

[Translation]

**SHRI GEORGE FERNANDES:** So, today, my first suggestion is that the Government should incorporate the word I have suggested in the Amendment, in the proper way and secondly the Government should not allow a man to go scot free just because he tendered his resignation. Rather, it should take steps to file cases against him in consultation with the Law Ministry, the Home Ministry and the Finance Ministry. Thank you.

**SHRI VIJAY KUMAR YADAV (Nalanda):** Mr. Chairman, Sir, this amendment in the Advocates Act is being brought with certain objects and reasons and these are mentioned herein. These objects include as to how to strengthen the legal profession and make the welfare scheme more effective.

Mr. Chairman, Sir, the common man is losing faith in the present judicial set up. Generally, people think that justice sells, breeds corruption and its standard is going downwards. That is why it became imperative for the Minister of Law to bring an amendment to the Advocates Act. He has also suggested to entrust some duties to Bar Council and State Bar-Councils. But whether the Central Government is going to shoulder some responsibility in this regard or not?

The present position of the Advocates specially of the young ones is such that they are launching agitation in every state of the country. They want to make their profession more dignified. They want to put more labour and need assistance in order to make this profession more attractive. The Central Government spends Rs. 1 crore on an employee during his service period. Due to unemployment even educated persons are unable to get a service these days. They decide to adopt legal profession but as they are financially weak, they do not have either legal books or an office where they may contact their clients, discuss legal questions and prepare for their profession. As a result of which during the initial period of their practice they are bound to live a hard pressed life.

16.00 hrs

Mr. Bhardwaj is the Law Minister I am here since 1980 and I have requested all the Law Ministers, who have come during this period that the centre should take some responsibility in this regard. If the matters regarding their funning up, helping to maintain their libraries, constructing their own chambers and to provide pension in the event of their premature death are only left with Bar-Council and State Bar-Councils, then one cannot expect their smooth and satisfied implementation.

In this amendment you have raised the fee from Rs. 250 to 750, but exempted SC/ST from it, it is very good.

**MR. CHAIRMAN:** How much time do you need more to speak?

**SHRI VIJAY KUMAR YADAV:** I would take just 3-4 minutes time.

**MR. CHAIRMAN:** You may continue tomorrow.

16.01 hrs

DISCUSSION UNDER RULE 193

**Situation Affecting Agriculture and Farmers Interests Due To Increase The Prices of Fertilizers and Wheat Import**  
*CONTD.*

[English]

**MR. CHAIRMAN :** The House will now take up further discussion regarding the serious situation affecting agriculture and farmers interests due to increase in the prices of fertilizers and import of wheat.

*Shri V P Singh.*

SHRI VISHWANATH PRATAP SINGH

(Fatehepur) : Thank you, Sir. When this Government came to power it told the nation that the first item on its agenda and the biggest problem that it has to handle is the balance of payments. (*Interruptions*)

SHRI NITISH KUMAR (Barh) : The Finance Minister has fled. (*Interruptions*)

SHRI VISHWANATH PRATAP SINGH : I Was just mentioning it. When I saw the Finance Minister, I started from balance of payments. (*Interruptions*) On his mention, he has taken the flight; and much of our resources also - the foreign exchange for purchase of wheat - have gone.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABIAZAD) : He does not want to confront with the Ex-Finance Minister.

SHRI VISHWANATH PRATAP SINGH : Sir, despite the issue of wheat, the issue of farmers and other issues, I will first deal with the issue of balance of payments.

This is one of the most serious crises that we are facing today. It is now questioned as to how do we use our foreign exchange reserves. It is borrowed foreign exchange that we have got. It is not a hard-earned one; but a hard-begged one. Out of this, the Government has decided to spend Rs. 1500 crores of foreign exchange for import of wheat. This money will have to be paid back. And how are you using it? Are you putting it in infrastructure? Are you putting it in capital investment, that will generate the money for the repayment? How is it that, after two years when it comes, this amount of Rs. 1500 crores is going to be paid back? That is one big issue. It is a big issue because it relates to our economic sovereignty. What alternative use, for this amount of Rs. 1500 crores that is going to be spent on wheat, could

have been there? This could have been spent on power as there is a bottleneck of infrastructure in power or on transport. Even if we see in agricultural sector - where always we have the problem that capital formation is not taking place - the argument that is put forth is, capital formation is not taking place because of ready subsidy. That has been your consistent argument. Was it not a fit case, if we were to spend Rs. 1500 crores, that this could have gone for the infrastructure in agriculture? Rs. 1500 crores would have given three lakh tube-wells or equivalent of irrigation capacity in canals or otherwise. Three lakh tubewells could irrigate five crores hectares of land giving us at least 50 lakh tonnes of wheat. We have got this annually. It would have gone towards self-reliance. But instead the Government has chosen to criminally spend this foreign exchange in one shot for import of wheat and that too 30 lakh tonnes whereas it could generate a production capacity of 50 lakh tonnes of wheat annually. This is one thing. I charge this Government of misuse of the foreign exchange and committing the future of this country to debt trap. That is what it has done. It is an old fashion. The genesis is that we have come to this stage : borrow and then take the soft options of spending it.

We also faced it. The hon. Agriculture Minister is here. If you remember, when we were in power, edible oil prices shot up. There was tremendous pressure to spend foreign exchange and import edible oils. I told them : do you want the economic independence of this country or cheaper edible oils? I can spend foreign exchange to get the edible oils and myself be popular. You perhaps also have some easy time. But I know with open eyes, it will be committing the future of the country. And I would get a very clear response from the people: no, we want economic sovereignty. What the Government has not judged is the patriotic sense, in the sense of the sacrifice of this country.

There was not a total shortage of wheat. Continuously, we have had good crops. The next crop coming is a good one. Instead of making measures of dehoarding - if there were with traders or otherwise - the easy option of importing and spending precious foreign exchange has been there.

Now much crocodile tears are being shed about the public distribution system. May I ask : is it not true that 6.47 lakh tonnes of wheat from your stocks during October 1991-92 were released in free market and not to the PDS. I am not talking of the wheat that went away. You released this to free market. Now you want to replenish your stocks at least to this tune by spending foreign exchange. This would amount to at least little less than one-third of your spending foreign exchange. Rs. 500 crore foreign exchange you have squandered away in this way and created a shortage of wheat which you could have had in your stocks and supplied to the public distribution system. It is a gross mismanagement. It is a great injustice to the people - the consumer and the producer both- and to the economy in general. We have clear example in this.

What is the situation . Your are spending this foreign exchange when the next crop is due and a good crop is going to come. There is no denial of this fact. You will see the fact even by your norm. How much have you exported? I am not quoting the case of that wheat but your own norm and policy.

You have a buffer stocking policy. And minimum stocks are recommended at various periods of time. Nine million tonnes are not always needed as you are pleading. That is required maybe in the beginning of the season. But as you approach a new crop, your requirement lessens. For instance, if you are to go 100 kilometres, you put 10 litres. It is not that you need 10 litres all the time and up to the end. So is this mythical figure of nine million tonnes.

I remember in January, when we were in power, the stocks were only 6 million tonnes. The proposal came to me and I said, "No. New crop is coming; I am not going to spend foreign exchange. With this six million tonnes, we can tide over and come to the new season where we will get new wheat." I want to ask you one question. According to the policy of buffer stocking, on 1st April, the requirement was about 3.7 million tonnes and what you had on 1.4.1992 was 2.23 million tonnes. That means you were short by half a million tonne only. When new crop came, the total stock of wheat on Central and State account was 7.42 million tonnes. To make up this mythical figure of nine million tonnes - it is not mythical but real - you needed only one and a half million tonnes even by your calculations. Why were three million tonnes imported? Is this not criminal squandering of foreign exchange and bringing us in the spiral of debt trap? What were the compulsions? My colleague, Mr. George Fernandes had mentioned about the compulsions. Well, it is time you speak up rather than trying to conceal these things. So, this import of wheat has been anti-farmer and anti-consumer and it is against the national economic interest. It is no confidence on the Indian farmer. We have had good crops. Wheat production has been going up. In 1979-80, it was about 32 million tonnes. I am just rounding up the figures. For 1990-91, the figure is 54.5 million tonnes. Productivity has gone up per hectare from 1036 quintals to 2274 quintals. So, there was no need of any panic. And availability was there even in the market. Only on two conditions you are authorised to import or there is validity to import, namely, if there is total shortage and if the prevalent prices are too high. There was no total shortage. Prices prevailing were too high means there is hoarding. That means you took no action on that. There was temporary shoot up of prices. I had been to Moga in Haryana . The market price prevailing there is roughly Rs. 3.20 or Rs. 3.25 or Rs.3.15. This includes western UP also.

They are very near about our issue price. So, there is neither price rise nor shortage of total availability. Yet, you have chosen to spend this precious foreign exchange. Whom are you answerable? You are answerable to the people of India. We cannot just give you the authority to squander our foreign exchange and bring us to debt. This is just not possible and we are not going to tolerate it. And why has this shortage come after all? It is because the offer that was made was of Rs. 280 after bonus and everything. It means Rs. 250+Rs.25+Rs.5. It is all right; do it. The prevailing market prices were higher, that is, Rs.225 or something and the farmer would have given you those prices. Even the Punjab Government is now asking for much higher price of Rs. 370. But even if you had given it at Rs. 375, your stock problem would have got over. It is because you have failed that you want to punish the farmer. Whom are you subsidising? You are buying from Canada at about Rs 526 per quintal and you gave the average as Rs.501. Now, even if you take that average - I am not going into the details of calculation but roughly to illustrate the point I am saying - to bring it to issue price of about Rs.3, you will have to subsidise it to about Rs.2. Even if you buy from the market at Rs. 3.20, the subsidy is 20 paise. Whatever amount that you may be buying, had you bought it from the market within the country, your subsidies would have been much lower. Whom are you subsidising? You are helping the American farmer and subsidising his produce to sell it here, rather than helping the Indian farmer! That is the point. Canadian farmer, Australian farmer, American farmer - any farmer other than the Indian farmer is good enough for you!

Yesterday a point was made about the Dunkel Draft Text, or DDT as it is known. This DDT is for us and it is being sprayed on the Indian farmer! In this text, there is a

provision for 3.3 per cent of the agricultural produce. We want to know whether you have agreed to it. If you have not agreed, even then, why are you implementing it, without even mentioning it? Without taking the name of Dunkel, Mr. Dunkel is sitting here, in the first seat!

Is it not true that the wheat which was being used for cattle feed, was substituted by corn? Demand for wheat has gone down and there is a pressure to sell the wheat in foreign countries. So now, that is being loaded on us. This reminds us that we have gone back to the old days of PL-480! It was a proud day when we said that we would import no more wheat, and we hailed the Indian farmer as the guardian of our economic independence. And today a sad moment has come. What the Government has been stating on various occasions, amounts to building a case of repeated imports and permanent imports. The Agriculture Minister might be very much worried. I am sure he must be taking up this cause, though he cannot express it here very explicitly. Surely, he must be raising his voice in the Cabinet.

Sir, this trend is very dangerous. I cannot be elaborative. I am just making some points and elaborating them in the overall context of how it would affect the agricultural production in this country. Just see what you have done. You are going to dump wheat here and depress the prices. The farmers who produce, are going to be depressed too. At the same time, you have pushed up the prices of the inputs used by the farmer. Fertilizer prices have been pushed up to levels which are beyond the reach of a common farmer. And what will it do? It is a known fact that capital formation after 1980 had declined. What I am saying is from an authoritative source, viz. Shri Hanumantha Rao, who is one of the very well known experts on agriculture. In 20 years, that is between 1960 and 1980, capital formation went up from Rs. 1000 crores to Rs. 5000

crores. From there, it started declining, and by 1987 it touched the figure of Rs.4000 crores. This is the trend both in public and private sector capital formation. Why is this stagnancy or decline in capital formation? The reason is that the terms of trade have not been favourable to the farmer. In fact, this further shows that the real prices of foodgrains have actually fallen. If we take the index numbers of relative price of foodgrains in 1971 as 100, the real price of foodgrains in 1991 came to 80.

Over the last twenty years, in spite of rise in nominal prices, the real prices of foodgrains have fallen. It is good. It has helped the consumer and the wage earner. But when capital formation has not taken place, when the real prices are falling, at that very juncture, what have you done? If you increase the input prices and decrease the output prices, the capital formation will further come down. That is what you are doing to the key sector. It is a very very dangerous thing. This path will lead us to the dependence on food itself. If you become dependent on food, with 40 per cent people living below the poverty line, that means, you have sold away your independence. You cannot stand up and take your own path.

What will happen to production? There is a 30 per cent increase in fertilizer prices because of elasticity of demand. It is not inelastic demand. This is what the studies have shown. It may also increase beyond that.

So far as phosphatic fertilizer is concerned it has gone up by more than two or three times. That would result in decrease in foodgrains production to the tune of about three-and-a-half per cent. It is really a tremendous shortage.

Now, what will be the impact on employment? Because of all these things, the workers, the labourers and farmers will suffer.

Apart from this what will happen to the soil? Because of increase in the price of phosphotic fertilizer the farmers will use less amount of this fertilizer. You will continue to give nitrogen but not to the extent that is required by them. This will cause imbalance in the soil. There will be greater consumption of Zinc and there will be more plants which will suffer from diseases. Who will remedy this? Will any Government do it? Unfortunately, the world is run by Bank and this country is being run by a set of accountants. We are only taking care of financial balance and on the other hand we are forgetting the real economic balance of the country. What is going to be the balance sheet of the country?

What is the /sop that will take care of increase in fertilizer prices and an increase in support prices? That is what has been said by the Prime Minister. How will the marginal farmers be benefited viz, those farmers who do not have surplus to sell? We have about 76 per cent of those farmers.

SHRIA. CHARLES (Trivandrum) : There are Rs. 500 crores....

SHRI VISHWANATH PRATAP SINGH : Are you robbing them Rs.9000 crores you have taken away the fertilizer subsidy. The Prime Minister himself had said that if we had continued with fertilizer subsidy, we would have to give Rs.9000 crores. By robbing the farmers of Rs.9000 crores, you are just giving them Rs. 500 crores. It is a very neat way of robbing the farmers and a very profitable way of robbing the farmers. What I want to say to the hon. Agriculture Minister is that, he should exert or put pressure. The whole thing is getting distorted. An argument that is generally given is that, if you take away all the resources, we will not be able to have capital formation. Therefore, we should do away with the subsidies.

All right. Please guarantee that Rs.9000 crores have been taken away. Let us take

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Rs. 6000 crores or whatever extra amount you want to take. I know you will say let us take Rs.6000 crores because the Prime Minister said about Rs.9000 crores; and if I say let us take Rs.9000 crores you will correct me and say let us take Rs.6000 crores

Now, will you ensure that Rs. 6000 crores will go to the infrastructure of agriculture? Will it? Will I see it in the next budget? Will you say about it in your reply? Nodding of head is not recorded. The privilege arises when you stand up and say.

THE MINISTER OF AGRICULTURE  
(SHRI BALRAM JAKHAR) : I will reply to it.

SHRI VISHWANATH PRATAP SINGH : There are non-price factors. Non-price factors have become very important. It is not only the price impetus; it is the infrastructure, it is your technology, your irrigation and other facilities that have become relevant.

Now, this subsidy you should guarantee or I am ready to put it in the infrastructure. If you spend Rs. 1500 crores you can get three lakh tonnes of fertilisers. But if you spend Rs. 6000 crores, you see what will happen? But you will not do it. Shri Manmohan Singh went away because of this. If you write a note, he will reject it.

This is a Report of the Joint Committee on Fertilizer Prices. The other recommendations have been implemented immediately.

SHRI SOMNATH CHATTERJEE  
(Bolspur) : The note of Mr. Syed Shahabuddin has not been implemented.

SHRI VISHWANATH PRATAP SINGH : That has not been implemented. Certainly, it is very clear that the farm sector is being called upon to pay for the inefficiency of the

fertilizer. There are units where the capacity utilization is only 53 percent. The farmer has to pay the cost of it; there is no other option. I do not know why the other recommendations have not been implemented. In fact, what we should aim at is that we should try to reduce the input cost which, without increasing it to high prices, will still improve the terms of trade, leave profit and capital with the farmer and at the same time benefit the consumer also, because there will be no cost on the foodgrains. This is a sensible part. But on the other recommendations of this Committee no action has been taken.

Now, let us come to natural gas. The natural gas pricing is done by the Government; everything is on market price mechanism; but here the Government mechanism has to decide about it. On page 101 of this Report, it reads as follows:

"The committee note that for determining the consumer price of natural gas the cost of imported furnace oil is taken as the basis which has no relation to the actual cost of production. Similarly the produced price of gas is reportedly based on the cost of production of gas from South Bassein field. This does not take into account the weighted average of the cost of gas."

I was trying to tackle this issue when I was in the Finance Ministry. But then I was out. But this gas problem is still there. It is a very very crucial thing.

SHRI BALRAM JAKHAR : We shall do

SHRI VISHWANATH PRATAP SINGH : We will give you all the support. This is one way. Of course, there are other details like the royalty paid by the fertilizer industry, then transportation charges for gas sold along HBJ pipeline appeal to be on the higher side

and the cost of it. All this goes up in its own way to push up the fertilizer prices. And that is again loaded on the farmer. So, this is the scenario we have. And in this scenario what does it really mean? The issue has now boiled down to food, not even say to wheat. And when you say food, then it is not only the farmer but it is also the consumer, the labourer; everyone is coming in this. It is a key sector; it is the symbol of our sovereignty; it is also the biggest sector for employment. And this is being treated like this. If you think of restructuring the industry while bringing out the new economic policy, the restructuring of the industry and of the economy can really come through the farm sector. There has been no mention of the farm policy till of late. One and a half years had elapsed but there was no mention of it till the farmers themselves stood up in Ramkola. They laid down their lives. I want to pay a tribute to the martyrs of Ramkola, Davangere in Karnataka and so many other places. Only then we started seeing in T.V. that farmers were coming tying turbans and perhaps you also got some permission to say something about farmers. You might have wanted to say earlier also.

SHRI BALRAM JAKHAR: I do not seek permission.

SHRI VISHWANATH PRATAP SINGH : I know, but anyway we started hearing more about farmers after that. That is a good sign.

If you think of restructuring, the emphasis was on strategy for promoting the farm sector in agro industry. We will be providing employment in the villages itself taking the load of the land and also migration to the cities. The demand created there, the purchasing power generated there then will create a demand for items of mass consumption which will become more profitable to invest in items of mass consumption. May be Maruti's demand may not go up but

demand for bicycle and motorcycle will go up and this demand and purchasing power will then effectively restrict the industry which will become profitable to divert funds also.

So, this is the strategy which is the basis in the new economic policy. I have never heard of it and I wish to hear about it. Unfortunately, the farmer is the key factor because in a factory you can produce anything, cycle, motor-cycle, motor-car, aeroplane, bomb, atom bomb. Put if you ask any factory to produce one grain of wheat or rice that cannot be produced. That being the situation. I think it is time that we had a comprehensive agricultural policy, which will take care of the labourer working there, of the farmer and also of the transporter of the agro-industry. I will include the dealer also. The whole gamut of agricultural activity, that is what the country needs.

SHRI BALRAM JAKHAR : We will look forward to it.

SHRI VISHWANATH PRATAP SINGH: Yes, you will look forward to it. If you see the capital formation, from 1980 to 1991, i.e. ten years, there is an increase of only 11 per cent in agriculture while during the same time the industry has grown up to 44 per cent. Where are our priorities?

In this year's budget for telephones, there is an allocation of about Rs. 4819 crores, about 5000 crores; on irrigation it is Rs. 231 crores. You will say that this is a State subject. I agree with this. So the total investment of the country has to be taken with what States are investing along with this. It is a central subject, you will give that argument. But I ask you, if there is a problem of food, what is to be done? Is there no necessity to change the national priority? Will you not ask half of the allocation of the telephones to be transferred to irrigation? Is food necessary or telephone necessary? Do we need only telephone to say that we are

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hungry and we are dying?

So, there is so much need of restructuring the national priority and allocation on this side, of improving the terms of trading, reducing input cost and no dumping of agriculture produce in this country.

When I did not import, edible oil prices were high for only one year but next year and subsequent years the farmer produced so much that imports had gone down and prices also came down. That is the courage that ought to have been shown rather than buckled in and spent Rs. 1500 crores on this when there was no price rise either.

Then the other thing I want to bring to your notice is — only yesterday information came from Madhya Pradesh — that for paddy though there is officially no restriction on movement, officially without any permission a farmer can take away 100 quintals of paddy, a proviso has been made that permission should be taken from the Collector. This permission is just not going to come for four months. And, this is a practice which was carried out in Punjab also and elsewhere. This is how the movement is stopped illegally, where illegally the State itself acts when there is a policy that there should be no restriction as you say. If there is a restriction it should be removed.

I want to ask a question. A multi-national can come and sell his goods anywhere in the Indian market. I, as a farmer born here, this is my produce from this soil and I cannot myself sell it in my own market, in my own constituency. Is the farmer a foreigner in his own land? A facility which a foreigner has got, the farmer does not get! I want to say, on behalf of my party, that we are going to violate this restriction on movement. We are going to say that we are not going to take the

permission. We will just take the foodgrains and transport it across the States. If the State power does come, the farmers' power will come forward.

THE MINISTER OF AGRICULTURE  
(SHRI BALRAM JAKHAR) : Thank you very much. We will support you.

SHRI VISHWANATH PRATAP SINGH : I know that I have a friend in you. But you have not got friends around you. That is my problem.

[*Translation*]

SHRI BALRAM JAKHAR : Raja Saheb, you acted very late. When you were in a position to do it why did you not do? Now I am doing it and you are making remarks against it.

DR. KRIPASINDHU BHOI  
(Sambhalpur) : What can you do in 11 months?

SHRI VISHWANATH PRATAP SINGH : When you have signed a thing, you will have to implement it, be it Mandal or anything else. Do not make it an issue otherwise another debate would start on it... (*Interruptions*)

[*English*]

So, this is one demand for movement of foodgrains. Here the agent also is the transporter. I had gone to Moga and while there are trucks having all India permits - - it is not that they do not have - - there is a great difficulty for truck owners in Punjab to get all India permits. This permit system should be abolished. There should be a fee system. As for a radio or a television we pay a fee, but we do not seek a permission. Much of the bottlenecks are the artificial scarcities which are created. Wheat is selling at Rs. 310 or Rs. 315 to Rs. 320 per quintal in Sonapat and in

Bombay it is Rs.8 or Rs.7 per kg. It is because of these bottlenecks.

So, my next demand is that so far as the transporter is concerned, if he is carrying foodgrains, there should be no restriction. Otherwise there should be a fee system, but no permission. It should be abolished. These bottlenecks should be removed.

Also, so far as the consumer is concerned, though it is a State subject, a consensus may be evolved by an agreement, if we may share it. Food is life. So, there should be no levy on life, be it sales tax or octroi, if it is foodgrains. Let us initiate a national dialogue and take the initiative on this. So, at least sales tax on foodgrains should not remain as a tax on life.

Then coming to the agro-industries, here, when you are giving all the licensing system you are breaking the law, we do not agree with it; but for this agro-industry I would ask, why should there be these restrictions? In West U.P. 70 per cent of sugarcane is just not crushed by the mills. If you ask for a sugar mill, it is not available. One or two may be available. We had taken a decision but could not get it fully implemented. If a sugar mill is to come up beyond 15 kms of the sugarcane area, it should come up; there should be no further restriction.

There are many small scale agro-industries. The excise structure is such that it is killing, slashing them by half. The interest rates are also killing the small scale sector. I am saying only on industry because that is the market of the farmers. Unless we expand the market of the farmer, we cannot bring the farmer up. This will give employment to the labour. So, this is the total package that I would recommend you and request you to come out with this new Policy. We do not know in which form it will come.

I will mention one or two more things only. The hon. Minister has mentioned that there will be no wealth tax on compensation. It is not wealth tax, but it is capital gains. But the question is of compensation only. Now, drug prices have been allowed to go up because of market forces. But, when you purchase a land of the farmer, do you give him market price?

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR) : The question is that of acquisition. The Government acquires the land. The farmer may not even like to sell it and he is forced to sell it because it has been acquired. I have said it in that context and I think I am right in that. Why should tax be levied on him because he does not part with it? It is not the property which he has bought for profit. He has inherited it for generations coming down, and he does not want to part with it. He does so only when he is forced to. That is why I was saying so.

SHRI VISHWANATH PRATAP SINGH : That is my demand also. But, I am technically helping you. The tax that is levied is capital gains.

SHRI BALRAM JAKHAR : I do not know any science. I am farmer.

SHRI VISHWANATH PRATAP SINGH : This question will come later. What is the price that he gets? I agree that the country cannot perhaps afford all the prices for roads and canals because we need development. But even then that should be provided. But when it is urbanisation, the Government takes a good profit thereafter. Why should he part with what he got for generations which should be taken away for a song? I think, the new Policy should address itself on this issue.

The other fact that has come is of arrears. Let us take the issue of arrears. I

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Ramkola, the farmer could not get arrears for one year. It did not reach the farmers for one year particularly to Harijans. I asked the same question from a son of a farmer.

[*Translation*]

SHRIRAJVEERSINGH (Aonla): I would like to inform you that in Ramkola every farmer has been paid his arrears upto this year. (*Interruptions*)

SHRI VISHWANATH PRATAP SINGH : It is a matter of great pleasure that all the arrears have been paid, but when I had gone there.... (*Interruptions*)

[*English*]

Only Rs. 300 was the money for that DALIT farmer or the labourer whosoever he is. That is not the question. I am not highlighting the Ramkola. I want to bring the point before you. [*Interruptions*] What I want to say is that when the farmer sells wheat it is not in arrears; when he sells paddy it is not in arrears, but when he sells sugarcane it is perpetually in arrears all over the country. If you take the arrears in the whole of the country, it will be a very large sum. I know of Rs. 320 crores in the case of U.P.

(*Interruptions*)

MR. CHAIRMAN : No interruptions please. Please sit down.

SHRI VISHWANATH PRATAP SINGH : I am not blaming anyone. The point I want to make is that if the facilities of industry are contemplated for the farmer, then for the sugarcane when they give that slip that this much sugarcane has been received, that should be treated as cheque and in fifteen days if it is presented and not honoured, it should be a criminal offence because if a cheque is dishonoured, even when you do not

part with any goods, one has to go to jail. But here he has parted with his goods. So, there should be some legislation to compel everyone for payment.

In the end, I would say that you have to more seriously attend to this issue rather than presenting us with half truth—that f.o.c. price is this much, Rs. 267 is the wheat price, then correcting that, then saying it was in drought conditions that the orders were placed and then even after rains, further placing of orders. I do not want to say that in Barcelona we could not get any medal but I think in saying half truth, certainly this Government will get a medal, if any medals were there.

With these words, I would request that the fertiliser prices be brought back to the original and whatever wheat has not yet come, that should be stopped right away.

With these two demands, I conclude. (*Interruptions*)

[*Translation*]

SHRI HARCHAND SINGH (Ropar) : Mr. chairman, Sir, I thank you for giving me time to speak. when I go to my native place from Delhi some children and Harijans ask me to tell them about the happenings in the parliament. I used to tell them that no issue pertaining to farmers and Harijans is discussed in the parliament so there is nothing of their interest. For the last 8 months. I have been in the Parliament and nobody raised any point in this regard. Now the House has taken up the issue relating to wheat in Punjab, so I will definitely speak on it otherwise, I used to see that one Raja Arjun Singh is sitting here and another Raja V.P. Singh is sitting there and they are debating with each other.

Mr. Chairman, Sir, wheat is produced in Punjab on a very large scale. 80 percent

people of Punjab depend on agriculture. A talk is going on about the price of the wheat. A lot has been done in the field of wheat production but the total production is same as it was there in 1947, when we were in Montugumery. I remember once, I cultivated wheat in my one acre land and I had 38 mound of wheat, the same quantity we get today and that too with the help of fertilizers and at that time we have not even heard of the chemical fertilizers.

Mr. Chairman, before this year the price of wheat was normal. The price of wheat flour was Rs. 6-7 per kilogram in Punjab and now the wheat is selling at Rs. 3 per kilogram. When we came to India at that time, in one rupee we used to get 16 kilogram of flour but bow to get the same quantity of flour we have to pay Rs. 100, you may compare these prices. Gandhiji used to say that the Government would acquire all the lands and Pt. Nehru also used to reiterate the same thing but nobody bothered for it. The Congress has been in the power since the very beginning, in between, Shri Morarji came for three years but he was also a congressman and even now it is congress which is in the power.

Once I and the erstwhile PEPSU Chief Minister Shri Brishbhan went to the then hon. Prime Minister. The Secretary to the hon. Prime Minister said that it was true that we were given time, but, the hon. Prime Minister was busy at that time. Therefore he advised us to meet the hon. Minister of Home Affairs. We went to the hon. Minister of Home Affairs. Pandit Gobind Ballabh Pant was the then Home Minister. After seeing us from a distance, he called us out and said what is the opinion of PEPSU. He told us that since just three months, were left for PEPSU to be merged, there can be no negotiation on that issue. I reminded him that even Pandit Nehru, Mahatma Gandhi and he himself were talking that the lands would be nationalized. Further I said that there were three Ministers in PEPSU who owned 7 villages and a lot of

land. Earlier, they were rulers of single princely state now they rule over Eight princely states. He told us that if they own surplus land it should be brought under the land ceiling Act. I said that PEPSU is likely to be merged within three months and the Chief Minister Shri Brishbhusan has not convened the meeting of the Assembly yet. How can he enforce the land ceiling Act suddenly. He said that he would call the meeting. We went back to Patiala. When we reached there, there we found summons from the Speaker, and the Secretary of the Assembly informing us about the date on which the session of the legislative Assembly was fixed and that the land-ceiling Act was to be discussed immediately.

I am mentioning this to make the present Ministers aware of style of functioning of Ministers of yester years. The meeting was held. A committee was constituted to look into the matter. Pandit Pant was satisfied only after getting the land ceiling Act implemented. He did what he promised. The princes were dead set against it and Pandit Nehru too intervened in it, but Pantji fulfilled his commitment.

This is the situation today. Landlords in Punjab have large land holdings in their possession. They too, are talking about farmers, and the Government is also talking about the farmers. Both the farmers and landless labourers work in the fields and produce crops. The farmers manages affairs in the market whereas the agricultural labourer toils hand in the fields. He too, should have a share in the production. But nobody talks about him. Lot has been said about the Harijans. The Congress banks on the votes of the Harijans, yet it does not bother about them.

We were discussing price of wheat here, just now. The Government has raised a very good issue, but instead of discussing it, now, the Government should have raised this issue in March or April. The price of wheat

*Situation affecting Agriculture and  
Farmers' interests due to increase*

[Sh. Harchand Singh]

will neither increase, nor decrease now. Eight months have passed without any improvement in the rates. The Government had imported wheat from abroad. Had that wheat not been imported, the rate of wheat would have been Rs. 7 a kilo in Punjab. But due to this imported wheat, the rate of wheat did not increase in the country.

Shri Vaipayee is a very nice person. He is here since the time of Pt. Nehru. He said just now that Pandit Nehru attributed every mistake at that time to the Janasangh. He is a very knowledgeable and wise person. Whatever he said about the farmers is in fact not about farmers' issue. Now the foodgrains are with the traders. He was speaking from traders point of view when he said. Actually he has traders in his mind and therefore he says that prices of foodgrains should be increased. In the wake of import of wheat from abroad, the price of wheat with the traders has not increased and they are bemoaning, because they could not make money as they did last year.

Just a while earlier, Shri Balram Jakhar took a sagacious step. Wheat was imported and as a result the price of wheat was checked from increasing. Now the protection of the interests of farmers should be given top priority, because the population is increasing day by day and there will be more demand of wheat and rice. The hon. Minister of Food might be aware that the farmers of Punjab have to pay Rs. 4000 more for transportation of wheat by train to Delhi. I want to know what is the consideration for charging this amount. Is it not a kind of bribe? And yet they boast of the Congress Government. (Interruptions) They do not know what they are doing? The Government should safeguard the interests of the farmers and provide diesel, fertilizers and electricity at the same rate on which it was available to them

last year. If the electricity is made available to farmers on the same rate as it was last year, they will supply wheat on the last year's rate. You need not increase price of foodgrains.

Sir, the Government has thrown a heavy burden on the farmers. Eighty per cent people in Punjab work in fields and 80 per cent farmers are in debt, this is because of the Government (Interruptions) They provide concessions to the traders. Now what was the need of discussing price here? (Interruptions)

Why does the Government increase the price of wheat now? The farmers do not have wheat with them, but the traders do have. Now the Government wants to benefit the traders, and that is why price is increased at this stage. My submission is that now during the sowing season the price of fertilizers and electricity should be reduced. Mr. Chairman, Sir, while allocating the portfolio of the Ministry of Agriculture, the best farmer among the eligible Ministers found but and entrusted this task. The present hon. Minister of Agriculture is very handsome and tall as well, he is a very able farmer, but he does not know that the poor labourers too have to work with the farmers. The interest of agricultural labour too should be discussed. Earlier farmers used to give one sixth of the produce to agricultural labourers. This was called 'Siri'. But now Shri Balram Jakhar has made the farmer understand that there is no need of making Harijan co-sharer in the produce and they should be treated as paid servants and given money in lieu of wheat because the price of wheat is very high. (Interruptions) But a large number of poor Harijans will die of starvation if the price of wheat is increased. Therefore the price of wheat should not be increased.

The farmers too should not be harassed. The price of things like diesel, elec-

tricity which are essential at this time of sowing season is generally increased by the Government. Therefore, I urge the Government that interest of Punjab lies in providing diesel and electricity to farmers at same rate at which these were available earlier.

There is no need of increasing the price of any other thing. Even a daily-wager worker has to purchase food from market. Now the price of wheat is Rs. 3 per kilo and that of flour is Rs. 6 per kilo. It is very sad. Nobody is bothered about them. But the Government pays attention to traders because they give money to every political party. The Government should have pity on Punjab because it is in the grip of a severe crisis. For last many years the people of Punjab have led a life of great hardships. Life of great hardships. Lakhs of Hindus have migrated from there. Lakhs of people have left their villages. Thousands of people have been killed there and when these migrated persons want to carry on their business, they should not be harassed Rs. 4,000 should not be charged as bribe from them transportation of rice by train. The electricity charges supplied to factories has been increased not by 5 or 10 paise, but 65 paise per unit straightaway. Earlier this rate was Re-1 per unit, now it is Rs. 1.65 per unit. As a result many traders have closed down their factories. It is essential that the Government should pay attention to all these problems of Punjab. Punjab is engulfed in severe crisis. People have led a miserable life there. We thank Shri Beant Singh for taking over the reigns of Punjab as it has created a feeling of confidence in lakhs of people of Punjab and they have started working in fields. As a result of their hard work in the fields, we had a bumper crop and the burden of debt on people has also reduced.

Wheat should be made available in South at the same rate at which the Government procures it from Punjab. The transportation of foodgrains is undertaken through

trains, but what does the Government do? The traders sell wheat at any rate they like. There should be control on the traders, who purchase wheat at a lower price, but sell on arbitrary prices. When the entire country from one corner to the other is one, the rates too should be uniform. The rates should not vary from place to place. Once again, I congratulate Shri Balram Jakhar for keeping the prices of wheat under control which would have risen if wheat had not been imported. Government must take care of the farmers. Punjab is also linked with the issue relating to wheat and rice. Shri V.P. Singh has very rightly stated that farmers should be provided diesel and fertilizers at the rate at which they were getting previously. But now the prices have been increased. Now the Government in collusion with the traders is trying to increase the prices of wheat. If that is done, where will the consumers go? Who would take care of the needs of the labourers? We should also think about the workers.

With these words, I conclude. Thank you.

SHRI BHOGENDRA JHA (Madhubani)  
 : I would not like to repeat what has already been stated. I am happy that speakers who preceded me have shown the concern for the poor people of the rural areas of the country. But at the moment I would like to touch only two issues, one is about the withdrawal of subsidy on the fertilisers and the other is about the import of wheat in the country.

About withdrawal of subsidy on fertilizers, Government's reply is that it has increased the procurement prices of the foodgrains i.e. wheat and rice. Mr. Chairman, Sir, I think that merely talking to farmers would not be of any help, because even the farmers are divided. Can any Member or the Minister of Agriculture himself point out even a single village where majority of the people belonging to farming community have

[Sh. Bhogendra Jha]

enough foodgrains to meet their requirement for the whole year? Majority of the farmers do face the shortage of foodgrains for 4-6 months or 2-3 months and then they have to buy it from the market to meet their requirement.

17.05 hrs

[SHRI SHARAD DIGHE *In The Chair*]

In Bihar eighty five out of hundred farmers are marginal or small farmers while in Kerala and Bengal they are ninety three percent. Majority of the farmers in the country are of this category. Do you include them in the category of farmers or not? I am making the point to make you understand as to what is the composition of our society.

Our friend has talked about Punjab. It is the only state in the country where the rich people get contracts, everywhere else the poor cultivate the land on share cropping basis. It is Punjab alone where people having 1-2-4-6 acres of land cultivate the land on the basis of share cropping. There someone is called Potato King while there is another who owns 88 tractors. There people cultivate the land of other people on contract. Therefore, when we raise the prices of fertilisers, withdraw subsidy, it affects everybody. Whether one owns small area of land or is in possession of large area of land. All people suffer because of that as they have to pay a higher price.

This House does not belong only to the rich people. Therefore, this matter needs special attention. That is why I am stating it on the basis of figures that majority of the farmers say, 85-87 or 93 percent farmers, who cultivate only 1-2 or 3 acres of land, do it only to suffer the loss. They do farming and yet cannot meet the food requirements of

their own families. Some of them migrate to Punjab, Bombay and Calcutta and do work of a labourer and there, buy foodgrains with the money so earned. So I think they suffer doubly in this way. On one hand you have raised the prices of the fertilisers, and withdrawn the subsidy while on the other hand you have raised the prices of foodgrains on the demand of farmers. Farmers will again suffer on this count because they also purchase the foodgrains from the market to meet their requirements of one, two or four months. There can be a difference of a degree but there is not even a single village where farmers are not forced to buy foodgrains from the market. If we do not pay attention to this situation, it would not help. They have taken up the cause of labours, I am taking up the cause of poor farmers - small farmers and marginal farmers. The point which I want to emphasize is that when we raise the prices of fertilisers it adversely affects the production and lower production means rise in prices. The majority of the farmers do not have foodgrains of their own so that they may sell it and buy the other things at heavy prices. In this way farmers will suffer and so will suffer the workers, society and the country for this condition of the farmers. It is the responsibility of the Government to see that the people who toil hard do not die of hunger. It adversely affects the country. If the farmer reduces the production of sugarcane, it would create crisis for the sugar mills of the country. Would the Government like to bring back the days when it used to import sugar from Cuba? Would the Government like the jute industry to face the crisis again, if the jute production goes down? Our industries do require the agriculture produce as raw-material. How the industry would run without this raw material? If farmers have low production and low purchasing power and no foodgrains, no money, then who would buy the products of the industries ?

Today there is recession as also price

rise throughout the world. The capitalism of today is not the capitalism of Marshal or Adam Smith. Today's capitalism means less production and more profit. How? If the production is decreased, the demand would give rise to high prices. This is modern capitalism.

At this time, if you decrease the purchasing power of the country, it would create a situation of crisis both for the market and also for the industry. If there is crisis for industry, it would mean rise in unemployment. Why will the industry produce? Public Sector is being slowly abolished, but if the private sector does not earn profit, why would it produce? That is why, I am saying that we are creating so many problems for our economy. Therefore, we may either raise the prices of wheat and rice or that of fertilizers to Rs. 500 or Rs. 900, both ways the farmers will have to suffer.

Government should formulate a policy in this regard on the basis of pricing policy. Would anybody in the Government take the responsibility of fixing the prices and of extending the benefit of that policy to the actual producer, the farmer. The majority of the farmers sell their produce in compulsion which is called 'Distress sale'. Rice and wheat reach the shops of traders even before they are harvested. He goes to purchase to meet his requirement from the traders and not from any Government agency or corporation. He is looted by the traders very easily. When Government fixes the prices of the foodgrains, the profits goes to the business community. By Business Community I mean the whole-sale dealers from whom Government makes its purchases. During the tenure of Shri V.P. Singh prices of wheat had increased twice during 1990. When the prices increased for the second time, not even a single farmer was there to sell its produce except those who earn profits in the name of farmers. What is meant by increasing the prices in May-June?

Government should make a policy to give remunerative prices to the farmers. Government should first meet the cost price and then give some profit to the farmers as is done in the case of other industries. It should reach the genuine consumers at reasonable prices. Government should fix the profit at 20 to 25% it should not exceed that limit. The real consumer will not have to pay more than 20 to 25% above that. Shri Manmohan Singh is not present here but our Minister of Agriculture is present so he should note that this policy can prove to be very helpful. People indulge in profiteering with the bank money. It is not possible for the farmers to indulge in it. The businessman earns profit while the consumers have to bear the burden and pay more. The businessman even does not know as to how much water is required in pegeon pea farming and in what sort of soil paddy farming is done. He does not know about agriculture still he is a wholesale trader. None of the wholesale traders in India conducts this business by his own money. They take bank loans for buying agriculture produce from the farmers at cheap rate, hoard the foodgrains in godowns and as a result when there is artificial scarcity of foodgrains in the market the prices of commodities soar up. The economic theories of Adam Smith and Marshal come true when more money chases too few goods. There is a wide gap in the demand and supply of goods. The wholesale traders sell the foodgrains at double rate. Many of them take bank loans and earn huge profits by selling foodgrains at a high price during these period. I would like to submit that it should be stopped. (Interruptions) Please don't interrupt. I am also a farmer having 2-2/12 acres of land and will not have more than it... (Interruptions) Therefore, bank loans to wholesale traders should be stopped and instead farmers should be given loans. The grants which have been reduced should be withdrawn. One and half year ago we had struggled for the grants of 40 per cent as a result the

[Sh. Bhogendra Jha]

Government fixed 40 percent grants for the farmers having 5 acres of land. So far as I know perhaps no small or marginal farmer in India got benefit of that all over the country. I would like to cite an example of Bihar. This year in February the hon. Minister of Agriculture and officials paid a visit there but the hon. Minister did not know whether funds had been released from the Centre. When I asked him emphatically, the Commissioner of his department said that a total amount of Rs. 35 crores in two instalments of Rs.28 crores and Rs. 7 crores, had been released.

But it has not been made available so far. Therefore, such arrangements should be made so that poor or rich farmers may get grants. Hence, the Government should maintain the grants of 40 percent. It will increase the production, though the rich farmers may prosper but at least there would be no need of import. We will become self-reliant. The farmers should get loans from banks instead of wholesale traders. When I made this point to the then Prime Minister, he said that if they buy foodgrains from black-money in that case what would happen. I said that the money will become white. At least we will not become bankrupt. Now our farmers and consumers are being exploited. Therefore our policy should be of 'SWADESHI' and self-reliance. The policy of depending on others is a blow to our self-respect. But the Government is following a policy which would be detrimental to the interests of the nation. Does the Government want to follow the policy of P.L. 480? When America had imposed the condition that besides foodgrains we will have to take tobacco, millet and lipstick also. I had asked the then Minister of Finance Shri Morarji Desai whether it is true. He said it is a different variety of tobacco. Therefore, does the Government want to fall again in the trap of P.L. 480. My colleague Shri V.P. Singh has rightly said that we should not bother

about the foodgrain already imported but now the Government should try to sell the remaining goods under the agreement in the foreign countries so that people may not raise a finger against us. The hon. Prime Minister has said the monsoon has arrived and the time is favourable to us. We did not know it. I would like to say that foodgrain which has not reached India should be stopped abroad. Now if the Government will import, we will oppose it as Shri V.P. Singh has rightly said. It is our national duty to speak in the interest of 'SWADESHI' and self-reliance.

The Government should also announce the price policy. Foodgrains should be purchased in advance from the growers who are in trouble so that they may also get the benefit. Government should stop buying from the middle men. The import from abroad should be stopped and goods should be sold to countries where there is shortage of foodgrains. Sufficient proof of this should be made available that India is against the policy of importing foodgrains.

THE MINISTER OF STATE IN THE  
MINISTRY OF CIVIL SUPPLIES, CON-  
SUMER AFFAIRS AND PUBLIC DISTRI-  
BUTION ( SHRI KAMALUDDIN AHMED) :  
Should we buy from the traders now?

SHRI BHOGENDRA JHA : No, it is not necessary now. The hon. Prime Minister has said that the next crop would be better. Therefore, stop bank loans to the wholesale traders so that the entire profit goes to the farmers and the Government should change its policies. With these words I conclude.

17.20 .rs.

MR. SPEAKER *In The Chair*

[English]

THE MINISTER OF PARLIAMENTARY

AFFAIRS (SHRI GHULAM NABI AZAD) : This is the second day and three Ministers have also to reply or intervene. I wonder whether we will be able to complete it with this speed. (*Interruptions*) In seventeen days, you cannot have one week for one subject. (*Interruptions*)

SHRI P.C. THOMAS (Muvattupuzha) : This is a very important subject.

SHRI GHULAM NABI AZAD : Important does not mean that one will speak for hours together and months together. We already had two days. Actually, we had slated one day for it. But we continued it for the second day also. I submit that I won't mind it. But then we must sit beyond 6 o'clock also. You cannot have both the things - you want to speak and you also do not want to sit beyond 6 o'clock. (*Interruptions*)

[*Translation*]

SHRI RAJVEER SINGH : Had this discussion commenced at 2 p.m. it would have been completed by now. If Shri Jakhar gives the reply, we may have to sit even upto 8 p.m.

SHRI VISHWANATH PRATAP SINGH : The hon. Minister can reply tomorrow.

SHRI GHULAM NABI AZAD : I would request you to sit till 8 p.m. (*Interruptions*)

[*English*]

SHRI GHULAM NABI AZAD : The best we can do is to complete the discussion today and the Minister will reply tomorrow. (*Interruptions*)

MR. SPEAKER : I will bring to your notice the rule. This is a discussion under Rule 193. The rule says:

" Speaker may allot two sittings in a

week on which such matters may be taken up for discussion and allot such time for discussion not exceeding two hours."

It says : 'not exceeding two hours'. I tell you, yesterday we have given three and a half hours and today it is two hours, that is, five hours and thirty minutes. There are other Members also who want to speak. You will appreciate that we have to discuss the drought condition and other conditions also. If time is allotted only to one topic, then other topics suffer. Please appreciate the difficulty and today the matter should be completed. This is my request. If need be, we will sit late. (*Interruptions*)

MR. SPEAKER : We discussed for six hours and if you need we can sit for one hour more, because there are other Members who would like to speak. Members are very much agitated. Members from Kerala want to speak.

I request Shri Deve Gowda to speak.

SHRI H.D. DEVE GOWDA (Hassan) : Respected Sir, I would like to confine myself to the consequences of the decontrol of some of the fertilizers. I do not want to go in detail about the import of wheat. It has been sufficiently discussed by senior Members like the former Prime Minister Shri V.P. Singh.

Last session on the closing day, the Joint Parliamentary Committee on Fertilizer Prices has submitted its Report to the House. The Government was anxious to accept that Report within about 70 to 72 hours of the submission of the Report to the House. As a Legislator for 30 years, I have never seen any House Committee Report being accepted so hastily, so hurriedly when it is not a unanimous one. It is only a majority opinion report and there are dissenting notes of three hon. Members of the Committee. The Government has never applied its mind about the consequences and they have never

[Sh. H.D. Devegowda]

thought over its implications, in case this Report is partly going to be accepted.

Sir, I had given a categorical dissent note where I have said that decontrol of these items is going to be a disastrous one to the farming community in particular and to the rural economy in general.

Sir, today, I do not want to mix politics so far as this issue is concerned. No political party is prepared to antagonise the farmers. Let me be very clear. It is not the monopoly of only one political party or of A political party, that they are only fighting for the cause of the farmers. Everybody who is sitting in this House, is equally interested to carry the favour of the farming community because it is one of the unorganized sectors and it is a divided sector. Let me be very clear. The Government also had a part in the division of the farming community, be it small or marginal or whatever it may be, for various reasons.

In my dissenting note, I have made it clear that the subsidy is not due to the consumption of the fertiliser. Some of your bureaucrats try to argue that the consumption went up by 30 percent, higher than what it was in 1991. Even though the fertiliser price was increased by 30 percent by this very same House, last time, the consumption of the fertiliser went high and that is one of the arguments advanced by the bureaucrats. Let me be very plain. How the subsidy amount went high, this, I have made it amply clear, based on the information supplied to the Committee. The devaluation of the rupee has ended with Rs. 900 crores additional burden as subsidy towards the farmers and the 15 per cent Gulf sur-charge and the rise of the railway fare as well as the so-called foreign exchange rate, give scope for additional expenditure of Rs 560 crores. In addi-

tion to that, phosphoric acid at the market rate of exchange will work out to about Rs. 675 crores. These are the components where the additional burden has been passed on to the farmers because of the recent financial or fiscal policies.

In the last Budget, that is, in 1991-92, Mr. Finance Minister had asked for about Rs 4,800 crores towards subsidy, that is, Rs.3,500 crores for indigenous fertilisers and Rs. 1,300 crores for imported fertilisers. And in 1992-93, he had asked for Rs.5,000 crores in the Budget proposals.

Sir, I would like to say that, without mixing the matters, even the Prime Minister had also been misled. Let me be very plain. The Prime Minister on one occasion had said that Rs. 9,000 crores is the total subsidy amount of the burden that is going to be there on the central exchequer. That is the opinion furnished by your own bureaucrats. In 1995, their calculation is that the subsidy component may go up to Rs, 9,000 or Rs. 10,000 crores. That is one of the views expressed by the Department of Finance when they have given the evidence before the Committee.

Sir, I would like to draw the attention of this hon. House that in 1991 itself the Government had given a categorical assurance to the World Bank that within three years, the subsidy component is going to be waived in a phased manner. So to honour that commitment, within 70 hours or 75 hours of the submission of this report, the Government had so hurriedly accepted the Joint Parliamentary Committee's report, to a partial extent which suits them.

I must compliment the hon. Agriculture Minister who tried to fight this issue. He opposed this issue but unfortunately he has been isolated and he was unable to win the battle in the so-called CCPA Sub-Committee meeting or whatever it may be. I am not

a member of the Cabinet and I do not know what the CCPA's role is. Let me be very plain. But unfortunately, the Prime Minister, ultimately, tried to withhold the views expressed by the hon. Agriculture Minister. What clinched the issue however was the Prime Minister's argument that when the JPC favoured the de-control, it should be accepted. But the Prime Minister did not take decisions or other recommendations of the JPC. This is one of the reported things. I would like to draw the attention of the House to the fact as to how the Prime Minister was very much anxious - I do not want to say the Prime Minister; but the Government was very much anxious - to honour the commitment of the IMF or the World Bank from where they have taken the financial assistance.

One of the things which worries or hurts me is when the Prime Minister addressed about four thousand farmers in his official residence, when one of the ministers Shri Rajesh Pilot led that delegation, he advised the farmers that they should not be misled by anti-social elements. At the same time he said this Rs.9000 crores is going to the manufacturers and middlemen. The Government is unable to identify who are those people who snatched away this Rs. 9000 crores in the name of the farmers. The very purpose of demanding the Joint Parliamentary Committee in the very same House in the last Budget by me was that this subsidy amount is not at all going to the farmers; it goes only to the industrialists and some of the corrupt politicians. Let me be very plain on this issue. Shri Ashok Gulati, when he gave evidence before the Committee said that 52 percent, of the total subsidy is going to the genuine purpose, and in my opinion 48 percent will be distributed among the corrupt bureaucrats and corrupt politicians. He did not want to mention the names of the politicians; but I know and I discussed it with him when he gave evidence before the Parliamentary Committee.

The Government does not want to apply its mind to some of the ideas which I tried to locate, which I tried to give in my dissenting note as to how the industrialists try to manipulate. I know everybody is interested in the farming community. One factory, to supply urea per tonne per kilometre, charges 180 paise as transportation charge. At the same time the same factory, to supply the diammonium sulphate per tonne per kilometre takes 280 paise. How could it be? This issue is not confined to a particular department. There are nearly five to six departments which are going to correlate the entire end result - they are Agriculture Department, Department of Fertilizer, Department of Petroleum and the Department of Commerce. There are various agencies and they try to defend their case to suit them. The ONGC is today making a profit of nearly Rs.3000 crores. At whose cost? Let me ask this question. They do not want to give even an iota of concession to the so called farming community, the neglected community. This is the irony.

To be very plain, even though our rulers, our ministers, whichever party they may belong to, want to take a decision, the bureaucrats do ultimately prevail on the rulers and the ministers or whoever they may be and they will not allow the ministers' desire to be implemented. This is the total sum and substance of our administrative system.

After the de-control what is the implication? How the Prime Minister was able to understand later on the implication? We are all anti-social elements, according to him. That is the very word expressed by the hon. Prime Minister. I beg to differ. We have all come here for a particular cause; we have not come here to placate any section of the society and try to create any bitterness. It is the peace of the country which is much more important. He said, while addressing a gathering, that peace is much more paramount;

and the farmers should not be misled by the anti-social elements.

From the beginning, I was fighting for this cause; from the beginning I know how the bureaucrats are trying to argue their case against the farmers. I will quote one or two instances. After the decontrol of fertiliser, the price of potassic has increased from Rs. 1760 to Rs. 5000 per tonne. The price of single super phosphate has increased from Rs. 1240 to Rs. 3000 per tonne and the price of diammonium phosphate which contains both nitrogen and phosphate has increased from Rs. 4680 to Rs. 9000 per tonne.

Recently I have gone through an article titled 'No case for a sharp increase in wheat procurement price', in which Shri Balram Jakhar was fighting for the cause of the farmers for the increase in the procurement price. It says:

"...But the farm lobby is not mollified. It is now asking for a huge increase in the wheat support prices that are expected to be announced any day. Against Rs. 280 per quintal last year, the Commission on Agricultural Prices and Costs has recommended Rs. 305 per quintal, an increase of nine per cent. But the Minister for Agriculture, Mr. Balram Jakhar has recommended a price of Rs. 340 per quintal."

They tried to justify that there was no case because they are the opinion-builders. The media is going to play a major role against the farming community. This is one of the most important factors that everyone of us has to realise. This is how the vested interests are trying to destroy the very rural economy. This is my real concern.

I would like to quote one or two more things. Agriculture has been given the top-most priority and a lot of money has been

spent in these forty years. There was an article which says:

"Why tax on agricultural income? Ever since the launching of planned economic development, the Government has made a very huge investment in agricultural sector."

"The agriculturists have become very rich and they are the affluent section; but they have not been taxed".

This is one of the arguments advanced by the so-called pseudo-economists. What is the investment that they have made? Let me be very plain. : I will quote some official figures. In the First Plan and the Second Plan, out of the total plan allocation, 32 percent is spent on agriculture; in the Third Plan, it came down to 25 percent; in the Fourth Plan it was 21.4 percent; in the Fifth Plan it was 18.32 percent; in the Sixth Plan it was 27.54 percent and in the Seventh Plan it was 20.35 percent.

This is the way in which we have shabbily treated them; we have treated the agricultural sector in such a manner. This is the hard reality.

MR. SPEAKER : Your time is up.

SHRI H. D. DEVEGOWDA : I beg of you. I do not want to take the time of the House unnecessarily. But I am prepared to sit up to mid-night. In the Assembly we have sat up to 2 o'clock. In the very same House, to dispose of the No-Confidence Motion we sat up to 2 o'clock. You may try to draw the attention of the House by quoting the rules. You have got the powers to suspend the rules.

MR. SPEAKER : Only by suspending the rules, we have given 5 1/2 hours for this discussion.

SHRI H. D. DEVEGOWDA : I never tried to disobey the Chair.

MR. SPEAKER : Please be brief. You have the capacity of saying so many things in a few words.

SHRI H. D. DEVEGOWDA : Today morning, our Agriculture Minister gave an information in this House. Let me try to draw the attention of the hon. Agriculture Minister to that. He said :

"The per capita income (Net Value Added) in the farm sector has increased from Rs.878 in 1980-81 to Rs. 1075 in 1990-91."

The officers are very clever. Even though you have got more experience as an administrator, even though you have worked in various capacities, they are very clever to mislead you also. Let me be very plain on this issue.

The Bhanupratap Singh Committee's report was submitted to this very hon. House on the basis of the information that had been supplied by your own bureaucrats. It is not his personal view. If you take 1970-71 as the base, the per capita income of agricultural sector is Rs.445. In 1980-81, it is Rs.337. In 1988-89, it is Rs. 420. If the reduction will be there, that is -5.7 per cent. In this very House, today, you tried to justify that in the farming sector, the per capita income has gone up. Who has given that report? Who has given that information? You please reply.

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR) : I was just trying to point out the same. The per capita income of the other section of the society is four times now.

SHRI H. D. DEVEGOWDA : No, no. I am coming to the next point. It is not only four or five times in the non-agricultural sector. In

what proportion has it increased? On one side, the reduction of the per capita income during the last 20 years is -5 per cent agricultural sector whereas the income of the non-agricultural sector went up by 83.6 per cent. Is there any justification? I have no grudge against the non-agricultural sector. But for the rural sector, which comprises of about 65 crores of the population, is this the treatment that you are going to give?

The so-called GDP is also again a manipulation. Thirty per cent of the GDP is going to be contributed by the agricultural sector and the work-force is about 65 per cent. But in the industrial sector, the GDP is hardly about 18-19 per cent. The workforce is about 18 per cent and the GDP is about 26-27 per cent. How do you justify this?

I am not going to say that the urban sector is free from poverty. There are several people who are below the poverty line even in the urban sector. Even in the urban areas, people are living in slums. But the total wealth is concentrated in the hands of a few urbanites. Today, we are all becoming subservient to the vested interests. Let me be very plain on this issue.

Even to constitute a Joint Parliamentary Committee to go into the details of how the fertiliser prices are going to be manipulated and subsidy is going to be drawn by the industrialists, an assurance was given in this very House. But to constitute the very JPC, your goodself knows that the Government took nearly four months to implement the assurance given by the hon. Minister. I know about it. I have written a letter. All correspondence is there. I do want to quote all these things.

Now everybody tried to argue about the free movement of the foodgrains. I have no objection. Your goodself has already made it clear that you are going to take steps to remove the ban about movement of

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foodgrains from one part of the country to the other part of the country. It is all right. That is only one component of your helping the farmer. It is not the whole thing. Let me be very plain on this issue.

The imported fertilisers even today in the international market are cheaper than the domestic fertilisers. I will give some of the figures because these are very relevant. It is not a charity that we are asking from you. Here is the share of the agricultural exports and imports in the total value of exports and imports. In 1965-66, the share was 41.6 per cent. Now the export share comes to 30 per cent. Our hard-earned agricultural produce is going to contribute 30 per cent of the total foreign exchange. Then, what is the import component that you are going to get for the sake of the farmers? You are going to get only 19.8 per cent. This is the import component for the purpose of agricultural sector. In that case, why don't you allow us to purchase the fertilisers from the international market at a cheaper rate?

MR. SPEAKER: Mr. Gowda, how much time will you take? You have spoken for twenty minutes.

SHRI H. D. DEVEGOWDA: Sir, you are also a farmer and I know that you are kind to the farming community. Due to compulsion of time, you are trying to remind me. I know that.

I would like to ask this question not to the ruling party but to every political party. We should try to demand that in case the price of domestic fertiliser is not ten to fifteen per cent higher than the imported fertiliser, then they must allow the fertiliser to be imported by our hard earned foreign exchange. That is our contribution. This is all I am asking. Merely giving permission for the movement of foodgrains is not the answer. Let me be

plain on this issue. It means only one portion of the help is going to be done by you. Our former Prime Minister was telling that MP Government is not allowing free movement doing it. It is not the question of Janata Dal or BJP or Congress Party. Let me be frank on this issue. I have seen enough in my life. Almost all political parties try to cast aspersions against each other. Whenever we come to power, we are all helpless to the same system. The very same system is going to prevent all these types of radical changes. Even though you are interested to take action, the bureaucratic system is not going to allow this and it is going to prevail on the politicians ... [Interruptions]...

I would like to mention one more point. If you compare the subsidy of Rs.6000 crores or Rs.9000 crores or the subsidy component and how farmers are helped in other countries, then you will know our position. I will only state certain information here, that is, countrywise State support to wheat. In India it is -3.5 per cent whereas the so-called people who are dictating all types of conditions on us are giving - I mean the USA 40.67 per cent. For rice, Indian figure is -1.17 per cent and that of USA is 46.50 per cent. Yesterday, Mr. Vajpayee Jee was speaking about soyabean. I will give that information also because these are information based on certain documents. I am not going to give any illusory information to the House. The State support to Corn comes next. The figures for corn in India is -19.83 per cent and that of USA is 30.67 per cent. Ours is minus and theirs is plus. Yesterday our MP Congress leader was debating on what Mr. Vajpayee Jee was suggesting. For sorghum, our figure is -29.17 per cent. That is, we are exploiting our farmers, Govt. is the biggest *Marwadis* and Government of India itself a biggest middleman. The USA figure in this regard is 31.83 per cent. This is how our farmers are exploited by this very system. I can give you umpteen number of such instances. But I have only drawn the attention

of the hon. Agriculture Minister to only some of these issues. The procurement price increased by seven to eight per cent. What is the percentage of hike? I have sent a letter to you also. After decontrol, 88 per cent has been the price hike for DAP 19:19:19.

The increase between pre-control price and post-decontrol price of DAP 15:15:15 comes to 187 per cent and in the potassic MOP, it is as high as 267.71 per cent. Who is the bureaucrat who tried to advise an increase of 304 per quintal wheat? Is it justifiable at all? Ask them to go to villages and plough land. Then only, they will understand the problems of the farmer. I say this because this is one of the privileged classe which tries to enjoy at the cost of 65 per cent of our rural farmers. Let me be very plain. If I really want, I also can become an IAS officer. But I cannot become a Minister and win the confidence of nearly 15 lakhs of people in a constituency. It is not a big thing. Let me say very plainly. We should not be guided by these bureaucrats. I may also tell one more point. Your ministership is not permanent. What is permanent is the cause of the community. Here by 'community', Community is not your caste. Community means farmers' community. That is all I want to say.

MR. SPEAKER: That's all! Thank you. Please sit down.

SHRI H.D. DEVEGOWDA: Just one last point Sir. I would like to sound a note of warning here. We cannot exploit the farming community as they were exploited in the days of Maharajas. Of course, they are being exploited even after our Independence. All these 45 years after Independence, our rulers are nothing less than these Palegars or Maharajas or Chakravarthies to whom the farmers used to pay annual rents which are known as Pogadi in our language Kannada.

Now, this is another type of exploitation. But let me tell you one thing. The farming community cannot be exploited any further. I warn you that unless the rural economy which took a flight to urban areas and which is concentrated in the hands of a few industrialists, a few bureaucrats and a few corrupt politicians, is flown back to rural areas, otherwise there will be a revolution. You may compare Russia and some other countries which have disintegrated. Unless you correct the situation, it will lead to dangerous consequences.

I would like to suggest one thing. Nationalise all the land in the country! I am not bothered really. My family have some acres of land. I say, nationalise all the land and give us the amount equivalent to the salary of a peon or a sweeper in the Indian Airlines. I plead on behalf of the farming community to nationalise the land because I know the plight of the farmers. I have got every right to say this. The organised sector knows how to exploit the rural community. That is why I say, you take all our land and as compensation, you give us the amount just equivalent to the salary of a peon in Indian Airlines.

I will tell you that you will not be able to mislead the farming community in this way, any longer. The youth in the rural areas are now educated and they are able to understand and realise how the politicians are exploiting them. Let me tell you, this is my warning, to these people who are at the helms of affairs.

MR. SPEAKER: Please conclude and resume your seat!

SHRI H.D. DEVEGOWDA: Unless you reverse the whole thing, the situation will not improve. The Prime Minister has stated that he has already asked a ministerial group comprising the Minister of Petroleum and some three or four other Ministers to look

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into these aspects and see whether it is possible to undo the damage that is done. This Group is going to me and take a decision. If this takes a decision to undo the damage done. I welcome it.

SHRIS. MALLIKARJUNAIAH (Tumkur):  
I thank the hon. Speaker for having given me an opportunity to speak about the increase in price of fertilizer and withdrawal of subsidy.

Twenty years back, the Ministry of Agriculture used to propagate how to form composts and how to increase production of composts. There were other departments also which were propagating how to improve production of composts. Now-a-days, the health of the cows is also going down. We are totally forgetting green manures. Because of this, the agriculturists are compelled to go in for the application of fertilizers. Even the Ministry of Agriculture went on propagating very intensively with the result every agriculturist has developed a habit of applying these fertilizers in his fields.

Now, the Government of India is thinking of withdrawing the subsidy and they are also thinking of raising the rates of fertiliser. By doing so, it will help the Government. What I want to say is that, the production of foodgrains will fall.

Now-a-days, in most of the States, land reforms are being implemented. At the most, one person can afford to have 54 acres of land in Karnataka. The small and marginal farmers have to grow only to the extent possible by which they can raise their families. The people who have more lands, can grow more foodgrains and if they have anything extra, they can sell it in the market. But, now-a-days, it is not possible. Paddy or ragi or the groundnuts that he grows does not work out to him and with the result, he gives up the habit of cultivating the entire area and

he goes in for production of coconuts or areca-nuts or Mangoes or sapotas. Over and above because of this, the production of foodgrains comes down and it goes into the hands of the people who produce non-food products. So, we have to import foodgrains from foreign countries.

You know, a couple months back, there was a shortage of wheat. We have to import wheat from abroad. Under the present circumstances, there will be a terrible shortage of foodgrains in the country and we are compelled to import foodgrains from abroad. Whatever subsidies you are giving, it will not help the farmers because we are importing foodgrains from abroad. It gives an impression that the advanced countries want to enter Indian market. Though 70 percent of the population in India are dependent on agriculture, still we are not able to feed the whole population. If such is the thing, then virtually, no agriculturist will be able to purchase fertilizer at a higher rate and grow foodgrains in his field. Because of this the production of foodgrains will definitely go down.

Secondly, he cannot afford to grow vegetables and fruits. So, there will be deficiency of these things in our country. With the result, we have to depend upon foreign countries.

We have also to distribute foodgrains on subsidised rates. We are opening Fair Price Shops. We are doing this, because the consumers are not able pay higher rates for foodgrains. We have to balance both these things. When you are feeling that the increase is reasonable and the withdrawal of subsidy is all right, then, actually what you are doing is that, you are paving the way for import of foodgrains and with the result our country becomes bankrupt.

Therefore, I expect that the Government should apply its mind very seriously.

Thirdly, for advertisement of fertilizers either in TV or some such thing, we are giving a sum of Rs. 30 crore.

18.00 hrs.

There are various other ways of advertisements on which we spend huge amount. Even the fertilizer companies also spend huge amount on managerial cost. In spite of the fact that public sector undertakings are incurring huge losses, yet they are being financed. We do not want to save money from that department to compensate it for subsidy. There are various other departmental overhead charges which could be reduced very reasonably and that amount could be utilized for importing fertilizers from the foreign countries so that we may feel self-sufficient so far as foodgrains are concerned.

The Minister of Agriculture is really an agriculturist; he knows all the difficulties. At the same time, even other friends, who are at the helm of affairs, they should also very deeply apply their mind and see that subsidy on fertilizer should not be withdrawn and the rate should not be increased. Otherwise, there will be a terrible shortage of foodgrains in the country. I request the Government to kindly apply its mind to all the suggestions I have made. Thank you.

MR. SPEAKER: Today, we will have all the Ministers except the Minister of Agriculture participating in the debate. Then all the hon. Members will also speak on this topic so that tomorrow the Minister of Agriculture could reply to the debate.

Now Shri Kamaluddin Ahmed will intervene in the debate.

SHRI JAGMEET SINGH BRAR (Faridkot): I also want to participate in the debate because of the situation in Punjab.

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): I will not make any political speech. I will make a very brief submission.

MR. SPEAKER: He is intervening.

SHRI KAMALUDDIN AHMED: I will make a very brief submission and confine myself to the previous part of the import. This is a fact that the Government decided to import three million tonnes of wheat in the mid January. Now this decision was taken in the background of two factors, two realities. One was the shortfall in our procurement last year. As against the target of 11 million tonnes of wheat, the Government could procure only 7.7 million tonnes last year; and that was a big shortfall. The second thing was that a general impression was being created that after three successive good monsoons, the fourth year is bound to be a drought year. And in these circumstances, we were compelled to take this decision so that before the things go wrong, before the situation is worsened, we must be in a position to have enough stock of foodgrains like any prudent government would have taken this decision.

We took this decision after taking another decision to stop the export of wheat which had been taken by earlier government. A total ban was put on the export of wheat and then we decided that we should import this wheat. Now, there are two or three factors which I request the House to take into consideration. The procurement price is fixed on two factors. (1). The Committee on Agriculture Cost and Prices takes into consideration the cost of production and affordability of the consumer. The price so declared is almost thought to be within the reach of the consumer also. And this system has been going on well till the year 1990.

*Situation affecting Agriculture and Farmers' interests due to increase in the prices of Fertilisers and wheat import*

[Sh. Kamaluddin Ahmed]

After that, there was a surprising difference in this. If we look into the procurement price of the year 1991 and then see the retail price of wheat which has been shot up in the market you will find that this spurt was more than 50 per cent. When last year the procurement price was Rs. 225 per quintal, the retail price near about Delhi had gone up to Rs. 450 per quintal, i.e. Rs. 4.50 per kg. This difference was because of two things. One was that over all production of wheat was estimated to be 54 million tonnes as against the previous year's production of about 70 million tonnes.

Now with this 54 million tonnes, the procurement had come to 7.7 million tonnes. There was an overall shortage in the availability of wheat in the country, plus the lower procurement. These two factors had taken place and the beneficiaries were the middlemen.

**SHRIVISHWANATH PRATAP SINGH:** May I remind the Minister that I have the agricultural statistics. It was never 70 million tonnes of wheat production in 1989-90, it was 49.85. In 1990-91, it was 55.2 million tonnes. This is the figure and that is how the House is misled. 54.52 was never 70 million tonnes. has been said.

**SHRI KAMALUDDIN AHMED:** I am saying 54 million tonnes.

**SHRIVISHWANATH PRATAP SINGH:** There is no such short-fall as he is saying.

**SHRI KAMALUDDIN AHMED:** As against the production of 54 million tonnes, the procurement was 7.7 million tonnes. In the previous year we had procured 11 million tonnes and against that year the short-fall was so much when we procured only 7.8 million tonnes. Now the procurement price was Rs. 225, the retail price had gradually

gone up to Rs. 450. So this difference and who was to bear this. It was the consumer. Now one thing which hon. Shri Bhogendra Jha had very rightly said and which I wanted to say and I must congratulate him for his realistic speech here that the different classes of farmers, a large majority of the farmers hardly have enough production for their own survival. Next to that is another bigger class which hardly meets their survival cost and also are able to market some grains for their other needs. But there is a section which, I do not think, should be classified as farmers because apart from farming they have other vacancies also.

Now this class who have the biggest capacity to retain the grain, when we had this short-fall of food procurement last year, we were ultimately told that there has been a nexus between the traders and this big class of farmers who have retained the grain with themselves in anticipation that the prices will go up to some extent on their own. To some extent at the instance or with the connivance of the traders, Now the traders also wanted to escape various stock control orders because there are limits fixed for these foodgrain for retail traders and for the whole sale traders. This was going on last year. This year also we thought that such situation should not come, at least that the demand for the PDS should be met from the local procurement.

**MY** commitment to the PDS is about 10 million tonnes of wheat and about 10 million tonnes of rice. Where from this wheat is to come? The 6.4 million tonnes of wheat which has come this year is hardly enough to meet the demand of the PDS.

Hon. Shri Indrajit Gupta initiated the debate and, this is a reality that his very State West Bengal, without procuring a single grain, is the recipient of 10-lakh tonnes of grain every year. If we stop this PDS or we

are compelled to stop this PDS where from this State will have this grain.

Shri Vishwanath Pratap Singh: If you are so much careful about the PDS then why in October 1991-92, you sold from your stocks 6.47 lakh tonnes, not to the PDS but to the open market. Now you are making an attempt to import foodgrains that also worth Rs. 500 crores.

SHRI KAMALUDDIN AHMED: That answer my colleague, the Food Minister will give but I can only say, "Yes, that was a deliberate decision to push some stocks in the open market because the way the prices were going up last October, it was very alarming and we wanted to somehow contain the rise of the prices so that the consumer was not badly affected. This was a decision which was taken by the Government. There is no denial of that fact and in pursuance of that decision some of the stocks were offloaded to the open market.

SHRISRIKANTAJENA (Cuttack): Open market, to whom? Was it to the floor mills?

SHRI KAMALUDDIN AHMED: To the millers and others. I am not giving the details. He will give the details.

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI TARUN GOGOI): To the Civil Supplies Corporation, super bazars and others, they were given.

SHRIKAMALUDDINAHMED: The Food Ministry deals with it and he will give the details.

SHRI SRIKANTA JENA: Only the floor mills have taken.

SHRIVISHWANATHPRATAP SINGH: The floor mills can take.

SHRI KAMALUDDIN AHMED: So, my

anguish was that because of this shortfall in the procurement, we had to take this decision and I am sure that the House will appreciate it.

Now, if you say that this price, at what is being imported, the same price should have been given to the farmer, wherefrom will the grain come? My submission is that the overall availability of the grain has not been so much as to ensure the total procurement.

SHRIVISHWANATH PRATAP SINGH: No, no.

SHRI KAMALUDDIN AHMED: May I tell you one thing?

SHRI VISHWANATH PRATAP SINGH: This is to true. This is not factually true. The crops have not been no way less than the previous year. There is no question of total shortage. This is just not true. The production has not gone down.

SHRI KAMALUDDIN AHMED. If we are to say, just for the sake of saying, it is a different thing. Here, I am telling you. A large number of farmers have switched over to the oilseeds.

SHRI BALRAM JAKHAR: The question is, in 1989-90 that was the year when we had a food production of 176 million tonnes and then again it fell down to 167.4 million tonnes. But that was due to because of the losses, caused by the summer rains in August September. We had a very good crop of course, but then from 174 million tonnes it came down to 167 million tonnes. That was the thing.

SHRIVISHWANATH PRATAP SINGH: But wheat has continued.

SHRI BALRAM JAKHAR: Wheat continued; but it deflects

SHRI KAMALUDDIN AHMED: I was submitting that two years back, or three years back we had to import oil. We had to import large quantities, edible oil, Pamolin from Malaysia. Now, for the information of this House, I must submit that last year we imported only 1.5 lakh tonnes and this year a few thousand tonnes and we allotted it to the different States. The States are not able to lift it because the local availability of edible oil has gone up. Now, there is no shortfall of the local edible oil has gone up. Now, there is no shortfall of the local edible oil. That shows that a considerable area has been switched over oilseeds.

In this background, what I submit is — as I said in earlier that I am not going to make a speech but only a submission — that if the procurement of wheat and rice is not ensured, what is it that the hon. Shri Vishwanath Pratap Singh or Shri Indrajit Gupta, want to be done about this PDS? Should we target it only to the particular sections of society and leave the other people, or should we link it to the procurement? If we have to link the allocation to the procurement, I am sorry, that a situation will come where Kerala will not be able to have any grains from the central pool and so also the other States. That situation will come where Kerala will not be able to have any grains from the central pool and so also the other States. That situation should not come. My submission is that you kindly appreciate the position and we need not make political capital out of it. Kindly appreciate this decision and my submission is that this decision of import of wheat was only to supplement the availability of foodgrains to the PDS.

[Translation]

SHRI RAJVEER SINGH (Aonla): Mr. Speaker Sir, I would like to begin with a proverb which suitably applies to the present Government.

"Arba Satta Joyon ka Toyon, Sara Kunba Dooba Kiyon"

Kamalludin Sahib has proved his worth with the dazzle statistics and the same is due on the part of the hon. Minister of Agriculture and farmers are suffering a lot as a consequence of all this game of statistics.

Here in this context I would like to pay my humble homage to late Lal Bahadur Shastri who belonged to the party to which the hon. Minister belongs. He should learn at least some lessons from the late leader. He gave the slogan "Jai Jawan Jai Kisan." I remember the country was facing starvation and our Government was begging wheat from the foreign countries. He was the man who saved the prestige of the farmers of the country. He motivated the farmers to be hard working which alone could earn prestige for them. He, therefore, gave the slogan of "Jai Jawan Jai Kisan" and Lal Bahadur Shastri did really get a positive response from the farmers. Our Government was wondering around the world begging for wheat and no country was ready to give wheat to us. It may be recalled that the country was bearing the shameful black spot of P.L. 480. Credit goes to the farmers of India who salvaged the country from that phase of crisis, but what did the Government give in return to them.

During the course of the discussion, the hon. Minister was stating that the rate of wheat production has come down in the country whereas the statistics suggests that the production has gone up. Thereafter, the Government tried to import wheat from abroad because reportedly the production of wheat had come down. Yesterday the Hon. Prime Minister was stating that wheat had to be imported because the possibility of drought in the country had increased as also there was no rain during June-July. I would like to say to the hon. Minister who is himself an able agriculture expert that there is always

less rain during the months of June and July. It has been observed in the last few years that rain begins towards the end of July and there is adequate rain in August. Yet, the hon. Minister claims that he goes by the weather statistics. He should notice that now the nature is changing. In spite of having the knowledge of all these facts the Government imported wheat due to fear of impending drought. There was, however, no drought and the Government had ultimately to export 10 lakh tonnes of wheat. There goes a proverb.

"Ghar Main Nahi Dane, Amma Chali Bhunane."

The Government is not able to feed its own people and yet it is exporting. The Government was exporting wheat and just after a month of the export, the Government comes to realise that there is a crisis of wheat in the country and consequently they gave a fresh order to import 30 lakh tonnes of wheat. Last time I raised this point in the meeting of the Consultative Committee attached to the Ministry of Agriculture and I did also raise it in the Lok Sabha. There the hon. Minister of Agriculture declared that no wheat would be imported at all, I then asked "Sir, you are telling like this here and at the same time the other Ministers are telling that wheat will be imported." There was a clash between two Ministries over the procurement price of wheat. Our hon. Minister of Agriculture perhaps becomes influenceless in this regard. Shri Manmohan Singh perhaps hypnotises him. He becomes speechless before Shri Singh. He said that the farmers should get the price of wheat at the rate of Rs. 340 per quintal but he failed to do so and the farmers had to suffer a great loss and he has been compelled to sell the wheat at the rate of Rs. 280 per quintal.

SHRI BALRAM JAKHAR: What are you talking about. The price has been raised long before.

SHRI RAJVEER SINGH: Price has not been raised. I want to say that the Government exported wheat to foreign countries at the rate of Rs. 240 per quintal whereas wheat was imported at the rate of Rs. 500-550 per quintal. The Government is not able to raise the price of wheat even at the rate of Rs. 350-400 per quintal to the farmers of India. However, on the other hand it is in a position to purchase the wheat at the price of Rs. 550 per quintal from the farmers of the foreign countries. There are two possibilities - there is either some bungling being committed or the hon. Minister is such an interesting salesman as he purchases a thing on higher cost and sells it on lower cost. Even a simple salesman will not commit such a blunder.

We are not able to understand the way of the working of the Government. We see, that ever since the present Government came to power, it is involved in some or the other kinds of scandals varying from Bank scandal to scandal of A. B. B. Engine or wheat import. Export scandal. Does it mean that the Government is presiding over scandals. But why the farmers should suffer for that? What to talk of remunerative price, the Government is not able to pay even the cost price to the farmers of India. Hon. Minister of Agriculture is sitting here, I would like to ask a question to him. Wheat, rice sugarcane etc. are produced by the Agriculture Universities of the country and the Government assesses the agricultural price or the cost price of production. I ask whether the Government is in a position to provide the same price to the farmers. All the universities belong to the Government, they do not belong to me, they do not belong to any farmer, I ask again whether the Government is in a position to provide them with the same price. I am sure the Government is not at all in a position to provide the remunerative price. As a matter of fact, the Government has perhaps forgotten the definition of the remunerative price. If the Government is willing to provide the remun-

nerative price it will have first to define the term 'remunerative price'. Remunerative price means the Government should add the cost of fertiliser, seeds and water. Besides, the Government should also take into account the remuneration of the farmers at least at the rate of Rs. 30 per head per day. Moreover, the interest on the land and capital of the farmers should also be added. Besides it you should add some profit also which should be at least 20 to 25 percent. When the Income Tax Department of the Government levies 14 percent profit in round figure on every thing, then the Government should levy the same charge here also and the cost that arrives after all these assessments should be given to the farmers. The Government is, however, not doing so. What is it doing then? The Government cannot provide the agriculture price, the remunerative price, nor even the cost price but it can certainly reward the farmers by increasing the price of fertiliser, electricity, water. It means that the Government is not giving even the cost price to the farmers rather it is increasing the cost of things.

I would like to ask whether the removal of subsidy on fertiliser is a sympathy shown to the farmers? Is it the way the Government wants to support the farmers of the country? Does the Government want to please a few persons by exposing the 70 per cent people of the country to starvation. Does the Government wish economic affluence only to a few persons? There must be some scam in this transaction.

Mr. Speaker, Sir, through you I would like to submit that there should be an investigation into it and for that purpose a J.P.C. should be set up. I would like to emphasise that an investigation should be set up. I would like to emphasise that an investigation should be carried out only by a J.P.C. because it can expose the malintention of the

Government as it is well exposing the Government in the Bank Scam Scandal. It seems that a separate J.P.C will have to be set up for each and every Ministry because it is clear that the Government has decided to do what has been suggested through the four words that follow here under:

"Rinam kritwa Ghritam Piwet, Yawat  
Jiwet Sukham Jiwet

Bhasmi Bhutesya Dehesya Punragaman Kutah."

Meaning thereby, go on taking loans and live lavishly because the present Government knows that it has not to come to power again. It is we who will have to pay back all the loans. We will have to face all the troubles that will follow. The Government may go on wasting the treasure, the people of India will have to face all the troubles.

Mr. Speaker, Sir, let me make one or two points more. I have been waiting since yesterday and I think that it is perhaps the destiny of the farmers that whenever something is spoken in the interest of the farmers, the bell rings.

MR. SPEAKER: You may continue on the subject, keeping aside the matter of ghee.

SHRI RAJVEER SINGH: Whenever a farmer M.P. is about to speak, the bell rings.

MR. SPEAKER: You should talk of inillet (Jwar) leaving aside the matter of ghee.

SHRI RAJVEER SINGH: Mr. Speaker, Sir, with your permission I would like to tell this trio of Ministers because the trio of Ministers is sitting here. They should be called trimurti (Interruptions)...Yes, trimurti, tilenge are eight words. There is something special about this word "three".

MR. SPEAKER: What is the Co-relation between this and paddy.

*(Interruptions)*

SHRI BALRAM JAKHAR: Mr. Rajveer Ji, everything is right about what you are telling, but I do not expect any derogatory words on your part.

SHRI RAJVEER SINGH: I have not used any derogatory words. He should tell me if I have made any.

SHRI BALRAM JAKHAR: He has just now used such words.

SHRI RAJVEER SINGH: I have just used the term 'Trio of Ministers' Tell me what else I have said? I am ready to withdraw such words if I have used and if for that he was hurt. I am speaking in clear terms.

SHRI BALRAM JAKHAR: I am telling that it is not proper for him to use derogatory words.

SHRI RAJVEER SINGH: I simply intend to say that there is no co-ordination among the trio of Ministers who are sitting here.

Mr. Speaker, Sir, through you, I would like to say that the hon. Minister of Agriculture, virtually, does not enjoy any power. He cannot do anything. Matters related to fertiliser is dealt by somebody else the hon. Minister of Finance does not know as to how much fertiliser is being produced or what are the difficulties in this way. Irrigation is dealt by another Minister. The matters of seeds and fertilisers are dealt by yet another Minister. Similarly, the matter related to chemical fertiliser is under the supervision of a different Minister. It is not known as to who is the incharge of insecticides. they are dealt by different departments. The Agriculture Minister feels as if the Union Government has got nothing to do with it. The Government

should formulate some long-term plan to solve the manifold problem of the farmers or at least it should chalk out some major plan.

Mr. Speaker, Sir, last year, when I spoke on drought, I had suggested the formulation of a long term policy, but it is yet to take shape. You have a piecemeal approach to the problems. When there is drought, only then you think over it. When there is shortage of wheat, you import it and when there is a surplus production, you find yourself at the horns of a dilemma. This is not the way. Rather the Government, in order to re-assure the country's farmers, should formulate a long-term policy with regard to agriculture and farmers.

Mr. Speaker, Sir, I did not want to refer to Uttar Pradesh, but Shri V.P. Singh used the term 'Ram Cola' and the Government is obsessed with Coca Cola. Instead of getting involved in the controversy of Ram Cola and Coca Cola, I would like to mention here that the sugarcane growers of Uttar Pradesh are confronted with payment problem. It is because the Union Government instead of lifting levy sugar from Uttar Pradesh is supplying levy Sugar lifted from other States, for sale in Uttar Pradesh. The farmers will get their payment, if the concerned department of the Union Government lifts levy sugar from the State. Therefore, I request you to pay attention towards this.

In your bid to create problems for the B.J.P. Government in the State, you are causing considerable harm to the poor farmers. It is my humble submission that the Government should not do anything which detrimental to interest of the farmers and it should lift levy sugar form Uttar Pradesh so that the farmers are paid their arrears.

Mr. Speaker, Sir, I would also like to add here that majority of sugar mills in Uttar Pradesh, owing arrears to the farmers, are Central Government units. The other mills

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have paid up their dues. The Central Government does not pay its attention towards this. Therefore, Sir, through you, it is my humble submission that the Government pay its attention towards this and I am certain that in case of a shortage in sugarcane production, this Government won't hesitate to import sugar also. I would also like to ask whether sugar is a state subject? Sugar is produced from sugarcane and it is cultivated in the States. Although, under the new economic policy, all the requisite licences have been done away with, but licence is still a pre-requisite for setting up a sugar mill and the Centre has still retained the licencing authority. The Uttar Pradesh Government had proposed for the establishment of 100 sugar mills in the State and forwarded 50 proposals to the Centre, but the latter has sanctioned the establishment of only 12 of 13 sugar units and that too on the condition that the mills would be located at a place of Centre's choice. Therefore, today, through you, it is my submission to the Government that the system of licenses for the establishment of sugar mills should be done away forthwith and this matter should be included among the state subjects so that the State Governments can set up sugar units at places of their choice and also on the basis of sugarcane production. Thus, the Government is creating problems for the farmers by implementing the system of Central issuance of licences, as a prerequisite for the establishment of sugar mills. What I mean to say is that the Government is harassing the farmers in every possible way.

Mr. Speaker, Sir, through you, I would like to say in the House that the Government should not leave any stone unturned to conserve precious foreign exchange. It should not allow a depletion in our reserves at any cost. It can be converted only when the fertiliser prices the country are reduced. When the prices fall, the farmers would opt

for better quality fertilisers, which in turn would increase production and consequently the foreign exchange, at present being wanted on the import of wheat and other commodities could be saved. If this is not done and the prices are not reduced, the farmers would purchase less fertiliser, which would affect production and this in turn would prompt you to go in for imports. This would further lead to something else and then another J.P.C would be constituted. Therefore, it would be better, if the Government doesn't go in for imports.

MR. SPEAKER: Who will enact laws?

SHRI RAJVEER SINGH: Mr. Speaker, Sir, through you, I would like to say that the Government should not withdraw subsidy on fertilisers. Rather, it should provide subsidies to the farmers and thus provide an opportunity to them to be self-reliant. If they become self-reliant and earn a decent income, then also the money would come back to you for that money, he will invest in agriculture viz-fertilisers, power, water etc. which will result in a good crop providing a decent income to the farmers and the money would be back in the Government's exchequer. It is a cycle Money in the hands of the farmers would provide an impetus to the industries. Sales of consumer durables like Television, motor vehicles etc would go up and the e would be an industrial revolution. Today, the Government is concentrating on a meagre five to seven percent of the population as its market, and ignoring the mass of about 80% consumers. The farmer is both a producer and a consumer.

Through you, I once again urge the Government to give a serious thought to it. This is not a political battle. Tomorrow, anybody can be at the helm of affairs. If the policies are correct, the country will fall into decay. Unfortunately, both the policies and the intentions of the present Government are wrong.

I would like to tell the Minister trio that our hon'ble Members from Punjab made some excellent observations. Kindly pay attention to whatever they have said. They have echoed the sentiments of the farmers, expressed by them while sitting on the ridges of their fields. The hon. Member also belongs to the Congress Party. When he was speaking, I saw your face turning pale and you were not enjoying it, because at times, truth is too bitter to swallow. It makes it amply clear that the Government is least bothered about the interest of the farmers. This country would progress, if the farmers progress and the farmer would progress only if our policies are agriculture oriented and favorable to the farmers. This country will make progress in the real sense, only when the farmers are made self-reliant. Today the farmers are debtridden and the debts are increasing rampantly and still they are alive.

In my region, a farming is done under the control and supervision of the Finance Ministry. Mr. Agriculture Minister, Sir, the farmers have many bosses. Opium cultivation is done there and a lot of bungling is taking place. Those poor farmers are running from pillar to post for licence. Scores of people have come to my residence with their grievances. Opium cultivation is done in Bareilly, Badaun, Shahjahanpur, Barabanki, Gazipur etc. in Uttar Pradesh (*Interruptions*). I would like to say that either opium cultivation should be banned or it should be allowed to be done properly. Corruption has become so all pervasive that a licence can be available, on a bribe of Rs. 500/- and the non-payment of the bribe could lead to even cancellation of licence.

At present, crores of youngsters in the country are victims of opium addiction. I would like to say that if it is to be banned, there should be no delay, but if not, under no cost corruption should be allowed to prosper. Opium procured from bareilly is tested after six months in Gazipur and then notices

are issued to the farmers to the effect that moisture level is inadequate in their produce. Opium samples of 35 producers are despatched together and the samples of those who grease the palms of the concerned officials are declared to be of good quality, while that of those who don't pay the bribe are declared to be of inferior quality. As such, Opium cultivation itself is a very abominable work and the corruption involved in it makes it all the more worse.

I would like to say that the Government should give a serious thought to it and the subsidy on fertilisers, which has been withdrawn, should be restored in the larger interests of the farmers, otherwise the farmers won't be able to cultivate wheat. I have repeated time and again, the views expressed by the hon'ble Deputy Speaker. I would like to reiterate that planning should also be done in respect of agriculture. Thereafter, only decisions about cultivation of wheat, rice, cotton, oilseeds and pulses, according to the demand projections, should be taken as per plans. However, at present, nothing like this is being done. That's why sometimes rice shortage is being experienced and on other occasions wheat and sugarcane production is far in excess of demand, resulting in burning of latter in fields due to surplus production. The Government is at present engaged in the family planning programme. And you are busy in drawing up plans for your Ministry. I request you to draw up plans regarding agriculture as to how much wheat, sugar and vegetable oil is required so as to monitor the production of these in the country. If this is not done, then the farmers will be tempted to go in for the cultivation of cashcrops, which is none better a proposition.

At present mango orchards have caught up with the imagination of the people and that's why everywhere mango orchards are coming up. That day is not far off when the mango orchard growers will be in dire straight

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as is the condition of the growers of grape orchards at present. There is no great demand for grapes in the country, which are now being sold at cheap prices. Truck loads of grapes sell the fruit at cheap rates outside Krishi Bhawan in Delhi. I would like to submit that agricultural planning is the need of the hour and it should be ensure that the farmers get remunerative prices for their produce. The Government should not just purchase the agricultural products at higher prices from the white-complexioned farmers of U.S.A., Canada and Australia. Rather, the Government should fix higher prices for the agricultural products produced by the farmers within the country for their betterment. Otherwise the farmers' condition will deteriorate further and if the farmers plight becomes bad then it will be quite unfortunate for the country and the future of the country will also be in jeopardy. Thank you.

[English]

SHRI TARUN GOGOI: Mr. Speaker, Sir, as a Food Minister I do not feel happy when I have to take a decision to import wheat. But, what is the alternative left to me in a year where the production is the lowest? Here, the lowest production is 166 million tonnes. It is lower than the one which was four years ago when in 1988-89 the production was 169 million tonnes. I am talking about food production.

SHRIVISHWANATH PRATAP SINGH: Now, you are importing wheat. What is the wheat production?

SHRI TARUN GOGOI: The wheat production also has all along been stagnant for the last four years.

SHRIVISHWANATH PRATAP SINGH: It has not come down.

SHRI TARUN GOGOI: Yes; it has not come down, but it is stagnant for the last four years. In the last four years the population has gone up by more than 66 millions. So, there are more mouths to be fed. The wheat production has not gone up and it has been admitted here by many of the hon. Members (Interruptions).

[Translation]

SHRI NITISH KUMAR: Please tell us the reasons for the decline in the cereal production in the country? (Interruptions)

SHRI RAJVEER SINGH: Mr. Minister, please do not furnish wrong statistics in support of your contention that the wheat production has not declined in the country.

[English]

SHRI TARUN GOGOI: Please listen to me. It is a fact that the wheat production has been stagnant for the last four years. In 1988-89, the wheat production was 54 million tonnes and now in 1991-92, it was about 55 million tonnes. (Interruptions)

[Translation]

DR. G.L. KANAUIA: What about procurement of wheat?

(Interruptions)

SHRIBALRAM JAKHAR: First give him a patient hearing. You are not fully aware of the facts. So first acquire information.

(Interruptions)

SHRI RAJVEER SINGH: You are talking of production. You first make it clear whether the procurement is less or the production is less?

MR. SPEAKER: He is telling what you wanted to ask So, first listen to him.

[English]

SHRITARUNGOGOI: It depends upon the total food production also. If there is a decline in the production of one foodgrain, naturally there is a pressure on other foodgrains. If there is a decline in the production of rice, naturally there is a pressure on wheat; if there is a decline in the production of coarse grain, naturally there will be a pressure on wheat also. It is not a new theory, but it is a fact. The people have to live and the people have to be fed. In such a situation when there is a decline in the food production and when there is an imbalance between the demand and the supply, it is a fact that the prices go up and it is a fact that the price went up by 48 per cent in the last year. That is why the price went up in Delhi also. It is a fact. Then, the Opposition people were charging, we were anti-farmers. Who has raised price hike of Rs. 50? It is the highest hike we have raised under the leadership of Shri Narasimha Rao. The previous Government - may be Mr. V.P. Singh was the Prime Minister at that time, 6-11-1990—had raised it by Rs. 10. By raising Rs. 50/- we became anti-farmers and by raising Rs. 10/- the Janata Dal has become pro-farmers! Who served the interests of the farmers?

What was the procurement? We procured only 15 per cent. Out of 54 or 55 million tonnes. 6 million tonnes or sometimes 7 million tonnes were procured. The rest is with the farmers. The farmers are free to sell at the market price. For 85 per cent of the product of wheat the farmers are getting the market price. They get a good price. They get about Rs. 350. Last month, they got about Rs. 450. May-be for the 15 per cent offered to us, they may not get the market price but they get minimum support price.

The minimum support price is, some sort of assurance to the farmers that you are assured that you will get the minimum price, if it goes below that price in the market. Then, you come to us. The Government is committed to buy whatever is offered to us. This is food security. Then, you have to see the interests of the farmers also. Last time, the price had gone up. Now the price has gone down because of import and all. Now we have become anti-consumers also. Last time, you people criticised us because the price had gone up like anything. In order to sustain the period and to check the price, I have no other alternative except to import wheat. This is the decision taken by the Food Ministry.

SHRIVISHWANATHPRATAP SINGH: The point is made that when at Rs. 310 or Rs. 320 wheat is available, say not with farmers but even in the Indian market, why is it bought at Rs. 500 average from outside? If you want to choose between the Indian traders and the foreign traders, why do not you choose Indian traders? (Interruptions)

SHRI TARUN GOGOI: I will explain it. By buying in the open market, I cannot increase the total availability in the country. That gap cannot be filled up.

SHRISRIKANTAJENA: Have you tried?

SHRI TARUN GOGOI: I have not tried. But that is the fact of life. It is not that I am paying Rs. 500 to the foreign farmers.

SHRIVISHWANATHPRATAP SINGH: You are paying out of your pocket to get the wheat here.

SHRI TARUNGOGOI: A lot of money is paid to Indians also. The port charges, Indians are getting. Transport charges, Indian people are getting. (Interruptions)

SHRI VISHWANATH PRATAP SINGH:

As a test, you start buying here. Why do not you start buying just from Sonapat at Rs. 310? Why do you attempt to buy that from outside? Any amount of wheat you will get here and your stocks will be filled.

SHRI TARUN GOGOI: If I have bought from here, it will not increase the total availability. It will further shoot up the price.

I can buy three million tonnes. But what about the rest?

SHRI VISHWANATH PRATAP SINGH: That means, permanently you are going to import to depress the prices.

SHRI TARUN GOGOI: It is the economy. When there is shortage in the demand and supply, the prices will shoot up. Whenever there is decline in foodgrains, we will do it. With your policy, it will always be shortage

SHRI TARUN GOGOI: No, not at all. It depends upon monsoon. Even today also, frankly speaking, total foodgrains depend on monsoon. Sixty per cent of the foodgrains is dependent upon rain-fed agriculture. There is no irrigation in Uttar Pradesh, in Bihar or in other parts. It is a fact of the life. Still it depends on the monsoon.

The foreign farmers are getting less than what our farmers are getting. I am talking of Canada farmers.

*(Interruptions)*

Please listen to me. F.O.B. price of Canada is Rs. 147.78. This is the F.O.B. price. This is not the price paid to the farmer. F.O.B. price is 477. Shri Vishwanath Pratap Singh knows it very well.

SHRI VISHWANATH PRATAP SINGH: What are you spending?

SHRI TARUN GOGOI: What I am spending is different. You are making an allegation.

SHRI VISHWANATH PRATAP SINGH: You are saying that you are spending Rs. 500/-

SHRI TARUN GOGOI: I am saying that we are paying more to the farmer than to the industry.

SHRI VISHWANATH PRATAP SINGH: You are trimming the question like that to answer like that. You said "We are spending Rs. 500/-," whereas by spending Rs. 310/- or Rs. 320/-, you can get it here.

SHRI TARUN GOGOI: I will tell you. That is the spending part.

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): You are ex-Prime Minister. What about total quantity in the market? What sort of argument are you making?

SHRI TARUN GOGOI: Then also what is the economic cost? For 275, you have to pay procurement incidental charges. Then distribution charges. Here also there is economic process, 455. It is not 225. Besides the price, you have to pay for the farmers. We have to pay the purchase price. We have to pay the storage charges, the handling charges and the distribution charges. We have to pay interest of this. It is not only 275. Economic price is 455.

SHRI SRIKANTA JENA (Cuttack): All right. Buy that also. That is also less than 500.

SHRI TARUN GOGOI: That is for 275. If you buy 300, it will be more. If you buy at 350, then economy cost will be 542. It is more than the imported cost. It is not a fact

that we are paying more to the foreign farmer. Now what is weighted average? Weighted average is 130. *(Interruptions)*

You can tell me. I can prove it. Wahtever may be, it is a fact.

AN HON. MEMBER: I can prove. I can guarantee for it. You are not telling the facts. I know how it comes.

SHRI TARUN GOGOI: You are quoting yesterday's prices. Weighted average is 132. F.O.B. price. I am talking about weighted average. *(Interruptions)* When you were in power, you were paying the same charges.

*[Translation]*

SHRI NITISH KUMAR: How could Rs. 200 per quintal be the handling and storage charges?

SHRI TARUN GOGOI: It is a fact.

*[English]*

*(Interruptions)*

Please listen to me.

*[Translation]*

SHRI SRIKANTA JENA (Cuttack): At which place do you want to procure wheat at the rate of Rs. 500 per quintal?

*[English]*

Our farmers can give you at the rate of Rs. 500/-.

*[Translation]*

SHRI NITISH KUMAR: Mr. Speaker, Sir, we people placed thousands of bags of wheat of 5 kg. each at the rate of Rs. 3.25 a kg. at the Boat Club. There was no taker.

Packing and handling charges were also included in that price. They were free to purchase.

*(Interruptions)*

SHRIBALRAM JAKHAR: Mr. Speaker, Sir, it can be easily argued, but facts and statistics cannot be easily distorted. They cannot be changed. Now can they charge them. Handling charges might be the same today as they obtained at that time. Handling charges must have been the same when you and Shri V.P. Singh were in power. There could be a minor difference of one or two per cent. So, why are they saying so now.

SHRI VISHWANATH PRATAP SINGH (Fatehpur): Mishandling charges have cost us Rs. 1500 crore in foreign exchange. You are spending foreign exchange. There is no question of it.

SHRIBALRAM JAKHAR: Talk in terms of contingency and how best to avoid disaster? *(Interruptions)*

SHRI VISHWANATH PRATAP SINGH: We cannot agree with your contention.

*(Interruptions)*

SHRI BALRAM JAKHAR: Had the Government not taken this measure, there would have been starvation conditions in the country. Then it was said that the public is blind.

SHRI VISHWANATH PRATAP SINGH: There is no question of starvation in Indian currency. However, the basic question raised by us is the mishandling of Rs. 14500 crore in foreign exchange by the government. Government do not have any satisfactory reply to this question.

*(Interruptions)*

SHRI BALRAM JAKHAR: You would have told yourself that the Government is turning a blind eye to the problems of the people. This is wrong... (Interruptions) What you are saying is totally wrong. What obtained at that time is the same now. We have heard you. Now you listen to him.

[English]

Let the Minister have his say.

[Translation]

What prevailed at that time is prevailing even today.

(Interruptions)

[English]

SHRI TARUN GOGOI: This Government has a commitment to ensure regular supply to the PDS.

[Translation]

SHRI RAJVEERSINGH: If it was wrong at that time, then please set it right.

(Interruptions)

SHRI BALRAM JAKHAR: You give him a patient hearing.

(Interruptions)

[English]

MR. SPEAKER: Mr. Minister, if you want a smooth sailing, then address the Chair.

(Interruptions)

SHRI TARUN GOGOI: Then, there is an allegation that we are taking the decision to import at the dictates of the IMF and the

GATT. I deny it. We are not taking the decision at the dictates of the IMF or the GATT. It is the Food Ministry's decision. I have taken this huge responsibility. I have kept in mind the interests of the country, the interests of the consumers also. (Interruptions)

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): You are saying that you have kept in mind the interests of the farmers and the consumers. When you are paying Rs. 500/- a quintal to the foreign farmers, how do you say this? (Interruptions)

MR. SPEAKER: No interruptions like this.

(Interruptions)

SHRI TARUN GOGOI: Sir, there is another allegation that at the dictates of the IMF & GATT, the PDS may be withdrawn. But I can give an assurance to the House that the PDS will continue. It is not going to be pruned. Instead, we try to strengthen it. Instead of pruning it, the Prime Minister has tried to strengthen the PDS. It is meant to those who are more deserving, who are in the desert areas, in the hill areas or in the drought-prone areas also.

Then, there is the question of export and import. They asked: "Why you are exporting and importing at the same time?" Regarding export, I explained the details in my detailed statement twice in the House under what circumstances the decision to export was taken. The export decision was taken in 1990 when Shri Vishwanath Pratap Singh was there. At the same time, we are not saying that this decision was wrong because there was a shortage of foreign exchange. Then the Chandra Shekhar Government came to power. (Interruptions)

Then, again, we came to power. When we came to power, then also there was a

foreign exchange shortage. So, it was decided to export 10 lakh tonnes. After we came to power, we found that the procurement was less. So, we decided to reduce it from 10 lakh tonnes to 7 lakh tonnes. We decided to do it...*(Interruptions)* I come to my point. In January, again, we said that no further export to be allowed. In fact, as a result of this decision, we allowed to export about 7 lakh tonnes of wheat. Then we put a stop to that. That was in connection with the year 1991-92 ending the financial year. They say like this: "For the first time, you have taken the decision for one million tonnes and subsequently you have taken the decision for three million tonnes" yes for the first time, in January, we took the decision for one million tonnes. At that time, the price shot up like anything. Then, we decided not to go for imports because the *Rabi* crop was about to start. I said: "Let us wait for some time. We will see." In the mean time, we increased the incentive so that we can persuade the farmers to offer more to the Central Pool. We had a discussion with the Chief Ministers. I myself had a discussions with the Food Ministers. The Prime Minister also had discussions. So, at different levels, we had discussions. In spite of that fact, we could procure only 6.4 million tonnes. It is a fact of life. So, in such a situation, the export was only for a year ending 1992. That is the position. Again, we took a decision for the year 1992 ending in 1993 in a different year, in a different context—because the production has fallen down. My procurement is only six million tonnes. We require about 10 million tonnes. In that circumstances, I have got no other alternative to accept but to go in for imports. Then some people are asking us why we are not buying it from EEC. EEC wheat is not acceptable to our farmers. In fact, we did import in 1976. There was moisture in it and the price was also more and the foreign material was more. It was not acceptable in 1975-76. But we did import. It was very difficult to sell it. Neither did the consumer accept it nor did the roller flour mills accept it. It also did not

conform to the prescriptions of PFA Act.

Then they asked us why we are not buying it from Australia. Australian wheat is cheaper than the Canadian wheat. But last time, in Australia production was less and they could not offer us. They offered us only one and a half tonnes. They will give from this year onwards. The harvest will come in the month of November and from December they will give us. Then we went in for American wheat. They gave a subsidy of 30.45 dollars.

*[Translation]*

SHRI RAJVEER SINGH: (Anola): To whom subsidy was given.

*[English]*

SHRI TARUN GOGOI: They paid subsidy to their farmers. But we are buying it at a cheaper price. Our buying rate is 110. If we compare it with the previous years, we are buying it at a cheaper rate than what we paid in 1988, 1983 or even 1989. Today my price is cheaper than the price of 1988 when we got from USA at 170 dollars; from Australia we got it at 159 and then from USA at 165. Then again in 1983-84 we bought at 162. This year, we bought it at a comparatively cheaper price. International price is also fluctuating like anything.

MR. SPEAKER: Mr. Minister, nobody is as attentive as I am.

*(Interruptions)*

SHRI TARUN GOGOI: Then it was asked: From which agency are we buying? We are buying it from the Government agencies. We are buying it from the Wheat Board of Canada; we are buying it from the Wheat Board of Australia. *(Interruptions)* These are the agencies. I have told this because yesterday they were asking about the agency

[Sh. Tarun Gogoi]

from which we are buying and about the kickbacks. Earlier also we bought only from the Government agencies. Then they asked: "Why did you give it to roller flour mills?" Last year, when the prices shot up in December, we gave it to all civil supplies organisations; we gave it to Super Bazar and we gave it to roller flour mills. Many of the civil supplies departments did not buy it and the roller flour mills bought more. We are not giving it at PDS price. PDS price is less. (*Interruptions*)

SHRISRIKANT JENA: At what price did you give? (*Interruptions*)

SHRI TARUN GOGOI: I am not yielding. It is lower than the market price. Then Shri Khurana mentioned about my statement of January 5 when I said that we have sufficient quantity of foodgrains. Yes, I did say that on January 5. I said that it is sufficient to meet the requirement for the year ending 1992. But the situation has changed. In that context, my statement has borne out the fact that we have been able to still continue to sustain the PDS, not only PDS but even the revamped PDS to 700 blocks.

19.00 hrs.

There is another question: "Why did you export in 1992-93?" In '92-93, we did not export. Whatever quantity we delivered, we delivered it, as a result of the first contract with the period ending in March 1992.

So, I think I have answered all the points and in such a situation, I think that all will appreciate our decision.

MR. SPEAKER: As agreed, the hon. Agriculture Minister will reply tomorrow.

[*Translation*]

SHRI SATYA PAL SINGH YADAV

(Shahjahanpur): Mr. Speaker, Sir, I listened to the reply given by the hon. Minister just now. In the end he expressed his hope that all the Members would be satisfied by his reply. But I would like to know why efforts were not made by the Government to procure wheat from the big farmers, the black marketeer and big traders who had abundance of wheat in their godowns, before importing the same from other countries. The Government has given a plea that since the production had stagnated during the last four years it was compelled to import wheat to restore the proper functioning of Public Distribution System. My submission is that had the Government purchased wheat from the farmers in the country itself, it would not have had to suffer loss in terms of foreign exchange. Wrong policies of the Government were responsible for the loss of foreign exchange.

Sir, so far as the matter of PDS is concerned, my submission is that Public Distribution System should not, at any cost, lack anything. I feel that there is a great need to improve the Public Distribution System to protect the poor farmers and consumers leading miserable life. Provision should be made to provide essential commodities to the poor people living below the poverty line. It is not necessary to provide the PDS benefit to big capitalists, big officials and big politicians, rather it won't make any difference in the position of the country if people of these categories are disallowed to avail PDS benefit. But nobody is talking of bringing about radical changes in this system. I would not like to repeat the points already raised. But I want to say in brief that the Government should pay attention to at least some factors. First of all the Government should announce its agriculture policy in clear terms. It won't do by saying that the Government would make investment. Sir, farmers have to approach the Government to demand an increase in the prices of wheat and sugarcane but the Government has no

fixed policy in this regard. Shri Rajveer Singh was right to suggest that the Government should make provision of at least cost prices if not remunerative prices of the commodities. On the one hand, wheat is being imported under PC 480 in the country to meet the requirements of people while the country has attained self-reliance for 2 years now. People have worked hard and it is a slur on that self-reliance of the country that our country had exported wheat at the rate of Rs. 240/- per quintal just a year ago and now the country has been drifted back to the position of going in for import. My submission is that if we do not give remunerative prices of wheat to the farmers, they would be disappointed. The price of fertilizers were increased when the sowing season began. This is the time when the use of fertilizers is essential. The hon. Prime Minister says that the farmers will get remunerative price of wheat when the crop is harvested. It is just like "putting the card before the horse". The Government has burdened farmers by increasing the prices of fertilizers at a time when they are already short of money. In Uttar Pradesh the price of a bag of DAP fertiliser was Rs. 195/- earlier. Now it has gone up to Rs. 400/- to Rs. 425/- per bag. Wheat can not be grown without DAP fertilizer there as the soil of that region cannot produce without this fertiliser. It is being taken openly that the Government has increased the prices of fertilisers and allowed import of wheat under the pressures of Dunkal proposal because it has to import 3 percent of the total production of the country. Whether someone has taken or not taken bribe or commission in Bofors case but the increase in prices of fertilisers has made farmers think that there has certainly been a four play. The Government has increased the prices of diesel, fertilisers and electricity in a single stroke overburdening the already burdened farmers. So, Sir, I would like to submit to the Government, through you, that the farmer at present is extremely distressed as a consequence of which the production would de-

crease and the Government will, perhaps, have to import rather 6 million tonnes of wheat next year while it has imported 3 million tonnes of wheat this year. So, the Government should fix one or the other agricultural policy. Through you I would like to demand that when the hon. Minister of Agriculture makes his reply tomorrow, he should make an announcement to bring down the increased prices of fertilisers. Subsidy should again be restored on fertilisers.

Today he said that the Government was loyal to farmers. Just now the Minister of Food was saying that since the Government increased the price by Rs. 50/-, it has become hostile to farmers while Shri Vishwanath Pratap Singh increased the price by Rs. 10/- he is considered to be their well-wishers. The fact is that the Government has dealt such a severe blow to farmers, who constitute about 75 percent of the total population, that they have been overburdened. If there is less production, the gross national product will also go down. I believe when the agriculture policy is fixed, there would be a provision in it to fix remunerative prices for farmers' produce, so that they are not made to run from pillar to post every year for getting remunerative price of sugar-cane or any other item.

The Ramkola issue just came up. I myself went to Ramkola. Our BJP friends say that they have paid the arrears. But my submission is that Ramkola is not the only mill, there are 105 mills is total in Uttar Pradesh. What difference does it make if the arrears if Ramkila mill only are paid. There are other mills, 12 percent arrears of these mills are yet to be paid. No provision has been made to pay those arrears. Similarly, farmers in Bihar are yet to get 12 per cent arrears of sugarcane.

The present Government should make a provision for the farmer to the effect that the Central Government pay 80 per cent of the

[Sh. Satya Pal Singh Yadav]

[English]

total price of sugarcane of foodgrains in advance to the farmers instead of providing loans through banks to big capitalists. The remaining amount may be paid when the price of the grain is fixed. Such provision should be made in agriculture policy so that the farmers are not compelled to sell their produce at cheaper rates.

Secondly, I would like to submit that when the Government has adopted a policy of liberalisation for the industries, it should adopt a similar policy with regard to the farmers as well. Today, the condition is such that, any farmer wishing to instal a machine for his rice or paddy produce, he has to obtain a licence for it. Similarly, if anybody wants to instal a crusher, he has to obtain a licence. If a farmer from Punjab wishes to sell his wheat in Maharashtra, he is not entitled to do so. Farmers can not take their sugarcane or foodgrains from the state to another. On behalf of my party, I demand that all the restrictions imposed on the farmers including the one preventing them from taking their produce outside the state, should be withdrawn forthwith and a free policy of liberalisation should be adopted towards the farmers, on the lines of the one adopted towards major industrialists.

Therefore, in short, through you, I would like to say that by importing wheat and increasing the fertiliser prices, the present Government has put such a heavy burden on the farmers, that it seems that the Government is functioning under the direct control of the World Bank or the I.M.F. It has dealt a serious blow to the interests of the farmers. Therefore, the Minister of Agriculture should announce the withdrawal of the hike in fertilizer prices, tomorrow itself. With these words, I thank you.

SHRIMATI SUSEELA GOPALAN  
(Chirayinkil): I was closely listening to the arguments regarding the import of wheat.

The position of foreign exchange is very bad, in the sense that it is declining very sharply. That is why we have to see whether we can explore the possibility of finding an alternative. Farmers have held back their stocks and hoarding was also there. First we can appeal to them to bring out the stocks and if that fails, there are ways to bring them out. Why I am saying this is that the Government is reluctant to bring out the hoarded stocks or the held back stocks. The foreign exchange reserve is also sharply declining. The drop is significant and the reserves fell by Rs. 1600 crores in one week from Rs. 15,727 crores to Rs. 14,121 crores at the end of October. In dollar terms, the decline in one week is six hundred million US dollars. What does it mean?

If it goes at this rate, after one year what will be our foreign exchange reserves? You will go back to the position that existed when you have come to power. Otherwise you have to take another loan to keep the foreign exchange reserve. That is why we are asking the Government to take steps to bring out the stocks. But the Government is not prepared for that. That is the major defect. We can appeal to them; if they are not prepared, then we can do something because the country is more important than some of the hoarders and some big farmers. So, this has to be done.

In this context the Government should come out with a declaration that they are taking steps to reduce the amount of import as much as possible. If it can be cancelled, that would be the best option for the country. The present policy in the agrarian front will cut at the root of self-sufficiency in the coun-

try. Though our foodgrain production has not reached the actual requirement our actual requirement is 270 million when we consider our population - due to the pauperisation of the people, even 170 million or 180 million is enough. We are exporting also. For the present, it is being stocked. If the present policy is pursued, that will actually reverse the present trend of development. According to the Government, the production of foodgrains this year will be more than 180 million tonnes. The trend is going to be reversed. Why? It is because the interest rates have increased. The fertiliser prices have increased. The electricity and water charges have increased.

Even if the procurement prices is increased, will the small and marginal farmers benefit out of it? They have very little or no surplus at all to sell. If at all they can sell, that will be sold from the field itself because they have taken debt and they have to clear it up. By the time you go for procurement, they will sell it because of their dire needs. So, out of procurement, actually 60 per cent of the marketable surplus required is from 10 per cent of the farmers. What does it mean? A majority of our farmers are not benefiting out of it. A good section of the farmers are changing to cash crops. In Punjab itself, 30,000 hectares are being converted into cash crops. So, the foodgrains production is stagnant or there is nominal increase. Even the wheat production is stagnant. That has been explained here.

By decontrol of DAP, the price is more than double. The price of potash has also increased. When hue and cry was there, there was a little decrease. What decrease has actually been declared? It is very nominal. That is not going to help the farmers. This is not only affecting the production of foodgrains, but also or fertiliser industry is going to be affected in a big way. I will cite an example. The caprolactum plant of FACT started production on 1st March, 1991. At

that time, the price of imported caprolactum was \$ 2,100 per tonne. It steadily came down to \$ 1450 per tonne by May, 1992. The dumping is due to the lack of demand in the developed countries, including USA and Europe. In all these countries, actually the demand has declined.

When we started production in 1991, it was only \$ 2,100. By May, 1992, it came down to \$ 1,450. Even then, the Government is not satisfied, there came to the rescue of the foreign farmers. What did they do? They have reduced the customs duty from 80 per cent to 50 per cent. Now the imported price of caprolactum is \$ 1,300 per tonne. All the MPs from Kerala have now requested the Prime Minister to save the industry. Nine thousand workers are there in the FACT. Out of them, now 600 are going out. But if the production is like this, what would happen? With thirty per cent of the capacity production of urea this fertiliser unit will not be able to survive. That means, 9,000 workers are going to be out of employment. The farmers in the country will not get the benefit of those fertilisers and we will have to spend more foreign exchange for fertiliser import. You have not given at least a breathing phase for this industry. They have started production in March, 1991. But what is the position now? You have reduced it after a year. 80 per cent of the duty has been reduced to 50 per cent. What is the justification for this? At least, you could have given some hereadth-ing space for this unit. From 1952 onwards, some care was taken to protect our own industry. But now, that is thrown to winds and our industries are facing difficulties one by one and fertiliser industry is one of them. What is the remedy? Can you save FACT by a little stop gap arrangement. Unless this policy is changed, nothing can be done to save this industry.

There is a decision to increase the price of naphtha and benzene and decanalisation diammonium phosphate will effect the very

[Smt. Suseela Gopalan]

[Translation]

existence of our precious plant like FACT. This plant is working with 80 per cent capacity utilisation. Now, these multinationals are dumping their products in our country and are going to monopolise our market. What is the remedy for this? When the policy of the Government is to continue the subsidy on fertilisers, nitrogen products like DAP + factomfas are not getting any subsidy. Nitrogen subsidy is being continued but these products are not getting the benefit. Why? This is going to hard hit all the areas but worst in the areas where land reforms are implemented. We have no landlord lobby in West Bengal and Kerala, where only small and marginal farmers are there. What will be their fate if this continues. So, unless the small and marginal farmers are helped, the situation will not improve. Even price increase in procurement is not going to help them throughout India particularly in West Bengal and Kerala because we have done the crime of implementing the land legislation. We are going to suffer. So, why don't you give subsidy to these products? I fail to understand this point. This is going to ruin our fertiliser industry. It is going to pin down food production and as a result, prices of foodgrains of our country will be affected and the whole country will suffer except ten per cent of the upper strata of people. So, retrace the step and save the country. IMF and World Bank are not going to save you. Please understand this at least. Even European countries are giving huge subsidy to their farmers. Why cannot we give subsidy? They are prescribing us not to give subsidy and we are succumbing to their pressure. So, the steps should be retraced and the honour and future of our country should be saved.

With these words, I conclude.

\*SHRI V.S. VIJAYARAGHAVAN (Pallakad): Mr. Speaker, India is a agricultural country. 80% of the people depend on agriculture for their livelihood. Agriculture is still the backbone of Indian economy. After Independence, many steps have been taken during the past 7 or 8 Five Years Plan for the progress of Agriculture. Pt. Jawaharlal Nehru had started major irrigation dams, fertiliser factories and agricultural research centres. Indiraji brought about Green Revolution in the country. At the time of Independence, we had to import foodgrains from foreign countries. Due to the for sighted policies of the Government, food production increased many times over. Today we are growing enough food in our country to meet our requirements. We are in position to export foodgrains. This has been made possible by the untiring efforts of the farmers. This is the result of their hard work in the fields ignoring rain and hot sun or day and night.

Today, the Indian farmers are facing a major crisis in this country. The prices of factory goods are determined by the factory owners. If the prices of the raw material which are used by the factory go up, the factory owners will immediately raise the prices of their products. There is no control over that. The toothpaste whose cost of production is just Rs. 1.50 is selling at Rs. 27 in the market. There is no control over that. But the prices of foodgrains produced by the farmers are fixed by the Government. The Government does it without taking into account the real cost of production. The prices are fixed just like that. Fertiliser is a major item in the total cost of agricultural production. Recently the Government have decontrolled the prices of fertilisers. This has resulted in steep increase in the prices of

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\*Translation of the speech originally delivered by Malayalam.

fertilisers in the open market. D.A.P. 19 was selling at Rs. 4680 per ton before decontrol. Today its price has gone upto Rs. 8000. That means an increase of Rs.88%. D.A.P. 17 was selling at Rs. 3380. Its price has gone upto Rs. 7000, an increase of Rs. 107%. Similarly the price of D.AP. 15 was Rs. 2740 and it has gone upto Rs.7880. That means an increase of Rs.187.59%. This steep increase in the prices has not only broken the back of the farmers but it has infact out his throat. This increase has another aspect. The biggest increase is of those fertilisers which are used by farmers in the south, partiouarly in Kerala. The North Indian farmers ordinarily use Urea. The price of Urea has been reduced by 10%. Farmers in Kerala and other South Indian States are using the complex fertiliser known as DA.P. It is the prices of these fertilizers which have arisen so steeply. What is the result? The backbone of the economy of Kerala is the cash crops. It is the complex fertilisers which are normally used for rubber, Cardamom, coconut, pepper etc. What is more, even for peddy besides Urea, these complex fertilisers are used by the Kerala farmers. Sir, I am a farmer and I earn my livelihood as a farmer. today, I am expressing the igony of the farmers. The cash crops bring us foreign exchange. The steep increase in the prices of fertilisers has ruined these cash crops. Most of them are small and marginal farmers. They cannot afford these high prices. Therefore, I demand that increased prices of complex fertilisers should be withdrawn immediately.

MR. SPEAKER: Mr. Vijayaraghavan how many more pages you have?

\* MR. V.S.VIJAYARAGHAVAN: Sir, have two more pages.

MR. SPEAKER: Alright.

\*MR. V.S.VIJAYARAGHAVAN: Subsidy for fertilisers should be continued for some more time. It is not the directions of I.M.F and World Bank which should guide us. It is the basic interest of our people which should guide us. Their intention may be to destroy our agriculture sector and make us beggar before the foreign countries. I caution the Hon'ble Finance Minister that he should not walk into their trap. How many thousands of crores of rupees are to be realised or recovered as income tax arrears from the big industrialists in the country. The Finance Minister should first take steps to recover such huge arrears from them. The farmer who is feeding this country should not be troubled by him.

Another point I want to make is about the subsidy on fertilisers that is given to the small farmers. Under the present rule, a farmer has to buy fertiliser at market price and then submit a bill to claim subsidy. He is to wait for a long time to get the subsidy. He may get it or may not get it. Instead steps should be taken to make fertilisers available to him at reduced price.

Farmer has always been a victim of exploitation. Every-one believes that he will quitly suffer. A Malayalam Poet likened a farmer to coconut. The outside of a coconut is very hard but inside it is all soft and juicy. A farmer is also like that. The continuous exploitation may destroy that soft and juicy inside of a farmer. I therefore, once again request that the increased prices of fertilisers should be withdrawn.

With regard to the import of wheat, the Prime Minister has already said that there may not be any further import. The argument that Indian farmer is paid less and wheat is imported from outside at a higher price looks reasonable on the face of it. But

[Mr. V.S. Vijayaraghavan]

they have to take into account certain realities. When the production came down and there was less procurement, the Government took a decision to import wheat as a temporary measure. Any Government will do such a thing in such situation. So while I concede the argument that more incentives should be given to our farmers for raising production, I believe that import becomes necessary in the situation that existed. This is not an anti farmer step. This is merely a precautionary measure. However, I must say that we must give all kinds of incentives to our farmers for raising production. Mahatma Gandhi used to say that India lives in Villages. Villages are living because of the farmers. If the farmers perish, the villages will perish and the country will go down. Therefore, we must not do anything which will ruin the farmer.

[English]

SHRI DATTATRAYA BANDARU (Secunderabad): Mr. Speaker, Sir, particularly when the New Industrial Policy and New Economic Policy were announced, the people of this country thought that there will be higher production and better distribution but on the contrary, there was decrease in production. Even the New Fertilizer Policy is also like that. It is a total contradiction. Today, the farmers are suffering because of cut in fertilizer subsidy to the tune of Rs. 10,000 crores. It is an extra burden on farmers.

When 30 per cent increase in fertilizer price was announced, in Andhra Pradesh, particularly, in Narasaraopet and Chikalurpet, the farmers protested. Firing took place. There were resentments among the farmers.

As per my knowledge, in Andhra Pradesh, the farmers use phosphatic and

potassic fertilizers. But when the restrictions were removed, the prices of these fertilizers went up. Ultimately, the farmers have to suffer a lot.

There were ten recommendations made by the JPC. Out of ten recommendations, only four were accepted by the Government; six recommendations were not accepted. One of the major recommendations was to give incentives to the farmers and the remunerative prices to the farmers for their produce. This was not considered by the Government at all.

I demand from the Minister of Agriculture that first of all he must consider remunerative price for the produce of the farmers; they must get their due share of their produce. Due to the increase in the prices of the fertilizers and the subsidy cost, 80 per cent of the small and marginal farmers are not able to purchase fertilizers in the market. The use of fertilizers in our country is very less. I have got a research and analysis report with me. On an average in the world on per hectare of land they are using 96 kilos of fertilizer. But in India we are using only 16 kilos of fertilizer per hectare of land. In Europe, they are using 200 kilos; in Egypt, they are using 400 kilos; in Japan, they are using 365 kilos; even in Pakistan, they are using 89 kilos. In India it is very meagre as compared to other developing countries. We are not in a position to supply it more. In Andhra Pradesh, we are using 123 kilos of fertiliser per hectare of land; in Punjab, we are using 137 kilos of fertiliser. Due to 30 per cent increase in the price of fertilizer and the subsidy cut, in Andhra Pradesh, last time, we produced 16.9 lakh tonnes of it; again we produced 15.7 lakh tonnes. As a result, the production of foodgrains which was 123 lakh tonnes, has come down to 119 lakh tonnes. So, the production of foodgrains is going down, But the use of fertilizer is increasing more and more. From 1981 to 1990, the use of fertilizer has gone up from 41 lakh tonnes

to 89 lakh tonnes. So, the use of the fertilizer and the consumption of fertilizer by the farmers is decreasing day-by-day. We are not in a position to produce what is needed by the farmers. In 1991-92, we produced nitrogen fertilizer upto 12.3 lakh tonnes and the phosphate fertilizer upto 19.3 lakh tonnes. In 1992-92, the nitrogen fertilizer has gone upto 16 lakh tonnes and the phosphate fertilizer has gone upto 30 lakh tonnes. The use of the fertilizer is becoming more and more day-by-day.

There are districts in the country where fertilizer is more used. There are 177 districts which use 89 per cent of the fertilizer and the remaining district 15 per cent of the fertilizer - I mean there are 279 districts which are using 15 per cent of the fertilizer. That means a major share of fertilizer is going to 177 districts and a minor share is going to 279 districts. Out of 177 districts, 91 districts are spread over in four States and they use only 51 per cent of the fertilizer. That is why even the use of subsidy in our country is very less. In other countries, the use of subsidy is more.

In our country, 70 per cent of the people are living in rural areas and 30 per cent of the national income is coming from agriculture. In spite of that, the present Government is adopting anti-farmer attitude. That is why, in our country, in direct or indirect way, we are reducing subsidy. In other countries, they are giving the maximum subsidy. In Japan, now they are giving 72.5 per cent subsidy. In South Korea, they are giving 60 per cent subsidy. In Colombo, they are giving 54 per cent subsidy. In China, they are giving 34 per cent subsidy. In USA, they are giving 26 per cent subsidy. In Pakistan, they are giving 22 per cent subsidy. In India, we are giving only 2.33 per cent subsidy. So, this is the most unfortunate state of affairs which is taking place in India. I demand from the Minister of Agriculture and the hon. Prime Minister to restore subsidy without any hesi-

tation so that the farmers may feel happy. Many hon. Members of my party have expressed their views about it because there may be a division between the rural and urban people that if the subsidy is removed, then a large number of farmers will be affected. Even in Andhra Pradesh the sugarcane produce is day by day becoming less. In Andhra Pradesh, in Nizamabad district alone, one farmer changed himself because he could not pay the debts which he could have got from other sources. Even in the banks he could not pay. That is why that sugarcane grower hanged himself.

Some of the tobacco farmers in Andhra Pradesh, the garden grower farmers in Andhra Pradesh have suffering. Starvation deaths have taken place in Mehboobnagar district. This is the condition of Andhra Pradesh because of these things. The cost of pesticides has been increased by 30 per cent.

Lastly, the cost of inputs of farmers has increased by five times. The cost of capital goods has increased by 7 times. The farmer is not in a position to get remunerative price.

MR. SPEAKER: Very good speech. Now conclude.

SHRI DATTATRAYA BANDARU: I am concluding Sir. That is my humble request that the subsidy should not be removed. -

MR. SPEAKER: You need not repeat it many times. It is already said. You have said that. There are other speakers also. Now please conclude.

SHRI DATTATRAYA BANDARU: The cooperative factory in Gujarat, the KRIBHCO, which is a profitable unit in this country, wants to expand many of their projects to produce more fertilizer.

MR. SPEAKER: Please take your seat

Now the grace is lost when you do not sit down I ask you to sit down. I have given so much time.

**SHRI DATTATRAYA BANDARU:**  
KRIBHCO: must be given a chance to expand their project so that more fertilizers like amonia, nitric acid can be produced in the country.

**MR. SPEAKER:** There is no point in repeating again and again. Please take you seat. now.

[Translation]

**SHRI. ASHOK ANANDRAO DESHMUKH (Parbhani):** Mr. Speaker, Sir, I would like to thank you, first of all, for providing me with an opportunity to speak. The hike in fertilizer prices has changed the scenario in the entire country. The Government should pay serious attention to the Report of the Bhonsle Committee and give a serious thought to its recommendations. It has opened that if the taxes on the different raw materials used for the manufacture of fertilizers are even slightly reduced, we would be able to reduce it by Rs. 1934 crores and consequently reduce the fertilizer prices. The Government should consider all the points in the Report. In Maharashtra, 40% phosphatic fertilizers and 60% phosphatic fertilizers are used. Their prices have gone up by 60 to 92 percent. Even after providing a subsidy of Rs. 650 crores, the prices of 23-23-0 fertilizers have gone up 80 percent, while that of 18-46-0 D.P.A. fertilizer have increased by 50 to 60 per cent. Hike in fertilizer prices create many difficulties for the farmers. The rural folk are unaware of the subsidy being provided by the Government. However, the farmers are a trouble lot, despite the provision of subsidy. The Government should ponder over the Report, keeping this in mind. The hon. Minister said that the Government would provide cost price to the farmers in lieu of the subsidy.

The cost of production worked out by the Agricultural Price Commissions of the centre as well as the states, differ very much. Therefore, attention should be paid to the recommendation of the state Agricultural Price Commissions. The concept of the state is different. I would like to explain it to you and you should keep it in mind, while taking a decision. There are six aspects, to it-hired human labour, interest on working capital, rental value of land, Managerial function of family on human labour, transport and marketing, profits and lastly production incentive bonus. The concept of state, which I have just now mentioned should always be kept in mind.

I would like to tell you about some Kharif crops. The per hectare cost of H.Y.V. paddy cultivation is Rs. 8338 and costs of Rs. 416.9 per quintal and the farmers should get Rs. 500.3 for it. The per hectare cost of H.Y. Jowar (Millet) cultivation is Rs. 9361 and costs Rs. 374.4 per quintal and the farmers (we) should get Rs. 449.2 for it. The per hectare cost of H.Y.V. Jowar (Millet) cultivation is Rs. 7549 and costs Rs. 377.45 per quintal and we should get Rs. 453/-. The per hectare cost of H.Y. Bajra cultivation is Rs. 5861 and costs Rs. 293.5 per quintal and we should get Rs. 351.6 per quintal. The per hectare cost of H.Y. Maize cultivation is Rs. 8872 and costs Rs. 354 per quintal and we should get Rs. 425.8. The per hectare cost of H.Y.V. 'Tuar' cultivation is Rs. 10698 and costs Rs. 713.2 per quintal, and we should get Rs. 855.8. The per hectare cost of H.Y.V. 'Moong' cultivation is Rs. 4848, and costs Rs. 969 and we should get Rs. 1163.5. by adding 20%. Similarly the per hectare cost of 'Urad' cultivation is Rs. 4848 and costs Rs. 969 per quintal and by adding 20% the farmers should get Rs. 1163.5. The per hectare cost of 'Sesam' cultivation is Rs. 4991 and it costs Rs. 998.2 per quintal and we should get Rs. 1197.8. The per hectare cost groundnut cultivation is Rs. 8661 and it costs Rs. 866.1 per quintal and we should get Rs.

1039.2 for it. The per hectare cost of sunflower cultivation is Rs. 8460 and it costs Rs.846 per quintal and by adding 20% we should get Rs.1015.2. The per hectare cost of Soyabean cultivation is Rs.7053 and it costs Rs. 705,3 per quintal and we should get Rs.846.3 for it. The per hectare cost of H.Y. cotton cultivation is Rs.14479 and costs Rs. 1205.7 per quintal and we should get Rs.1446.84 by adding 20% . The per hectare cost of H.Y.V. cotton is Rs. 8738 and it costs Rs.873.8 per quintal and we should get Rs. 1048.6 for it. The per hectare cost of sugarcane cultivation is Rs.312,80 and costs Rs. 417.6 per tonne and the farmers should get Rs.500.6, after adding 20%.

Now, I would like to refer to Rabi crops. The per hectare cost of H.Y.V. Jowar cultivation is Rs. 7416 and it costs Rs. 741.6 per quintal and after adding 20%, we should get Rs. 889.8. The per hectare cultivation cost of H.Y. Jowar is Rs. 9752 and it costs Rs. 487.6 per quintal and we should get Rs. 585.1 for it. The per hectare cultivation cost of H.Y.V. wheat is Rs. 9803 and it costs Rs. 392.1 per quintal and we should get Rs. 470.5 for it. The per hectare cultivation cost of local wheat is Rs. 8794 and it costs Rs. 439.7 per quintal and we should get Rs. 527.50 for it. The per hectare cultivation cost of Gram is Rs.5424 and it costs Rs.678/- per quintal and we should get Rs. 813.6 for it. The per hectare cultivation cost of sunflower is Rs. 5485 and it costs Rs. 685.6 per quintal and after adding 20%, we should get Rs. 822.7/- The per hectare cultivation cost of linseed is Rs. 5585 and it costs Rs. 917 per quintal and we should get Rs. 1100.4 for it. The per hectare cost of sunflower cultivation is Rs. 8377 and it costs Rs. 837.7 per quintal and after adding 20% we should get Rs. 1005.1 for it. The per hectare cultivation cost of S.Groundnut is Rs. 101089 and it costs Rs. 848 per quintal and after adding 20% to it, we should get Rs. 1017.7/- Similarly, the per hectare cultivation cost of sunflower is Rs. 8790 and its per quintal cost is Rs. 879

and after adding 20% we should get Rs. 1054.8- The per hectare cultivation cost of S. Paddy is Rs. 9260/- and its cost per quintal is Rs. 4/- and after adding 20%, we should be given Rs. 556.6/-

Therefore, it is my humble request that we should be paid our minimum cost of production. My suggestion with regard to the imported wheat, on which many hon'ble Members have spoken, it that let the imports be in the form of wheat seeds. This would only encourage our farmers to further increase their production. The Indian Council of Agricultural Research is also finding ways and means to increase production, because chemical fertilizers are essential for food grain cultivation. Apart from this, Shri Jakhar and Shri Lenka are making all efforts to boost the agricultural production and thus accelerate the country's progress. The Agriculture Ministers are active and will be more active in future to increase the place of development in the country. With these words, I conclude. Thank you.

[English]

SHRI SUDHIR GIRI (Contai): Me. Speaker, Sir, I am very thankful to you for giving me an opportunity to speak in the last. The issues of wheat import and fertiliser price increase are the two issues which constitute the component parts of our Food Policy. The Government has changed the Food Policy behind the knowledge of the Parliament. I think it is in impropriety on the part of Government not to take into confidence the Parliament for changing the substantial Food Policy.

The Government have put forward two pleas for food import and fertiliser price increase. The first plea was that prices were raised of the wheat products. It is a fact price rose. But, in respect of other goods, prices also rose. So, the Government did not take any step to lessen the prices of other com-

modities, but resorted to food imports or wheat import to counter this price rise.

The timing is very essential in taking the decision. The hon. Minister has said in this House that the decision was taken in early January but the hon. Prime Minister had said in this House the other day that the decision was taken in July August, 1992. So, here is the confusion and here is the suspicion of the *bona fide* of the Government's intention regarding wheat import.

There is a plea that in the market there is short supply of wheat. It may be. Traders and farmers jointly may have withheld the wheat stock. They are not releasing the stocks in the market. But are they wrong in doing so? If in the open market wheat sells at Rs. 230 or above per quintal and if you purchase from abroad at the rate of Rs. 335 to Rs. 465 per quintal, what is the harm if our farmers also demand enhanced price? Their demand is justified and if the Government would come forward to give them remunerative prices, they would certainly release the wheat stock in the market so that the artificial crisis may be avoided.

Other things have been dealt with by my colleague. Only one thing I would stress upon. We have been hearing since Independence that our economy is going to be self-reliant. After Green Revolution, we hoped that our economy would be self-reliant but the food import resorted to by the Government is going against the established principles. Comrade Suseela Gopalan has already dealt with the foreign exchange problem. I also say that the foreign exchange reserve is depleting. In spite of this, the Government resorted to wheat import from abroad. This is definitely going counter not only to the interests of the farmers of our country but to the interests of the general masses as a whole. This is very much

agonising to us. We are very much concerned about this.

Successive Five-Year Plans including the Eighth plan, have put forward before us the goal of achieving a self-reliant economy. But this has been violated. I, therefore, urge upon the Government not to go away from the accepted principle of self-reliance. Food import is a very vital policy matter and if such steps are taken to divert our policy of self-reliance, then practically we shall be in danger in the near future. So, I want to say again that there is an apprehension in some quarters that the global tenders were not offered properly and that also requires scrutiny.

20.00 hrs

Sir, without taking much time of this august House I would submit that the Government should retract their steps. If they do not retract, I am afraid, they would bring about dangerous situation to the people of our country.

I censure this Government for changing the vital food policy without the knowledge of Parliament.

MR. SPEAKER: Now, Dr. Parshuram Gangwar will speak. Shri Gangwar, the rule is that you should not repeat the point made by others. I will allow you as much time as you need until you repeat the points.

[Translation]

DR. P.R. GANGWAR (Pilibhit): Mr. Speaker, Sir, in our country majority of the people belong to rural areas, where seventy three per cent of the total population are farmers and they are engaged in agriculture.

[English]

MR. SPEAKER: Shri Gangwar, we are sitting here late. If there is anything impor-

tant that you want to speak, I will allow you.

[Translation]

There is no need to repeat the points which have already been stated. There is no time for that.

DR. P.R. GANGWAR: I would like to submit that only at the time of elections we seem to remember the fact that majority of the population of this country belongs to farming class but after that nobody bothers about the interests of farmers. Almost all the members who speak in the House do so with the aim of getting their names published in the newspapers but they do not have any direct knowledge about the conditions of the farmers. Even we do not know about the various methods of farming or how the farming is done through tractors and ploughs and how the land is cultivated. Everything that is said here is said only to win the favour of farmers. Nobody is really sympathetic towards the farmers.

Now, I come to the real issue. Export and import Department of the Central Government is totally a failure as it does not know which is the right time for import and which is the right time for export. Recently thirty lakh tonnes of wheat had been imported and previously six and a half lakh tonnes of wheat was exported. One of our Central Ministers had stated that nothing linked with oilseeds will be imported but inspite of that soyabean and palm oil was imported. For this reasons only the farmers of our country could not get proper prices of their oilseed produce in the local markets. Government stopped the export of Basmati Rice which could earn a good amount of foreign exchange. The Government could have procured sufficient quantity of wheat from the domestic market by giving reasonable price to the farmers rather than importing it from outside. The farmers had enough stocks of wheat but the Government preferred to import

it from America, Australia and Canada. The wheat which has been imported from America is of such a low quality that it is of no use for human consumption. It has been sent here after extracting all its nutrients. I seems that some underhand dealings have been made in the import and export of wheat.

One more thing I would like to quote regarding the farmers. If any farmer wants to buy a tractor, the price is fixed on the basis of the cost price, while the prices of wheat and other produces are being decided by the Government. Everything would be alright if the Government fixes the prices of the produces in a justified manner; on one hand Government has fixed the procurement price of wheat at Rs. 250/- per quintal and has granted bonus of Rs. 25; while on the other hand Government has imported wheat at the rate of Rs. 526 per quintal. It shows that IMF is pressurising the Government. As an hon. Member was saying yesterday that Government had to take this decision under the pressure of IMF. When the farmers were in the need of fertilisers like Potassium and Phosphate, Government raised the prices of these fertilisers; but reduced the prices of Urea and when at the time of Kharif Crops farmers were in need of Urea the prices were raised. Now again when we need the Phosphate and Potassium for our Rabi crops the prices have been increased. Therefore, I would like to submit to the Government that in our rural areas where 73 per cent population is dependent on agriculture and there are 6528 Gram Sabha's in our country but the polices being followed for those by our Government are totally anti-farmers. Today our Government is following the footsteps of Pt.Nehru and Smt. Indira Gandhi...(Interruptions).....

MR. SPEAKERL No, No. Not like this.

DR. P.R. GANGWAR: I would like that the country should follow the footsteps of Shri Lal Bahadur Shastri so that the slogan"

Jai Kissan, Jai Jawan" given by him may prove true, Thank you.

SHRI TEJ NARAYAN SINGH (Buxar): Mr. Speaker Sir, today the farmer of this country is distressed because he does not get remunerative prices for his produce but whatever he purchases, he gets it on a very high price. The prices of iron has increased six times in comparison to the prices in 1980. The prices of wood have also increased. The price of Massey Ferguson Tractor is above Rs. one lakh now. Likewise the prices of all the inputs have increased, but farmer does not get reasonable prices for his produces.

Mr. Speaker Sir, the support price of wheat is Rs. 250 per quintal which was fixed by the Government in Jan. 1992. Government had stated on January 1, this year that it has enough stocks of rice and wheat in the country and there is no need to import these items. But shortly after, it declared that there is scarcity of these items, and 10 lakh tonnes of wheat was imported from Canada at the rate of Rs. 592 per quintal on 19 June, 1992. When the Government declared in January this year that we have sufficient stock of foodgrains then how it is that after only some months on 19-6-92 it had to import 10 lakh tonne of wheat at the rate of Rs. 592 whereas our farmers are given only Rs. 250 per quintal? What does it mean? I believe that the Government thinks that if farmers get a reasonable price of their produce then they would not have to depend on Government; if Government gives Rs. 592/- per quintal to Indian farmers they would become prosperous and if farmers does not get good value of its produce then he will not produce it and the production of wheat will decline as a result of that we will have to depend on foreign countries. The Government is paying Rs. 200 more per quintal to the farmers of foreign

countries as compared to our own farmers. It has been pleaded that the same amount is spent on storage as such we are no way in loss by paying Rs. 200 more per quintal on import of wheat from abroad. This is the position and it is wrong to think in these terms. When wheat is available in the country at Rs. 550 per quintal and the farmers are prepared to sell wheat at this rate in the country itself, why the Government is importing wheat at Rs. 550 per quintal from America and other countries. I think the Government thinks that if the farmers of the country are given this price they will not remain dependent on it and that is why it does not want to give good price to the farmers and wants to make them dependent. The Government wants farmers of the country to live in the pathetic condition and the farmer of foreign country to lead prosperous life.

Mr. Speaker, Sir, the subsidy given to the farmers on fertilizer has been withdrawn in 1990 and the prices of fertilizer used by the farmer have been doubled. The prices of fertilizer used in wheat crop have been doubled. Earlier the price of one bag of fertilizer used in wheat crop costs.....

MR. SPEAKER: All these things have been said ten times. Please say some new points.

SHRI TEJ NARAYAN SINGH: Mr. Speaker, Sir, I am just concluding. The prices of fertilizer used in wheat have been doubled, but the prices of the farm products have not been doubled, as a result the farmer has to bear the heavy burden and is in hardship.

Mr. Speaker, Sir, the plight of farmers is very bad in the country. Therefore, through you, I demand from the Government that the farmers should be paid reasonable prices of their produces. The Government should buy wheat at the same rate from the native

farmers at which it is importing from abroad.

Mr. Speaker, Sir, the second point that I would like to make is that the subsidy provided to the farmers on fertilizer in 1990, should be restored so that they could increase production and do not remain dependent on others.

Mr. Speaker, Sir, I am concluding here. The situation today is that we are eager to import goods from abroad. With these words, I demand from the Government that it should work in the interest of the farmers so that they could prosper in life.

\*SHRI V. KRISHNA RAO (Chikkabalapura): Mr. Speaker, Sir,

We are discussing two vital issues today. Import of wheat and rise in the prices of fertiliser are playing havocs in the life of Indian farmer.

Majority of the people of our country are dependent on agriculture. Farmer is the backbone of our country's economy. Unfortunately agriculture is the most neglected profession in our country, Living condition of farmers are really pathetic. The life on an attender in a Government office is much better than that of an agriculturist. Traders, bank employees lead better life. Agriculturists are the most ignored persons in our country.

MR. SPEAKER: This kind of speech is not allowed. You shall have to stick to the points. You are speaking like speaking in a public platform.

\*SHRI V. KRISHNA RAO: Sir, this is not a public speech.

MR. SPEAKER: You come to import of wheat and rise in the price of fertilisers.

\*SHRI V. KRISHNA RAO: There is a saying in Kannada. The agriculturist who cultivates Sugarcane in one acre is left with only one Sugarcane and one piece of jaggery. The children of agriculturalist are also neglected. How many of them have become doctors? How many of them are studying in Engineering colleges? Agriculturist is born as a debtor and he dies as a debtor. Most of them remain debtors through out their life. Generation after generation agriculturist remains a debtor.

MR. SPEAKER: I will not allow speeches like this. You should realise, we are sitting very late in the night. If you have any pertinent point I can allow you to make. You cannot make a public speech here. You talk about the subject.

\*MR. V. KRISHNA RAO: Now, by withdrawing the fertiliser subsidy we would be denying justice to agriculturist. He was hardly getting any profit when he was given the subsidy. We can realise the plight of a farmer in the absence of subsidy. He cannot survive without subsidy. The Honourably Minister also knows the problems of agriculturists. I, therefore, urge upon him to restore the subsidy on fertilisers immediately.

I am ashamed of mentioning about import of wheat. We were able to achieve green revolution under the able administration of our late lamented leader Indiraji. We become self-sufficient in food-grains. In fact our agriculturists have the capacity to provide food-grains to the whole world. We have abundant natural resources. Unfortunately, these resources are not exploited to the maximum extent and the agriculturists are not being encouraged. Hence my humble request to the Hon'ble Minister is to provide optimum incentives to agriculturists to enable them to produce large quantity of foodgrain. If this step is taken immediately, I am sure that there would be no need to go

[Sh. V. Krishan Rao]

to foreign countries with a begging bowl. I hope that the Hon'ble Minister will reconsider the decision of importing wheat. I am also confident that he would take all steps to help the agriculturists, to enable them to the nation a new era of progress and prosperity.

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

[English]

SHRI KODIKKUNIL SURESH(Adoor): Mr. Speaker, Sir, the farmers of this country are facing a crisis. I do not go into details. I am touching about the Kerala farmers only. Ordinarily, they face crisis due to natural calamities but this crisis is man-made, rather Government made. The decontrol of complex fertilizer has pushed up their price abnormally. The commonly used DAP fertilizer has become very costly after this decontrol. For example, DAP..

MR. SPEAKER: Those statistics are already given.

SHRI KODIKKUNIL SURESH: There is a very intensifying aspect to this decontrol. The prices have increased in respect of those fertilizers which are mostly used in the South, particularly in Kerala. Kerala, as you are aware, is the major producer of cash crops and in fact, the cash crops are the backbone of its economy. Growing cash crops is not like growing rice or wheat. The cost of production is more and is ever increasing. In the absence of a price support mechanism in respect of most of the cash crops, phenomenal increase in the cost of production can only ruin the growers. There is a stiff competition in the international market in respect of cash crops. The countries where the cost of production is less is slowly pushing us out of the market and this is

affecting badly our export trade. So, any increase in the fertilizer price will only push up further the cost of production. The increase in the prices of DAP has been above 100 per cent. It is the complex fertilizers which are used by the growers of Kerala. It is true that urea has been made cheaper. But urea is mostly needed in the North. In the South, it is the complex fertilizers which are commonly used. The Government claims that with the reduction in the price of urea, 60 per cent of the fertilizer consumed in the country has become cheaper. But what about the rest, i.e. 40 per cent? An ordinary farmer in my State, Kerala comes under this 40 per cent category. His cost of production has gone up by more than 100 per cent. I am speaking for these ordinary farmers of Kerala. They are quite unlike the rich surplus producing farmers in the North. They are small and marginal farmers owning less than three acres of land. With a few rubber trees and a few coconut trees, they make a modest living. It is they who have been badly hit.

I, therefore, request the Government to take all steps necessary to withdraw the increase in the prices of fertilisers.

[Translation]

SHRI RAMASHRAY PRASAD SINGH (Jahanabad): Mr. Speaker, Sir, several learned Members have spoken before me. I would also like to express my views. I have been listening to the discussion on the import of wheat very intently for last two days and have reached the conclusion that this import is the outcome of our new economic and industrial policy.

Mr. Speaker, Sir, some questions arise in this regard. The Government puts forth the argument that due to shortage in Government godowns, it resorted to import. The shortage in godowns was caused due to less procurement. When there has been sufficient production in the country, why they was

less procurement. We cannot procure timely, our machinery cannot function properly and cannot achieve the fixed target of procurement. Then who is responsible for it. The second point is that when there was shortage in godowns, the Government made export and supplied wheat to big floor mills. The Government supplied 6 million tonnes of wheat to flour mills and 8 million tonnes have been exported. Why did the Government do so and what profits did it get by doing so. The country did not gain anything out of it. When the Government had to import wheat, why it was exported and what was the justification.

The third argument advanced by the Government is that it wanted to strengthen the Public Distribution System and therefore, this import was made. The Public Distribution System can only be strengthened when the farmer of our country is strong and the country becomes self-sufficient in respect of food-grains. Our Public Distribution System cannot become strong by importing foodgrains. The Government should pay attention to it. People working in Government could be called good and skilled administrators only when they consider it seriously as to why there was a shortage in our godowns.

Why has the prices of fertilizers gone up? The reason is that the public sector units of fertilizers are running in loss. As a result private sector fertilizer units were free to fix the prices arbitrarily. Earlier, there was sufficient production of fertilizer in public sector plants and prices were fixed accordingly, but today private sector is engaged in making more profit. It is the farmer who will be affected by it. Similarly, the subsidy given by the Government was also withdrawn. It is true that the country is passing through an economic crisis but who is affected by it. It is farm sector which is affected by it. As a result

of it the farmer will not be able to use fertilizers in sufficient quantities and the production will not be in the required proportions.

The same is the position of oilseeds and pulses. Particularly the oilseeds require more fertilizer. When there will be less production of fertilizer and its prices increase, it will have to be imported. If foreign currency will be spent on it, what will be the position of foreign exchange reserve. In such a situation how will you ensure country's development and how can you talk of green revolution. Now green revolution cannot reach our fields.

Mr. Speaker, Sir, through you I would like to submit that the way the Government has acted does not seem proper to me. It seems as if the Government has imported seeds under some pressure. It has already been discussed in the past also whether the seeds being imported from abroad would prove successful in our soil or not.

Mr. Speaker, Sir, I had purchased the seeds of cabbage at the rate of Rs. 2000 per kilo and sowed them myself in my farm. Not even a single plant sprouted. It proves that we would lag behind in the matter of farming if we sow imported seeds. If our country progresses in the field of agriculture, we would be sound in every respect even in the matter of foreign exchange. I think that the import policy of the Government has been wrong. Subsidy on fertilisers should be restored. With these words I conclude.

\*SHRI OSCAR FERNANDESE (Udupi):  
 Mr. Speaker, Sir, I would confine myself only to some very important issues due to paucity of time. I am glad that the Hon'ble Prime Minister has announced that thirty thousand crores of rupees would be earmarked for rural development programmes.

\*Translation of the speech originally delivered in Kannada.

On the one hand several parts of the country are affected by severe drought and on the other some parts have been lashed by devastating floods. In fact, every year the country is facing these calamities. We have to taken up the long cherished project of linking Ganga and Kaveri to face the challenges of natural calamities.

We have to spend large amounts on Jawahar Rojgar Yojana (JRY). Major chunk of the amount under JRY should go to irrigation projects. This would be a boon not only to the farmers but to the whole nation. Ganga-Kaveri link is the only answer to many problems of our farmers. This would enable us to produce more foodgrains. Fisheries would also be encouraged.

Our farmers grow sugarcane and supply it to the factories. We have to pay about 900 crores of rupees to sugarcane growers in a state like Uttar Pradesh. Unfortunately, some others produce molasses and earn huge profit. The hard working sugarcane growers gets no profit. I therefore, feel that it is time to decontrol molasses.

Every year more than 2400 T.M.C. of water flows to the Sea from South Canara and North Canara districts. This water has to be stored and utilised for irrigation and afforestation.

I am sure that the Hon'ble Minister would give top priority to link Ganga and Kaveri rivers and make the dream of our farmers a reality.

Sir, I am grateful to you for giving me this opportunity to speak and with these words I conclude my speech.

SHRI SYED MASUDAL HOSSAIN  
(Murshidabad): Mr. Speaker, Sir, many things have been said in regard to the matter which

I want to raise. Therefore, I would not like to repeat those things. The question is whether production of wheat is viable or not. The second question is whether there has been a fall in production of wheat or not. As per my information, there has been no fall in production of rice and the production of wheat has been the same. There are not two opinions that the production of 'jowar', 'bazra' and pulses has reduced a little bit. The production of pulses has reduced whereas the production of vegetables has increased manifold. If the Government is not ready to accept this fact, I would like to raise another point. Last year, the ration shops did not left the quantity of wheat and rice allotted to them for the year throughout the entire country. I don't have figures. I think that 3 million tonne of wheat and rice remained unlifted. Then what was the need to import wheat and rice from abroad?

I would like to highlight another point. You already know about J.C.I., F.C.I. and C.C.I. They don't go to the market to procure foodgrains brought by the poor people. As a result there is distress sale. They neglect the farmers and instead procure wheat through middlemen in Punjab. I would like to ask the Government how much commission has been given to these middlemen during the last three years for procuring wheat. F.C.I. is not the Food Corporation of India but it is the Food Corruption of India. The Government procures wheat at the rate of Rs. 3.50 per kg. and it should not exceed Rs. 5/- per kg. even if we include other costs. The Government procures wheat at the support price of Rs. 3.50 per kg. Whereas handling charges are Rs. 2/- per kg. The problem is that of pilferage when the foodgrains are transported from one godown to another. There is large scale pilferage. Why can't this corruption and pilferage be stopped? Why can't it be checked? The subsidy given to P.D.S. by the Government is wasted in pilferage and rampant corruption in the department. The Government is

constrained to announce that there is no stock and that is why foodgrains have to be imported. I would not like to discuss the Dunkal Proposal. The hon. Minister should reply categorically to the points which I have raised. First is whether there has been a decline in the production of vegetables. Secondly, when the Government has already 3 million tonnes of unlifted wheat and rice, where was the need to import foodgrains from abroad and at what rate was it purchased?

[English]

SHRI V. DHANANJAYA KUMAR (Mangalore): Mr. Speaker, Sir, I would confine to the problem of rice in fertilizer prices. By now the House is unanimous and unanimously the House has expressed the concern of the farming community in one voice about the problem they are facing in view of the rice in fertilizer prices. I am really happy that even the Members from the Treasury Benches have supported this. Now why has there been a rise in price? The Government made two simultaneous Acts. One is withdrawal of subsidy and then, decontrol of the prices. As all of us know, the subsidy was to the tune of only 40 per cent of the prices. 40 per cent was the subsidy component and the moment, the entire subsidy is withdrawn, naturally, the prices should have gone up only to the extent of 40 per cent. The figures are already placed which shows that the price increase has been ranging between 60 per cent to 240 per cent. What is the reason? The reason is the decontrol of the prices. Today, the Government owes an explanation to the farming community in particular and to the country at large, as to the reasons which has compelled the Government in decontrolling the prices. Nobody—neither the Minister for Agriculture nor any other spokesman of the Government—so far, has come forward to explain as to what made the Government to decontrol the prices.

Sir, it is also clear that the Government is still exercising the right of controlling the prices in respect of one fertiliser, that is, Urea. If Urea prices could be controlled, why not the prices of composite fertilisers? Why not the prices of phosphatic fertilisers? Why not the prices of Sulphatic fertilisers? Everybody from the treasury benches spoke in support of this. It is very clear. The open market system is welcome. The prices of any commodity in an open market system would be decided mainly on two factors, that is demand and supply. Of course, other factors which would contribute to the fixation of prices is the cost of production. Now, we do not know whether there is enough stock existing in this country, whether we are competent to produce or manufacture the fertilisers to the tune of the demand in the market? The Government is not forthcoming even with those figures.

MR. SPEAKER: Those figures are published.

SHRI V. DHANANJAYA KUMAR: The reason is mainly on account of decontrol of the prices. So, at this hour, when the entire House in one voice has expressed the concern, any responsible Government would come out with a solution. I hope that the Government will definitely come out with a solution. It is not as if that the Government is not aware of the magnitude of this problem. After the announcement of decontrol of prices and after withdrawal of the subsidies, when there was loud portents, the Government has come forward with small gifts saying that one thousand rupees per tonne is given in respect of few fertilisers. So, I am sure, the Government is very much alive to the problem. Therefore, this House unanimously wants the Government to immediately deal with this problem and come out with its proposals. I would also make an earnest request to the Government to come out with the proposals.

I would make only two or three suggestions as to how the prices could be controlled. Definitely, the prices have been increased on account of the duty that is levied on the basic raw materials which are being imported and then the other taxes...

MR. SPEAKER: One suggestion is to reduce the taxes.

SHRI V. DHANANJAYA KUMAR: Why not the Government do that at least at this stage?

MR. SPEAKER: Because they want money.

SHRI V. DHANANJAYA KUMAR: They can calculate how much is the loss. They can reduce the duties or totally withdrawn all the duties, then totally withdrawn all the taxes. They can prevail upon the State Governments to withdrawal of sales tax, if any, wherever it is applicable and then think of putting up new fertiliser factories. If the Government feels that raw material is available at a cheaper rate in foreign countries,

why not go in for more import of the raw materials at a cheaper rate and make allocation to the fertiliser factories? These are the prime reasons. I would add only one point and conclude. In my constituency, coffee is the main cash crop. By export of coffee, we are making an earning of Rs. 500 crores worth of foreign exchange every year. But this time, there has been steep fall in the price of coffee on the one side and on the other side, there has been rise in the price of fertilisers. There is the picking season which has come in. But the farmers and growers could not use the fertilizers. Let the Government take all this into account. I would like the Government to make an announcement and come to the rescue of the farmers and restore the subsidy.

MR. SPEAKER: I would like to thank the Members for sitting in the House at this time. Last few speeches have been really very good. Congratulations.

20.40 hrs

*The Lok Sabha then adjourned till Eleven*  
*of the Clock on Friday, November 27,*  
*1992/Agrahayana 6, 1914 (Saka).*