

procurement prices which by itself give an incentive to the farmer for the purpose of cultivating more area.

**SHRI THAMPAN THOMAS :** Earlier when this scheme was there, the growers were getting subsidy directly but now the middlemen are getting the profit. To avoid middlemen, we would like the Government to give subsidy to the cultivators directly, so that more land can be brought under sugarcane cultivation. Will the Government consider this proposal and give necessary directions to the factories to give subsidy to the cultivators and not to the middlemen ?

**SHRI P. SHIV SHANKER :** So far as the middleman is concerned, if he is trying to meddle and create problems, his case is being looked after in a different way. But the subsidy part is a different issue. As I said, we will certainly be, as and when necessary, revising the procurement price so that area of sugarcane cultivation increases.

[*Translation*]

**SHRI RAM NAGINA MISHRA :** Mr. Speaker, Sir, the Government of Uttar Pradesh have fixed the price of sugarcane at Rs. 23-24 per quintal. The farmers are not supplying sugarcane at this price, whereas a number of private mills have been able to get supplies of sugarcane only after they started paying Rs. 28 per quintal. I want to know from the Hon. Minister whether other factories cannot pay this price ?

[*English*]

**SHRI P. SHIV SHANKER :** On the basis of statutory obligation the Government of India fixes the procurement price from time to time particularly at the commencement of the sugarcane year. But when it comes to the question of State Governments, that is their own action which is not supported by any law. They have to take into consideration how much support they must give to the sugarcane growers. If they have given Rs. 23 or Rs. 24 and if private mills are giving Rs. 28, perhaps, that is a case where the State Government might increase. But that is a different issue altogether.

**SHRI VIJAY N. PATIL :** From my information I can tell the House that lot of sugarcane development fund is being collected in the last few years under the Factories Rehabilitation Act and sugarcane development regulations. So, I would like to know from the Minister as to what they are doing with this Fund. So many sugar factories have forwarded their proposals for cane development and for increasing the area under sugarcane cultivation with the help of the Sugar-cane Development Fund. So, I would like to know what the Central Government proposes to do when those proposals are forwarded by State Governments like the Government of Maharashtra.

**SHRI A. K. PANJA :** Sir, so far as the proposal of the Government of Maharashtra is concerned, I will have to look into it, but so far as the Fund is concerned, I have got the information now. Rs. two crores have been sanctioned recently out of that Fund for cane development. The cases are being considered whenever they are coming and certainly funds will be sanctioned for such development.

**SHRI E. AYYAPU REDDY :** Sir, I would like to know whether there are any firm proposals to stop importing sugar and start exporting sugar.

**SHRI P. SHIV SHANKER :** The Hon. Member might appreciate that the import is dependent on the needs of the country. If the need of the country is more and the production is less, naturally the Government will have to go in for the import. But so far as this year is concerned, there is no proposal for the purpose of import at all.

#### **Rise in prices of essential commodities**

\*2. **SHRI GADADHAR SAHA :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that prices of essential commodities of mass consumption like coal, rice, wheat, kerosene, etc. have been raised recently;

(b) whether it is also a fact that it will affect the rural and urban poor, their income, agriculture, transport costs, etc.;

(c) if so, the action proposed to be taken to check price-rise; and

(d) the reasons for increase in prices of these items of foodgrains of mass consumption?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) to (d). A statement is given below.

#### Statement

There is likely to be some impact as a consequence of increase in the prices of essential commodities. However, to the extent that these increases help in resource mobilisation to strengthen the Plan efforts and provide further thrust in implementing the anti-poverty programmes there will be a benefit to the country.

The rural poor will continue to get supplies of foodgrains at cheaper prices under various special programmes. The procurement/support prices of agricultural commodities are fixed after taking into consideration, among other things, various input costs. Efforts are being made to economise the use of petro-products. The overall efficiency of the public sector undertakings is being improved.

The main thrust of the Government policy continues to be to increase the production of essential commodities, particularly the ones which are in short supply. The Public Distribution System is being streamlined and expanded. Some of the essential commodities are imported to supplement the domestic supply. The export of essential commodities is banned/regulated. Action is being taken by State Governments against blackmarketeers and profiteers under the Essential Commodities Act, 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

In order to reduce the mounting subsidy, the issue prices of rice and wheat have been revised so that the amount thereby saved could be used for strengthening the Plan efforts and provide further thrust in implementing the anti-poverty programmes includ-

ing supply of cheaper foodgrains for tribal areas, rural works and for women and children under welfare programmes.

SHRI GADADHAR SAHA : Mr. Speaker, Sir, in view of the fact that there is serious discontent and sensational reaction of different sections of the people, both urban and rural, to the abnormal, unprecedented, totally unjustified administered increase in prices of so many essential commodities of mass consumption and imposition of additional burden on them, and curtailment in food and fertilizer subsidy which will adversely affect the production, an expression of sensational reaction in the form of peaceful protests, strikes and *bandhs*, will the Minister take immediate steps to reduce/withdraw the price rise decision, check danger of inflation and finally lessen the burden of the common people and the States due to additional expense, and also tell us the reasons as to why the prices of so many commodities have been raised on the eve of the Budget Session bypassing the Parliament?

SHRI SOMNATH CHATTERJEE : You say that it is a mistake and sit down.

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Mistake seems to be in your mind, Mr. Somnath... (*Interruptions*). Please allow me to answer also. As regards the question of rise in prices, I must say that no government raises the prices with happiness, particularly this Government. I would like to say this. In fact.. (*Interruptions*). That agitation you have indulged in outside but please do not indulge in inside also... (*Interruptions*).

PROF. MADHU DANDAVATE : That will be at 12 o'clock.

SHRI P. SHIV SHANKER : That is a different issue. Now the point is that the administered prices had to be raised for two main reasons; one is to mobilise the resources for a thrust in the plan activity and secondly, to give a thrust to the anti-poverty programme.

(*Interruptions*)

MR. SPEAKER : Order, order.

**SHRI P. SHIV SHANKER :** The way my friends are getting agitated inside and outside the House.

**SHRI BASUDEB ACHARIA :** Why not ? We are agitated.

**SHRI P. SHIV SHANKER :** I am only saying this. They do not have patience to listen to the complete sentence. I would repeat this; will you please listen ? The way our friends are agitated inside and outside the House shows, the only persons who seem to be happy with the price rise are my friends sitting on the opposite side.

**SHRI BASUDEB ACHARIA :** Very objectionable, Sir. It is a serious matter. How are we happy about the price rise ? What are you talking ?... (*Interruptions*)

**MR. SPEAKER :** Order, order.

**SHRI P. SHIV SHANKER :** When you try to hit me you should be prepared to receive it back ! Now, Sir, the other part of it is this. It is the considered opinion of the Government that the reduction of the prices would only be... (*Interruption*). I am not prepared to yield. Let me speak.

**PROF. MADHU DANDAVATE :** No defamatory remarks against the Members.

**SHRI SAIFUDDIN CHOWDHARY :** Every increase in price is because of the pressure of the monopoly houses, not Members of Parliament.

**SHRI P. SHIV SHANKER :** If even the wit is taken as defamatory remark, I am only sorry; the Professor indulges in so many remarks which are nothing but defamatory.

**PROF. MADHU DANDAVATE :** It is all a part of it.

**SHRI P. SHIV SHANKER :** That is precisely what I am saying. The point is this. Any reduction in prices will have to be done only at the cost of giving thrust to the Plan and also giving thrust to the anti-poverty programmes. (*Interruptions*)

**SHRI BASUDEB ACHARIA :** He has not replied.

**SHRI P. SHIV SHANKER :** I have replied. If you did not care to listen what can I do ? I have given a pertinent reply. If you have not followed, what can I do ?

**MR. SPEAKER :** No tempers, please.

**SHRI GADADHAR SAHA :** He has avoided answering the second part of my question. I asked why this was done on the eve of the budget session, bypassing the Parliament. They must directly answer this question. (*Interruptions*)

**MR. SPEAKER :** Order, order. Don't interrupt all the time. Don't have a running commentary.

**SHRI P. SHIV SHANKER :** The question that has been asked has a slightly political tinge. (*Interruption*). I am sorry if you do not want to listen. When I am replying you must listen; you should give me a full hearing; then you have a right to put your supplementary question.

(*Interruptions*)

**MR. SPEAKER :** What are you doing ? If you don't want the question answered, it is all right. But you have to listen to the reply. How can you behave like this ? You are sitting and talking all the time which is unparliamentary.

**SHRI P. SHIV SHANKER :** Sir, in my submission there is no impropriety or otherwise involved in taking an administrative decision before the commencement of Parliament Session.

**SHRI BASUDEB ACHARIA :** Why ?

**SHRI P. SHIV SHANKER :** If it is 'why', then show me the law where it is made necessary that it must be only in the Parliament. I am saying that there is no impropriety involved.

(*Interruptions*)

**SHRI AMAR ROYPRADHAN :** There is a convention.

SHRI P. SHIV SHANKER : No, no. There is no convention of that type. (*Interruptions*). I am sorry there is no convention. If it is a question of authority, there is no convention at all. There is no such convention.

(*Interruptions*)

MR. SPEAKER : I have always done it, you see.

SHRI INDRAJIT GUPTA : It is all desirable that the conventions are recorded.

(*Interruptions*)

MR. SPEAKER : It is a question-answer session. He is answering that.

(*Interruptions*)

MR. SPEAKER : My observations are there always on record.

SHRI INDRAJIT GUPTA : But he does not know it apparently. You better remind him.

MR. SPEAKER : It is a question-answer session and he will answer that.

(*Interruptions*)

SHRI INDRAJIT GUPTA : The Hon. Speaker's observations are there and this is a question of...(*Interruptions*). He has put it from the Chair, you may not know about it.

SHRI P. SHIV SHANKER : Observation is something different from impropriety.

(*Interruptions*)

SHRI INDRAJIT GUPTA : Observation is his, impropriety is yours.

SHRI P. SHIV SHANKER : Absolutely not.

SHRI GADADHAR SAHA : My second Supplementary is whether...

MR. SPEAKER : You have put two questions already.

(*Interruptions*)

SHRI GADADHAR SAHA : Second is left.

SHRI BASUDEB ACHARIA : It is his second Supplementary.

SHRI GADADHAR SAHA : My second Supplementary is whether it is a fact that the Administrative Reforms Commission set up by Central Government in 1969 made certain specific recommendations on questions of Centre's responsibility to meet the additional burden for additional expenses from State Governments as a result of Central Government's wrong economic policy and price revision decision. If so, what is Government's reaction and whether the Government did not act in the light of this recommendation ?

(*Interruptions*)

SHRI P. SHIV SHANKER : The point is, the recommendations of the Administrative Reforms Commission in 1968 do refer that in appropriate cases the Central Government should come to the rescue of the State Governments. In fact the Central Government had always been coming to the rescue of the State Governments.

SHRI BHATTAM SRIRAMAMURTY : Sir, the question is not answered properly or fully. The question is like this : 'Whether it is a fact that the prices of essential commodities have been raised.' So, let him come forward with a specific reply saying 'yes' or 'No'; if so, to what extent. He has not answered that question. We only mentions...

MR. SPEAKER : He never denied that the prices have increased.

SHRI BHATTAM SRIRAMAMURTY : That is all right, but he should give details in respect of those items, coal, rice, wheat, kerosene etc. in respect of which what is the extent of rise in prices.

MR. SPEAKER : That has come already in the papers.

(*Interruptions*)

MR. SPEAKER : You ask some specific question. Why are you asking statistical details ? They are already there.

**SHRI BHATTAM SRIRAMAMURTY :** His reply is not complete, Sir. Another aspect is here—'whether it is also a fact that it will affect the rural and urban poor, their income, agriculture, transport costs, etc.' What is his reply about this? And he has not come forward or has the face to give a reply to the question that is put. So, I demand a reply for this. Let him give the answer.

**MR. SPEAKER :** He has done it already. Mr. Minister, if you have got anything more to add to that, I do not find.

**SHRI P. SHIV SHANKER :** Actually the position is that my learned friend has not read the first part of it, which my colleague has already read. The answer to (a) is 'Yes, Sir.'

**SHRI BHATTAM SRIRAMAMURTY :** To what extent? That should be replied.

**SHRI P. SHIV SHANKER :** Sir, I am sorry, the answer is to the question that is posed.

**SHRI BHATTAM SRIRAMAMURTY :** To what extent in respect of each essential commodity which is mentioned here?

**SHRI P. SHIV SHANKER :** I was submitting that the answer is

“(a) Yes, Sir.

(b) to (d) We have laid a statement on the Table of the House.”

If you like, I will read the whole thing. That will take care of the posers that have been put in (b) to (d). I thought that it has been laid on the Table of the House. That is why I did not refer to it.

**SHRI BHATTAM SRIRAMAMURTY :** This is a specific Supplementary. It is important. He must give details.

**MR. SPEAKER :** These are statistics which are already there in the newspaper.

**SHRI BHATTAM SRIRAMAMURTY :** They are not there in his file. His file has not shown the figures. If he gives the figures, he is liable to reconsider them.

**SHRI P. SHIV SHANKER :** I can put it on the Table of the House.

**MR. SPEAKER :** You put it on the Table of the House, to show the details.

**SHRI DINESH GOSWAMI :** One of the reasons given for raising the administered price is to contain consumption and in the last Budget speech of the Hon. Finance Minister, he assured this House that the Government will take all steps to curtail consumption of petrol so far as the Government and semi-Government bodies are concerned.

May I know from the Hon. Minister how much curtailment of consumption has taken place during the last year so far as petrol is concerned in case of Government and semi-Government bodies?

I would also like to know as to how the Government reconciles its position that on the one hand the Government talks of curtailment of consumption of petrol but on the other hand gives licences for expansion of motor vehicles and scooters to the extent of 60% and 30% during the last 1½ years.

**SHRI P. SHIV SHANKER :** The question which has been posed is with reference to how much consumption has decreased in the last year on the basis of the statement that has been given by the Hon. Finance Minister. To that extent, we will lay that information on the Table of the House at a latter stage because it is not readily available with me.

*(Interruptions)*

**SHRI VAKKOM PURUSHOTHAMAN**  
In Kerala we have ration shops and fair price shops in all villages but only a few items are distributed through fair price shops. Why not we organise fair price shops through the State Government in the entire villages and distribute all the essential commodities through these shops?

**SHRI P. SHIV SHANKER :** I bring to the notice of the House that the Prime Minister has already issued the directions to the Department concerned in this regard. We are working out the details.