

August, 1977 together with an explanatory memorandum.

(iv) G.S.R. 1189 published in Gazette of India dated the 10th September, 1977 together with an explanatory memorandum.

(v) G.S.R. 606 (E) published in Gazette of India dated the 12th September, 1977 together with an explanatory memorandum.

(vi) G.S.R. 626 (E) published in Gazette of India dated the 30th September, 1977 together with an explanatory memorandum. [Placed in Library. See No. LT-1012/77].

(3) A statement (Hindi and English versions) indicating the results of the market loans floated by the Government of India in October, 1977. [Placed in Library. See No. LT-1013/77].

12.42 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED ABOLITION OF FOOD ZONES

SHRI C. K. CHANDRAPAN (Cannanore): I call the attention of the Minister of Agriculture and Irrigation to the following matter of urgent public importance and request that he may make a statement thereon:

"Reported abolition of food zones creating difficulties for the deficit States like West Bengal, Orissa, Tamil Nadu and Bihar in the matter of cordoning off the movement of foodgrains and supplying adequate quantity thereof to the people at reasonable prices."

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND IRRIGATION (SHRI BHANU PRATAP SINGH): Under the pricing and procurement policy for Kharif cereals for the 1977-78 marketing season announced by the Government of India, all zonal restrictions on the

movement of rice and paddy have been removed and such movements would now be free throughout the country. This policy was adopted, taking into consideration:

(i) Easy food situation, with expectation of bumper harvest from Kharif crops and with 19 Million Tonnes of food-grain stocks, out of which 4.8 Million Tonnes was rice, the continuance of controls and restrictions was considered unnecessary;

(ii) The well-being of the people—producers as well as consumers. It was expected that the producers in surplus States would be getting better price for their produce and the consumers in the deficit States would be getting their supplies at lower prices. Since the adoption of the new policy, these expectations have been fulfilled:

(iii) In view of good harvest, it was also expected that procurement of rice, even after the removal of restrictions on its movement would not be much less. This expectation has also been fulfilled. Efforts to maximise procurement are continuing. In fact, procurement of rice this year so far has been highest, 6.5 lakh tonnes against 4.9 lakh tonnes during the corresponding period last year; and

(iv) Indian people being one should have access to one common market to the extent it is possible.

2. There are ample carry over stocks of last year to enable the Government of India to meet the requirements of the rice deficit States.

[Shri Bhanu Pratap Singh]

3. The States of West Bengal, Orissa, Tamil Nadu and Bihar were advised that it should be possible for them to procure adequate quantities of rice stocks even under the modified policy by resorting to a judicious combination of levy on traders as well as on millers and the proposals received from the State Governments in this regard have been or are being cleared. The West Bengal Government was desirous of continuing statutory rationing in the Greater Calcutta and Durgapur-Asansol Industrial Complex and wanted to cordon off these areas from the rest of the State, and this has also been agreed to.

4. The Government is closely watching the situation and will not hesitate to take corrective measure that may be required in the overall national interest.

SHRI C. K. CHANDRAPPAN: Sir, this new food policy of the Government reveals the contradiction of the Government's policies. On the one hand, the Commerce Minister, Shri Mohan Dharia, has said that the articles of essential consumption should be distributed through public distribution system—including food articles he has given about 12 items of mass consumption which should be distributed through public distribution system—and on the other hand, the Agriculture Minister, Shri Barnala, has scuttled the whole expectation about it. If you look at the first para of the statement, you will find that they are expecting a bumper harvest and it has also been stated that there is sufficient buffer stock in the godowns. Here, I would like to refer to a comment made by Dr. Swaminathan, Director-General of Indian Council of Agricultural Research. He warned the Government that there is no reason to be complacent about the food situation. He stated that if there is a stock with Government, as it is said, it is mainly due to the poverty of the people.

MR. SPEAKER: You can only ask a question. You cannot make a speech.

SHRI C. K. CHANDRAPPAN: Dr. Swaminathan has said that the poverty of the people and their incapacity to purchase food items are the main reasons for the low off-take.

The question is whether the Government will have a policy, whereby the poor will be provided food at reasonable prices. Dr. Swaminathan says that the consumption of food items in the country, which is one tonne for a family of six members for one year, is considered to be one of the lowest, compared to the situation elsewhere. When the people are starving and their purchasing capacity is less, naturally, there is a rise in the godown stocks and the Government says, we are very complacent about it. Sir, this policy is a policy against the poor people.

Secondly, this policy has been adopted without consulting the deficit States. You can see that the deficit States did not take up this matter as a party matter or a party question. When the Food Minister of West Bengal, Bihar, Orissa and Assam assembled—they were from States ruled by Janata, Congress and CPM-led left front—all of them felt that the Central Government had arbitrarily taken a decision, which will starve the people, which will disrupt the public distribution system and which will leave the fate of this country and the poor people to the black-marketeers and hoarders.

The Minister says that the expectations are proved to be correct. The statement makes that clear. Yesterday only, the Prime Minister in the Parliamentary Party has said that the country will not pardon and the country will not be satisfied with whatever explanation they may give about the growing tendency of the price rise.

MR. SPEAKER: Please come to the question.

SHRI C. K. CHANDRAPPA: When the food will be in the hands of private traders, if the weather is bad and if people will have to be given a little more food, what is the guarantee that the Government will keep the promise that they will supply food to the deficit States and maintain the public distribution system? Is it not the policy of this Janata Government to find a little more food for the Janata who are living below the poverty line? If the food is controlled by the private traders, will it help this policy?

SHRI BHANU PRATAP SINGH: This government has no intention of scuttling the public distribution system. We do hope to feed the public distribution system without these restrictions. It has happened in the case of wheat. There were no restrictions and we were able to procure more than what we had planned. Similarly in the case of rice also, we hope to procure enough to feed the public distribution system. The off-take from the public distribution system in past years has varied between 3 to 4 million tonnes of rice. To begin with, we have a carry-over stock of 4.8 million tonnes of rice with us today and we expect to procure at least 3 million tonnes in the coming months. So, there is absolutely no danger that we will run short of foodgrains to feed the public distribution system. Regarding the poor man, after the announcement of the new policy, there has been an allround reduction in prices. Except in Andhra where there has been a marginal rise of Rs. 5 per quintal and in Kerala, in all other States there has been a decline in the price of rice ranging from 5 to Rs. 32 per quintal. We are receiving reports that procurement is going ahead satisfactorily and we are also daily monitoring the price of rice in the various markets of the country. In fact, there is no such danger as has been expressed by the hon. member.

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About consultation with State Governments, we have consulted them. It is unfortunate that all States can never be of one opinion. On various issues there have been divergent views. If some States wanted the retention of restrictions many others were of the view that the restrictions should be removed. We have taken an overall view and in the national interest, we have removed all restrictions. We hope very satisfactory results will follow.

SHRI SIVAJI PATNAIK (Bhubaneswar): This will harm both the small producer and the consumer. After this, practically procurement has been given up. With this policy, even the price that has been fixed, viz., Rs. 77 per quintal, has not been assured for the small producers and they are making distress sales. On the other hand, prices will go up after some months and because of that the consumers will have to suffer.

In this connection the Orissa State Assembly also passed a unanimous resolution urging the creation of the single State food zones but that has been ignored. Again, the Food Ministers of the five States also asked for the same thing—for the single State food zones and for procurement and other things. But those things also have been ignored. This will harm both the small farmers and the consumers.

SHRI BHANU PRATAP SINGH: I have already submitted that we have not disturbed procurement. In fact, procurement is going on and we have procured more this year as compared to the corresponding period last year. We have also information on market arrivals and purchases made by millers and we are confident that we shall be able to procure enough to feed the public distribution system. As regards the fear that later on the prices may rise, I may