

[Mr. Speaker]

The question is :

That Clause 2 to 4, 'clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clause 2 to 4, Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI JAGJIVAN RAM : I beg to move:

"That the Bill be passed"

MR. SPEAKER : The question is :

"That the Bill be passed"

SHRI S. M. BANERJEE (Kanpur) : Let us have the quorum and then the Bill be passed.

MR. SPEAKER : The quorum is all right, but there are no speakers. We are badly in need of speakers.

We had decided that during lunch we need not press for the quorum. The quorum bell is being rung Now there is quorum. It should not have happened, because we have agreed that we will not raise it during the lunch hour, but still, even now, there is quorum.

The question is :

"That the Bill be passed."

The motion was adopted.

13.26 hrs.

ARREST OF MEMBER—*Contd.*
(*Shri A. K. Gopalan*)

MR. SPEAKER : I have to inform the House that I have received the following wireless message, dated the 26th May, 1972, from the Commissioner of Police, Trivandrum:—

"Shri A. K. Gopalan, Member, Lok Sabha, who was removed and produced before the Sub-Magistrate, Trivandrum, earlier in petty case No. 97/72 of Poojappura Police Station of the same Court, refused to leave the Court Hall through released by the Court at 17.10 hours on the 25th May, 1972. He persisted to remain in the Court Hall disregarding the requests of Court Officials and disobeying lawful direction of police. The Magistrate had also complained to the police about this. Hence he was removed from the Court Hall at 22.45 hours on the 25th May, 1972, under Section 32 (2) of Kerala Police Act, 1960, and produced before Sub-Magistrate, Court II, Trivandrum, with petty charge No. 44/72 of Vanchiyoor Police Station under Section 38(2), 47 and 52 of the same Act. The Magistrate remanded him to Judicial Custody in Central Jail, Trivandrum with direction to produce him before Court at 11.00 hours on the 26th, May, 1972."

So, he might have been produced already.

13 27 hrs.

DISCUSSION RE STEEP FALL IN PRICES OF AGRICULTURAL COMMODITIES IN KERALA AND OTHER STATES ON WEST COAST OF INDIA

MR. SPEAKER : Mr. Unnikrishnan—absent. Mr. Chandrappan. You will all have another hour extra for this subject; more than the normal time.

SHRI C. K. CHANDRAPPAN (Telli-cherry) : Mr. Speaker, Sir, while speaking on the very serious problem of steeply falling prices of agricultural commodities in Kerala and some other States on the western coast, I wish to point out that the most important of them is the fall in the price of coconut. As it is known to everyone, in Kerala the most important agricultural crop which determines the economy in that State is the coconut. For the last one year or a little

more, we are experiencing a very peculiar kind of fall in the price of coconut and coconut products. As far as the reasons are concerned, I think nobody will say it has been an accidental development. It has its reasons because, if you examine it, you can see that the policy of the Government in regard to the pricing of these commodities is the main reason which brought about such a situation. We can see that in the country as a whole, the price of edible oil or oil in general is going up; the prices of commercial crops or other agricultural products are also going up. At the same time we see the peculiar phenomenon in our State; the prices of coconut, arecanut and paper, and other agricultural commodities are steeply falling; it affects the very economy of the State. The lives of people in that State, agriculturists especially revolves round these crops and they depend for their income on these crops and they are today facing a serious situation because of this crisis.

When the price of coconut and copra is steeply falling, paradoxically the Government is allowing the import of copra from Ceylon. It will only accentuate the fall of the price of that commodity. It was raised in this House on several occasions so that the Government should review the policy of copra import from Ceylon but so far no decision has been taken on this matter.

13.29 hrs.

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

Coconut oil is not only used for food. In Rajya Sabha the Minister answering a question said that a committee which went into this matter said that about thirty per cent of the total coconut oil production was used as food and the rest was used for industrial purposes. The price of coconut is often decided by the big business houses in Bombay and other places, such as Tatas who are manufacturing soap. They enter the market and create artificial scarcity at times to raise the price and at times they create a situation as if there is no demand and the prices steeply fall. What remedial measures have the Government taken to bring this situation under control? We feel that certain steps could be taken to

stall this move taken by the monopoly business houses, like the Tatas, which adversely affect the economy of our State especially, and also other States which produce coconuts. For example, though copra is produced in Kerala, oil is extracted in Bombay. The oil mills in our State cannot stand the monopolistic competition of the bigger houses from Bombay. If the Central Government helps the Government of Kerala, or on its own, start big oil mills in Kerala to extract oil, it will help to a certain extent in solving this problem.

Secondly, Government fixes the floor prices for many agricultural commodities such as wheat, rubber, etc. Government subsidises so that the prices may be prevented from coming down a certain limit. Is the Government ready to fix the floor price for coconut, copra, oil etc.? Then, how are you going to ensure that the floor price fixed will be given to the producer? It can be ensured only if Government in a big way is ready to step into the market which is today controlled by private monopoly houses. Either the State Trading Corporation or some other corporation has to step in and buy all the commodities produced there. Coconut oil is not something which has no market. It is used in different ways, including industrial purposes. So, there is no need for Government to fear that if they buy the stocks, there may not be a market. But the Government should have a proper policy to do that.

Then there is the question of the fall in price of arecanut. In those days, we used to export arecanut to Bangia Dsh, which was then East Bengal. The recent crisis in that part of the sub-continent created a condition where our export market suffered a little bit. Now when they are negotiating a new trade agreement with Bangia Dsh, the Government should see to it that our arecanut product can be exported to Bangia Dsh. We need not depend on one single market. In future it may be possible if Government makes a concerted attempt, to find out new markets in new areas. Unless that is done, we will face a very serious situation. Similar is the case with ginger, pepper etc., which used to be very profitable crops. Pepper was described as black gold which was being imported from India

[Shri C. K. Chandrapan]

by foreign countries in the past. Today, it is not that the market is not there, but because of lack of suitable policy, the agriculturists are suffering and the price is falling. It is not merely a question that some agriculturists are not getting enough for their produce. This affects the whole economy of the State. It affects the lives of several millions of people.

I hope this discussion would help Government to take certain steps by which they will find some solution to this problem. In that spirit, I am raising it. This is not a party issue. This is a thing which is affecting the entire population of Kerala, irrespective of the party to which they belong. All of them are interested in seeing that the agricultural produce in that State and in coastal areas in general get a fair price. I hope Government will take some concrete measures, so that this problem will find a solution in the near future.

Another point I want to raise is the import of substitute oils. Government are importing some synthetic oils as a substitute for coconut oil. How far is that import of substitutes in consonance with our policy of self-reliance. When we have enough supplies of coconuts to meet our demands, what is the necessity for importing copra and synthetic oils, thereby frittering away our scarce foreign exchange? I hope government will take into consideration all these factors with the sympathy which they deserve and take the necessary steps.

SHRI K. P. UNNIKRISHNAN (Bada-gara) : I was under the impression that it will be taken up at 2.30 p.m.

MR. DEPUTY-SPEAKER : Because you were not present when this was taken up, you forfeit your right to be the mover of the motion. But you can speak on it.

SHRI K. P. UNNIKRISHNAN : Sir, the coconut is a commodity which is inextricably wound up with the entire fabric of Kerala's economy, its social life, and probably even more, with the dreams and aspirations of our people. It is no exaggeration to say that it is the most signi-

ficant thing about Kerala's physical and economic landscape. It is so throughout the West Coast, whether it is in Kerala, Mysore or Maharashtra, but those States are not completely dependent on this commodity as we are on coconut.

The special feature of our agricultural landscape has been our overwhelming and complete dependence on cash crops, as possibly in the case of Assam. This has been determined not by voluntary choice of agriculturists or the peasants but conditioned by facts of geography. Again, they are different from the cash crops that we have in other parts of the country in the sense that they are perennial cash crops. It takes about seven years for a tree to mature and yield. So, all the while he has to plant and wait.

The whole point is that because of our geographical peculiarities and the land to man ratio—nearly two crores of people are involved in this—our holdings are very small. It is not as in the case of other crops. So, what we are trying to impress upon the Government of India is that everybody in Kerala, particularly in the coastal belt, is affected by the price of coconuts and in the middle lands by the price of arecanuts and other plantation crops. Hon. Members who have seen Kerala will testify to the fact that every hut in Kerala will have five or six coconut trees. As a result of the new land reforms, practically every household in Kerala is bound up with this.

So, a remunerative price for coconut is not the demand of the landlords of Kerala, as many people seem to have misunderstood it, but it is the demand of the toiler for whom five or six trees means everything. It is the demand of the agricultural labour, who can get work only during the manuring operations and harvesting every month, that the coconut prices should be remunerative. Now the coconut prices have literally crashed in the sense that from 1964-65 it had stabilised between Rs. 500 and 600. I claim that during the last six to eight months, the people of Kerala have lost more than Rs. 60 crores more than the total annual outlay of our plan because we produce around 4,000 million coconuts and according to the Government statistics, I

think, 3,892 million coconuts and @ Rs.600/- or Rs. 650/- per 1,000 nuts which was the ruling price at the beginning of the price crash, we should have lost around Rs. 65 crores. That is a loss to the people of Kerala, which they just cannot afford. Every family in Kerala is today thrown into the hands of money-lenders, thrown into every increasing indebtedness because not only the coconut, every other subsidiary agricultural commodity, like, arecanut, which is a seasonal cash crop and pepper and so on, the prices have crashed and this crash is not a marginal crash about 5% to 6% which normally happens in our country, but it is to the tune of 50% to 60%. So, I submit it has thrown millions of people into impoverishment and consequent unemployment.

I have said the prices have gone down. I say this normally taking the market rate available in oil producing centres which determine the prices. But in rural areas, the prices you get are much less, at least Rs. 50 to Rs. 60/- per thousand less.

This is the point which the Government of India have not really understood. As I told you, Sir, this is because we are not so much involved with this commodity. It should not be treated just as they would treat any other agricultural commodity. Sir, I remember, Gandhiji once asked a Viceroy, "Pray tell me what am I to do with these people, these hungry millions". I would like to ask the same question to Shri Shinde and the Government of India. What are we supposed to do with these people? Has the Ministry evolved any contingent Plan? Suppose, the prices continue to crash, do you think that anybody would be interested in coconut? How do you think that they will live. Have the Ministries of Finance, or Foreign Trade or Agriculture ever gone into this aspect? Now as my friend, Shri Chandrappan pointed out the prices are determined by big business houses of Bombay. I am not quite sure, Shri Shinde will correct me if I am wrong—I am talking about the powerful soap industry and—mainly about the two monopoly houses—Tatas and Hindustan Levers who through manipulations and the Bombay Oilseeds Exchange have always tried to pull down the prices.

There is another aspect. This coconut oil and coconut bye-products have also contributed to a large extent to the cosmetic industry like perfumed coconut oil, Shampoo, and so on. While the prices of every one of these have gone up every year and the Government have permitted it despite the Government orders on Essential Commodities, the prices of coconuts have crashed.

I know there are many other reasons, may be credited squeeze and so on. Now the difficulties with cash crops in general are difficulties of our economy. But by no stretch of imagination can you say that the prices should be allowed to remain at this low level. This is the question I would specifically like to put. Is there any contingent Plan? And secondly, may be, because we do not have a powerful lobby like the Wheat lobby, which is more a lobby of the big landlords, more a lobby of "the Kulak", may be because we have not been listened to properly; because we represent and speak for the small-holders, for the agricultural labour of Kerala. The lobby has been able to appropriate around Rs. 140 crores and when a marginal price reduction of Rs. 4 per quintal or Rs. 0.4 paise per kg. was suggested, there was an uproar everywhere and the Government came down and said—even our Prime Minister said that the farmers were not told earlier that there would be a price reduction. Now who has told the Kerala farmer and the Kerala's agricultural labour that the prices would crash, that they will continue to be pushed into a quagmire of poverty. Has anyone said that? Is it because we are not able to organise a lobby of that kind, because we do not represent rich peasants or *kulaks*, that we are being treated in this manner?

About the price support policy, I do not know the details of any such scheme or how it can be worked out. It is the business of the Ministry of Agriculture in consultation with other economic Ministries to see to that. But today we have no other option but to demand a price support policy.

I may quote here late Prof. Gadgil who was the Deputy Chairman of the Planning Commission as to what he had said. He had, I believe, sent a note to the Planning

[Shri K. P. Unnikrishnan]

Commission when he was there asking for stabilisation and effective operation on the price of not only foodgrains but also on cash crops, taking into consideration facts like :

- (a) prices of substitute crops ,
- (b) prices affecting agricultural producers in his cash outlay in the production effort, and
- (c) prices effecting the agriculturist as consumer "

He had also listed specifically, I understand, all the oilseeds, including coconut.

I would like to know what the Government of India has done so far. We want a specific, categorical, assurance that this will be treated on a priority basis. We just cannot wait. It will not be a threat which was given by my hon friend, Shri Gopalan, for whom I have great respect, over the land reforms. This will become a very major united movement of the people of Kerala against the soap lobby, against everybody's lobby in Delhi. I can say with considerable responsibility that we are very serious about it. I would not like to embarrass the hon. Minister, Shri Shinde, for whom I have got great respect. I would like his Ministry, in consultation with the Ministry of Foreign Trade and the Ministry of Finance, to come out concretely and immediately with concrete specific schemes and tell us how they are going to solve this question.

There was also another very interesting point made by my hon friend, Shri Chन्द्रappan that it is not edible oil. I believe, the Government, after many years or after many months, have come to a realisation that, all along, the soap lobby had utilised it and, while they were consuming in a big way for industrial use, they were telling other people that this is an edible oil, and that the price of this commodity should be brought to a low level. Now, this is a typical example of how monopolists try to rob the poor agriculturists of this country.

I hope, this slide-back will not be per-

mitted and that an effective, rational, price support policy will be evolved without any delay. Otherwise, I can say, not only there would be no investment but the entire economy of Kerala is going to crash with disastrous consequences.

I would like to impress upon the hon. Minister, Shri Shinde, that a more study team is not enough. I know, we have had some discussion with him and he had sent a study team. But that is not enough. We would not only like to know what has happened to that study team but also we want a clear enunciation of policy by the Government. That is precisely what we are seeking.

About other commodities also, some mention has been made here. Paper is an export-oriented commodity. What has happened to that? Due to a collusion of some interested persons who are the main exporters and who also, at one stage, I heard, were asking for incentives for exports, this is what has happened. Probably, some of them did not get it. Who has tried to depress the prices of this commodity.

Also, even in the case of a seasonal cash crop, like, ginger and a main plantation crop, like, cardamom, this has been the experience of the people of Kerala. So, with regard to coconut, arecanut, cardamom and giner, has the Government of India decided that the situation does not warrant an urgent consideration? I would again repeat, before I conclude, and I would request the hon. Minister, Shri Shinde to take note of our feelings and involve a policy and, if possible even outline it right now.

SHRI DINEN BHATTACHARYYA (Searampore) : Mr Deputy-Speaker, Sir, I fully agree with the suggestions and demands made by my hon. friend, Shri Unnikrishnan, in respect of Government coming forward with a clear-cut policy in respect of these cash crops which are mainly controlled by big business houses. These coconut products .

SHRI R. BALAKRISHNA PILLAI (Mavelikara) : I have not been called ..

MR. DEPUTY-SPEAKER : The hon. Member will get his time. I shall explain

to him the procedure. Simply because the hon. Member's name figures among those who are to raise the discussion, it does not automatically mean that he gets the right to speak. We have to take into consideration the parties. If they have sent names, we have to call them. This is the procedure. The hon. Member will be called. He may please wait.

14 hrs.

SHRI DINEN BHATTACHARYYA :
I repeat, Sir, that these products are still under the clutches of big business houses. From the reports it appears—and perhaps it has been mentioned here also—that the big business houses not only in Bombay but also in Ceylon, big merchants there, are responsible for the prices prevalent in Kerala market in respect of coconut. The soap lobby which has been mentioned here is the main factor. Unless you catch them by their neck and put them under strict control, you cannot have the remunerative price for coconut growers. It is not the big people who are now affected in Kerala. The whole economy of Kerala is now facing a serious crisis. That is why voice is raised from the ruling party also that, unless something positive is done, the whole situation will become out of control just as it is now in Kerala. The parties which are opposing the land reforms as such are coming forward in support of the movement that is going on. So, within a very reasonable time, if these coconut growers are not saved from the clutches of these big business houses, then they will be forced to come forward and fight against these big monopolies. So, my plea to the Government will be this. They have been, day in and day out, professing about *gharibi hatao*, but in Kerala these coconut growers are not even having their hearths, in many cases, and the labour work hard throughout the day but they cannot find both the ends meet. They are the most poverty-stricken people. They are now affected. Just as you are playing tricks to protect the interests of jute magnates who are fixing up the support price of jute, raw jute, in West Bengal, the same treatment is being meted out to the coconut growers and the other cash crop growers of Kerala. So, Government must take stringent measures to see that these coconut markets are not

controlled by big business. Government must on its own see that the prices do not go down to the crashing point. That situation has already come up there and so Government should take concrete steps in this matter. They should take action in the same way in respect of the other cash crops like cardamom, like arecanut and ginger and other things. These are done by small farmers, but what happens is this. They are dependent upon the big monopolists. These are controlled from Bombay by these monopolists. So I would request him to come forward with a clearcut statement of the policy in respect of the fixation of the prices of these cash crops, just as we demand the fixation of prices for raw jute in West Bengal. This is my submission.

SHRI C. M. STEPHEN (Muvattupuzha):
We are discussing a motion which if moved in the legislative Assembly of Kerala, would have been a matter of attraction to lakhs and lakhs of people. The importance of this question has been stressed by my friend Mr. Unnikrishnan. The whole economy of the State is on the verge of a crisis. I don't want to cover the entire range. Perhaps my friends who speak next to me may cover different aspects. I will confine myself to coconut price. Before I come to that I would point out some salient features.

The net state income per year is estimated to be Rs. 1200 crores. Of these, 60 per cent, major part, is agricultural income. Of that 60 per cent, more than one-third is covered by the coconuts. About Rs. 200 crores is estimated to be the income from coconut sector. There are lakhs of agriculturists depending upon coconut and different industries that spring out of coconut, coir, oil mills, transport and 5 lakhs of people, to say of the minimum are sustained by the products of this industry. It affects a large section of the people in this State.

A peculiar feature of coconut cultivation is this. 90% of cultivated area under coconut is held by small holders. Each holding is less than one hectare. That picture you will never find anywhere else in India. They live on this income. Therefore, a fall in price of these affects those

[Shri C M Stephen]

small holders, living in small hutments, not the big man. And he does not have the capacity to resist that position. The extent to which the prices have crashed and the extent to which the economy has been affected can be pinpointed by just one price of statistics. According to official figures, towards the late half of 1970, the farm price for coconut was Rs. 55 per 100. But we know that transactions were taking place at about Rs. 70 per hundred. It may be said that price is on the high side, artificial and cannot be maintained. Anyway, Rs. 55 was the normal price at which the transactions took place towards the later half of 1970, during the major part of 1970 or I may say throughout 1970. But now in 1972, the price is Rs. 39 per hundred. That is the official price. The crash is to the extent of Rs. 16 per hundred. We crop about 400 crores of coconuts, per year and even going by the official figures, we see that the economy has lost Rs. 64 crores. That is the total loss for the small men in the Kerala State. In an agricultural economy in which Rs. 1200 is the total State income and the per capita income of the coconut grower is Rs. 200, we find that Rs. 64 crores as a whole has been slashed down. That is the extent of the damage which has affected us.

My hon. friend has mentioned about other crops also. The price of cardamom has crashed, the price of pepper has crashed. The mainstay of Kerala is these a cash crops. But the prices have crashed in every sector. We do not have any industry to bank on. The industrial labour is so small. Their wages are not very high. So, all these sectors have crashed down.

You will appreciate that ours is a small state and our people are not very rich. But we take pride in the fact that our people are industrious people. There is not one inch of land which is left uncultivated. Going by statistics, year by year, the cultivable waste is being cut down. There is no cultivable waste in Kerala today, because the common man is cultivating even on hard rock, by pulverising it and making sand and cultivating on that. That is the way in which cultivation is going on there.

The honest labourer and the honest agriculturist is doing his job and raising his crop and getting a small amount of money and carrying on his avocation, and this damage has come to him. I would like to ask whether Government does not have a responsibility to hold it up. That is the only question I have to ask.

What has happened in the State of Kerala now is a matter which has to be gone into. I am thankful to Shri Annasheeb P. Shinde for the response that he gave to the representations that we made. He deputed a committee to go there. The committee has gone there and has finished its labours and submitted its report. Let the hon. Minister go into the report. But the point that I want to emphasise is this. I do not know what exactly the findings of that committee are. There is a line of thinking which says that the former prices were very artificial and are not justifiable and therefore we have got to compromise ourselves to the position of a lower price. That is the theoretical argument which is going on. The theory may or may not be correct. But we know that we have been getting better price and that our sustenance has been tuned on that basis. If the theory is all right, then Government will have to address themselves to the task of keeping up the economy and for this something else has got to be done immediately. According to me, this sudden crash and not the former price has been manipulated.

They have now described this as edible oil. Futures trading in edible oil has been banned. The use of edible oil in soap industry other than unorganised industry has been restrained. The soap industry has been given imported oil and imported animal fat and it is sustaining itself on these imported things. This is on the fiction that this is edible oil, and this is required for other purposes. That is the fiction that has been brought in. But I would like to point out that the major part of our produce is being exported not outside India but from our States to other States in India. It goes to the different parts, and the rest of India knows that they do, not use cooking oil for food purposes. Coconut oil is being used there for other purposes. Even in Kerala, now people are switching

over to the vegetable oil because coconut oil is now believed to have a certain content which would affect the heart and, therefore, in the place of coconut oil, vegetable oil is being used and other refined oil is being used. As an edible oil it is losing its value. I would submit that the characterisation of the coconut oil as edible oil and the extra solicitude for its reservation for consumption by human beings is deliberately done to place it under manifold restrictions. As a result the prices go down. The concept about coconut oil is a fiction and an artificial creation from which the Government has got to escape. The question is do you or do you not want the agriculturists in Kerala to bring up more and more coconut trees and to give you better and better yield or is it your policy, lesser the product, the better. If you want the better i.e. if you want them to come up better and better then it must be made more economical.

The cost production of coconut is going up. It has been stated by the Bureau of Economic Statistics that Rs. 500/- is the maintenance expenses on one acre and another Rs. 600/- will be the expenses for rearing up in one acre of land to the coconut bearing stage. That comes to Rs. 1100/- per acre. If you evaluate the cost of production per coconut taking everything into account, it is 45 np. Even if it is Rs. 100 per hundred Sq. it will be about 50 np. per coconut. We are not getting anything. We are making nothing out of that. Therefore, what happens? He does not put inputs and fertilizers in the field. In Kerala we could definitely claim that the cultivator is fertilizer minded. He is a hard working man clean and is living without creating any difficulty to anybody. He is carrying on like that. This fertilizer minded man who can scientifically cultivate and be a model to the rest of India, is now being impoverished and ravaged financially. The poor cultivator in Kerala deserves a better deal.

You wanted land reform. We were in the forefront. You wanted financial discipline, we enforced it. You suggested agricultural income-tax, small scale land reform and co-operative farming, we were the first to introduce all that. It is that agriculturist who is now faced with this

problem of to be or not to be. The fall in the price has synchronised with the banning of future trading. Banning of future trading must be removed as far as coconut oil is concerned and future trading must be re-introduced in the State. My submission is the Government, the growers, and all political parties in Kerala have been demanding this. Ban on future trading is to apply to the edible oil. Rejection of the fiction of this being edible oil will serve the purpose. There is instability in prices and slashing out of the prices. That is happening. You will have to take coconut oil from the category of edible oil so that we may get better credit facilities from the bank. Now, this product is being treated as an edible oil. The result is we are not getting credit facilities. Non-edible oil gets. We are not getting. Why? Because you call it an edible oil. You are importing copra—17,000 tonnes copra was imported and the prices slashed down here. Import is being encouraged. Why not take away that import? You say 17,000 tonnes is a small fraction. But it has got a psychological value. In a lean period if it is done, it will have a psychological value. The result is price crashes. You may import if you want. You keep it as a buffer stock. Do not pump it into the market for the aid of soap manufacturing units. I may submit that your concept about the coconut oil has got to be changed. It has got to be accepted as a non-edible oil and has got to be treated like that and must be used for other purposes also.

MR. DEPUTY SPEAKER: You are pressing the same point again and again.

SHRI C. M. STEPHEN: It was from a different angle, Sir. One more point and I have done. You will find that the area covered by the coconut plantation is about 807,000 hectares; pepper, 100,000 hectares; cardamom, 47,000 hectares. Take up everything and you will find that the entire area is covered. Take up the products, and you will find that the entire product from the entire area—the entire cash crop area—is stuck by the malady or the damage caused by the price crash. This is the problem that the Government of India has got to grapple with immediately and some solution has to be found. The question has got to be

[Shri C. M. Steephen]

addressed in this manner, namely, the economy of the State is in doldrums; and therefore, the problem must be approached and a solution found with an attitude of emergency.

With these words, I conclude.

SHRI R. BALAKRISHNA PILLAI (Mavelikara): Sir, in supporting the motion, I would like to repeat whatever my friends have already said here—Mr. Chandrappan and Mr. Unnikrishnan—

MR. DEPUTY SPEAKER: You are very frank in saying that you are going to repeat.

SHRI R. BALAKRISHNA PILLAI: No, Sir; I am not going to repeat; I am going to give some suggestions. Now, let us see what the poor agricultural people in Kerala, that is, the small landowners, need at this juncture. I would like to draw the attention of the Ministers and the Government to one point. Some of the speakers referred to coconut particularly, but I want to refer to pepper, cardamom and other things also along with this crop. About coconut, it is said that in 1969-70, the price, as correctly quoted by Shri Stephen, was nearly Rs. 80 per 100 coconuts. But now the price is Rs. 40 to Rs. 41. That margin is there. Since then, it has come to 50 per cent of its prior value. Even now our people rightly or wrongly believe that the import of Ceylon copra is the reason for the steep fall in prices; it is a reciprocal arrangement. By giving them textile goods, we get copra of the same value and that copra is imported by the big industrial houses, monopoly houses, like Lever Brothers and Tatas for making shampoo, hair-oil and some other preparations including soap-making. Because of this 11 to 12 crores worth of copra are imported into our country. Due to this the price of coconut is falling. That is the feeling; I do not know whether it is correct or not. I would like to get a clarification from the Minister on this point.

Then, about pepper it is a very sad story. It was correctly quoted by Mr.

Chandrappan that pepper was known as black gold and it attracted foreigners to India. But what is the position of pepper now? In 1951, pepper price was Rs. 20,000 per tonne. After devaluation, the value ought to have gone to Rs. 30,000. But now the price is only Rs. 5,000 per tonne for pepper. Large areas of pepper cultivation lie in Kerala and the people are not even now interested to cultivate pepper. Why should this be so? We were agitating to remove the high export duty imposed on pepper; we expected something to be done by the Ministry. Of course it is the Foreign Trade Ministry. That is another trouble. Certain items are dealt with the Foreign Trade Ministry; certain items are by the Agriculture Ministry. The high export duty on pepper and the hold of the Bombay barons on the pepper market have ruined pepper cultivation.

Last year the price per kilo of cardamom was Rs. 102 and this year it is only Rs. 19, maximum. We are not even getting twenty five per cent of what we got last year.

People have already given up ginger cultivation because it is not economical at all. Such a low price is prevailing; people are not interested in ginger cultivation.

The overall position is this, if you take coconut or rubber or ginger or cardamom. Kerala has been affected adversely for the last so many years. There is no price policy or machinery to regulate the prices. Either the Agriculture Ministry or the Foreign Trade Ministry should have looked into these problems. Tea, coffee, cardamom, etc. are controlled by the Foreign Trade Ministry. In some matters, it is the Agriculture Ministry which comes in. The Government should help us to bring all these crops under one agency. Urgent steps based on the report of the study team which has returned from our State after studying the situation should be taken.

There is another pathetic point. The price level has been described already. There were heavy floods last week and people are put to a lot of hardship. Nearly 3,000 persons lost their houses and crops had been destroyed. Coconut trees themselves were swept away by water and the fields are covered with

sand and cultivation is at a standstill. We requested the Speaker to give us some time to discuss these things; unfortunately we have not been able to get time. In this situation, particularly, I request the Government to take immediate steps to see that something is done to aid the farmers in getting some price commensurate with their production expenses.

SHRI VAYALAR RAVI (Chirayinkil) :

I am here on my legs to join my friends who expressed their feeling on the grievances of the people of my State due to the steep fall in the prices of agricultural products, which affected the economy of Kerala. Recently the Agricultural Price Commission recommended the reduction of wheat price by four paise per kg. It created a big hue and cry in this House as well as outside and many Chief Ministers flew into Delhi—of course they have a right to canvass against it. The Government rejected the plea of the Agricultural Price Commission giving a good reason—according to me it is a flimsy reason that the cultivator had not been informed earlier when he was entering cultivation with seeding. I want you to apply this to Kerala. I have seen some coconut trees in Assam and so probably, Mr Deputy-Speaker, you also know that a coconut tree takes seven years from the date of its plantation before it begins to yield.

Then it will go on yielding coconuts for 40 years. I want to know from the minister, were you good enough to inform my people 7 years ago that the price of coconut is going to fall down? So, there is no justification for this argument which you applied in the case of wheat. The same criteria should be adopted for wheat and coconut. Sir, other agricultural commodities of Kerala—also traditional and not seasonal—Cardamom also takes 7 years to give yields. Rubber takes 5 years. Coffee takes 5 years. Tea takes 5 years. Pepper takes 5 years. Because the prices are falling down, every coconut farmer is afraid to go in for more cultivation by getting more trees from the ICAR, because he is afraid that the prices may fall. Now you are punishing the farmer who started cultivation 7 years ago and it may affect the farmer in the future for 20 years. From Rs. 750 in 1969-70 it has come

down to Rs. 340. Your officers may dispute it, but I am selling 200 coconuts per month and I know the prices. The price of ginger has come down by 50 percent. Rubber has picked up a little. But in respect of coconut, the 1966 price is still continuing. Not only has it gone up but it has come down since 1966. Probably it may be the only commodity the prices of which have not gone up. That is the fate of Kerala.

Mr. Stephen has pointed out that the national income which comes from my State is Rs. 1200 crores out of which Rs. 200 crores comes from coconut. My State is suffering a loss of Rs. 65 crores due to price fall. I do not want to charge the Government, but I do regret that our External Affairs Ministry has taken a wrong step in readily agreeing to import copra and rubber from Ceylon. I am sure the Foreign Minister would have refused to import if the offer was for wheat and sugar. This is the injustice done to my State. Last year we imported 11,000 tonnes of copra. We are self-sufficient in coconut, arecanut and rubber. The Minister himself has given this information in this House. Then why are we importing copra from Ceylon? If the Government wants to give financial assistance to Ceylon, let them give it in cash, but not at the cost and expense of the poor people of Kerala. It is not my request alone but the request of the entire people of Kerala that this import should be stopped forthwith. This is what Government of Kerala demanded. I hope Mr. Shinde who sent a team and who has got their report on his Table will take this into consideration.

Sir, after the land legislation, every family in Kerala is the owner of a minimum of 10 cents, which means 6 to 8 coconut trees. Dr. Karan Singh is sitting here, he may try to push us back in tourism because of Kashmir but we are competing with the beauty of any other place, because we have beautiful land-scape with back water & palm trees. Every family own 6 to 8 trees means about 200 coconuts and if Mr. Shinde is able to to give a reasonable price, and keep the price of rice at level we are able to get two meals a day with that. That is why every political party is very much upset over this steep fall in prices.

[Shri Vayalar Ravi]

I would like to make some suggestions. The Reserve Bank of India must come forward with more assistance. Of course, it has done something but that is not sufficient. It has to come in a big way to give more loans to the agriculturists. Then, the NCDC should expand their activities more actively. We had some coconut marketing societies. But they were closed down because the NEDC did not extend them the necessary help. So the co-operative marketing societies must be helped to function to keep the price level.

Then I want to know from the Minister what has happened to the study team report. You were very anxious to send that study team. When are you going to take further action on the recommendations of the study team. I am sure the hon. Minister will come to the rescue of the poor people of Kerala who are suffering from the sharp fall of agricultural prices, especially of coconut.

SHRI K. BALAKRISHNAN (Anbala puzha) : Mr. Deputy-Speaker, Sir, I also belong to Kerala. Naturally, I am also concerned about the price of coconut. But I can assure you that I am not talking to you what the other people have talked to you. There is one very fundamental mistake about understanding us, about understanding the people of Kerala.

MR DEPUTY SPEAKER : We do not misunderstand you.

SHRI K. BALAKRISHNAN : I invite you to please come to Kerala.

MR DEPUTY SPEAKER : I had been there.

SHRI K. BALAKRISHNAN : It is only when you come there you will know what coconut is to Kerala. When we say that coconut happens to be our economy, in order to understand that you must come there and see things for yourself. We do not belong to a State; we belong to a big city from north Kerala down to the south. You cannot say where the boundary of one district ends and the boundary of another district begins. It is big stretch of land

and you cannot see a place where there is no coconut tree.

I am not here to give statistics. I will say that it is our staple vegetable growth. I do not even say about our agrarian economy; I say it is the staple vegetable growth in our State; that growth is called the coconut tree. What is the big thing about coconut? The big thing is that there is no part of the coconut tree which cannot be used, be it the leaf, the trunk, the root or the coconut itself, including toddy. There is no part of a coconut tree which cannot be used.

My friend here were talking about the loss to the economy of not only Kerala but the whole of India. Then there was talk about coconut being edible or not. I contradict all my friends here. Coconut is an edible thing in Kerala. But they are never used as edibles outside Kerala. We use coconut oil for preparing our curry so that it can be relished more. It is edible inside Kerala and not edible outside Kerala.

It is our economic tree. Why is it that their prices have gone down. Supposing there is greater demand and shorter supply; then the prices would go up. Supposing there is greater supply and shorter demand, the prices go down. What about coconut price? What about prices of pepper? There has been a talk about the small poor cultivator growing pepper and all that. Pepper requires no cultivation. I am telling you, in the whole of Kerala, pepper requires no cultivation. But luckily for us pepper fetches a good price and who is denying this. Actually you have to do all sorts of things for other crops, but you need not have to do anything for pepper.

Pepper, fortunately for us, is fetching a good price, but why has it gone down, as if the world does not want pepper, as if the world does not want coconut? Why is this phenomenal fall of price? It is the economy of India which is suffering. I am not talking of the economy of Kerala. Has the Hon'ble Minister incharge ever cared to find out why? I am asking that 'why' to the conscience of India. Why are the prices of our money crops going down? We are not

much of an industrial country and the Government of India has not gone down to invest so much in our country so that we prosper. After all, we have a little bit of land, and fortunately for us, we have a little bit of brain. What I want to impress is on the entire India. I am not much concerned with the Government of India or the Government of Kerala. I am talking to the conscience of Kerala. Why are our money-crops going down like that? Should there not be some sort of understanding and an enquiry? Why is it going down? I say 'why'. Has this 'why' been enquired into? Let it be the small industry that we are having. Let it be the small industry that we are having. Why is it that we alone have to suffer? I place it before the conscience of India.

Thank you, Sir.

MR DEPUTY-SPEAKER : Shri Chandia Gowda.

SHRI D. B. CHANDRA GOWDA (Chikamagalur) : MR. Deputy Speaker, Sir, many of my friends who have already spoken have covered very much about other commodities particularly, coconut. Keeping that particular commodity apart, I would like to touch Cardamom and arecanut especially.

Sir, cardamom is one of the foreign exchange earning commodities, earning to the tune of about Rs. 10 Rs. 12 crores a year. In the year 1969-70, the total production of cardamom was 2,300 tonnes and in the year 1970-71 it was about 3,170 tonnes and the export of cardamom in the year 1970-71 was 1972 tonnes which fetched about Rs. 11.2 crores of foreign exchange to this country.

I would like to draw the attention of the members mostly from Kerala and also from Tamil Nadu and particularly, my friend Shri Stephen quoted that it has 47,000 hectares. It is not correct. According to the report of the Foreign Trade Ministry, it is about 81,566 hectares of land under cardamom cultivation.

SHRI C. M. STEPHEN : I mentioned only in Kerala.

SHRI D. B. CHANDRA GOWDA : In Mysore alone it is 28,224, in Tamil Nadu it is about 6,316 and in Kerala it is about 4,266 hectares.

In 1968-69, the value of cardamom was between Rs. 80 and Rs. 120 per Kg. I may quote now, the same cardamom which had the privilege of getting about Rs. 80 to Rs. 120 per Kg has fallen down to Rs. 15 to Rs. 28 per Kg. The fall in the price looking to the comparative exports and export earnings is rather too much. The reason particularly is not because of any fall or rise in the production. But it is because of the middle-man who is actually dealing with it.

In 1968-69, as I quoted earlier the export was less. In 1970-71, the export was more. In spite of having exported so much cardamom, why has the rate come down is a question which the Ministry of Foreign Trade has to seriously view. The reason is that, at one stage, a very big plantation owner says, he is a planter; comes to Bombay and says, he is an exporter and, again, comes to Madras and says, he is an importer. The man who exports cardamom in Bombay, grows cardamom in Mysore and imports something else in Madras. This is the particular situation where the cardamom industry is facing now in this country. The only solution for this as I could suggest is that immediate steps must be taken to see that the export of cardamom is regulated internationally under an agreement.

The other thing is that the export publicity of cardamom must be geared up both nationally and internationally. There is a Cardamom Board. But neither internally nor externally, this Board has ever participated in any of the exhibitions or fairs. So, my submission is that the Foreign Ministry must see that the Cardamom Board takes it up and send a delegation to some of the foreign countries, at least to Middle-East countries, touching Italy who are actually our importers and see that Indian cardamom industry is geared up well.

Another suggestion that I would like to make is this. The Board actually has nominated Members. Who are these nominated Members? Again, as I said, the very same

[Shri D. B Chandra Gowda]

man who is a planter, the very same man who is an exporter, the very same man who is an importer as nominated to the Board because he could exert some influence in the Government of India. This is the state of affairs. That being his case he not only controls export and import but also controls the Cardamom Board. The net result of it is that against the share that a cardamom planter ought to have got for having laboured so hard he does not get even a nominal share. *En bloc* the elephant's shares go to the man who calls himself an exporter. Even in export, I have heard, in many countries where they export cardamom, they sell at the maximum rate and take the minimum rate and with the rest of the difference, they import certain things in the name of something else. This racket should be put an end to if this industry is to survive in this country.

One more unfortunate thing is that this Cardamom Board having earned so much of foreign exchange, could not have its own independent body. I mean rubber is attached to cardamom or cardamum is attached to rubber, and there is a common Chairman.

SHRI R. BAI ARISHNA PILLAI: No, it is not correct.

SHRI D. B. CHANDRA GOWDA: There is a common Chairman.

So, cardamum is now facing difficulty because of the racket.

Coming down to arecanut, arecanut is one of the important cash crops which covers the whole of Mysore State, some parts of Kerala and Madras also. The rate in the year 1971, in the month of January was about Rs 10-⁴/₈ per quintal for red *rasi*, and for *chhali* it was about Rs 667/- in January 1971. In the year 1972, the rate of white *chhali* is about Rs. 637/-, and the rate of red *rasi* is about Rs. 667/- in the year 1971 it was Rs 1025, but in the year 1972 it is about Rs 667. It has come down 50 per cent in its value. The reason that the arecanut growers give

is that arecanut is being imported from Ceylon. It may be true or may not be true. I would request the hon. Minister for Foreign Trade to come out which the correct assessment of it. Anyway, I would like to quote from the *Times of India* dated 8-4-1972 which is under the caption, "Indian Imports in Ceylon to be increased", they say

"Stepping up of India's purchases is the main outcome of the meeting in the context of Ceylon's current foreign exchange difficulties. India's purchases this year would include traditional commodities like arecanut" etc, etc.

This particular press note has actually created a fuss in the minds of arecanut growers, and they are completely under the impression that arecanut is being imported from Ceylon. We are growing arecanut to meet the full requirements of the country. I have no reason to accept that, to help the Ceylon Government in its foreign exchange difficulties, our arecanut growers should make the sacrifice.

One more aspect with regard to cotton is that Ruzhich district, Mysore State, is the biggest cotton market in the whole of the country. In the year 1968-69 it had about 75,000 bales of cotton. During the course of five years, in the year 1971-72, it had to its credit about 1,25,000 bales of cotton. But the condition of the cotton growers is so bad. There is a Cotton Trading Corporation which had purchased about 5,000 bales. The total production was 1,25,000 bales, and the Cotton Corporation buys 5,000 bales. And the cotton grower, in order to sell the remaining portion of it, has to run helter skelter. The result is that the cotton price has come down. Therefore, I would request the hon. Minister for Agriculture to see that the Cotton Trading Corporation must purchase the full quota and also one more thing, the disbursement and weighing should be expedited.

*SHRI ANTI BHARGAVI THANKAPPAN (Adoo): Mr Deputy Speaker, Sir, the hon Members who preceded me have

*The original speech was delivered in Malayalam

spoken very eloquently about the subject that is before the House giving facts and figures about the prices that prevailed before and the prices that are prevailing now in respect of coconut, arecanut and other cash crops on which the economy of Kerala depends.

In Kerala, Sir, most of the people are depending on the yield from their coconut trees for their living. As has already been mentioned in each House in Kerala you can find at least ten coconut trees and some arecanut trees. The poor people are living mainly on the money that they get from the sale of coconuts and arecanuts produced from these trees. The prices of these commodities have fallen down so much that these poor people are now finding it difficult to make both ends meet.

The price of copra has gone down very much with the result that most of the oil producing factories and soap factories in Kerala are not able to work and they have been closed down. I take this opportunity to request the hon. Minister to see that those factories that have been closed down are reopened and also that new oil mills and new soap factories are opened in Kerala.

Sir, to stabilise the prices of coconut and copra a Coconut Board should be appointed. I want to impress upon the hon. Minister that the appointment of a Coconut Board is an absolute and immediate necessity. I hope the hon. Minister would pay his attention to this and take the necessary steps early.

There are many diseases that affect the coconut and arecanut trees. A survey should be made to find out the root cause of these diseases and steps taken to remove it. This will prevent the coconut and arecanut trees from being destroyed.

Sir, on several occasions we have mentioned here that Kerala earns a major portion of India's foreign exchange. The foreign exchange earning crops of Kerala are pepper, rubber, cardamom, arecanut, cashew spices, ginger etc. For producing more of these items and to increase the export of these items it is necessary that the fall

in their prices should be checked so that the growers will find it remunerative to produce them. I hope the hon. Minister will pay attention to this aspect of the matter.

With these words, Sir, I conclude my speech.

SHRI B.V. NAIK (Kanara) : I completely sympathise with our friends and our good neighbours, the gentlemen coming from Kerala, and they are extremely concerned with the prices of coconut. The more I see about my own area I feel that we have something more in common with Kerala and Trivandrum and Cochin rather than Bangalore and such other areas. Geographically our problems are extremely identical. Leaving aside the question of language, I think, ethnically, we are a sort of mixed breed. I feel that the case of coconut has gone by default. Unlike all other commodities, it is a food crop. It is useful, as stated by Mr. Ba'krishna Pillai, as a multi-purpose crop. Our learned Minister Mr. Karan Singh must be knowing this; in Sanskrit it is called *kalpavriksha* next only to *kanadhenu* some of the great gifts that God bestowed on earthly mortals like ourselves. So, I think the case of coconut is undisputed. It is adding to the nutritive value of our food, it almost goes to the benefit of the consumer in almost everything that he takes and it helps in the good living of our people. Our district has got and the whole of the west coast has got substantial acreage under coconut. The price of coconuts needs to be given serious attention. In this case, as far as the requirements of our agricultural pricing policy is concerned, how do we draw the line? I would like the Minister in charge of Agriculture to tell us how he draws a line between fair price to consumer (which is our avowed policy of holding the price line), and a reasonable, remunerative price to our producer. Is there any meeting-ground between the two? Secondly, how is it that while on the one side we see that the prices which the consumer is paying are high, the producers are getting less? Even if we go to the shops here, we find that the consumer prices have not registered a downward spiral, but the producers are getting very much less. I would like to know whether there is any concrete programme to eliminate the middlemen.

[Shri B. V. Naik]

15.00 hrs.

In the case of coffee, there is the Coffee Board. In the case of cardamom, there is the Cardamom Board. Similarly in the case of rubber, there is the Rubber Board. For almost every prize commodity, we have a board. When it comes to coconut, we do not have a board. Even for cotton, we do not have a board. I would not pick up any quarrell with our friends from Punjab who have got a prize for their wheat in the recent tiff that was there. But I wish that in regard to almost all agricultural commodities, we shall have to fix not only the price but also a floor price. I am sorry to note that as far as agricultural prices concerned, for the first time it looks as if we are going to have a look into the cost of production data as per the recent statement made by the hon. Minister of Agriculture. I think there is substantial amount of material since the time the first university or agricultural college was established at Poona way back in 1904 from which year we have been having agricultural education. I think that there is substantial amount of data to fix up exactly what the cost of production is. We need not go in to it for the first time in the year of the Lord 1972 by going around the country and appointing study teams for the purpose. We have the data already, and the question is at what stage we are going to fix the floor price as far as agricultural commodities are concerned.

I do register my extreme concern as far as our agricultural commodities are concerned. In regard to arcanut also, we have got a substantial shortage, and I think that it deserves a certain amount of support in the matter of fixation of prices. I completely identify myself with Shri D. B. Chandra Gowda who has already given brilliant statistics in this behalf, and I would request the hon. Minister to give his very sympathetic consideration.

SHRI P. VENKATASUBBAIAH (Nandyal): This discussion has given us an occasion to voice our grievances and feelings with regard to the steep fall in the prices of agricultural commodities. We have attained self-reliance so far as wheat and other

foodgrains are concerned. But at the same time, when we have a look at the area that is being brought under commercial crops, it is no encouraging. It is not encouraging in the sense that the production is also going down. At the same time, the prices are also falling. As a matter of fact, the commodities which are mentioned such as coconut, arcanut, ginger, pepper etc. are the commodities which bring us a lot of foreign exchange and they are commodities which can keep the agricultural economy intact in that part of the Western Coast of India.

Another factor is with regard to the growing of cotton and also the prices of cotton. We have been importing Rs. 90 crores worth of cotton every year from Egypt and Sudan, while at the same time, we have failed to give fair prices to the cotton growers in this country. After a lot of hue and cry, the Cotton Corporation is entered the market. But as my hon. friend preceding me has pointed out, they were unable to face the problem adequately and come to the rescue of the growers. For instance, he was mentioning about the purchase of cotton in Raichur district of Mysore State which was considered to be the largest cotton growing district in the whole of South India. The Cotton Corporation has entered the market and I wanted to bring to the notice of the Minister that much of the malpractices are being indulged there and the actual grower is not getting the real price. Bogus receipts are being passed on to the growers and the prices are being undercut and all sorts of things are going on and lot of complaints are there.

Cotton growing has become very prevalent in Andhra Pradesh also. Formerly the cotton was not being grown on dry lands but in rich price fallows the cotton is being grown, of long-staple variety. There also the same problem is faced by the growers. In all justification it is the duty of the Government to come to the rescue of the growers not only to ensure their minimum price but also a remunerative price. This is the only way that the agricultural commodities in this country will grow and that will also boost our economy and the country will be saving much of foreign exchange.

We have been constituting statutory boards for each commercial commodity, I would suggest to the Government that those statutory boards have to be constituted to cover these important commodities. There need not be a separate committee for each commercial crop that is grown. If it is possible, I would only suggest to the hon'ble Minister to go into the question of having a statutory board not only for giving floor price or remunerative price but also for promotion of agricultural commodities and their marketing. With these few words, I conclude.

SHRI P. NARASIMHA REDDY (Chittor): Mr. Deputy Speaker, Sir, the whole House and in fact the whole country in my opinion is thankful to the mover of this motion to-day-Mr. Unnikrishnan and his friends.

Mr. Deputy Speaker, Sir, this is a matter which is not merely the concern of Kerala or the people of Kerala it raises issues which are of very great concern to every part of this country and the whole of the country in my opinion. In this session of Parliament we have been hearing the woeful tale of cotton grower, jute grower, sugarcane grower, coconut and rest of the species areca-nut grower. From this we can conclude that almost the entire range of agricultural production including tobacco is affected. Tobacco I mentioned, because the Minister was good enough to assure that tobacco Board will be formed very soon and the marketing of tobacco will be regularised. From this it is my reliable opinion. Mr. Deputy Speaker, based on substantial facts that the entire range of agricultural production in this country is subject to this doldrums and the Various vagaries and wild vagaries at that of prices. This issue, we have been agitating since long and this, in my opinion, is the basic issue which the Government can no longer afford to ignore or neglect. From the facts presented to-day before the House by our hon. colleague from Kerala, we see that crores of people in Kerala have been reduced to misery by unprecedented price fall in coconut. The loss as given out is very much Rs. 60 crores in six months; and two crores of people, I have been told by Mr. Unnikrishnan, are very much involved in this

steep fall. If such a state of affairs is allowed to continue, I am afraid, the growers, the producers in Kerala may proper cutting down the coconut trees and diverting their land to some other worth-while crop. I request the Government to make up their mind once for all.

Now this problem is spreading everywhere-in Andhra Tamilnadu, Mysore. In fact, the other day there was a talk here why a suitable species of coconut has not been planted in North Indian States where it is not coming up. Now, when this is being thought of in the country and it is allowed, its fate is not to be left to the vagaries of price fall or price to be dictated by a few monopolists in Bombay, in such chaotic conditions, I am afraid the future of coconut or the rest of the crops of which mention has been made, is very gloomy. I support the contention and pleas made by the speakers who preceded me and request the Government to evolve a suitable floor-price policy in respect of every agricultural commodity which forms the mainstay of agricultural production in every State and every part of the country.

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ANNASAHAB P. SHINDE): Sir, I am thankful to the hon. Members who have raised such an important discussion in regard to the commodities with which millions of producers, particularly small producers, are concerned. The debate has been very instructive and major policy issues and issues of national interest have been raised as to what should be our approach regarding the price policies as far as agricultural commodities are concerned; what should be the import policies; whether we should allow imports which will adversely affect our domestic production etc. Then some specific problems in regard to commodities like coconut, cardamom, ginger, arecanut, etc., were raised

I always appreciate the Kerala Members because they are so vigorous in arguing out their case. Only I do not agree with them in one contention-even Shri Naik supported them-and that is when they said that the coconut case has gone by default. I am

[Annasaheb P. Shinde]

not passing any judgment on this, but the Kerala Members said that there are powerful lobbies for wheat and certain other crops and that because they have no powerful lobby in regard to coconut and other crops, they lose the case by default. If hon. Members ask for my view, I can say that the Kerala Members are second to none in forcefully arguing their case in which the interests of Kerala are involved.

The other day, Mr. Charadrappan was arguing the case for incorporation of land reforms in the Ninth Schedule. From the way in which he argued it—and a number of Members supported him—I can say that at least on this issue of fall in prices of coconut and other commodities, I do not agree with them when they say that Kerala case is likely to go by default.

First of all, take the case of coconut. I think a stage has come in this country, because now, as far as the agricultural front is concerned, we are in a position to speak from the position of strength. So long as our economies were weak, the formulation of price support policies, the formulation of appropriate policies was a very difficult proposition. But now, in certain sectors of the agricultural economy we are really making very substantial achievement and this is because of our very judicious price policies. I am not prepared to concede one point made by Shri Unnikrishnan, namely, that the Government of India decides the price policies because of lobby pressures. In fact, our country was depending on other countries for import, and we were only enriching the farmers of other countries. It was, therefore, very desirable to see that our own increased production was encouraged and imports are stopped in our national interest. We will have to extend the same policy approach to a number of commodities in which we are depending on imports.

Take the case of cotton, to which some hon. Members referred, we will have to again adopt a very judicious policy so that in the years to come, in the next three or four years, we are in a position to eliminate the import of cotton. Similarly with regard to oilseeds. We are importing edible oils

and non-edible for industrial purposes. I think we will have to see that our country is made self-sufficient in oil economy, whether it is required for human consumption or industrial purposes, and that our domestic production is given a price support and necessary protection. Coconut is exactly a case falling under this category.

As far as the coconut producers are concerned, I do not think they belong to the category of large farmers. They belong to a class of small farmers. The coconut economy in this country is mainly in the hands of small producers and small farmers and Kerala is a typical example. My colleague, Mr. Stephen, gave very valuable figures. He said that 40 per cent of our coconut farmers are holders below one hectare of land and 60 per cent of the farmers hold below 0.2 hectares. It is really an economy of small farmers, and I can quite understand and appreciate the anxiety of hon. Members when they say that the interests of these small farmers have to be fully protected.

May I assure hon. Members that as far as My Ministry is concerned, our approach is that we are trying to evolve policies which will not adversely affect the interests of the small growers. We will see that we extend the necessary support and formulate appropriate policies so that the small producers in this country will get a feeling that here is a Government which will come to their rescue and help when they are in difficulties. *(Interruptions)*. As far as the coconut economy is concerned, I know the Members from Kerala who have been very active on this question have got into touch with me. They persuaded me to depute a team to Kerala to study this problem, because different ministries have got different views on the subject. I immediately accepted the suggestion and constituted a team. This team went to Kerala, made a quick survey and submitted their report. Some hon. members said that they wanted to discuss it with me. So, tomorrow I am having a discussion with some of them as to how the report can be processed, so that further action can be taken.

SHRI R. BALAKRISHNA PILLAI :
So, tomorrow's discussion will be about the copy of the report ?

SHRI ANNASAHEB P. SHINDE : We will give some information about it. As far as my ministry is concerned, all the chapters are open to every member of this House.

As I said, in many sectors of our economy, the position is improving. The same thing is happening about the oilseed. Last year we had a very good production of oilseeds. I have tried to study the coconut economy. It is not an isolated economy, it is a part of the total oilseed economy. The price of groundnut oil and other oils has come down compared to the last two years, because of easy availability.

SHRI K. P. UNNIKRISHNAN : But coconut is not a seasonal cash crop; it is a standing cash crop.

SHRI ANNASAHEB P. SHINDE : I am not disputing that. Now, what has led to a precipitous fall in price as compared to the last two years? As a result of comfortable supply Position and production the general level of edible oil prices has come down. I think it is a good thing, because the prices of edible oil rocketed very high and there was some need to bring down the price. Now the prices have come down. There can be different views as to whether the present level is reasonable or it should be brought down further. This has some reaction on the price level of coconut oil and copra. In addition to this, in 1970 the price level was very high. It is again to be debated whether the 1970 level of prices can be called as reasonable price. As Mr. Naik pointed out, we must have some policy approach where the interests of producers and consumers are properly balanced, I can give the wholesale prices of coconuts in Kerala in the Kozhikode market, per thousand : December 1971—Rs. 345; January 1972 Rs. 385; February 1972 Rs. 425; March 1972 Rs. 410; April 1972 Rs. 36 ; May 1971 Rs. 520, May 1970 Rs. 530; May 1969 Rs. 380. The price in 1970 was very high.

SHRI R. P. UNNIKRISHNAN : What about the price between 1964 and 1970 ?

SHRI ANNASAHEB P. SHINDE : In 1967-68 and 1968-69, the prices were a little lower, more or less at the present level.

SHRI K. N. TIWARY (Bettiah) : When we talk about the interests of consumers and producers, in other countries like Japan, every food article is subsidised. Is the minister going to adopt that policy ?

SHRI ANNASAHEB P. SHINDE : I am of the view that everything depends on the strength of the economy. I do not think we can go on subsidising things. We have not come to that stage. Despite what I have said, I will concede the point that there is a need to have some stability, as far as the price level of coconut is concerned. What can be done for that? I find that the marketing arrangements in Kerala are so peculiar. The small producers cannot come to the market. Their produce has been sold in advance of the harvest. This is the peculiar feature of the Indian economy that moneylenders and traders have a stranglehold on the small peasants. So, there is need to have a regulated market in Kerala. We will have to see that necessary arrangements are made to strengthen the market so that the producers are ensured a remunerative price and the middlemen do not take away the cream.

Now some of the coconuts are purchased in Kerala, taken to Bombay, processed and sold at much profitable prices. Why should this not be done in Kerala itself so that it will give more employment to the people there? So, there is need for a sophisticated processing industry based on coconut. Now because of the economies of scale and a number of other factors, the smaller units are being closed; a number of ordinary pressure coconut processing mills are not operating. We have to organise an efficient marketing system, provide better processing facilities and, coupled with it, an appropriate price policy and then alone we will be able to find out some solution to the problem.

Some hon. Members raised the question of proving credit. My Ministry would take up with the Reserve Bank the question of providing more credit to this industry.

Shri Stephen wanted to know why we are not removing the ban on forward trading. I do not know whether I can make a positive policy statement on this, because the

[Shri Annasaheb P. Shinde]

broad approach of the Government of India is to ban all forward trading, because forward trading encourages speculation. If we remove the ban on forward trading in coconut whether that will improve the situation is more than what I can say. But if the Kerala members can convince us that it is not likely to encourage speculation, I can consider it. Since a number of other Ministries are also involved here, I cannot say what the outcome will be. I know the strong feelings of the Kerala members on this point. Therefore, we will have a fresh look into the matter, we will consult the other concerned Ministries and if our view prevails and if we are convinced that it will not encourage speculation, it can be done.

The question of import of copra was raised, I will take up this point with the Ministry of Foreign Trade. The approach of our Ministry on this point is very clear. We have given the slogan of self-reliance to this country. Just as we have eliminated food imports, we have every confidence that during the next three or four years we can eliminate the import of cotton and many edible oils. While we want to see that our domestic production increases, at the same time, we want to ensure that the consumers are not put to any difficulties in the transitional period due to shortage of supply.

A number of points have been raised during this debate and it is not possible to cover all of them for want of time. So far as the report of the study team is concerned, we will see which of the recommendations can be implemented.

In the matter of arcaanut also the same position is obtaining. There was a time when we were importing arcaanut. Now the production of arcaanut has gone up. In 1965-66 it was 1,19,000 now it has gone up to 1,41,000. So, there is no need to import it. Because of this increased production the prices are coming down. So, in regard to arcaanut also a new policy has to be laid down.

When we are making our country self-sufficient in a number of commodities, a

stage comes when as a result of these developmental activities our production has increased. At such a stage would you like to discourage production? This is a matter which will be looked into after consultation with the Economic Ministry. We will be going into the matter. But this arcaanut export potential is very limited. There is one suggestion which has been made by some of our senior officers in the Ministry whether some other uses of the arcaanut can be found out. I do not know. The solution is not easy. But some Members made a reference why we should import arcaanut? A very small quantity of about 500 tonnes are being imported. But again this is an issue consistent with my argument. I would like to take up with the Ministry of International Trade.

Then Sir, about pepper and other commodities. Again this is a very complex subject because these are mostly export commodities and the prices do not depend upon what we decide here, because there are so many other countries like Indonesia and Brazil and the level of international prices is beyond our control. There are certain areas where the crops fail. For instance, if there is crop failure in Indonesia, then international prices will go up. If there is bumper production in other countries, the prices come down. They naturally affect our local prices. I think what is necessary, is to have a very effective co-ordination between the Ministry of Agriculture and the Ministry of International Trade and I am thinking of suggesting some mechanism to the Ministry of International Trade so that whenever some import or export policies are determined, they are determined in such a way, that the interest of the domestic producers is safeguarded.

I do not want to take more valuable time of the House because all these points made by the hon. Members there were some points of which I have already taken note of. As far as coconut is concerned, I am discussing with the Kerala Members and we will go into that and we will also consult the Kerala Government.

As far as N. C. D. C. is concerned, Mr. Jayar Ravi.

I assure you right now that whatever assistance you want for marketing and processing, I am prepared to give the necessary help. As far as the N. C. D. C.'s help, all the strength and financial resources of the N. C. D. C. will be placed at the disposal of the Kerala Government to the extent possible and feasible. We will consult you and consult the Kerala and also try to go into that matter, but I cannot say off-hand right now, what should be the price policy.

Sir, I am glad that the Hon'ble Lady Member suggested that some Board be set-up for coconut. All these suggestions will be considered when I am discussing with the Members from Kerala. With these few words, I finish.

SHRI. C.M. STEPHEN : There is a thinking that the price now prevails is fairly normal and nothing more is necessary. Do you agree with that or do you agree with our contention that the price must be satisfactory ?

SHRI ANNASAHAB P. SHINDE : I feel you have a very strong case.

SHRI DINFN BHATTACHARYA .
What is your immediate suggestion ?

SHRI ANNASAHAB P. SHINDE : I wish if was so easy I said about imports, I said about credit policies, I said I will take up with the Reserve Bank of India about long-term and short-term marketing and processing arrangements. I have already made observations. I think Hon. Members should appreciate the way my Ministry is trying to go into these problems.

MR. DEPUTY SPEAKER : We now take up Private Members' Business. Bills to be introduced.

15 30 hrs.

PREVENTION OF FOOD ADULTERATION (AMENDMENT) BILL*

(Amendment of sections 2,7, etc.)

SHRI B.S. BHAURA (Bhatinda) : I beg

move for leave to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954."

The motion was adopted

SHRI B.S. BHAURA : I introduce the Bill.

PREVENTION OF LOTTERIES BILL*

SHRI ANADI CHARAN DAS (Jajpur) : I beg to move for leave to introduce a Bill to provide for the prevention of State lotteries.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the prevention of State lotteries."

The motion was adopted

SHRI ANADI CHARAN DAS : I introduce the Bill.

BAN ON COMMUNAL POLITICAL PARTIES BILL*

SHRI SAMAR GUHA (Contai) : I beg to move for leave to introduce a Bill to provide for a ban on activities of communal political parties and for matters connected therewith.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for a ban on activities of communal political parties and for matters connected therewith."

The motion was adopted.