly compared with lord Shiva who gave food to the people even after drinking poison. I do not understand the reason as to why the Government is hesitating to give the farmers remunerative prices. Without taking much time of the House, I support this Bill with a heavy heart because I have myself grown crops in the field. I have full sympathy for the farmers because of the standing crop is hit by hailstorm or excessive rain, the crop gets destroyed. Now, the Government have said that the farmers would be given some relief after getting the survey conducted through the Life Indusrance Corporation. The Government collects the data from one particular area and take it for granted for the whole country. If there is a cyclone in the South, the Government fixes norms of relief on that basis in the whole country. I think, in this way, the farmer can never become self reliant. If the Government does not show sagacity and this house also does not feel concerned over it, the farmer will adopt the same approach which he is adopting in the

[Shri Surya Narayan Yadav]

case of traders today. The farmer will be compelled to say that he will produce only for himself and not for the consumption of others. As the Government have failed to provide remunerative price of his produce. I request that today, the hon. Minister must speak about this so that the message goes to the farmers that the Government of India have taken a revolutionary step in the interest of farmers. The hon. Minister still seems to be bound by the policies of the Government but today, I say that he should stand up in the House and make a departure from the trodden path. I am confident that the farmer of this country will definitely stand by the Prime Minister.

With these words, I conclude.

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR) Mr. Chairman, Sir, the Hon'ble Members have expressed their individual views here. I think there cannot be any difference opinion because we are aiming at the same objective. We would have to think how could we achieve that objective with the available resources. So far as the question of protection of the interest of the farmers is concerned, we are committed to it and we are taking steps to protect the interests of the farmers. The farmer feeds the nation. He has never betrayed the country. He never indulged in black marketing. On the contrary, he has made sacrifice for the county. He undergoes all kinds of suffering—as goes an alage "only the wearer knows where the shoe pinches". However the occupation of a farmer *i.e.* agriculture is in a state of uncertainty. There may be uncertainty in any field but as Rawatji and some other hon. Members were saying farmer is the worst sufferer in this world. If the seed goes

waste, it is the farmer who suffers. If there is excess rain, if there is hailstorm, if there is a cyclone, if any disease hits the crops in all cases it is the farmer who suffers. if the production is in excess or if there is less production, the farmer becomes the victim of all these uncertainties. He is born to undergo all these sufferings, He has to toil in the cold nights as well as in the scorching heat of summer noons. I am aware of all his sufferings and I am making every possible effort to remove these sufferings so that the farmer of this country can live happily. Today, the situation is such that he has to run towards cities because he does not get good returns in the village. In the cities, he has to live in slums where he is cursed for spreading more dirt. Thus, he becomes a victim on both the counts. There is a solution to his problems. We would have to create such resources which could help in increasing the income of the farmer, creating conditions for him to live in his own village. For this purpose, we shall have to take up construction of schools and hospitals, and providing facilities of electricity and roads etc. In the villages for this, it is necessary that he should be given the due value for his produce.

Today I wanted to say something about the farmers but there is nobody to listen to it. I want the people to understand their sufferings so that the farmer could know that there are these people here who feel sad about his sufferings and who have the capacity to think about his problems. We want to uplift him and he must know about it. I am well acquainted with the points raised by the Members while speaking on this Bill and I am also doing something in that direction. The Members might have seen during the last one and half years that what we have done in this direction. Nobody could think of what we have

done. Whereas previously the Government used to give Rs. 10-25 as increase in procurement price in one year—but now, what we have done for them is before us all. The Hon'ble Prime Minister gave patient hearing to our suggestions and explained to us how to go about it. It is result of that understanding that we give an increase of Rs. 55 twice in the support price. We gave an increase of Rs. 110 in case of paddy and Rs. 250 in case of cotton. Some hon. Members have mentioned about spices, This item was not in our list. It is grown in a small area. Further, its consumption is very low. There are some items like black pepper and coriander, the prices of which are fixed by the CACP. These items are not included in our list. There are only 22 items in this list. We shall try to bring them under the purview of this commission. I know how to bring them under the purview of this commission. Although there is huge production of potato, Yet it goes waste. There are many other vegetables which get perished. About 25 to 30 per cent fruits get perished. Although we produce potato in huge quantity, but due to lack of storage facility it gets perished. We cannot even conserve vegetables and fruits because we do not have the means of transport. In Kashmir and Himachal Pradesh, the best quality of apple is produced but before reaching Delhi it becomes tasteless like potato. If it is pre-cooled and transported in an air conditioned vehicle, its taste would be different. You would enjoy its taste and the farmer would also get good price. All these things are in my mind.

In the Seventh Five Year plan, a provision of Rs. 24 crore was made for this purpose. Now I have increased it Rs. 1000 crore. We have provided this much of amount so as to undertake this work. Today, we do not do the work of grading,

packaging, forwarding, transportation, storage and processing. The things work when you do value addition to an item. In foreign countries, 60 per cent of the product is processed but in our country not even 2 per cent processing takes place. That is way, I have started working from the bottom. A farmer plants a sapling of mango, then grafts it and after that he waits for five years to get the fruit. The same is the case with me.

Not that I do not know all these things I know everything. I am equally concerned about them. I can even fight the Almighty God for the sake of farmers. I have demonstrated myself how to produce more, I can exploit to the optimum level but what concerns us is that we do not have resources. We are providing drip and sprinkle irrigation facilities but it could be provided in those areas where are tubewells. How useful it would have been if this kind of irrigation could be done. It is a point worth pondering over.

I went to Israel and saw many areas there. The Agriculture Minister of that country also visited India. He told me that after 10 years from today, potable water would be recycled. We have got enough water. We can save the country by utilising this water. If we are to feed the increasing population, 30 per cent irrigation would not suffice. Every year, two crore people are added in the population. They need bread, clothing, a house and what not. Has anybody given a thought to the fact that the area of the earth does not increase? I, time and again, request in this House to ponder over it. It is a joint task and party affiliations should not come in its way. There should be a consensus how increase in population could be checked.

[Shri Balram Jakher]

China is also entangled in this problem. At present, the population of that country is 112 crore. They were also saying that they are concerned about this problem, though they have adopted one child norm. They give disincentive to the person who produces more than one child. Here, we have yet to adopt that norm. How would it be done then? There can be only one way out that we should irrigate more areas with the water available with us.

I went to Gujarat. There, I told Narmada authorities as well as Chiman Bhai that though they are constructing canals and taking the water into Kutch but the soil of that area is alkaline.

In the Indira Gandhi Canal Command Development Area there was high content of Gypsum in the sub soil. As a result after four years salinity developed and the farmers were ruined. If this water was used by a country like Israel it could have transformed the country. If you go for drip irrigation, you will be able to irrigate at least three acres of land instead of one acre. No doubt, it is a costly affair but the investment can be covered up within 2 years period. The consumption of fertilizers will go down by 50 per cent and the production will increase from 10 maund to 15 maund in a acre of land. I have told them that whatever dams and canals are built by them it is the Central Government which ultimately bears such expenses. If the farmer is ready to bear the 50 per cent of expenses and the Centre bears the rest 50 per cent, it can do wonders. If you want to safeguard the future of the farmers the reconstruction of the existing canals will have to be undertaken. I am providing funds for this purpose from my

budget at present. I have advised you not to put any limit in this regard as you have already fixed a limit on the farmers for this purpose. Let him give the amount whatever he wants to. It is his courage that he is giving subsidy to us. This would open a new chapter in the history.

SHRI BHOGENDRA JHA: Kindly explain this new chapter.

SHRI BALRAM JAKHAR: If we change the irrigation system and adopt drip irrigation system we will be able to irrigate two and half acre of land instead of one acre and the production of one acre land will increase from 10 maunds to 15 mounds. In case of fruit and vegetable crops we will be able to irrigate 3 acres of land instead of one acre with the same amount of water and as a result thereof the expenditure will come to 50 per cent.

I visited the fields of a farmer. He gets 12 thousand cubic meter water in a year for which he has to pay an amount of Rs. 1 lakh but even then he earns lakhs of rupees. We are making efforts to improve the situation. The only thing which is needed for this is the will to work. Some Members have demanded to open more Krishi Vigyan Kendras. Nobody can be more eager than I am. Unless we teach them how can things improve. Shri Surya Narayan will ask, that if the Government can do it in the area of Shri Bhogendra Jha then why the same cannot be done in his area? When I used to be the Deputy Minister in the Ministry of Irrigation and Power, at that time I made electricity available in 4650 villages in the 6 months period. Earlier it was a matter of ridicule only. There were poles in the villages but there was no electricity. I did it within six months.

I would like to tell you about Rajarampur village of Bihar. Agriculture was not taken up there seriously as there was saline water. Only during rainy seasons they used to get sweet water in the rivulets. Now instead of 7 tonne in an acre of land they are able to produce 60 tonnes. Seeds costing Rs. 15,000 per quintal were sown by farmers in that area. These seeds were provided by an American firm. The farmers do not lack knowledge. The only minus point is that ours is a big and vast country. Moreover we believe in democracy. We cannot pressurise anybody. We cannot order anybody to produce a particular crop. If there is good production of sugarcane the price of sugar falls. Next year if there is less production then automatically the price soars. This is called rat race. We should form a Zonal System and make publicity that if it is produced in such quantity the price will be as such. Members are right when they say that it is beyond farmers control. Everybody fixes his own price and farmer depends on others as he lacks storage facility. He has to sell off whatever he produces in his fields for his subsistence.

There is not much difference in the present commission and the authority envisaged in the Bill. I do not want to go in details. When there will be a discussion on the budget then I will let you know about the efforts that are being made in this regard.

[English]

The Commission for Agricultural Costs and Prices (CACP) was required to keep in view:

- (a) the need to provide incentive to the producer for adopting technology and for maximising production;

- (b) the need to ensure rational utilisation of land and other production resources; and
- (c) the likely effect of the prices on the rest of the economy particularly on the cost of living, level of wages, industrial cost structure, etc.

When an overall balance between demand and supply was in sight in 1980, the criteria for CACP were modified and the Commission was called upon to consider:

- (a) the need to provide incentive to the producer for adopting improved technology and for developing production pattern broadly in the light of national requirements;
- (b) the need to ensure rational utilisation of land, water and other production resources;
- (c) the likely effect of the price policy on the rest of the economy particularly on the cost of living level of wages, industrial cost structure, etc.;
- (d) terms of trade between agricultural sector and non-agricultural sectors.

While recommending the price policy for 22 commodities included in its terms of reference, the Commission takes into account not only a comprehensive over view of the entire structure of the economy of a particular commodity but also a number of important factors as indicated hereunder:—

1. Cost of Production.
2. Changes in input prices.

[Shri Balram Jakhar]

3. Input output price parity.
4. Trends in market prices.
5. Demand and Supply.
6. Inter crop price parity.
7. Effect on industrial cost structure.
8. Effect on general price level.
9. Effect on cost of living.
10. International market price situation.
11. Parity between prices paid and prices received. (Terms of Trade)

It will, thus, be seen that while fixing support procurement prices, it is ensured that it covers the reasonable cost of production and also provides a margin of profit to give incentive to farmers for investment and adoption of improved technology.

The cost of cultivation production taken into account includes all paid out costs, such as, those incurred on account of hired labourer, bullock labour machine labour (both hired and owned) and rent paid for leased-in land besides cash and kind expenses on use of material input, e.g. seed, fertilizers, manures, pesticides, irrigation charges, including cost of diesel electricity for operation of pump sets. Besides, cost of production includes imputed value of family labour. The cost also covers depreciation of farm machinery and buildings. As such, the cost of production covers not only paidout costs but also imputed value of owned assets including land and family labour for which the farmers do not incur cash expenses.

The Government have recently enlarged and restructured the Commission

for Agricultural Costs and Prices from 4 Member Commission to 7 Member Commission. Besides, the Chairman, the Member Secretary and the two official Members there are three non official Members, who represent interests of farmers of different regions. Therefore, the interests of the farmers are not only being looked after by the agricultural economists and experts but also by non-official Members who represent the interests of the farmers of the various agro-climatic regions.

[*Translation*]

The Bill which has been presented here has many weaknesses. If we make it an elaborate Authority as envisaged in this Bill it will not be possible to take speedy decisions. At present, we are able to control the situation. Therefore, rest assured about the interests of farmers. We will never compromise or bow down under any pressure. We are even ready to fight any power on earth for the sake of safeguarding the interest of farmers. This is very small matter, we will do our utmost efforts. You need not worry about Dunkel, we will take care of it.

[*English*]

MR. CHAIRMAN: Since the mover of the Bill Shri Bhagwan Shanker Rawat is not in the House, I am putting the Bill to the vote of the House.

The question is:

"That the Bill to provide for the establishment of an authority for the fixation of minimum remunerative prices of all the agricultural produce and for matters connected therewith, be taken in to consideration."

The motion was negatived.