

unemployment in my constituency Saharasa. Since there is no industry in the public sector or private sector in the area, the poor people have to go outside Saharasa to earn their livelihood.

I have also raised many questions in the house regarding setting up of industries in Saharasa but no scheme has been prepared in this regard so far. With the result unemployment is on the rise. The area is very backward and flood-affected also.

Therefore, I would like to submit that the Government of India should prepare a scheme to set up industries in Saharasa and implement it as soon as possible so that the problem of unemployment could be solved.

- (vii) **Need to open more LPG outlets in divisional/district town, Jalpaiguri, West Bengal**

[English]

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SHRI JITENDRA NATH DAS (Jalpaiguri): Sir, I would like to draw the attention of the Government to the acute crisis of LPG connections in the divisional/district town, Jalpaiguri, West Bengal. There are more than 10,000 applications seeking LPG connections pending till 1987. Only one dealer is operating on temporary basis there. The people of the area are agitated over this. The district administration has also brought this issue to the notice of the authorities concerned. There are so many applications for dealership, etc., pending, of which the Wholesale Consumers' Cooperative Society is only one recommended by the district authority. Under the circumstances, I urge upon the Minister of Petroleum and Natural Gas to appoint at least one more dealer in

this area, which would solve this burning problem of the district.

- (viii) **Need to announce higher procurement price for Narma Cotton**

[Translation]

SHRI BIRBAL (Gangunagar). Mr. Deputy Speaker, Sir, last year the sale price of 'Narma' cotton was Rs. 1450/- per quintal. But this year the rate is ranging between Rs. 1075/- and Rs. 1125/- per quintal whereas there has been a great increase in the rates of fertilisers and pesticides. Apart from this the rate of pesticides has increased from 20% to 25% as compared to last year.

The rates of diesel, labour and spray etc. have increased. Therefore, I would like to request the Central Government that the rate of 'Narma' cotton should be at least Rs. 2000/- per quintal.

14.19 hrs.

DISCUSSION UNDER RULE 193

Situation Affecting Agriculture and Farmers Interests due to Increase in Re Prices of Fertilizers and Wheat Import

[English]

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

SHRI INDRAJIT GUPTA (Midnapore): Mr. Deputy Speaker, Sir, these are two topics which are, to some extent, interconnected. But each in its own right is an extremely important matter - policy of the

Government regarding import of wheat and the cut in the subsidy of fertilisers.

The entire country has been rightly agitated by a sudden shift, what appears to be a shift in the policy of a Government which has always assured everybody that they have the interests of the farmers and the interests of agriculture primarily at heart and nothing will ever be done which is detrimental to the interests of the farmers. Sir, as citizens of this country, for the last few years, all of us have been proud to share the claim that after so many years, India has become self-sufficient in food and it is no longer necessary for us, as it was at one point of time, to go on depending on imports of foreign foodgrains particularly wheat. We remember those years of PL-480 when we went on spending large amounts of foreign exchange year after year in order to purchase wheat from US. That period has passed. That was like a nightmare and we were able to stand up with our heads held high and say that at least thanks to the boost in our production, green revolution, hard work of our farmers and other things. We have reached a stage where India is no longer depending on imports and we can say now quite proudly that we are self-sufficient in foodgrains. Now, all of a sudden - I do not know if it is really sudden but anyway the decision is sudden - we have to go in for substantial import of wheat. It began with one million tonnes but now, it has come to 2.5 million tonnes which is proposed to be imported from USA, Canada and Australia. The combined figure is 2.5 million tonnes. Sir, I wish Dr. Manmohan Singh was here because it appears to me that what is happening is the first taste that we are getting of the so-called global free trade of which Dr. Manmohan Singh is a big votary power and a champion and it is the basic philosophy, after all, of the western countries, of the World Bank and of the IMF that we must tie

up our economy with the global economy and global free trade is something which we cannot opt out of. We cannot afford to indulge in luxuries like saying that we must be self-sufficient, self-reliant and try to stand on our feet and all that. These are supposed to be all out-of-date ideas and theories and we must become integrated with this global free trade.

Now, what is happening here? We find from the picture of wheat position that actually we are facing a crisis and I suppose one can describe it only as a major crisis. Production is down, procurement is down and buffer stocks are down. I need not go on quoting Government figures here. Statistics are available. The question is why has the production gone down so much. We are not have any successive years of drought or anything. We had a good monsoon. Last year, we had a bumper harvest. At least, it was claimed that it was a bumper harvest. I do not know. In spite of that, production is stagnating. I would not say that it has declined very sharply but it has become stagnant. It is not growing. As a result of that, procurement has also gone down and buffer stocks have also gone down. I think, yesterday, the hon. Minister was saying that we are having to import because prices here have risen very high in the internal domestic market and in order to protect the consumers from these very high prices, we are having to import wheat so that prices can come down. I think, according to press reports, when the Government first started thinking of importing wheat from USA, and perhaps was having some negotiations, they were hopeful that this US wheat would be supplied to us at subsidised rates. But then the world has changed. So many things have changed in the world. The balance of forces is changed and the United States is in no mood nowadays to supply subsidised food to countries whom they consider to be not part and parcel of their world design. The result is that the imported US wheat, which we are contract-

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Situation affecting agriculture & farmers' interests due to increase in
ing for, is at the rate of somewhere between
\$ 163 and \$ 205 c.i.f....

THE MINISTER OF STATE OF THE
MINISTRY OF FOOD (SHRI TARUN
GOGOI): That is not correct!

SHRI INDRAJIT GUPTA: Please correct me, if it is not correct. The landed cost of that works out to so much. Here again, somebody says that the landed cost works out to Rs. 424 per quintal and some people say that it would be Rs. 526 per quintal. The exact figures and calculations can be supplied by the Minister. The fact is that this price is far far higher, much higher than the price at which we are asking the farmer in our own country to supply wheat to the market or to the Government for procurement purposes.

There was a rumour at one time - a couple of months ago - that the American attitude, rather a rigid and hard attitude, was due to its displeasure at the reported agreement or decision of the Indian Government to sell rice to Cuba, Cuba being a country against whom, the United States is practising a trade embargo for the last so many years - I do not know how many years - and trying to prevent any kind of food or other essential supplies from reaching Cuba. It is a political question. Later on it was made clear that the Government of India is not selling any rice to Cuba.

Whatever it may be, the decision of the Cabinet taken on the 15th of January this year to import one million tonnes of wheat, was the first decision in four years. It was the first time that such a decision was taken in four years. The last time was in 1988. For the last four years, we have never imported any wheat from outside. And now, suddenly, this decision was taken by the Cabinet! There is no doubt that a lot of the wheat was being held back from the market in anticipation of getting a higher price later on. It was being

held back by traders, by merchants - by hoarders in other words - and also perhaps by a section of farmers in the more prosperous areas of the country where they have got some holding capacity. There is nothing strange about this, because they were all calculating that later on they would be able to get a better price. So, they were holding on. I don't think the Government has been very vigorous or serious about trying to bring out any hoarded stocks. Some kind of anti-hoarding operations in some States were carried out, but they were very marginal. Most of the stuff which is being held back, leading to this rise in prices, was never tackled seriously. Rather, the Government has gone in for adopting softer option. The tough or difficult option would be to deal with the hoarders. The softer option is to go in for import, paying huge amounts of foreign exchange out, at the time when we have got an adverse trade balance, when everyday, the Finance Ministry is reminding us that there is a huge foreign exchange deficit. Why have they gone for a softer option of paying out huge amounts of foreign exchange in order to import wheat, despite this adverse trade balance and despite the fact that the wheat crop has been a good one and there has been good monsoon?

In 1991-92, the wheat procurement was 7.7 million tonnes, that is, 3 million tonnes less than in 1990-91. My question is 'Why?'. Why was it so much less? 3 million tonnes less! Some explanation has to be given for that. On the 1st of January this year, the wheat in our buffer stock was 5.27 million tonnes as against 9.20 million tonnes on the same date last year. So, the buffer stocks are being seriously depleted. There has been a combination of speculation and hoarding, even of movement of foodgrains from one State to another - whether you call it smuggling or not, I do not know - but all this has combined to bring about such a situation. At the same time the government has announced, that announcement was welcomed,

that the Public Distribution network was going to be expanded and strengthened and a large number of PDS outlets in various States are going to be opened which would require an additional 4 million tonnes of foodgrains. To feed the entire Public Distribution System; to keep it growing an additional 4 million tonnes is required not perhaps only of wheat but of all foodgrains. At the same time last year some 6.5 lakh tonnes of wheat was exported at Rs. 240 per quintal to some African and other countries. So, what I am saying, Sir, is that the whole policy appears to be paradoxical and it is full of all kinds of contradictions. We would like to know whether some different Departments and Sections inside the Government are working at cross purposes.

There was a headline report in the newspaper, which to my knowledge the Minister concerned has never contradicted, that the hon. Minister in charge of Agriculture and Food was in principle opposed to this large scale import of wheat. He is present here. He can clarify his position. I would like to know what has happened to the after-effects or aftermaths of the Green Revolution? Is it a time for second Green Revolution? If so, what are you going to do about it? The fact remains that the production is declining. Since 1988, 54 million tonnes to 56 million tonnes is a sort of stagnant level at which the production of wheat remains today. The Government which no doubt has been very panicky, did not think of concrete measures to stimulate production. They cannot, of course, stimulate production also because they have raised the prices of fertilizers so much that all the farmers are suffering. These two are definitely interconnected. Because of this Fertilizer Policy, not only production of wheat but production of so many other crops is going to suffer heavily. So, we have turned from a net exporter to an importer within less than two years. I think it

is a matter of great concern. If this does not add up to a serious crisis what else does, please tell us.

I understand there is a problem as to how to satisfy the farmer and how to satisfy the consumers from the less affluent section for whom the PDS is supposed to function. The issue price from the PDS shops has also been increased, I think three times, in the last couple of year. The prices of wheat; the prices of rice issued against the ration card, from the PDS shops, are also having to be put up. Why? I think it is because they say "We are giving higher procurement prices to the farmers". But, obviously those higher procurement prices are not adequate to stimulate the farmer to part with more grain. He is holding back because there is something wrong with the Price Policy. You cannot expect a farmer to give you grain at a certain price when he knows that the price will rise in future. The imported wheat is being brought at much higher price which the Government is paying to the American Grain companies. I think the immediate beneficiaries of this policy will not be either the Indian farmer or the Indian agriculture at all, but the immediate beneficiaries will be those people who will be involved in the import business viz. importers, exporters, shipping companies, insurers, commission agents and brokers. So, they will of course be the immediate beneficiaries but not our farmers. They are going to lose heavily. And the Indian agriculture as a whole has received a body blow because you had not outlined any measure by which in the next couple of years, you are going to increase production sufficiently or to gear up your procurement machine.

So, Sir, as far as this matter is concerned, I very strongly condemn this policy of the Government which has turned upside down the course which we were following for last few years. It is something which I think the whole community of farmers is up in

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Then, as far as fertilizers are concerned, this policy of de-control, again we are told, was against the advise of the Agriculture Ministry and against the advise of the Fertilizer Department. It has led to a steep rise in the prices of phosphatic and potassic fertilizers. Last year, when it was announced in this House, there was a general disapproval and opposition. It was assured here that as far as the poor and marginal farmers are concerned, they will continue to get the fertilizers at the previous price, the new price, as a result of removal of subsidies will not affect the small and marginal farmers. But subsequently, reports came from everywhere that it is only on paper, in actual practice, the small and marginal farmers are also having to buy fertilizers at the new and enhanced price. That machinery does not exist. It does not work. You cannot implement the decision like that. Either you have to buy from the blackmarket or you have to buy at the original price and not at the renewed - price or the enhanced price.

Now, I realise that after partial abolition of the subsidy, there is still quite a substantial subsidy remaining, deficit is remaining, and they will continue because of the condition of indigenous production of fertilizers and all that. All the public sector fertilizer companies are on the verge of closure. Mr. Sangma is sitting here behind you, he is tackling this problem as far as labour side of it is concerned. Every public sector fertilizer undertaking, whether it is Sindhri or whether it is Gorakhpur or Durgapur or Barauni or whether it is FACT, Travancore in Kerala which employees 10,000 people are on the verge of closure. They are on last gasp. Even the Budgetary allocations which have been made for these companies, have either been withdrawn or have not been given in actual fact. So, the life is being squeezed out of these factories. Sometimes, they do not even have

money to pay the salaries every month let alone to buy raw materials and all that. This seems to be a calculated policy of the Government as far as public sector fertilizer concerns go. No doubt, this policy will help the private sector viz. Mr. Birla and others who run their own private sector fertilizer companies would be happy. I think, a Report was submitted by the Sub-committee on fertilizers - Committee on Public Undertakings - where there were some notes of dissent. It made it quite clear that the Members of the Committee were being pressurised in various ways to see that this policy was carried out which would directly lead to a closure of the public sector units.

Thousands of those workers are now, at this moment, at the Boat Club, demonstrating because their jobs are at stake; they have no job security left; they do not know how long these factories will be allowed to operate.

The private sector factories, of course, will gain, benefit, profit. But what will be the total picture of the fertiliser market? So, my plea is that the subsidy which was removed last year - after all these subsidies are not permanent things; they are temporary things; sometimes they are increased; sometimes they can be lowered; sometimes they can be abolished; sometimes they can be restored - should be restored. But, at the present moment, the condition which has been created, I would plead for a restoration of the subsidy, which was removed last year on fertilizers.

Don't do all these things together. It will deliver a body blow to the agriculture of this country. The combination of this, removal of subsidy plus this import of wheat is going to deliver a crippling blow to the agriculture of our country and to the farmers. And what have they done to deserve this, we do not know. These are all things which are following from the policy now on liberalisation and

global free trade and all that. Otherwise, how this thing has come about suddenly? The removal of subsidy, nobody hides the fact that it is a very strong prescription; and repeatedly that prescription is being administered by the World Bank. The President of the World Bank was here only the other day. They are repeating all the time that without further cut in your subsidy you cannot expect to get assistance from us. Now where that will stop we do not know.

Now, it is subsidy on fertilizer. Subsidy on food has also begun to be cut in stages, which means the Public Distribution System will be affected, which is meant for the poorer section of the people, not people sitting in this House, I am sure. You and I go and buy from the open market. We do not need to line up and stand in queues holding ration cards. But what about the other section of the community which is going to be hit by this constant rise in the issue price of things like wheat, sugar, rice, edible oil and all that. Therefore, these two matters must be treated as a single whole because they are most important components of our agricultural system as we have developed. One is fertilizer without which there would have been no Green Revolution. It was not due only to fertilizer I know; it was a combination of fertilizer, good seeds and water and all that. But fertilizer is a very essential part of it and you are removing it and making it go beyond the reach of every average farmer. Secondly, by importing wheat at these prices half of which even you are not prepared to give to our own farmers, why should we pay this money, this foreign exchange to these big American grain companies I do not know.

We can build up our production. We have done it already. Even two years ago, it was not necessary to think of import any more. We were in a position to feed our people. It is a different matter that a large

section of our people do not have the purchasing capacity to buy even this subsidised food. It is a fact, all those who are living below the poverty line and so on. But that is another problem; and we have to deal with it separately how to increase the purchasing capacity of those people. But the fact is that whatever offtake is there was coming directly from our own domestic production; and it was not necessary to go on saying that there is a shortfall and therefore we have to bring in grains from outside.

Therefore, I strongly condemn this policy of the Government. I demand two things. One is that the fertilizer subsidy cut should be restored. Fertilizer production in this country should not be allowed to go down. Public sector fertilizer plants should not be allowed to be closed down; they should be rehabilitated; they should be revived with the help of the management and the workers both who are prepared to cooperate in this matter.

And as far as wheat is concerned, this contract which is being signed, I feel it is a thin end of the wedge; this is not the first contract that is going to be signed. This should be reviewed; it must be reconsidered. And I think a senior and veteran farmer like Mr. Balam Jakhar pits himself also rightly on the back that he is such an experienced farmer. I do not know how this thing he is following. It should go against his very grain, that this government having reached a stage of self-sufficiency should now have to go and again beg for food-grains from America, mind you on their terms, on terms which they are in a position to dictate. This is our ill advised policy, totally against the interest of Indian agriculture and Indian farmer and the whole matter should be reconsidered.

I hope that the Prime Minister, the Food Minister and others who always claim that they have to make themselves free, they

have to liberate themselves from whatever grip is on them, in the interest of our own country, that will be done. Otherwise we are in for some very hard times and agriculture and farmers in this country are going to suffer for no fault of their own, may be due to wrong policies here which are suffering from dictation by foreign agencies and that is not the thing which we can reconcile ourselves to.

The economic policy of this country must be determined freely by our own sovereign country, by our own independent Government and not to be dictated by foreign agencies.

This is all I have to say. I hope that the House will support the idea of reversing these disastrous policies which the Government have undertaken.

MR. DEPUTY SPEAKER: The total time allotted for the subject is two hours.

SEVERAL HON. MEMBERS: No, Sir, minimum ten hours.

SHRI SRIKANTA JENA: It is a very serious matter and it should continue. (*Interruptions*)

[*Translation*]

SHRI NITISH KUMAR (Barh): Mr. Deputy Speaker, Sir, there should be a debate for 10 hours on this issue. The rural areas of the entire country are disturbed. People are curiously waiting for the outcome of this debate. I would like to submit that there should be a debate on this matter at least for two days or 10 hours.. (*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER: There are a number of hon. Members who want to participate in this debate, therefore, those

Members who get a chance, if they cut their speeches short, more Members can participate, because this is a very serious debate.

[*Translation*]

SHRI NATHURAM MIRDHA (Nagaur): Mr. Deputy Speaker. Sir, for a little while I would like to draw your attention to that Government which was then supported by both Shri Indrajit Gupta and Shri Khurana. I was a Cabinet Minister in that Government and remained in that position for nearly 11 months. Later, the Government was voted out of power by the grace of the party to which Khuranaji belongs. The report of Agriculture Commission prepared by me in the background of the situations prevailing at that time and on the basis of my experience in the field of agriculture, will remain relevant for 100 years to come. Shri Indrajit Gupta just expressed his views saying that in this regard the policy of the Government is wrong. There has always been a difference between the viewpoints of the Government and that of the opposition parties and this has to be there always. The members of opposition blow both hot and cold at a time. But those who are assigned to work.

[*English*]

They cannot blow hot and cold at a time.

SHRI SOMNATH CHATTERJEE: Are you supporting this policy?

SHRI NATHURAM MIRDHA: Yes, I am going to support this for very intelligent and hard reasons. You try to understand, you will also come to the same conclusion. (*Interruptions*)

[*Translation*]

It is not necessary that I should tread your path all the time.... (*Interruptions*)... I was submitting and as has also been referred to

by Shri Indrajit Gupta, the production of foodgrains has fallen in the last four-five years. It did really fall down for one year and in the rest of the years it has been stagnant. At present the production of wheat is around 54—55 million ton..(Interruptions)

[English]

I will explain the whole position, what is wrong and how it is to be corrected. If you hear me, I will try to explain everything...(Interruptions)

[Translation]

SHRI NITISH KUMAR: Please speak like Two-in-one...(Interruptions)

[English]

SHRINATHU RAM MIRDHA: I have not followed what you have said.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): What we mean is you are the right person in a wrong place.

SHRI NATHU RAM MIRDHA: I know where I should be because, I have been for 13 years where I claimed that I could do something, but when I came to the conclusion that I could not do anything, I had to return. I have tried to do something with Shri Charan Singh, with you and with everybody. We did something temporarily but we could not succeed permanently because there are so many heterogeneous elements, just like Shri Khurana. (Interruptions)

SHRI SOMNATH CHATTERJEE (Bolpur): When did you realise it?

SHRI NATHU RAM MIRDHA: I realised it when they left us.

[Translation]

There were only two Members of the B.J.P. in the Parliament, then its number rose to 36 and now it is 117. It is a great malady and I am here to find a remedy to this malady. It is, however, a political thing...(Interruptions) I am ready to get my name changed if even a single candidate of the B.J.P. wins election next time...(Interruptions)

[English]

MR. DEPUTY-SPEAKER: Let there be no cross talk. Let us hear him.

[Translation]

SHRI DAU DAYAL JOSHI: Mr. Nathu Ram Mirdha was saying that not even a single candidate of the B.J.P. would win the election; on the contrary, twelve candidates have won the election from our State...(Interruptions)

SHRI NATHU RAM MIRDHA: Now, I would like to present data on the procurement and production of the last four years. During the year 1988-89 the production was 169.9 million ton, during 1989-90, it was 172.1 million ton, during 1990-91 it was 176.1 million ton and during the year 1991-92 it was 167.2 million ton. During my tenure as Minister the total production was 169 million ton. At that time the production of wheat was 54 million ton and the procurement was eleven million ton as against the target of ten million ton. The real procurement thus exceeded the target by 1.6 million ton...(Interruptions) please listen me first. The procurement exceeded the target. Similarly, the procurement of rice was eleven and a half million ton where as the target of its procurement was 10 million ton. The procurement was maximum during my tenure and so was the stock position. We pro-

vided foodgrains according to the demands and requirements of the Chief Ministers of different States, irrespective of their party affiliation. This is on record. If our Government had not gone out of power, the country's foodgrains position would have been very happy. I was submitting that oil and sugar also come under food supply. The maximum production of sugar in the country was 90 lakh ton but when I became Minister it rose to 103 lakh ton and now it is going to touch 130 lakh ton. Now, I am asked to explain the contradiction as to why did we resort to exporting? At that time there was a paucity of oil whereas we were having palm oil in abundance. The position of foreign exchange was very poor which later on completely dried up. So in a bid to earn foreign exchange we decided to export rice and wheat and in return we decided to import oil. Under a contract we exported wheat and rice and by the foreign exchange thus earned we imported oil. There was a great shortage of oil during that period. Farmers are very clever. They know their economics. The cultivation of mustard and black mustard increased. Now you ask as to what is the cause of this stagnation. The reason is-

[English]

diversion of areas from wheat to oil seed crops. We have to deal with this. That is another philosophy.

[Translation]

Now I would like to say that we did export at that time. Mr. Khurana made all sorts of hue and cry that some irregularities were committed in the export of wheat. Wheat and rice were exported during that time. I know how Khuranaji was playing a drama at that time.

SHRI MADAN LAL KHURANA: A guilty conscience is always suspicious.

SHRI NATHU RAM MIRDHA: I was just saying that the export of wheat was considered proper. Now the Sugar production has gone upto 130 lakh tonnes and there is no worry on that account. There is no question of exporting it. The edible oil production is almost okay. The production of pulses, wheat and rice has also gone up, but it needs to be further increased, because the population is on the rise. You may remember last year's situation. There was drought during the months of Jyeshth and Ashadha, something unprecedented. Similarly, there was rainfall during Sawan. It was very late. The Government was very anxious. The stocks had depleted. Our Prime Minister Shri Narasimha Rao has always stressed upon the need to strengthen the Public Distribution System (P.D.S.). The stocks got depleted, as a result of releasing additional foodgrains. Now, as a result, they were left with no option, but to import foodgrains. You have questioned the justification of importing wheat, but if they were brought from within the country, the prices would have skyrocketed. Therefore, the government was left with no option, but to import wheat. Thus, first, it was decided to import one million tonne and then it was revised to three million tonnes and now it has been fixed at 2.8 million tonnes. This was necessary to keep the Public Distribution System working and more imports would be necessary to make more foodgrains available. There has been no deal with any private companies abroad, all deals finalised so far have been on a Government to Government basis. We have reached agreements with the Governments of Australia, Canada, U.S.A. etc. Therefore, we had to purchase wheat, at the current international prices.

AN HON. MEMBER: You have signed deals with private companies.

SHRI NATHU RAM MIRDHA: I am sorry, your information is incorrect. I know every-

thing. All the deals signed so far have been on a Government to Government basis and the American Government has given us a huge concessions. They take less price from us, but sell at a higher price back home.

15.00 Hrs.

SHRI NITISH KUMAR: It's all bungling.

SHRI NATHU RAM MIRDHA: Your opinion is incorrect. I won't agree with everything you say. The wheat purchased by the Government was at a reasonable price and there has been no bungling in it. Rather, wheat prices would have further gone up, if we hadn't imported three lakh million tonnes of wheat. Now you tell me whether it was a fair deal or not. I have had talks with them and now this Government won't import any more wheat. Let me tell you that this year's production is unprecedented.

[English]

Today my expectation of this year's foodgrains production, Kharif and Rabi, will be nearly 183 or 184 million on tonnes.

[Translation]

Please listen to me. It is equivalent to Brahma's words. You can see for yourself that the production will be 184 million tonnes. I know this. I have got experience. Our Kharif production will be very good. The dams are full, there is enough water in the rivers and except for the drought affected regions, more areas will be irrigated. What I mean to say is that we will have very good production this year. More wheat will arrive in the market. Let us together put pressure on the Government to fix remunerative procurement prices.

It is also essential to mention Fertilizers

here. I would like to say a couple of things in this regard also.

SHRI NITISH KUMAR: Only now, you have come to the real point.

SHRI NATHU RAM MIRDHA: Please allow me to speak.

[English]

Fertiliser is a very essential part of production of foodgrains and all crops.

[Translation]

According to the recommendations of the National Commission, the production should have been 180 million tonnes by the end of the Seventh Five Year Plan and to achieve that a quota of 14,000 million tonnes of fertilizers should have been released. This didn't materialise as a result of which the production fell short of the target.

15.02 hrs.

[SHRIMATI MALINI BHATTACHARAYA *In THE CHAIR*]

The Fertilizer prices have gone up because the prices of phosphate and Potash have gone up. Further, we have all along been importing phosphate and potash, and in future too, it will continue to be imported. There is no potential for the production of phosphate and potash fertilizer in the country and hence it will continue to be an import item and this means shelling out precious foreign exchange. After all, how many thousand crores rupees of subsidy can the Government provide? It won't be possible for the Government to make such comprehensive arrangement and the farmers will have to pay for it. In the final reckoning, it is in the petroleum sector that the country is in trouble. Our consumption is 50 million tonnes and this increases annually by two mil-

lion tonnes. Once, three years back, we had achieved an annual production of 35 million tonnes but today, we have come back to 25 million tonnes. We are making maximum efforts to hike the production. This is very essential for petroleum products and fertilizers. Even the import of this, is a very costly affair. So far as the question of Naptha and Nitrogen fertilizer production is concerned, please keep it in mind that these prices have been reduced by ten percent. Therefore, it would be unreasonable to demand that everything should remain cheap. How long can you keep it going? I know very well that, had your Government been in power, you would not have been able to do even this much. What I mean to say is that we should not lose sight at reality.

[English]

MR. CHAIRMAN: Will you please address the chair?

[Translation]

SHRINATHURAM MIRDHA: You know everything, what is there to tell you, but these people don't understand. You know everything and you are a brilliant Parliamentarian. However, now I shall address the chair. I was submitting that the problems in this country are very serious. (*Interruptions*)

I have never had this kind of problem with them before. They used to understand me and I used to understand them, so, there was no quarrel. Now, there is no need for any details here. What I express outside is a reflection of my feelings inside. There is no quarrel between us. They understand me very well and I understand them very well. I understand Atalji very well, but 'Atalji' and Khuranaji are very different from each other.

Madam Chairperson, I would like to submit that in the matter of fertilizers, it was not appropriate on the part of this Govern-

ment to double the prices of phosphatic fertilizers. It would not have made much of a difference, had they not done it. They could have done it after the current season, when D.A.P.'s necessity would have been over. Both Nathu Ram and the farmers face difficulty on account of the money swindled by the middlemen. The Government failed to manage it in the proper way and consequently, the farmers had to pay a higher price. It would have been alright, had this been done at the proper time, after the sowing of the seeds and the use of D.A.P. The farmers would have become mentally prepared to pay a higher price next time and the middlemen would not have succeeded in their nefarious activities.

Therefore, it would be a wrong policy to hike production by providing heavy subsidies on fertilizers. The farmers should pay a reasonable price for fertilizers, on the basis of the cost of production. They shouldn't always rely on subsidies. It is also correct that the farmers should get higher prices, on account of the high and ever-increasing prices of petroleum products, diesel, fertilizers etc. I have been saying this right from the beginning and I repeat that it's high time for the Government to ponder over this issue, because it will be announcing the procurement prices soon. Before that, as an hon. Member stated just now, last time, the Government, after taking everything into consideration, had fixed the price of wheat at Rs. 280/- per quintal, but now it won't do. It is true that last time, you increased the price by Rs. 50/-, something unprecedented, but this time the price should be further increased. (*Interruptions*)

What I mean is that the country's farmers lost a great deal on account of the inopportune timing of the decision. Later on, the government did provide a thousand rupees or some subsidies, but the benefits did not reach the rural farmers, rather, the co-operative societies, middle men and others shared

the loot. I would like to say only this much that the timing of the decision was inappropriate, which resulted in the present mess.

I explain the position to the farmers every day that they should not depend much on subsidy. At the same time, since prices of every commodity has gone up, the economic condition of the country deteriorated and prices of machines and agricultural inputs gone very high, it is not justified that one should expect getting rice, wheat, millet etc. at cheap rates. Now-a-days prices of agricultural produces are being fixed by bureaucrats sitting in air-conditioned rooms. But the political decision taken thereafter is more important and gives political colour to those decisions afterwards. The political leadership should take a bold decision. It should not have any weakness while taking a decision. The farmer must get remunerative prices for his produces. (*Interruptions*)

I have taken a lot of time. Therefore, without taking any more time I would urge the Government to give more thrust to agriculture. We have to increase the production of edible oils, pulses and foodgrains. We would certainly succeed to increase them in the near future. At the same time population growth will also have to be controlled. Every year we add a population equal to Australia's total population to our country's population. The Members of the House and the Government will have to think over the matter. Today the country is passing through a crisis. We have made widespread changes in our policies and still there is a need to modify them. The blessings of God are always with us. This was the reason that the agricultural output was good this year. I am hopeful that the situation would further improve in future...(*Interruptions*) The Government should closely study the prevailing situation in the world and formulate its policies accordingly. How the communist party was

thrown out of power in Russia. (*Interruptions*) I am deeply disturbed to see all this. I am relating the fact to you. I know a lot about Russia. The Government was completely out. (*Interruptions*) The world has changed but not the BJP. (*Interruptions*) They say that it is the people's mandate, so they would perform 'Kar Seva'. (*Interruptions*)

Stringent measures will have to be taken and the past mistakes will have to be rectified to overcome the crisis our country is passing through at present. During the rule of Shri V.P. Singh we had imported about 18 lakh tonnes of palm oil. It was a blunder, otherwise the position of edible oil would not have been that bad today. Mistakes have been committed by this side as well as that side. Therefore, we will have to be cautious in future. I think that the Government at present is adopting right policies. You may point out as many mistakes as you like, but these policies are right. I wanted to make this much submission only.

[English]

MR. CHAIRMAN: Thank you, Mirdhaji, for a very entertaining intervention. Shri Atal Bihari Vajpayeeji will speak now.

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): Madam, I wanted this matter to be discussed under an Adjournment Motion. I am sure that there would have been a serious discussion had it been taken up under that Motion. There is a need to think deeply and extensively on the prevailing crisis of foodgrains.

Shri Madan Lai Khurana will be the Chief participant in the discussion on behalf of our party. I rise to make only a brief speech. Shri Khurana deserves the credit to be the first Member to raise the issue of export and then import of wheat. He drew the

attention of the country to the matter and today it has been a matter of controversy. I know that he wanted to speak more on that issue.

I am in a dilemma. The Government and the country are also in the same position. How co-ordination could be established between the interests of consumers and producers. Production is necessary. The production must be increased, and for this, the interests of the farmers will have to be safeguarded because if the farmer is the producer, he is also the consumer. He purchases the equipments manufactured in factories. The production cost of agricultural products is calculated and the Government decides the profit the farmers should get on the cost. But the Government never took into account the cost involved in the production of essential commodities in big factories and on what profit they sell the commodities. (Interruptions) You are right. Because the Government has no pricing policy. There should be some co-relation between prices of agricultural commodities and the items manufactured in factories.

The Government has to safe-guard the interests of the consumers. The statement given by the hon. Minister makes at least one thing evident that our agriculture is still dependent on rain. It means that we are not yet self-reliant. Whatever self-reliance we have attained is largely due to rain God's grace. I am not among those persons who would oppose import of food-grains. I am not among those persons who would oppose import of food-grains if there is drought and there is real need for it in the country. But the Government will have to prove why the recent import of foodgrains was necessary. Do not the farmers have sufficient quantity of foodgrains? It is not a fact that the farmers were prepared to sell wheat, had the Government increased the prices a little more? A delegation of farmers met me only yesterday and told me that they were not getting even

the cost price of their produce though they have to purchase other commodities at comparatively higher prices. Since the Government has increased the prices of fertilizers and diesel, there will be price rise of different commodities and the farmers would naturally demand remunerative prices for their produce. If the Government refuses to give remunerative prices, the big farmers who can afford to store their foodgrains will not sell, but the small farmers cannot afford to do so. This creates difficulties for the Government.

The Government has to purchase it to run the distribution system because consumers interests cannot be ignored. The huge demonstration staged today was an expression of people's anguish who are burdened heavy price rise. Now the Government is in difficulty. I would like to cite an example how the policies of the Government are wrong. I got up to speak in the same context.

My friend Shri Digvijaya Singh knows it very well that soyabean is produced in abundance in Madhya Pradesh. But the price of this product has fallen this year. As compared to its rate at Rs. 750-800 per quintal last year there has been a fall in its rate to Rs. 635 this year. Why did it happen? The Government imported soyabean oil from America. About 50,000 tonnes of this unrefined oil has been imported from that country in the form of help with a condition that it would be auctioned publicly. The hon. Minister should confirm it. But so far as I know, a part of the money earned from this auction would go to the Renewal Fund. This is an evidence of how the policies are related to these matters. Now the prices of soyabean has gone down. The farmer is suffering a loss of about Rs. 1000/- per tonne. About 30 lakh tonnes of soyabean is produced in the country and the farmers suffer a loss of about Rs. 300 crore every year. This is the overall situation of this product in the current year in the country.

Was it necessary to import 50,000 tonnes of unrefined oil this time? Could it not be stopped? Could no other alternative be found? Was the Government bound to obey the conditionalities of putting it in public auction?

If it is true that a part of the money will go to start Renewal Fund, have not the interests of the farmers been sacrificed. Sir, there is another instance. We import palm oil from Malaysia. This time we are importing 3 lakh tonnes of this oil from that country because it is essential to fulfil the requirements of people with the view that they have developed a habit of eating fried stuff whatever damage it may cause to their heart. But was it very necessary to publicly announce that we are importing palm oil from Malaysia? Couldn't this news be kept secret? Soyabean crop is reaching the market. Out of the total 3 lakh tonnes of palm oil being imported from outside, 50,000 tonnes of unrefined oil has come from America and being sold at cheaper rates. Under the prevailing circumstances will the prices of soyabean not come down? Does the Government deeply think over the matter? Are the decisions taken immediately or on *ad hoc* basis? Are decisions taken on a piece meal basis? There is total lack of Coordination in the ministries. No guidelines are issued by the Hon. Prime Minister. That is why the situation is going to worsen further.

Groundnut production has also fallen and it has resulted in fall in prices and the farmers say that apart from the lower prices, they are getting from the market, which are lower than that of last year, and the Government has liked the prices of fertilizers and diesel also. Prices have gone up on all fronts and what can we expect from you?

I would like to submit that it is necessary to maintain balance between the interests of

the consumers and producers. Government's success or failure on food front depends on whether the Government is able to maintain co-ordination between the interests of the consumers and that of producers. The present crisis is due to the absence of any such co-ordination. It is also due to the non-coordination between the Ministries. I have a great deal of respect for Mirdhaji, but I would like this discussion to take place in a more serious atmosphere (*Interruptions*). I am sorry that the matter is so serious that the farmers don't sell their produce to Government agencies and the Government is compelled to import foodgrains to teach its farmers a lesson and an opportunity is being given to us to compel us to say that the Government is more concerned about the interests of the American and Canadian farmers than to their Indian counterparts. The fact that this is gaining currency fast is a matter for the Government to guess for itself. When the Government takes a policy decision, you don't consider it necessary to take the nation into confidence. Why are the Television and Radio there for? It is to educate the masses, but why its services are not being utilised? However, the Government feels that it can take such decisions off hand. 50,000 tonnes of Soyabean oil have been imported and the Government is least bothered if the price of Soyabean within the country falls, if the farmers of Madhya Pradesh suffer, let them suffer. (*Interruptions*) Why have you stood up, on the very mention of the word 'Soyabean'? (*Interruptions*)

SHRI DIGVIJAYA SINGH (Rajgarh): Since, he has mentioned my name, I would like to say something. The Soyabean crop has been excellent this season, but some other reasons are responsible for the fall in its price. Oil is produced from only 18% of the total soyabean production and the prices vary from quality to quality. We have been demanding that the Madhya Pradesh Government should start soyabean procurement immediately in the state, but the Tilhan Sangh,

which does the purchases is yet to start its work. Patwaji has not briefed him correctly. The import of 50,000 tonnes of Soyabean oil doesn't make any difference. Please excuse me for my intervention, but he has been incorrectly briefed. We charge the Madhya Pradesh Government, it is in connivance with the Mill processors and has not started its procurement which has resulted fall in Soyabean prices.

SHRI ATAL BIHARI VAJPAYEE: I have not been briefed by anyone. I have myself collected these facts. 50,000 tonnes of unrefined oil has been imported.

SHRI DIGVIJAYA SINGH: But the prices have fallen on account of the non-procurement of Soyabean.

SHRI ATAL BIHARI VAJPAYEE: You tell me whether the price of Soyabean has fallen or not?

SHRI DIGVIJAYA SINGH: The price has fallen, only because the State Government hasn't commenced its purchases. The Tilhan Sangh has not started procuring Soyabean from the farmers.

SHRI ATAL BIHARI VAJPAYEE: You are giving this reason, but I say that it is because 50,000 tonnes of unrefined oil have been imported from the U.S.A. You tell me whether it was imported or not?

SHRI DIGVIJAYA SINGH: But it doesn't have a bearing on the prices.

SHRI ATAL BIHARI VAJPAYEE: You tell me whether Soyabean oil has been imported or not?

SHRI DIGVIJAYA SINGH: That's for the Government to answer (*Interruptions*)

SHRI CHANDULAL CHANDRAKAR (Durg): It is correct that the farmers should

get higher prices, at any cost, but the Madhya Pradesh Government has put an embargo on the inflow and outflow of rice and paddy, just to benefit about 120 mill owners, due to which farmers are not getting remunerative prices for rice. You please ask Patwaji to lift the embargo so that the farmers get remunerative price. (*Interruptions*)

SHRI ATAL BIHARI VAJPAYEE: Madam, Chairperson, if anybody else from that side wants to speak, kindly listen to him also.

MR. CHAIRMAN: No, you speak.

SHRI ATAL BIHARI VAJPAYEE: What I am saying is the other side of the coin. If you want to refute it, you are free to do so. (*Interruptions*) I fail to understand the silence on the part of Shri Pilot.

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAJESH PILOT): I am listening to you.

SHRI ATAL BIHARI VAJPAYEE: Mr. Chairman, Sir, I don't want to give this issue a party or parochial colour, but at the same time, you cannot isolate yourself from it. The facts have been brought to me. The hon. Minister is present in the House, and Shri Digvijaya Singh says that he cannot reply to the facts, that the Government will respond to it

SHRI DIGVIJAYA SINGH: How do I know whether 50,000 tonnes of oil have been imported or not?

SHRI ATAL BIHARI VAJPAYEE: If you don't know, then have the courage to patiently listen instead of saying that the import of 50,000 tonnes of Soyabean oil is not responsible for the fall in Soyabean prices. I say that it is responsible for the fall in prices. There can be disagreement on it. (*Interruptions*)

tonnes of oil was not imported for sale or for the public distribution system, it was imported for the benefit of the labourers working on the Rajasthan Canal Project. (*Interruptions*)

MR. CHARIMAN: Mirdhaji, you are a very senior parliamentarian. Please take your seat. Vajpayeeji, please continue.

SHRI ATAL BIHARI VAJPAYEE: Madam Chairperson, it seems that there is something faulty about my manner of speech itself. They are reacting as if a hornet's nest has been quelled. I don't think I have delivered any provocative speech. Then, why are you getting provoked?

SHRI DIGVIJAYA SINGH: Since you mentioned my name, I had to respond.

SHRI ATAL BIHARI VAJPAYEE: When the name is mentioned, you get provoked and when it is not mentioned...

ANHON. MEMBER: Then they yearn to hear their name.

SHRI ATAL BIHARI VAJPAYEE: Madam Chairperson, I would like to conclude on the point from where I began i.e. the situation confronting the nation today is very serious. This is not the time to score a debating point. As such, we have been opposed to all kinds of restrictions and we are in favour of free flow of trade. It would be better if there is a uniform policy for the entire country. The existing restrictions are not limited to Madhya Pradesh only. Chandu Lalji, being the Congress Spokesman, you are not aware of even this much...(*Interruptions*)

SHRI CHANDULAL CHANDRAKAR (*Durg*): The Madhya Pradesh Government has also imposed restrictions.

SHRI ATAL BIHARI VAJPAYEE: If the other states have also done it, why don't you call a meeting at all the states and thrash out a uniform policy?

SHRI CHANDULAL CHANDRAKAR: Why is the Madhya Pradesh Government being a party to it?

SHRI ATAL BIHARI VAJPAYEE: It is being a party to it, because you are a representative from the state. Madam Chairperson, I would like to repeat that we should formulate a uniform national policy on distribution and it should ensure the protection of consumer interest, the provision of remunerative prices to farmers and a fair Government food stock. We cannot depend on imported foodgrains for long, the production will have to be increased and for this, the farmers should be provided remunerative prices. Unfortunately, today the farmers have developed this feeling that a policy opposed to their interests is being adopted by the Government. Therefore, the current policies require some change and clarifications are very essential. Thank you.

SHRI GEORGE FERNANDES (*Muzaffarpur*): Madam Chairperson, the discussions taking place here should take place in the context of the new economic policies of the Government. Because whether it is the question of the procurement prices being given to the farmers at the moment or the question of foodgrain import or the question of withdrawal of subsidies on fertilizers and other items or the question of subsidies, all the three things are the outcome of the Government's new economic policy. Whether the government makes attempts to camouflage it and succeeds for some time or not, it is clear from the agreements reached at the Government level and the talks that the Government has had with the international institutions, that the country's economic policy is not being steered by the Government, but

by the International Monetary Fund and GATT. So far as this issue of imports is concerned, the International Monetary Fund and the GATT have imposed a condition that the country will have to import 3.3% of the total foodgrain consumption within the country. I am not aware of the extent of information available with the Food Minister because he is not aware of the GATT talks. The hon. Minister is nowhere in the picture as far as the talks are concerned. Some others hold discussions. If any proof is required in this regard, both the Food Minister and the Agriculture Minister are present in the House. When the Government took a decision to import 10 lakh tonnes of wheat, as early as January, Jakhar Saheb condemned the decision in the strongest possible terms and described it as disastrous for Indian agriculture, at a meeting of the Indian Council of Agricultural Research, which took place, immediately after the decision. Therefore, I would like to tell the hon. Minister that he should not defend the Government on the decisions on economic policy matters taken together by the Prime Minister, the Finance Minister and the Commerce Minister, at the dictates of foreign countries and imposed on our country.....

Shri Jakhar had shown courage in the month of March, 1992. Such a courage needs to be shown again and task performed with firm determination. This is a policy issue and nothing else. The GATT put four major conditionalities in connection with agriculture. Its first suggestion was:

[English]

The Indian Agriculture must be made a part of the Global agricultural regime.

[Translation]

I would like to know the opinion of the hon. Minister of Food in this regard. Is it a fact that the Indian Agricultural policy is influ-

enced by the American and European policy even though farmers in our country till their fields with ploughs and produce one third or half of the quantity produced in other countries. Can the Indian agriculture compete with the foreigners where money and subsidy are given for not cultivating in America and Europe. The foreigners will deliver a lecture here and we will keep quiet and withdraw subsidy whereas they give subsidy for not cultivating the land. They throw the grains into sea and entire agricultural policy in America and Europe is formulated on the basis of subsidy payment. The Government is now being asked:

[English]

Integrate your agricultural policy with the Global agricultural regime.

[Translation]

Whatever may be its implications, it is known to those who are in the Government. What I said regarding import is very much written here. It is a fact and not a talk in the air. It has been written therein.

[English]

3.3 per cent of the internal consumption shall be imported.

[Translation]

Today you may ask as to how far it is linked with the decision of import. The hon. Minister of Finance should be called here and asked to make a statement in this regard because he will not be able to reply it. It is not known as to what actually is happening.

[English]

Withdraw the Fertilizer subsidy, water subsidy, electricity subsidy and diesel subsidy.

[Translation]

[Translation]

Subsidy on these four items has been withdrawn. Then comes the turn of the Public Distribution System. Levy foodgrains are distributed through the Public Distribution System. It should be stopped. These foodgrains should be purchased on market price irrespective of the fact that it is manipulated by big traders. Today the Public Distribution System is functioning for the poor people in cities of the country. It should be stopped and it should be decided on the basis of international scrutiny whether foodgrains could be supplied to all people on subsidised rates. These are the conditionalities and the Government has agreed to these. The hon. Minister of Finance or Agriculture should know about it better. The GATT and the I.M.F. are formulating our economic policy. The Government wants to convince them that it is following the policy much before the agreement is signed. Yesterday, there was a question on food-grains. The hon. Minister of Food made his statement here and the hon. Prime Minister rose up in the meantime and further elaborated the point. Those are the proceedings of yesterday. The hon. Minister stated that the import was of the order of 30 lakh tonnes and some decisions too have been made in this regard. The hon. Prime Minister had no knowledge of it. He said that there was no rain in the month of June and July last year and it seemed that there will be famine in July. So, the Government had to take some decisions during August and September.

[English]

He said:

"It was at that time that agreements were made for the import of one or two million tonnes, three million tonnes and nothing more."

Again he says that 3 million tonnes were imported but so far as I have the information the actual deal was struck for 3.5 million tonnes. The Government decided to make the import in two instalments. First instalment of the order of 1 million tonnes was to be made from Australia and second of 1.05 million tonnes from Canada. The deal with America was struck recently. I am not prepared to accept that the hon. Prime Minister had no knowledge of this fact. He wanted to mislead the august House deliberately. He should not have misled the House on such matters. Was he not aware when the deal was struck? The Government had initiated a dialogue with the USA regarding the deals in the month of January. When USA fixed prices with the Government, the representatives of Cuba came here and requested for some food-grains stating their children were dying for want of foodgrains. They asked for one lakh tonnes of foodgrains and finally it was decided to export 20 thousand tonnes of rice to Cuba. They asked for the foodgrains, at least for their children. When America knew it, their Food Minister said that since India was going to export rice to Cuba, America will not give wheat to India on subsidised rates. Shri Gogoi is sitting here who made a statement outside this august House in the month of March. The hon. Ministers forget after making statements. If he wants, I can show him the proof. America said that it would not supply wheat to India on subsidised rates. Then the government was puzzled and floated international tenders. It did not make any headway as in the past. Thereafter, a deal was struck with Canada and Australia. The Presidential elections were due on the 6th and the 7th September and Shri George Bush, the American President wanted to get farmers votes. He decided to supply wheat to India on the basis of his decision to supply wheat to 20 other countries on subsidised rates. Russia was given the largest quantity of 50 lakh tonnes. It also

decided and announced to supply 15 lakh tonnes of wheat to India in accordance with its earlier decision. The Government succeeded in striking the deal of 10 lakh tonnes wheat with great efforts.

[English]

Which is still a little less than one million tonnes.

[Translation]

It seems that the Government would strike a deal for a further half million tonnes of food-grains. In all a total of 35 lakh tonnes of wheat would be imported. A deal to import 2.5 lakh tonnes of rice has been struck with Vietnam which itself has been experiencing hardship for years. The Government is not prepared to pay reasonable price to our farmers to purchase rice, but it does not find any difficulty to import foodgrains from foreign countries or much higher a price. In his statement the hon. Prime Minister said:

[English]

It was a decision based on timely anticipation of what could happen and the anticipation was that.

[Translation]

There can be famine in our country because there was severe drought and there was no rainfall. Therefore, it took such a decision. I have nothing to say about the decision of the Government. We are anguished and it will continue, but we have nothing to say in this regard. On the 6th November the General Secretary and the spokesman of the Congress Party who spoke on behalf the Congress President and the Prime Minister said.

[English]

"The Congress Government had only been fulfilling the contracts signed by the previous Government in 1990 and 1991.

[Translation]

The Statement made by the hon. Prime Minister inside the House and his submission yesterday as to how and why the Government was compelled to import food grains are contradictory. The written statement of the leader of the party is also there. This statement was not made either out of anger or fun. It was a written statement that the Government had no other way out. The previous two Governments of Shri V.P. Singh and Shri Chandra Shekhar had done the right thing.

AN HON. MEMBER: In which newspaper did it appear?

SHRI GEORGE FERNANDES: It appeared in all the newspapers in the country. What connection is there between the newspapers and the Congress party? Every one has gone through the newspapers. I was anguished a lot because I was not aware that there will be an opportunity to refer to those names in the House. What was spoken outside the House was already spoken.

Mr. Chairman, Sir, I would certainly like to make it clear that the Government will play a political game regarding this import and will try to defame the previous non-Congress Governments. Why does the hon. Prime Minister make such an announcement inside the House regarding the compulsion under which the Government had to import wheat. It is an issue linked with the Public Distribution System. The Government did not procure wheat from our farmers by paying higher prices. The Government should not make such a statement in the House

Just a while ago, Shri Nathuram Mirdha went out. In this very august House he had said that the Kharif crops for the year 1992-93 have been harvested and the Rabi crops have been sown. There is going to be a record harvest this year. According to him Rabi the production of crop is going to reach 180 to 183 million tonnes. Mr. Chairman, Sir, I agree with him regarding the production of Kharif crops this year:

[English]

It is already 100 million tonnes and this 100 million tonnes of Kharif harvest is an all time record in the history of agriculture of India.

[Translation]

And seeing the production of the Rabi crops this time, I believe that even if the production does not reach 183 million to 184 million tonnes, we are going to produce at least 180 million tonnes as compared to highest ever production of 176 million tonnes upto last year. I have no doubts about it. Therefore, when sufficient foodgrains are being produced in the country, where does the question of import arise. There is conditionality of 3.3 per cent. GATT has said that the Government has to fulfil this import commitment. It has been mentioned in the Dunkel proposals also. I am raising another issue before you. For a moment even if I agree that the Government was in trouble which I am not able to comprehend, the data does not show it. The Anglo-Saxons in America, Australia and Canada pressurise us. You have to purchase wheat from them at a high price. Why does not the Government purchase it from European Community? European Community asked you to purchase from its member countries. They also provide subsidy on it. The hon. Minister said in his statement that the average price

per quintal of wheat is around Rs. 501.74 after adding subsidy to it. The government can get it at an average price of Rs. 400 per quintal from European Community. This has been stated in a written statement that average price of wheat imported from Canada, Australia and America is Rs. 501.74. Why could it not be got at Rs. 400 per quintal from the European Community? Why has the Government not imported it from the European Community. It has not purchased because there was conditionality of GATT.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI TARUN GOGOI): The wheat was not acceptable to our consumers. We brought it in 1977. It was very difficult to sell it also.

[Translation]

SHRI GEORGE FERNANDES: This is your argument. We are not ready to accept it. You people visit Europe at the cost of Government exchequer and make merry.

[English]

SHRI TARUN GOGOI: It was very different variety. I can bring the variety and show you.

[Translation]

SHRI GEORGE FERNANDES: It is not a different variety. We do not accept this argument. I am of the opinion that it is because of American pressure on India that the Government has decided to purchase wheat from America.

Mr. Chairman, Sir, I am concerned about one more issue and that is about the attack on the Public Distribution System. The issue of subsidy is not limited to only fertilizers. This would be applicable to electricity, water

Situation affecting agriculture & farmers' interests due to increase in and diesel also in due course of time. I would like to point out here and the hon. Minister will agree as he has provided the data that gradually the Government would withdraw the Public Distribution System as has been suggested in the Dunkel proposals. I know this is against your wishes. They are pushing you on the verge of destruction. Last year 16 lakh 62 thousand tonnes foodgrain was distributed through the P.D.S. while this year it was reduced to 14 lakh 80 thousand tonnes. Yesterday, an hon. Member said that though population is increasing and more population needs more foodgrains. Yet why did the Government forget this and reduced the allocation from 16 lakh 62 thousand tonnes to 14 lakh 80 thousand tonnes. Last year in April the Government had provided 15 lakh 19 thousand tonnes. Whereas this year it was 12 lakhs 43 thousand tonnes. In May last year it was 14 lakh 69 thousand tonnes, whereas it was 14 lakh 52 thousand for the corresponding period this year. Last year in June it was increased to 14 lakh 40 thousands tonne and this year it was 15 lakh 41 thousand tonnes. Last year in July it was 16 lakh 19 thousand tonnes whereas this year it was reduced to 15 lakh 62 thousand tonnes. It was 16 lakh 61 thousand tonnes in August last year and this year it was reduced to 15 lakh 87 thousand tonnes. The policies of the Government reveal that it has been decided to do away with the P.D.S. Just as I.M.F., GATT and America are pursuing policies in the industrial sector in India which would ruin the future of workers, similarly, these policies are paving way for the destruction of farmers and poor consumers in the agriculture sector.

Mr. Chairman, Sir, therefore, I would like to emphasize that this debate should not be concluded here under Rule 193 today. It can be concluded only when the Government shows some readiness to change its policy. Some Members of even your own party are against the new economic policy. I don't know what is their number but mem-

bers who are associated with agriculture, workers and poor do not support your new economic policy. We would like that if the Government takes some steps to do away with this policy only then this debate will be meaningful. The Government can speak of doing away with this policy only when it shows readiness to stand against America and other international institutions which are putting pressure. Agreed that the country is in deep debt but why does not the Government come out categorically that we cannot repay back the loans in next ten years. Why does not the Government come out in the open and say that it cannot repay back the loans. Will America attack us if we say like this just as it did against Iraq. The government should clearly tell that it is not in position to return the debt. Somebody has taken debt, we don't know for what purpose but will the Government ruin the lives of farmers and labourers for it. Therefore, the Government should courageously take a stand and face the reality.

Last but not the least about the prices. Atalji has raised it here. The government will have to make a firm policy about prices. The Government should fix the prices of inputs to be used by the farmers. Besides there should be a policy to maintain balance between the prices of industrial products and agriculture produce. The Government should take steps in this direction also.

On our part we would like to say that against the policy of the Government and the situation created by it the workers of the country have staged a massive demonstration. Now the time has come when the workers in the country have come to the streets. The farmers of this country will also have to come to the streets in their support. When both will agitate together, then either the government will have to give up its policies or will have to go out of power. Only then these policies will be changed.

SHRI SUDHIR SAWANT (Rajpur): Madam Chairman, for the last one hour we are witnessing an exercise in rhetoric, a rhetoric tailored and coloured with dogmatism, political bankruptcy which led to the bankruptcy of this country.

I remember, in June 1991 a situation arose wherein two years of utter mismanagement brought this country to the very brink of bankruptcy, where the farmers of this country, where the poorer sections of this country..(Interruptions)

We can never forget the circumstances under which this Government came to power and elections were held. Economic policies are something which require time to give effect. The new economic policy of the Government was launched after this Government came to power. We cannot expect that the Government will have a magic wand to resolve all the problems. Unfortunately what we are witnessing is that the esteemed leaders of the opposition are still living in the world of pre-cold war. They are totally unrelated to what is happening in the world today.

16.00 hrs.

[SHRI PETER G. MARBANIANG - IN THE CHAIR]

What we must decide today is whether we are going to accept isolation of India as the basis of our policy or whether there is a requirement for us to integrate with the realities of the present post-cold-war world. The reality of the pre-cold-war, where we had a powerful alliance - an alliance on which we could rely for many things - no longer exists today. In the present days, what Mr. George Fernandes has just brought out is true whether the United States is the only super power in this world. Whether we like it or not, we will have to survive. We will have to

sustain ourselves in the realities of the present world order. It is no doubt and it is well realised by everyone and especially the present Government, that the arm-twisting tactics, in which the capitalist world has indulged in, has serious repercussions for this country. But what is of essence is that we have to tailor our policy. We have to chart a course for this country taking stock of the present world order. We cannot live in isolation. From where are we going to get the technology? (Interruptions)

MR. CHAIRMAN: Please address to the Chair. (Interruptions)

MR. CHAIRMAN: Do not listen to them.

SHRI SUDHIR SAWANT: Whatever has happened in the election, these people are expecting dramatic changes in the American policy. I am sorry, that is not going to happen. But I come down to the basic fact.

The primary duty of this Government is to ensure one thing, that is, the basic essential requirement. And that is food wherein we come to think about import. Why import? Why was the wheat imported? (Interruptions)

Traditionally, all Congressmen, I think, are of socialist mindset. That is what we are propagating here also. Firstly, why was the wheat imported? There are three reasons. First is the fall in production of total food grains. There are many reasons. I will not go into the reasons. But in 1990-91, from 176.3 million tonnes, we came down to 1991-92 figures of 176 million tonnes when the annual demand increase was 3 per cent. In such a situation, what was to be done? The available quantity of wheat in this country was not going to increase. So, this is the basic parameter under which it must work. The wheat production also fell down. The procurement for PDS was 9 million tonnes whereas the procurement was only 6 million tonnes against the

requirement of 9 million tonnes. Then, we were faced with a serious drought condition wherein the wheat was required in this country.

In a drought situation, what has the Government to do? It has to apply its mind, foresee the future possibilities and take decisions. Accordingly, the decisions were taken. We cannot do fire-fighting every time. Government rightly decided at that particular time that it was essential that wheat was to be imported. It is not because of some GATT restriction or IMF restriction. It was a practical decision taking into account the situation wherein a situation could occur where there could be a Somalia. We cannot start buying wheat or we cannot start going in for world tenders when there is no food in the country. The Government must essentially ensure that at a particular time, there is a continued supply of foodgrains and in this sense, it was the primary reason that the wheat was imported. I am certain that no IMF or GATT restrictions or conditionalities of 3.3 per cent were there. I do not know from where these figures have come.

The second point which I would like to present here is the economic cost. When the Government had decided to import wheat, procurement price was increased by Rs. 50. So, this benefit has gone to the farmer but after procuring at Rs. 275, what is the economic cost? The economic cost comes to Rs. 455 per quintal. So, what they are saying that we can buy from the open market will not hold good. The cost of wheat may be Rs. 275 per quintal. But the handling charges, distribution charges and stocking and all that accounts to the real economic cost of Rs. 455 per quintal. Let us look at the economic cost in relation to what is being imported. We have imported one million tonnes of wheat from Canada, Australia and US and the average works out to Rs. 517 per quintal..(interruptions)..

[Translation]

SHRI MOHAMMAD ALI ASHRAF FATMI (Darbhanga): He is an urbanite and therefore he does not know much

SHRI SUDHIR SAWANT: No, I am not an urbanite.

[English]

So, Rs. 517 is the economic cost which works out for the imported wheat. They are propagating to buy it from the open market. If we buy at, say, Rs. 350 per quintal, as they are propagating from the open market, then what would be the actual cost? The economic cost is Rs. 545 per quintal. So, what they are propagating that we can buy from the open market is not true as Rs. 517 is the economic cost per quintal. If we buy at market cost, it comes to Rs. 545 per quintal.

The second point is whether there has been any damage to the farmers. I am certain that this Government will not do anything which will cause any damage to the farmers. The farmers were assured of the minimum support price of Rs. 275. Selling it to the Government at that rate is totally the secretion of the farmers. If they are getting a better price in the market, say, Rs. 350 or Rs. 325, the farmers are totally free to sell it. So, I do not understand why they are saying that the farmers are being harmed by import of wheat. The farmer is getting at the existing market rate as on today also. They have not clarified as to how this import of wheat has affected the farmer in real terms. There is no effect totally.

In March 1992, we did not want to import wheat. The Agriculture Minister is himself a farmer. In March 1992, there was a proposal for importing wheat; he himself opposed it and the Government had rescinded it and

the decision to import wheat had been shelved.

We must realise one thing about the public distribution system, that is, the effect of purchasing wheat at market price. On the one hand, we are talking about pricing and inflation. What happened? Last time, when the Government did not import wheat from May to October 1991, there was a cost price of 16 per cent in foodgrains. Now what has happened is that the cost price from May to October 1992 has just been 0.2 per cent. The question is of demand and supply. There is going to be no magic because the quantity of wheat produced in this country is going to be the same. If the Government is going into the market to buy wheat at market price, then two things will happen. Firstly, it will be unjust to those farmers who have sold wheat to the Government at the procurement price. The second thing is if the Government goes to buy in the market, the cost of wheat is going to increase manifold. There is going to be increased and tremendous demand from the Government side and if the market price today is Rs. 350, it will automatically and certainly beyond Rs. 400 thereby affecting those who are marginal farmers and farmers living in my constituency. My constituency does not produce wheat. We are dependent on Punjab and Haryana for wheat. If the Government is going to the market to buy wheat at the market price, what will happen to poor and marginal farmers and landless labourers who are dependent on the market? Mr. Fernandes has said that we want to do away with the Public Distribution System. I do not understand how. He quoted some figures which have nothing to do with the ground reality. As far as I know, Public Distribution System is functioning in my State of Maharashtra, very effectively and efficiently even today. Just by giving some figures how can one make an allegation that the GATT and the IMF have imposed certain condition-

alities on the Government that they must do away with the PDS? Since the Congress Government and Congress Party are committed to the Public Distribution System which is functioning quite satisfactorily, this allegation is totally unfounded and unwarranted.

Sir, now I come to the question of subsidy. As far as farm subsidy is concerned, it is not something unique to India alone. In all the countries of the world, there are subsidies. In the European community, farm subsidy per capita in dollar terms is 238.4 and in the United States, farm subsidy in dollar term is 148.5, whereas in India, per capita subsidy is as little as \$ 4.3. ..(Interruptions)

[Translation]

SHRI NITISH KUMAR: That is what we want to tell you.

SHRI SUDHIR SAWANT: I will restrict myself to that subject.

[English]

When we talk of subsidy, there is nothing wrong in giving subsidies. As far as subsidy is concerned, it is a universal practice because agricultural production is affected by many factors and it requires State intervention. So, for this particular purpose, subsidy scheme has been existing in this country.

But the only factor is that this subsidy for fertilizers, which was about Rs. 375 crore in 1981-82 has gone upto Rs. 6, 219 crore in 1991 and by March 1993, this figure will not be anything below Rs. 9,000 crore. The only factor that I want to highlight is that as far as fertilizer production is concerned, we must provide the inputs to the farmer at a low cost, and everyone agrees to it. But how are we going to do so? There are two methods. One is the subsidy method. The second method

is the reduction in the cost of production. And here, I must compliment the Joint Parliamentary Committee on Fertilizer Pricing because they realised this factor and they went on the right course, that is, to decrease the cost of production of the fertilizers so that the farmers could be given the fertilizers at a low price. I say this because ultimately subsidy is not the answer, if you have to be really competent and self-supporting, resiliency must be built within the economy. The Committee have given certain recommendations. I would like to know from the Government whether these recommendations have been implemented or not. This is very important because the impact of this fertilizer subsidy will be such that it would go from the present level of about Rs. 6200 crore to nearly Rs. 9000 crore by next March. Unfortunately, the reason for the increase in fertilizer prices is that all the recommendations of the Committee are not being implemented. The Committee recommended that the gas price be reduced by 35 per cent. This would have effected a saving of Rs. 560 crore. This has not been implemented. In fact, the committee has also recommended that the price of naphtha and LPS must be frozen but these prices have increase by 35 per cent. You see the impact. The committee has recommended that the rail freight be reduced thereby effecting a saving of Rs. 280 crores. I would like to know whether this recommendation of the Committee has been implemented or not.

Similarly, for imports, the foreign exchange was to be provided at the Government rate and not at the market rate. This would have effected a saving of Rs. 675 crores. By making these recommendations, the Committee attempted to reduce the cost of production by Rs. 2,000 crores. But what in fact has happened is that all the recommendations of the Committee have not been implemented and only minor, suitable recommendations have been implemented.

When there was decontrol of the prices, there was an increase in the prices of phosphoric fertilizers. I would request that when the Government has accepted the report of the Committee in principle it should implement it sincerely. The recommendations given by the committee should be accepted in its entirety. By implementing some of the recommendations only, the Government is not going to solve the problem.

As far as fertilizers are concerned, the entire Potassic and Phosphatic fertilizers are imported. But in this situation are we going to survive for long? It is not a question today. A subsidy can answer only current problems but it cannot answer the future problems. By 1996-97 the content of subsidy is going to go up to Rs. 11,000 crores and it is going to increase progressively. I would like to know the action taken by Government to contain the import and to see that there is no increase in the cost of fertilizers.

Devaluation is another reason. The partial convertibility of rupee has suddenly gone up. The international cost of fertilizers, when you calculate it in terms of rupee, has gone up by 30 percent. Subsidy is going to increase if the cost of fertilizer increases. Hence something concrete must be done in this regard.

Another important point is that when you implement a Committee's report, it should be implemented in its entirety even by the State Government. For example, the price of a DAP bag went up from Rs. 4000 to Rs. 8000 per tonne. There was a sudden jump. The Government immediately took action and announced a subsidy of Rs. 1000 per tonne and gave it to the State Government. But the State Government failed to distribute the subsidy in an equitable way. As far as Maharashtra is concerned, this subsidy has gone to Western Maharashtra. It has not gone to Konkan or Vidarbha because it was

distributed on the first-come-first-serve basis. Only those farmers who could immediately purchase the fertilizers could get the benefit of this subsidy.

These are some of the lacunae and the State Government will have to take action in this regard.

The BJP Government in Uttar Pradesh has suddenly from Ram come down to fertilizers and food. I do not understand why the U.P. Government has not implemented the recommendations of the Committee. I do not know why the Uttar Pradesh Government is not reducing the Sales Tax of 6 per cent and why it has levied certain charges on the co-operatives. The JPC also recommended the same thing. When there was de-control of prices, a bag of DAP used to cost Rs. 247 and it was to go to Rs. 450 but because of the intervention of Central Government the price was brought down to Rs. 350. Had the U.P. Government done what the committee has recommended the price of DAP fertilizer would have come down to Rs. 300 which is within the manageable limits.

So, it is not correct to blame the Central Government in its entirety. One fact is that we are all seized of the matter that the fertilizer industry must prosper.

In Haldia, the cost of fertilizer per tonne is Rs. 20,000. I would like to ask my friends who are sitting here, what they are doing to reduce this. We agree that labour must be looked after but at the same time, the labour must also produce. You cannot demand overtime without working. That is what is happening in Haldia. So, who is going to pay the subsidy? Shri Indrajit Gupta has said that all the public sector undertakings are running at a loss. (*Interruptions*)

MR. CHAIRMAN: Just a minute. The

Business Advisory Committee had allotted two hours for discussing this very important matter. Now, the allotted time for this discussion is over. Is it the sense of the House to extend the time for this discussion? If so, by how many hours?

SEVERAL HON. MEMBERS: The time for this discussion should be extended by another three hours.

MR. CHAIRMAN: No. We will try to limit our speeches as far as practicable. The Leaders of most of the political parties have already spoken.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): The Leaders of other smaller parties have not yet spoken. At least, Mr. Chairman, you must give chance to one person from every Party.

MR. CHAIRMAN: Mr. Sawant, you take two more minutes. Is it the sense of the House that we shall extend the time till we finish the discussion?

SHRI SOBHANADREESWARA RAO VADDE: Let us first extend it upto 6 'o' clock.

MR. CHAIRMAN: No.

SEVERAL HON. MEMBERS: Let us continue tomorrow.

MR. CHAIRMAN: No. We have to discuss other items tomorrow. We have to finish this discussion today. Please co-operate.

SHRI BASUDEB ACHARIA (Bankura): Sir, we will sit upto 6 'o' clock and then we will continue tomorrow. Let us not sit beyond 6 'o' clock.

MR. CHAIRMAN: I am again putting it before the House- is it the sense of the House that the House sits till we finish this item?

609 *Disc. Under rule 193 AGRAHAYANA 4, 1914 (SAKA) prices of fertilizers and wheat import* 610
Situation affecting agriculture & farmers' interests due to increase in
SEVERAL HON. MEMBERS: No.

[Translation]

SHRI ASHOK ANAND RAO DESHMUKH (Parbhani): Mr. Chairman, Sir, the discussion on Fertilizers and prices is very important. Therefore the Time should be extended.

[English]

MR. CHAIRMAN: That is why I said that let us continue today. Let us not take it tomorrow. Let us finish it today.

SHRI AMAL DATTA (Diamond Harbour): What happened was that two subjects were clubbed and the discussion started.

MR. CHAIRMAN: The Business Advisory Committee decided to allot two hours for this discussion and all the Leaders agreed.

SHRI BASUDEB ACHARIA: The allotted time for this subject was two hours. Now, we have clubbed two subjects- import of wheat and fertilizers. So, we are discussing at the moment two important subjects. Generally, the time allotted for discussing subjects under Rule 193 is two hours but the discussion has never been completed within the allotted two hours.

Therefore, what I suggest is - as two subjects have been clubbed together- that let us extend it by another two hours. For discussing these two subjects, we will require a minimum of two hours. Today, we will sit upto 6'O' clock and let us see whether we will be able to finish this by tomorrow.

Kisan Leader, Mr. Rajesh Pilot has not spoken. Mr. Digvijaya Singh is there. You must extend the time for this discussion.

SHRI DIGVIJAYA SINGH: The time for this debate should be extended

MR. CHAIRMAN: We will co-operate. All of us will co-operate. We will continue till six'o' clock. After that, we will again continue.

SHRI BASUDEB ACHARIA: Not today.

MR. CHAIRMAN: Is it the sense of the House that we should sit till we finish it?

SEVERAL HON. MEMBERS: No.

SHRI BASUDEB ACHARIA: Will sit upto six 'O' clock; and then again tomorrow we will start discussion on this issue.

MR. CHAIRMAN: Should we continue this discussion upto six O' clock?

SEVERAL HON. MEMBERS: No, no.

SHRI BASUDEB ACHARIA. Today only.

MR. CHAIRMAN: Is it the sense of the House that we should continue our discussion till six O' clock today on this issue?

SEVERAL HON. MEMBERS: Yes. Then again tomorrow we should discuss this issue.

MR. CHAIRMAN: Mr Sudhir Sawant, you can again start speaking on this issue.

SHRI SUDHIR SAWANT: I would like to state that the commitment of the Congress Party and the Congress workers is to ensure that the farmers get profit out of their produce. No other person than the esteemed Minister of Agriculture is committed to calculate the cost of production there by ensuring that when farmers get the ultimate price of their produce, they will get profit out of it and not what is happening today. For this, some more time is required. We do not have a magic wand by which we can achieve the results quickly, because the economic policy of this country has just taken a shape, just started. It would require a momentum to be

generated. And what is happening today is that the non-issues are dominating the real issues. For example, Ayodhya issue and other issues.

The Government imported wheat to fulfil its primary responsibility to the people to ensure that there is a continued supply of foodgrains to the farmers. There is no other intention, no other agreement, as has been propagated. The farmers have not been affected. I do not know how the farmers have been affected adversely.

The Government is committed to decrease the cost of production of the fertilizers thereby decreasing the cost of fertilizers, thereby decreasing the subsidy. I do not understand why these things are being politicised again and again. Suddenly, the BJP has shifted its stand from Ayodhya issue to this subsidy issue. I do not know from where they got this concern. For the first time, in the history of Jana Sangh and the BJP, they are talking about the farmers. The only reason for this is that they know that the Ayodhya issue no longer holds water and they must find some other alternative to catch the eyes of the people; and that is the only play which they are raising today.

I would request all the political parties to co-operate with the Government in implementing its agricultural, industrial and economic policies. The Prime Minister has said that within two years he will decide about the course of action whereby when this country enters the 21st Century it will be second to none.

SHRI AMAL DATTA (Diamond Harbour): There are two issues before us. One relates to the import of wheat by the Government, which from the very beginning has been trying to save foreign exchange and clamp down an enormous amount of control

on imports. And suddenly we find that the Government goes out to import wheat.

Initially it said it would import one million tonnes of wheat. But, now, it appears that at least three million tonnes of wheat they would be importing. This is a very curious aspect of this issue. The other matter concerns the price of fertilizers becomes an issue because of the Government's effort to take away the subsidies on the basis of which Indian agriculture has been continuing, at least, for the last eleven years. Suddenly this Government tries to change everything all commitments, all assurances, all practices, all procedures, everything in every walk of life, in a part of the economy which is very basic to the survival of this country and which is basic to the need of the country to be self-sufficient and self-reliant which had acquired in the 60s and in early 70s at great cost to the people and particularly to the farmers. So these two issues that have been combined together for no reason, perhaps then just to see that matters are disposed of as quickly as possible. But that is doing injustice to both the issues because none can be discussed properly.

However, let me first concentrate on the wheat import. Fertilizer subsidies, we have been discussing earlier, last year and in the earlier Sessions of this year also. Wheat import is something which perhaps has been in the air even before January 1992. But actual decision appears to have been taken only around 15th of January 1992 by a Committee of the Cabinet, called Cabinet Committee on Prices, chaired by the Finance Minister. Of course the Agriculture Minister and the Civil Supplies Minister were party to it. Now the decision it appears, because we have never been told the actual words of the decision, is to authorise this Ministry of Civil Supplies to import one million tonnes of wheat with the formal authorisation to import more if necessary. That is what we have found in newspaper reports. Now how much

more, that is not precisely spelt out and I am told now that a decision has subsequently been taken by this Ministry to go and import 3.5 million tonnes of wheat. I do not know whether it is correct, but I hope that the Minister in his reply will make it clear what actually was the decision and when that decision was taken in the Ministry.

Now again we have been told, we have been given various reasons by other people including the Prime Minister as to the time and the compulsion for taking this decision.

Yesterday in this House, the Prime Minister said that the decision was taken in last July-August because it was at that time that there was an apprehension that the procurement has been so meagre that there might actually be a famine condition in India. Therefore that decision was taken. If that was taken then that had not seen the light of the day. What we have now been told that the decision was taken in January and not in July-August at all.

I mention it because July-August, perhaps, has been a good time to take such a decision. Of course, the procurement has been very low in the April-June procurement season for wheat. It has been lower than the targetted quantity by 35 lakhs or 3.5 million tonnes. Naturally an apprehension could have been there that after meeting the operational requirements, the buffer stock will probably come to a very low figure, if all the operational requirements can actually be met. But when the decision was taken, that is on 15th January 1992, within a fortnight before that, the Minister concerned, Shri Gogoi had been going and giving public speeches that the stock position of wheat was quite comfortable. And within a short time, he was a party to this decision taken. I would say that this was a very bad time to take this decision because the stock position was not so bad. In fact, the Government, two or three months before that had been

leasing wheat to the people for which the Government does not procure and does not build up the stock. The stock is built up for the Public distribution System. In earlier times when the Government had a lot of buffer stock, the Government had sometimes supplied wheat to flour mills and to the people. But when the Government has already apprehended that famine conditions might arise and the Government said that the stock of wheat may not be there, at that time, the Government went of releasing wheat for flour mills for purchasing atta and all kinds of purposes to see that prices do not go up. Now in this way the Government has depleted its own stock. Then they took this decision. The Government had actually exported during this period, .8 million tonnes of wheat and .6 million tonnes is released to the open market and to flour mills. So, 1.4 million tonnes the Government had frittered out of the stock and then they took the decision to import 1 million tonne. They have to explain when the condition of stock or operational requirement was so bad, then why did they go on to export wheat? In the same year, 8 lakh tonnes of wheat had been exported and 6 lakh tonnes of wheat had been released to the market. That is something, which they must explain. Then, as I said, the timing was very bad because if the Government succeeded at that time to procure wheat, that would have arrived just at the time when the Indian farmers were bringing their wheat to the mandis - the wheat would start coming in late March onwards and that is exactly the time when the middle of January decision could have been given effect to. Moreover that conditions in countries from which the wheat was to be imported and in fact are being imported now are such that those are the months when the prices were the highest. This is a very funny situation. I think, the hon. Minister, Shri Tarun Gogoi has enough to answer, why did they go for this at that time when the prices were so high. I know that they had an idea that they could get US wheat cheaply. In fact, the

US have been giving the wheat to some countries very cheaply. I see from the newspapers that the China got it 80 or 90 dollars per tonne last year. But this was last year and that was not this year. By the time they took the decision, the wheat prices had already gone up. Anyway, a team had gone there under a Secretary for a long tour. They came back with the news that America was not going to give us the benefit of the export enhancement programme subsidy. So, whatever be the reason, we had not accepted it. The reason given by them is that India is a one-time buyer whereas China and Russia are not one-time buyers. So, they can get subsidy and India is not entitled for that. That was the official reason given. But, we know that the reason was that we were going to export rice or wheat to Cuba and they wanted us not to do that. That was the reason at that time. Later on when, in fact, the Government of India did not export the rice which they had committed to export to Cuba, then they brought down the price. Of course, there was an electoral compulsion of the part of the then Presidential candidate Mr. Bush also to bring down the price or to allow the subsidy in this case. But they went to the market. They took the decision at the wrong time and they went to the market to buy at a wrong time when the price was the highest. Ultimately when the American thing failed, they invited global tenders from various countries, including the European Community countries. Just a few minutes ago, Shri Gogoi said here that the European wheat is not good and people in this country do not like that wheat, but they did invite those countries to bid. Why did they do so? If that wheat does not qualify the Indian taste, then Why did they do so? So, I do not think that is a proper explanation. They should think of something more. Then that thing fell through and ultimately they must have again invited tenders. I do not know when because I did not find any reference in these papers.

Also the reply which he gave yesterday to a question, does not say exactly when they had invited the tenders, when they negotiated and the price prevailing in which month was taken into account when the contract was entered into. But anyway, the contract prices show that they have got at a very high price from Canada and at a very low price from USA because of the subsidy. But the U.S. price is not so much lower than the Australian price. So, they need not have waited for the American subsidy to come through but they could have, if they wanted to, buy the entire quantity from Australia, which could otherwise be the lowest bidder. I do not know what prevented them from going into that. In fact, when such questions are asked, I think our Minister should remember that we always have this Bofors fobia in the sense that we always think-and in fact, sometimes quite justifiably-that some commission may have been involved. So it is better to give all the details of the offers received and the offers that have been ultimately selected or chosen. That would have made things more clear also for us.

In any case, because of the timings and because of the various contradictory explanations given by the Government, this has always been a matter which arouses great suspicion in our minds.

Then, the question is that the Government wanted to import the wheat in January because they thought the the stock will be very low by the 1st of April, or there will be no stock at all. But once April came and once they have gone through one more procurement season when the wheat output has not been too bad, why were they not able to procure the necessary amount of wheat from the market? This is something which requires explanation again. I can understand that they can put some blame on the previous regime of Shri Chandra Shekhar, which was there from April to June, 1991, for having failed to procure enough wheat, having in-

curring a shortfall of 35 lakh tonnes in wheat procurement. But what happened in 1992 season? Well, obviously what happened is that they did not offer the correct price. I was speaking on the Budget and I said that the price of Rs. 250 which had at that time been declared by the Government was too low. I knew that FCI had already suggested a price of Rs. 280.... (Interruptions).

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI TARUN GOGOI): Yes, they got it also.

SHRI AMAL DATTA: They got Rs. 280 much later. I can tell you the sequence.

SHRI TARUN GOGOI: First we decided Rs. 250, then we announced Rs. 250, then the State Government gave Rs. 5. So, it came to Rs. 280 from the very beginning.

SHRI AMAL DATTA: All these decisions came one after the other. Yes. F.C.I. has suggested Rs. 280. But what were the prices the farmer's organisations were asking for?

SHRI TARUN GOGOI: Whatever we offered was offered before the procurement seasons.

SHRI AMAL DATTA: The question is that you have to arrive at a price at which you can buy, not just offer a price where you cannot buy. You did not offer them that price. In one way or the other the price should have been more. Otherwise this wheat is shown as exposed. It is quite clear that at that price the farmers were not attracted to sell or you do not have the mechanism to buy. I do not know what is correct. It may be that you offered the price but there was nobody on your behalf to go and buy on the spot with ready cash. It may be that also. I do not know what happened. But you have failed to procure even when you found that the farmers were not willing to buy. You did not increase

the price so that you could buy the necessary quantity. You were buying around 15 per cent of the total produce. You had only to get another 3-4 per cent more. Then you do not have to look to foreign source at all. But you failed to do that. This is sheer mismanagement of funding. Why will they not be able to procure another 3-4 per cent extra? This is my question. The Government is so inept in its handling of economy that such vital thing as procurement of food which is the backbone of PDS system was not done properly.

Anyway there is a suspicion that there is mala fide somewhere also. In any case, they were keen to import something because whenever there is an import matter, there is always a chance of money leaking out.

Sir, I will come to the other part of the issue now. One of the reasons why there is stagnation in the production of wheat is that in spite of the fact that productivity per hectare is going up substantially in the last five years, the wheat production has been stagnating at around 64 million tonnes. The reason is the land is diverted to other cash crops which are giving the farmers more return. But this is something on which the Agriculture Ministry or other concerned Ministries have to decide upon that the price to be paid should be remunerative price on the basis of which procurement can be made. But they have not been credited with these things earlier. Earlier the situation of farmers having an alternative to divert the land was not there. But it has come now. Therefore, this is an input which must be there for those who make the decision as to remunerative price to be offered to farmers.

I request the hon. Minister Shri Tarun Gogoi to kindly note down my points. If you do not give remunerative price to farmers this year, they will put the land on some other cash crop next year. You should be aware of this thing.

Sir, the fertiliser prices had been increased by the Government; again decreased at our pressure. The increase was 40 per cent; the reduction was 10 per cent. The net increase was 30 percent so far as urea is concerned. The other fertilisers have been enjoying the subsidy. There was price control. All this has gone pursuant to a report of a Joint Parliamentary Committee. So far as the phosphatic and potash fertilisers are concerned, the J.P.C. recommended lifting of the price control entirely. This was, of course, a unanimous decision. I must keep it on record that our party Member, Shri Saifuddin Choudhury, submitted a note of dissent to this decision that the control be lifted from potash and phosphatic fertilisers. So, that should be kept on record because we are not a party to this decision or the recommendation of the JPC. However, when the JPC Report came with this kind of majority recommendation, then the Ministry started acting on it so fast that one cannot believe. Sir we have been in various Committees which have given recommendations. In most of the cases, the Ministry never looks at the recommendations unless they have to give response to the recommendations to the Committee itself, for which they take time—six months. These six months roll by, then they get another six months. In this case, within a week they started acting. What they were waiting for is to have a recommendation for lifting these price controls and then they immediately lifted them. And apparently people outside were waiting for this. The DAP's control was lifted as well as the cancellation of DAP was cancelled. So, any trader could import DAP after that. Apparently this particular decision was known in American business circles, the American fertiliser manufacturers, at least three days before it came to light in India—a very peculiar thing—they were getting ready to sell to India. The prices went up. As already stated by my friend, my predecessor here, the

prices went up from Rs. 4000 to Rs. 8000 straightaway. Then the government had to make some effort to bring it down. So, this was happening because as Mr. Fernandes said earlier, it is the pleasure of these foreign bodies, the IMF and the World Bank, which make us take a certain path and this path of lifting the control on DAP and potassium fertilisers as well as decanalising them was part of the instructions that our rulers have received.....

AN HON. MEMBER: Directions, not instructions.

SHRI AMAL DATTA: Yes, directions they have received from the IMF and World Bank. Otherwise, it cannot happen. The decisions were known there earlier than they saw the light here and they have started acting on the decision being made known here. This is the kind of thing which is happening. That is why we say that today the fate of the Indian farmers and for that matter, the food requirement of India hangs on in the hands of IMF and the World Bank. They will decide whether there is to be subsidy for fertilisers; they have decided that there cannot be any subsidy, or in any case the subsidy is so low, the budget deficit would be so low and, therefore, our Government has to scrap the subsidy immediately. They must go on paying the other part of the budget, namely, the public debt. But they can scrap the subsidy without understanding what is going to be the effect of this. Already land is being diverted for other purposes, land has not been cultivated and where marginal farmers and small farmers are concerned, they have not been able to buy the fertilisers themselves and their production has gone down. I am just giving it at random. Is the Government at all concerned as to what has been the effect of the rise in fertiliser prices? Can they tell us? Can they inform us? Is it not their duty to inform the people and also the representatives of the people as to what has been the effect of this? The price of fertiliser has

gone up at least more than a year ago and some fertiliser's prices have gone up also in this week.

MR. CHAIRMAN: Please conclude.

SHRI AMAL DATTA: This is the duty of the Government to keep us informed because we cannot have any investigation agency, you have that. You will find out and you will inform us. What has been the thing with which we are concerned? We are concerned really with the fact that the grain output at least is going to fall in the near future. If at all the farmers are going to use fertilisers, they are going to use them for other purposes, for cash crops and others. Many of the things are to be available, thanks to the development of agriculture. So, they will go for that and what will happen? This is probably the first year that we have imported, but not the last. If you follow this course of action, in terms of increase in fertiliser prices, in terms of your not giving remunerative prices to the farmers, then this is just a beginning of a series of years when we have to go on importing more and more quantities of foodgrains. This is what you must be aware of and concerned with and also give us the information so that at least if we do not support you, we will not be so hostile as we are today. Today, we are in the dark and when you keep us in the dark, we naturally suspect that you are doing something behind the back and the results are bad. We think that you are destroying the economy. It is for you to prove that you are not doing so. It is for you to prove that your increase in fertiliser prices has not depleted the foodgrains production of this country. It is for you to prove that the farmers are not diverting their lands or keeping their lands fallow. So, I expect that the government should keep us informed about the progress that has made in this field.

Sir, there are many other things that can be done. Of course, some extra allocation

has been made apparently on the basis of the JPC's report, for bio-fertilisers. It is a good thing. When bio-fertiliser is available, one can substitute inorganic fertiliser by organic fertiliser. Only in one sphere, it has been mentioned in the JPC's report that in alga fertiliser, nitrogen is acting as a substitute or supplement for urea. There are many other things in this field which can be explored. Other countries are doing that. But the main thing is that the Government is acting on a certain path dictated by the IMF and the World Bank. But, there are many other things which you have to do which they will not tell you. For a moment assuming that you are compelled to do so, you are compelled to carry out all the diktats of the IMF and the World Bank, that is not all, but there are many other actions which you have to take to safeguard the country against the destructive effects of those actions of IMF and the World Bank. You are not taking that also. The foodgrains production can be increased in so many other ways, but you are not adopting that. That is the problem. You are only following those diktats which they are giving to you and which is to their advantage, but there are many other things you can do to our advantage, even after doing those harmful things on their diktats. You are not following that path at all.

So, I stop on a note of caution to the government that they are leading the country on a destructive path, unknowingly, blindly or perhaps, knowingly also. But, they have to take a lot of action, supplementary action, effective action to safeguard the country from the destructive effects of some actions which have been taken on the diktats of our new-found foreign masters.

SHRI C. SREENIVASAN (Dindigul) Mr. Chairman, Sir, I thank you very much for providing me an opportunity on behalf of the AIADMK to participate in this discussion on price increase in fertilisers and import of wheat at higher prices.

India is basically an agricultural country and the policies of the Government must be oriented towards farmers and their interests. The withdrawal of fertiliser subsidy has greatly affected the small and marginal farmers. These small and marginal farmers use only fertilisers and they do not use tractors and other farm implements for increasing agricultural production. The increase in fertiliser prices can be easily absorbed by big farmers since large scale agriculture is profitable and otherwise also they may be able to compensate the price rise by employing efficient mechanical tools. Therefore, the small and marginal farmers are the worst affected by the increase in the prices of fertilisers.

Our Constitution is socialist Constitution and as Madam Gandhi and Rajiv Gandhi worked for the poorest of the poor, this government should also work for the poor and in the farmers' interests.

17.00 hrs.

I want that the report of the Joint committee on fertilizer Pricing should be discussed by the whole house at length. A member of the Committee has strongly recorded his note that the SSP and DAP fertilizers should not be decontrolled. These are the common fertilisers used by the poor farmers. The Hon. Minister of Agriculture was very correct when he said at the ICAR meeting that around 40,000 to 50,000 crores of rupees value of agricultural production remained untapped. He expressed his anguish at the import of wheat. If the agricultural production to the tune of Rs. 40,000 to 50,000 crores is tapped, then there would be no need to decontrol fertilizers. The statistics point out that the agricultural production in the country has increased to the level of self-sufficiency only because of enormous increase in the consumption of fertilizers. This consumption at large scale was possible

because decontrol was there. If the fertilizer prices are increased, then the consumption would decrease and consequently agricultural production will also decrease. Then, we would have to resort imports. We are importing wheat at very high price like Rs. 400 to Rs. 450 per quintal when we are paying only Rs. 250 to our farmers. I can say with surety that many more such occasions would be created if the Government continues with the high pricing of fertilizers. The Government must immediately revert back to decontrol of fertilizers, encourage small and marginal farmers, provide free electricity to them, provide interest-free loans so that in this land of Mahatma Gandhi, there are only Indians, Indian interests and not multi-nationals. This is the time when the Government could think again to choose the Socialist path on which it has been treading for all these years. But the present Government has chosen to be anti-farmer and anti-poor. A government which is elected democratically favours a foreign company, firm and exporter but not its own farmers. This is highly condemnable. What is the logic behind such a step?

The government consults the Chief Ministers in the National Development Council and two days later hikes the fertilizer prices and petrol prices. I earnestly request the Government not to take unilateral decisions on hiking prices of essential commodities, petrol and other vital items without consulting our hon. Parliament and also the Chief Ministers.

With these words, I conclude.

MR. CHAIRMAN: Thank you. It is a brief and sweet speech.

[Translation]

SHRI MADAN LAL KHURANA (South Delhi): Mr. Chairman, Sir, I thank you for granting me an opportunity to speak. First of

all, I would like to take up the issue of wheat import and export which I have been raising right from the month of March. I would not like to quote figures authentic or unauthentic for the purpose. I would only like to present five documents. Now it is for this House and you to decide whether this whole affair has taken place in a scandalous manner or not.

Mr. Chairman, Sir, the hon. Minister had issued an statement in March when I had raised this matter in the House. I have the copy of statement with me and I would quote only two points from there. He had stated two things one that after the new Government took charge the stock position of wheat was reviewed. It was informed that the procurement of wheat during April June 1991 and been less by thirty five lakh metric tonne as compared to the corresponding period last year. This is the first question. It was estimated in Oct. 91 as you stated that there would be shortfall in the production of kharif and coarse foodgrains by five lakh metric tonnes. This was stated on 17 August. If you had imported food grains because of shortfall in kharif production or low procurement it could have been justified. I have with me a photostat copy of your press conference statement held in January this year wherein you have stated and I quote:

"No. 1. Stock position of foodgrains in the Central Pool is quite comfortable reaching over million tonnes.

2. For the first time, we have allowed FCI to deliver about 8 lakh tonnes of wheat for export."

[Translation]

On the one hand you have said that in the month of October procurement has been low and the production had been low. At the same time you are issuing a statement on January 1, to the effect that the position of stock of foodgrains in the country is very

good and that is why for the first time, the country is in a position to export. Previously you stated that the decision was taken by Chandra Shekhar Government, but now you are taking the credit by saying that "For the first time we have allowed FCI to export". Now it is for you to decide.

SHRI DIGVIJAYA SINGH: It is for the people to decide.

SHRI MADAN LAL KHURANA: I am only placing the facts. Initially you stated that the production and procurement is low, but on 6 January 1, you stated that the position of foodgrain is good and the country is in a position to export foodgrains. Exactly fifteen days afterwards on 15 January another decision is taken to import ten lakh tonnes of foodgrains. What happened in these 15 days? Initially you stated that the foodgrain production is low, then you said that the country is in a position to export for the first time and fifteen days later you say we will import foodgrains. What happened within these fifteen days?

If the procurement was low why did you export the foodgrains and secondly as Shri Amal Datta has referred why was six lakh tonnes of wheat given to the flour mills in the country at a subsidized rates at which it was procured from the farmers. There was no control over its price. Between Oct. 1991 to Jan. 1992 on the one hand statements were issued that the stock position of foodgrains in the country was not good whereas on the other hand wheat was provided to the flour mills in the country at concessional rates. Had the Government provided it at fair price shop rate it could have been justified but instead it was provided at the subsidized rate of Rs. 250 per quintal.

17.09 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

[English]

Wheat was sold to the flour mills at the rate of Rs. 250 per quintal while it was allowed to be sold in the open market at the rate of Rs. 5 to Rs. 6 per kg. Is it not a scandal?

I would like to ask that if the foodgrain production in the country was low as stated in March then why did the Government sell the six lakh tonnes of wheat to the flourmills in the country. The people of this country would like to know about it.

Mr. Chairman, Sir, in the month of March, tenders were floated for wheat import and the Secretary of the Department Mr. P. Tripathi was sent to America. He was sent to America. He stayed there for several days, spent lakhs of rupees and returned empty handed. Tenders were floated. At that time the international market rate of wheat was around 130 to 168 dollars per quintal. Not only this, it was also reported in the newspapers that:

[English]

"While the discussion between the officials of the Indian Team and the U.S. Agricultural Department was on, a Los Angeles-based Non Resident Indian has offered to sell about 2 million tonnes of wheat said to be 'A' Grade quality on prices lower than the American Market price...."

[Translation]

I want to know the rates of the tenders which were received. Global tenders were floated and generally order is placed to only one of them but you did not place order to anybody. I have already said that at that time the price in the International Market was 130 to 168 dollars. The following reply was given in the house in response to Unstarred Question No. 381, dated 14th July, 1992

"The government entered into a contract with the Canadian Wheat Board on 19th June, 1992 for import of 10.05 lakh tonnes of wheat. The landed-cost of the Canadian Wheat has been estimated at Rs. 5260 per Metric Tonne...."

[Translation]

I have already quoted the international market rate prevailing at that time. When that was the rate the Government exported wheat at the rate of 95 dollars which is equal to nearly Rs. 240, in the month of January. Later on, when the international price shot up, tenders were called. How and why import was made at the rate of Rs. 526 per tonne as per the tender.

I want the hon. Members of the House to see whether it is not a scandal if some thing is purchased at a higher rate by ignoring the invited tenders. Mr. Chairman, Sir, it is not for the first time that the Hon. Prime Minister has said that now we are not in need of wheat. In reply to my another question No. 2330 dated 10th March, 1992, he had said two things.

[English]

"The Government has recently decided to import one million tonnes of wheat during 1992..." Secondly, it has been stated:

"There is no proposal at present to import wheat during these two years."

[Translation]

First, it was said that only 10 lakh tonnes of wheat would be imported in 1992. In a second reply it was stated that no wheat would be imported during the next two years. On the one hand, it was said in the House that there was buffer stock. Then production went down. But the Government exported

wheat. Just after 15 days it was again said that import is to be made. Tenders were invited when the international rate of wheat was between 130 to 168 dollars But ignoring those rates wheat was purchased at Rs. 526 per quintal which amounts to 200 dollars. The house was assured that only 10 lakh tonnes of wheat would be imported this year and no import would be made for next two years. Then why did the Government import 30 lakh tonnes of wheat. These are some of the questions which the House wants to know. What were the reasons that prompted the Government to take this action. The facts were placed before you, but they have not been replied. it could be said that it all happened during Shri Chandra Shekhar's tenure. If it was, so then why wheat was supplied to the mill owners. I have put five questions which should be replied...*(Interruptions)*. This is the impact of import mad by the Government. It has been reported in the trthird annual report of an Institute of America that due to this import debt will increase further. The debt burden on the country has reached the staggering figure of 70 billion dollars. When the American and Canadian farmers can be paid at the rate of Rs. 526 per quintal in foreign exchange for the import, why cannot the Government pay the same price in our own currency to our own farmers. The official figures show that there has been bumper procurement. It all happened due to pricing system of the Government. Had some more price been offered we could have purchased Indian wheat. It was thought wise to pay more to the farmers.of Canada, America and Australia, but this offer was not made to our own farmers. It appears that the Government does not get much kickback from Indian farmers whereas there were large scopes for the same from the foreign countries. This is my charge against the Government....*(Interruptions)* Not only wheat but rice has also been imported. Why it was not exported, while earli'er export was made. Good quality of Basmati rice was being

exported. That has not been done uptil now. The same quality of rice has been imported.

SHRI TARUN GOGOI: There is no restriction on export of Basmati rice.

SHRI MADAN LAL KHURANA: It should be allowed. Please let me know as to how much has been exported this year?

SHRI TARUN GOGOI: We do not keep the record.

SHRI MADAN LAL KHURANA: You must be having the record.

SHRI TARUN GOGOI: We do not have the record of Basmati rice.

[English]

We have not put any restriction. There is restriction on export of other quality of rice and I do not have the record about it.

[Translation]

SHRI MADAN LAL KHURANA: Vajpayeeji has said that there is no co-ordination. I have definite information that quality rice has not been exported this year. How much of rice was exported last year? This year it is nil till date. Often it is said by the government that it would fulfil the promises made in its manifesto. A promise was also made to bring down the prices whtin 100days:

[English]

" Arrest the price rise in essential commodities and in particular roll back the prices to a level obtaining in July 1990"

[Translation]

This promise was made. Is it not a fact that during the last 15 months the prices of essential commodities have gone up by 50

or 100 per cent? Rupee was devalued to promote export and to check import, but while export has increased by 5 per cent, at a slow pace, import has increased by 22 per cent. Our foreign debt has gone up from Rs. 25,000 crores to 2 lakh 50 thousand crores. It has increased by 10 times in years. The annual rate of interest has increased from Rs. 4,000 crores to Rs. 32,000 crores. Though agriculture is a state subject, the Central Government has taken many steps against the farmers without the consent of the State Governments. Subsidy on fertilizers has been curtailed by Rs. 4 billions and due to this the farmers of the country and their agriculture is suffering. The price of petroleum, used in manufacturing fertilizers, has gone up, by 54 per cent. The high price of fertiliser have badly affected agriculture production. My charge is that just to obtain a loan of a billion dollars, the subsidy on fertilizers has been withdrawn under pressures of the World Bank and the I.M.F. Lastly, I would like to submit that a parliamentary committee should be set up to investigate into the scandalous way the wheat was first exported on lower price and later it was imported on the double price as also into the supply of wheat to big flour-mill-owners on controlled price, the period from October, 1991 to January, 1992.

My second submission is that the increase announced in the price of fertiliser and petroleum products should be withdrawn. Subsidy on fertiliser that has been withdrawn should be restored.

Thirdly, wheat should be purchased from Indian farmers on priority basis ensuring the remunerative price to them.

I would like to thank you for providing

me an opportunity to speak and with these words I conclude my speech.

[English]

SHRI DIGVIJAYA SINGH(Rajgarh): Sir, the discussion on the subject is certainly timely and of course necessary also. These two subjects, although, they are very much related to the farmers, but they are in fact quite unrelated in nature.

I quite appreciate the concern of the BJP and Shri Madan Lal Khurana. If the wheat has been imported, it is imported for whom? It is for the consumers. And what has been the consequences? The prices have fallen. The traders of this country who were expecting a steep rise in the prices, who could have made a killing in an event of drought, stand to lose. And that is why, the concern of the BJP is that their prime supporters could not make a killing in the open general market. We must appreciate their concern because we all know ultimately what is their support. The new messiah of farmers is Shri V.P. Singh. Till now he was a messiah of the down-trodden and minorities of this country. Now he has suddenly become the messiah of farmers and he wanted to sell wheat at Boat Club.

SHRI ANNA JOSHI (Pune): He should speak before him and not at his back.

SHRI DIGVIJAYA SINGH: I am aware that his representatives are sitting here.

[English]

What was the increase in the support price during the tenure of this messiah of farmers? A handsome increase of Rs. 10 per quintal. And they were being supported by their, of course, permanent friends—they are not temporary friends.

SHRI RAJVEER SINGH (Aonia) Does the wrongs committed by them, give a right to the government to also do the same? If they had increased the prices, should the present Government also increase prices? If they had indulged in unscrupulous activities should the present Government also indulge in the same? It does not give freedom to the Government to do anything

SHRI DIGVIJAYA SINGH I am not talking of the intention I simply want to draw the attention to the fact that how great a messiah he is that during his tenure as Prime Minister he increased the price of wheat by only ten rupees per quintal

[English]

The increase during the tenure of Shri Rajiv Gandhi was Rs 32 a quintal because of which we had a record procurement in the year 1989-90 when we procured 11.06 metric tonnes

What is the attitude of Janata Dal and Shri V P Singh? He is definitely an opposition leader. He is the ex Prime Minister of this country and he should have the statesmanship to see the problems of this country in the right perspective and not act as a partisan petty politician

The government always has a very tricky task. It has to balance between the producer and the consumer. The hon Prime Minister came to know that he was faced with a situation where because of the stagnation in the agricultural production and because of the poor procurement condition, in spite of an unprecedented increase of Rs 50 per quintal in the support price never before a Government had given such an increase in procurement prices- because of certain market forces the procurement was confined to only 6.4 million tonnes. In that even-

tuality if the Government decided to import the wheat, it was done with the best of intentions and as per the best traditions of the Congress Party and its election manifesto the mandate for which we have received

Where did we buy it from and at what rate? Hon Khurana himself said the prevailing market price was not 168 dollars, but 137 dollars per metric ton. He quoted from a non-resident Indian who wanted to supply 2 million metric tonnes at prices much below the prevailing US market prices. I do not know from where he got this fact. Okay, I am not contesting that. But the fact remains that we got wheat at 111.83 dollars per metric tonne

[Translation]

SHRI MADAN LAL KHURANA Can he prove that wheat was imported from Canada?

SHRI DIGVIJAYA SINGH He is talking of the U S A

SHRI MADAN LAL KHURANA What is the quantity of wheat imported from Canada? Is it mentioned in the manifesto

SHRI DIGVIJAYA SINGH He should speak a bit sensibly. A wrong statement has already been made on behalf of the hon Chief Minister of Madhya Pradesh. He should therefore make statements sensibly

[English]

Sir, what happened in 1991? We did not import wheat in that year, and what was the consequence? A stupendous rise of 48 per cent in the wheat price was there. They are going in for *Bharat bandh*. I am sorry, they could not get support. Sir, they will never get support. These are the two faces of BJP

SHRI ANNA JOSHI (Pune): Have 119 Members come without support?

[English]

SHRI DIGVIJAYA SINGH: They run with the hare and hunt with the hounds. This has been the character of BJP. What are the facts? I will show you the facts. The fact remains that when we were in power, because of our correct price policy, the wheat procurement was 8.94 million tonnes in 1988-89; 11.06 million tonnes in 1989-90. Then suddenly, it came down to 7.7 million tonnes during the period when Shri Khurana supported a Government. These facts tell the tale of the performance of the Government which Shri Khurana had the pleasure to support. I was surprised when Shri Atal Bihari Vajpayee and Shri George Fernandes said that for industrialists, there is no system to regulate the price of their products. Are they not aware of the fact that there is a Bureau of Industrial Costs and Prices? Have they heard of this? Shri Khurana will not know and I do not blame him for that. (Interruptions) He is confined to petty traders and not higher people. (Interruption) The point is that BICP is already there which is regulating the prices of industrial products. (Interruptions)

PDS is essential. Shri Indrajit is correct. In a socialist country where there are 42 per cent of the people living below the poverty line, there has to be some... (Interruptions) Sir, please ask them to be quiet. Sir, PDS is essential; prices of the essential commodities have to be contained. But, there is an urgent need to review the public distribution system itself. How much wheat are we giving through the public distribution system per unit? In my State- I do not know about other States- one family is getting one kg. of wheat per unit per month. If there is a family of five, the total wheat or rice comes to five kgs. per

month. How much are we subsidising? A handsome of Rs. 10 or Rs 15 per month. It has an effect; I do agree that in a poorest of the poor family, it has an impact. But, there is an urgent need to review the public distribution system itself. There is no need to give us subsidised wheat, the people sitting in this House. There is an urgent need to confine PDS to the poorest of the poor families. A subsidy of Rs. 25 may be important to a family which is earning Rs. 300 per month. But a subsidy of Rs. 25 or Rs. 30 to a family of those sitting here, is not a concern. So there is an urgent need to review the PDS itself. This is very unfortunate about everything which the Government does. If it exports wheat, we are doing it at the behest of the World Bank and the IMF. If we are importing wheat, we are doing it at the behest of the IMF and the World Bank. If we are doing away with subsidy for fertilisers, we are doing it at the behest of the IMF and the World Bank. What about our 'kar Seve'? Are these people also doing it at the behest of their friends across the border? (Interruptions) Mr. Madan Lal Khurana, please wait for five minutes.

Mr. Khurana made an allegation that the Government of India gave subsidised wheat to the flour mills.

SHRI MADAN LAL KHURANA: Why not control their products?

SHRI DIGVIJAYA SINGH: For once, I agree with him. It should be made obligatory on the flour mills, which were given subsidised wheat, to give that by-product, that flour to the PDS system.

But in the State of Madhya Pradesh- I must bring the fact before you- all the wheat that was to be distributed through the PDS system, for six months till November, 1991, lakhs of tonnes of wheat was diverted to the flour-mills which were related to the BJP President and people there in the State.

When we made allegations in the State. when we asked for an inquiry, it has not yet been completed. I totally agree with you that you must set up an inquiry against all those flour mills.

SHRIMADAN LAL KHURANA: I agree.

[Translation]

Let there be an inquiry in both the cases.

SHRI RAJVEER SINGH: I would like to know whether F.C.I. is the concern of the Centre of the state.

[English]

SHRIDIGVIJAYA SINGH: I totally agree that an inquiry should be set up to find out who were the people who have made crores of rupees from the PDS wheat which was given to the flour-mills.

I did not want to interrupt a senior leader like Mr. Atal Bihari Vajpayee. But there are certain facts which must be brought before the House. Madhya Pradesh grows 85 per cent of the soyabean in the country. For price intervention, the State of Madhya Pradesh started *Tilhan Sanghs* so that the private processors did not control the market forces. That is why *Tilhan Sanghs* were created; societies were created. But I am sorry to say that in spite of our repeated demands purchases by the primary societies of *Tilhan Sangh*-it is my allegation- the BJP Government in Madhya Pradesh did not start purchasing soyabean till the processors have not filled their godowns. (Interruption)

I would not have replied. It was Mr. Atal Bihari Vajpayee who raised this issue. (Interruption)

As far as wheat is concerned, the decision of the Government of India was not only timely but necessary. And it was in the best

interest of the consumers of this country. Where is the fertiliser subsidy going?

(Interruptions)

Seventy per cent of the subsidy to the farmers is being cornered by six developed States, namely, Gujarat, Maharashtra, Andhra Pradesh, Tamil Nadu, Haryana and Punjab. And it was going to those established farmers who had irrigation potential. How much are we spending on subsidy? Had we not lifted the control, the total subsidy on the Central Government would have gone upto at least Rs. 10,000 crores this year. Could this country afford this kind of a subsidy? After lifting the control, still this Government will have to pay nothing less than Rs. 5000 crores of subsidy on fertilisers. 67 per cent of the total fertiliser consumption in this country is still subsidised, that is, urea. How much are we spending today on that target group which is the poorest amongst the poor? The total money that we are spending on employment programmes of the poor is only Rs. 2600 crores and the subsidy that we are giving to the farmers is Rs. 4000 crores. Where is the justification? Today, the target group of this country needs maximum attention. They are the people coming from the poorest of the poor families and there is an urgent need to review this programme and raise money for employment programmes of the poorest of the poor. I am sure our friends from the Communist Party will appreciate what I am saying.... (Interruptions) The unfortunate part is the attitude of our friends here is really atrocious. Pardon me for saying so. They are asking for reduction in prices of fertilisers and they are making big statements and going for *Bharat bandh* as if *Bharat bandh* would reduce prices of fertilisers and essential commodities.... (Interruptions)... No. We never go for bandh since I have become the PCC President. We do not believe in that.... (Interruptions).

MR. DEPUTY SPEAKER: Please conclude as it is getting time.

SHRI DIGVIJAYA SINGH: They are interrupting. What can I do? If they are genuine and if they are really concerned with the farmers of this country, will they remove the sales tax on fertilisers in the BJP-ruled States. I ask this question to them. They are not prepared for that. Not only that, as my friend was telling me, they did not spend the subsidy which was given last year. Honourable Minister, you had given subsidy to the States so that small and marginal farmers, harijans and adivasi farmers would get fertilisers at old prices. But I can say with authority that in Madhya Pradesh not a single small and marginal farmer could get the fertiliser at a subsidised price. Again you had given instructions that if the stocks were available on that day, it would be sold at the old prices, prices prevalent before the controls were lifted. Sir, let me tell you that in Madhya Pradesh the... (*Interruptions*)

MR. DEPUTY SPEAKER: Do not use the name. I remove the name.

SHRI DIGVIJAYA SINGH: I am sorry or taking the name. (*Interruptions*)

SHRI GUMAN MAL LODHA (Pali): It should not go on record, Sir. (*Interruptions*)

SHRI DIGVIJAYA SINGH: O.K. Sir, I will not take his name. (*Interruptions*)

MR. DEPUTY SPEAKER: The entire thing may be removed. (*Interruptions*)

SHRI GUMAN MAL LODHA: Sir, the hon. Member is making accusation by name. He is not a Member of this house.

MR. DEPUTY SPEAKER: That name is being removed already.

SHRI DIGVIJAYA SINGH: I will not mention his name. (*Interruptions*)

SHRI GUMAN MAL LODHA: Sir, he is converting this house into Assembly of Madhya Pradesh. He should be reprimanded for that (*Interruption*)

SHRI DIGVIJAYA SINGH: This is my allegation, Sir. Kindly have it inquired into. A subsidy of Rs. 1000 per tonne was given by the Government of India to the States to be given to the farmers in the prices of super phosphate and potash. But the M.P Government had the guts to announce that it has been given from their funds. I will show you a press release of Madhya Pradesh Government. The subsidy given by the Government of India was claimed by the M.P Government as subsidy given by them.

Sir, I will conclude with some suggestions. My suggestions are simple. I urge upon the hon. Minister to give remunerative prices to the farmer, taking into full consideration the rise in prices of the fertilizers after the control is lifted. Then and then only, you will be known as the real friend of the farmer.

Sir, my second suggestion is that free movement of grains in the country is essential. There should be no checks and balances by the States. Checks by the State Governments are putting a sort of ban on the free transit and hence these checks should immediately be removed so that there can be free movement in the country. On market prices, you must intervene and then only we will be able to find a solution.

I urge upon you to implement all the recommendations of the JPC. They have

arrived at these recommendations after a great deal of deliberation and thought. The State Governments must be asked to waive sales tax on fertilizers. Gas price and the price of naphtha should be reduced. Railway freight charges should also be reduced. Until and unless you implement the recommendations of the JPC in toto, farmers will not be helped. Only partial implementation of the recommendations will not do justice to the farmers.

[Translation]

SHRI SURYA NARAYAN YADAV (Sahasra): Mr. Deputy Speaker, Sir, we are discussing on an issue which is very important for country. Whenever there is any discussion on the problems of the farmers, it seems that all the problems of the farmers would be solved in one day but as a matter of fact all the members who have spoken on these problems are not farmers. There is no farmer in any Government that comes to power. Our party had also come to power but it too did not do anything in the interest of the farmers. During the 45 years of rule, Congress has also hardly paid any attention to the problems of the farmers. Actually, that party even failed to understand the real problem. Proper attention has actually never been paid to safeguard the interests of the farmers. This Government has always been hesitant in giving remunerative prices to farmers. Agricultural policy has not so far been decided by the Government in spite of the fact that the farmers in the country constitute 80 per cent of the total population that is why we have to import wheat from Canada, America, Russia and France. When the price of farmers' foodgrains is about to be fixed, the Government starts importing wheat with the intention of lowering and controlling the prices. Farmers are so baffled by statistics that they are unable to understand any thing. They do not understand as to what is the real statistics, and how much foodgrains has been imported. The import of wheat is

opposed by all the parties including ours, but I would welcome the import of wheat if it is on the same prices as we are giving to our farmers. The Government should purchase the wheat of farmers on the same rate. I challenge the hon. Minister to reply it today itself. The farmers have no objection, their only demand is that if the Government imports wheat from America at the rate of Rs. 500 per quintal, then their wheat should also be purchased at the same rate of Rs. 500 per quintal. They are ready to meet the requirement of wheat.

Next comes the pricing of fertilisers. In this regard I would not like to say much. We met the hon. Prime Minister with a delegation of farmers. He asked the delegation to see the Agriculture Minister. We tried to impress upon him that the double policies in regard to fertilisers should be removed who are big farmers? Mr. Jakhar is a big farmer. Has he ever purchased a bag of fertiliser from market? I know that only tenants would be looking after his farming. Only poor farmers would be ploughing his fields. Small and marginal farmers do the farming for the landlords, the are all poor. If in the family of a farmer who has thirty to forty bighas of land, there is no one in the service then he does not have grains even for sowing.

I agree with Digvijaya Ji but I do not fully endorse the views of the B.J.P. and Shri Madan Lal Khuranaji that bungling has been committed in the import of wheat. As Shri Digvijaya Babu was saying that wheat was purchased from the farmers by big businessmen on lower rates. The Government has imported wheat with a view to check those businessmen for selling that wheat on higher rates. It is good thing it is not bad. I support it. But I would like to submit that the Government will have to purchase the wheat of Indian farmers at the same rates. The double policy of selling fertilisers to different farmers on different rates is not good. The Government also stopped giving subsidy.

I would like to cite an example. The Jute Corporation of India purchases jute from the farmers. I also belong to jute-growing area. Two days ago, while returning from my area, I found thousands of farmers from Purnea, Saharasa, Madhepura, Katihar, Araria and Kishanganj districts of Bihar standing in a queue to sell their jute. The Corporation was not buying it. Those farmers were there for the last four to seven days with the intention of selling their jute and with the money, thus earned, they wanted to purchase fertilizers and use the same for agricultural purposes but they were unable to do it as the corporation was not buying their jute. When my car reached there, people gheraoed me. On asking officials of J.C.I., I was told that they did not have any capacity to purchase jute. I would like to know, when the Government has fixed rates for jute, why does it not buy jute from the jute growing farmers and Government officials openly declare that they do not have any capacity to purchase the same, can it be true? Then the government talks of farmers and villages. The Government has spoiled everything

In brief, I demand, the Government should instruct the J.C.I. to purchase jute from farmers immediately. The Government is selling fertilizers to the farmers at higher rates. There are hardly seven big farmers in every hundred farmers and the rest are marginal and small farmers, they cannot afford buying fertilizers at such higher rates. The Government should provide them fertilizers at cheaper rates.

Whole of Bihar is reeling under drought. The farmers there irrigate their fields with boring pumps then they plough the fields and sow seeds. They are getting seeds at higher prices and they don't get fertilizers as the fertilizer available in the market is adulterated. Mr. Jakhur, you are also a farmer and if you have any sympathy with the farm-

ers, then still there is time to take necessary action and make arrangements to make it available at every place. With this, I conclude and request the Government as well as this House to fix the rates of wheat or any other produce, equivalent to the rates at which we import foodgrains.

17.57 hrs.

[MR. SPEAKER *in the Chair*]

SHRIBHOGENDRAJHA: Mr. Speaker, Sir, I have come here, missing a meeting being held on the first floor. I have asked you to provide me time to speak either just now or later on, whichever you feel suitable.

MR. SPEAKER: Let him speak. You will be given a chance to speak later on.

[*English*]

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): Mr. Speaker, Sir, I thank you for allowing a discussion on this very important matter. The Government has to consider very seriously the repercussions of these decisions. Only last year and before last year, we were able to export rice and earned foreign exchange. This year, we are compelled to import nearly 3 million tonnes of wheat by spending nearly Rs. 1500 crores. Added to this, we are going to import hundreds of crores worth of rice also which my colleagues have already mentioned. I would like to say that this clearly is an antifarmer policy of this Government. It is most unfortunate. I have a lot of respect as well as affection to our Agriculture Minister Dr. Balam Jakhur. I don't doubt his sincerity or his love towards farmers. Can this Government dare to do such a harm to any one section of the population other than farming community? Only a year back, you had enhanced the fertilizer prices by 30 per cent and now immediately after the Monsoon Session, the Joint Parliamentary Committee

on Fertilizer Pricing's Report was presented. And immediately, the Government has announced the decision to de-control prices of phosphatic and potassic fertilizers. Is it not a fact because our Finance Minister is going to borrow the third tranche of loan from IMF under Extended Fund Facility to convince those foreign money lenders that this Government is very sincere in implementing their conditions and committed to honour its commitments to implement the conditionality that his decision has been taken? Or else please tell what are the reasons? Why at a particular point of time, the Government has taken a decision? The price of murate of Potash has been increased from Rs. 88/- to Rs. 210/-. This price of DAP went up from Rs. 230/- to Rs. 4440/-.

My colleague Mr. Sawant as well as Mr. Digvijaya Singh have again stressed the need for implementing certain recommendations made by the JPC on Fertilizer Pricing. We appreciate it. But why has not this Government examined those things and why has the Government failed to implement those recommendations of JPC?

18 00 hrs

MR. SPEAKER: Mr. Sobhanadreeswara Rao Vadde, please wait for one minute. It is now six 'o' clock. What is the sense of the House with regard to this discussion?

SEVERAL HON. MEMBERS: Let us continue it tomorrow also.

SHRI SOBHANADREESWARA RAO VADDE: So many hon. Members have to speak.

MR. SPEAKER: What is your view Mr. Minister?

MR. SPEAKER: Let us take it up tomorrow also. After Mr. Rao finishes his speech, we will adjourn the House. Now you can complete your speech.

[English]

THE MINISTER OF AGRICULTURE (SHRI BALRAM JHAKAR): We cannot finish it today then let us take it up tomorrow.

SHRI SOBHANADREESWARA RAO VADDE: While the Government has not considered those recommendations of the Joint Parliamentary Committee, in haste, it has withdrawn the control on fertiliser as a result of which the farmers are compelled to pay heavy prices for the fertilizers.

After that decision some other decision have been taken. These are not going to help the farmers. Even your decision of subsidy of Rs. 1000 per tonne of super phosphate and other phosphatic fertilizers has helped only the traders or the influential politicians, not all the farmers.

Shri Digvijaya Singh has said something about the U.P. Government and the Madhya Pradesh Government. I would like to inform the House that the Andhra Pradesh Government also is not lagging behind. Last year when Rs. 69 crores were sent by the Union Government, not a single farmer, small or marginal, in Andhra Pradesh got a single rupee. Even now, the Government has given Rs. 1000 per tonne for the fertilizers with good intention. But if it had taken a decision before the decontrol of the fertilizers, most of the farmers would have been benefited. Had the Government thought of the serious consequence of the decontrol of those fertilizers. Even before the decontrol, even before 30 per cent enhancement of the fertilizer prices, the farmers would have been benefited. The price of fertilizer in our coun-

try is much more than the price of fertilizer in Pakistan and Bangladesh which are our neighbours even at that point of time.

While a farmer in our country is made to part 3 kg of paddy or wheat to purchase one kg of nitrogen, a farmer in Pakistan sells 2 kg of paddy for one kg of nitrogen. A farmer in Korea has to give only 8 kg of paddy to fetch one kg of nitrogen. A farmer in Japan has to give .3 kg of paddy for getting one kg of nitrogen.

Right at the moment, our fertilizer consumption is much less. We are hardly consuming per hectare 73 kgs of fertilizers. The farmers in Pakistan are consuming 82 kgs. Last year, because of your wrong policy of course, it is not hundred per cent reason; but it is one of the main reasons of enhancement of 30 per cent prices of fertilizers, we produced 9 million tonnes less of foodgrains; and you are well aware of it. And even this year, according to the latest estimate, we may be slightly better. The situation in South, especially in Andhra Pradesh, Tamil Nadu and some other States is not encouraging because of late arrival of monsoon and again cyclonic storm. In spite of all these things, we have to produce 240 million tonnes of foodgrains to meet our requirement by 2001 AD. How are you going to produce it unless you enhance the consumption of fertilizers? Unless you enhance the consumption of fertilizers, you cannot increase per acre yield.

Even during the Seventh Plan Rs. 8000 crores were spent on irrigation, but only four lakh hectares of additional irrigation facilities were provided. So, we cannot depend upon extension of irrigation facilities in spite of our best efforts. The only alternative left to increase the per-acre yield and the total production is through increased utilization of the fertilizers. Your decision of decontrolling and enhancing prices to a great extent is

going to come in the way of our meeting our requirement. Even now, several hon. Members have said that we have achieved self-sufficiency. It is not a fact. It is due to the fact that one person in every three persons in this country is below the poverty line. Because they do not have adequate purchasing capacity. We are having enough stocks. That is the position. If really we can supply 181 kg. per head per year, which is the minimum nutritional requirement that has been recommended, we are very far off the mark. Even in terms of calories also the per capita availability of calory intake is only 2200 whereas 2600 is the minimum that should be there. In spite of these things why this Government is going ahead with such faulty and wrong advices of the IMF and the World Bank.

My friend, Shri Sawant has said that in America and in European countries their per capita subsidy yield is around 200 dollars. That is quite mistaken because that does not give the correct picture. In India 75 per cent of the people are directly or indirectly dependent on the agriculture and and if we calculate the per head subsidy the so called subsidy that is made available to Indian farmers, it comes to around 6 dollars per head. Where as in America, because only 2 per cent people are dependent on the agriculture, it comes to 22000 dollars per American farmer and in the European Economic Community countries it will come to around 16000 dollars per farmer. Those people, who are giving 22000 dollars per farmer are advising the Indian Government to do away with the subsidy small pittance to the farmers. Is it justified? Are you thinking of the real consequences, long term consequences? Not only that we are importing now, in future also we have to depend compulsorily in importing the foodgrains from those countries. You are a doctor, you are a good economist, tell me what you feel. What do you mean by subsidy? When you are giving higher price than the international price, it may be called subsidy but in India the farmer

is not given a subsidy but he is being exploited. The differential co-efficient of protection offered to the farmer was 0.8, whereas for the industrial sector it is 1.4. That means the Indian farmer's production is taken at a lesser price than the price which he can get if he sells in the international market. When that is the situation, pretty knowing that previous Government has been continuing this policy of giving fertilizer at a low price, the farmer in this country is not a beggar. He is a man with self-respect. We do not want the Government to do any charity.

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR): I will not let you remain a beggar.

SHRI SOBHANADREESWARA RAO VADDE: But the increase should be reasonable. It should be in such a way that the farmer can bear it. Of course, you have done, to correct the imbalance to some extent, by increasing the support price. But how many farmers can be compensated for their higher payment of fertilizer prices, only such farmers who get marketable surplus to sell either to the F.C.I. PDS scheme or in the open market. 80 per cent of the farmers are small and marginal farmers. They produce enough to meet their requirement and hardly they may be having four quintals or five quintals to sell in the market. For such farmers you are not going to help by increasing the minimum support price.

So, my suggestion to the Government is, please reconsider it. You know in your heart of hearts that what you have done is wrong but this Government, because of its commitment to IMF and World Bank, have succumbed to their pressure and they have done this greatest injustice to the farmers of this country.

Please reconsider and restore the pre-enhancement level and you may enhance it by 10 per cent or something like that and not

by 100 per cent or 90 per cent because in the long run the country will be paying a very heavy price, not only the farmer of this country.

My suggestion is please remove all controls and restrictions on movement of paddy and other agriculture produces, which you are good enough to say the other day at Hyderabad that the Government intend to do it. But till now, the practice, the rules that are invogue or that from district to district the farmer cannot move his paddy or wheat and from State to State they cannot move. The traders are exploiting the situation and they are trying to purchase the paddy or wheat at throw away prices from the farmers. All that should be removed

I request the Government to create conditions where the farmers will be happy. If the Government does not bring down the prices of fertilizers, how can they stop the farmer from selling his paddy or wheat to other countries where he can get a better price? The Government cannot compel them to sell them at throw away prices to it. When the Government is speaking of liberalisation and economic policy and high sounding words, the farmer alone cannot pay the price. That is my demand from the Government.

In the CACP computations also, actually, in the matter of fertilizer you are giving 12 per cent post-tax profit on a plaque to the fertilizer manufacturers, even though they have really not produced and they have shown you wrong statistics for getting more and more subsidy money. But the farmer is not assured of any percentage of profit and I am sure that at least 12 per cent profit should be given to the farmers.

It is very well known that the CACP computations are based of figures that have been supplied five or six years back, not the latest figures. Lot of changes have taken place in the agricultural labours wages and

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other agricultural inputs. So, my suggestion to the government is to kindly refix the price of paddy, wheat and other agricultural commodities keeping in view open the parity prices, taking 1970-71 as the base year. The only some justice can be done to the farmer and he can co-operate with the Government in giving his production to the public distribution system.

I thank you very much for giving me the opportunity.

MR. SPEAKER: I think tomorrow we may resume this discussion at 4 P.M. because other business is also there.

18.12 hrs.

The Lok Sabha then adjourned till Eleven
of the Clock on Thursday, November 26,
1992 Agrahayana 5, 1914 (Saka)