

Increase in the Prices of essential commodities

*22. SHRI P. N. SUKUL:

SHRI V. NARAYANASAMY†:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that there has been a steep rise in the prices of essential commodities after the new Government took over; and

(b) if so, what steps Government have taken for bringing down the prices of the essential commodities so far and the results achieved in this regard?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA): (a) No Sir. The prices of a number of essential commodities such as rice, sugar, gur, groundnut oil, gram tur (arhar), tea, potatoes and onions have exhibited a downward trend after the new Government took over.

(b) The Government is aware of the problem of high prices of some of the essential commodities and is, therefore, reviewing the prices and availability situation of essential commodities at the highest level. Appropriate measures both short-term and long-term are being taken. These include increase in production of essential commodities which are in short supply, strengthening the Public Distribution System and monitoring of prices and availability of essential commodities; strict enforcement of the provisions of the Essential Commodities Act and other regulatory measures and if necessary augmenting domestic supplies through imports so as to check any abnormal rise in the prices of essential commodities due to demand and supply gap.

SHRI V. NARAYANASAMY: The reply of the hon. Minister is far from

† The Question was actually asked on the floor of the House by Shri V. Narayanasamy

the facts which are prevailing in the market. (*Interruptions*) This reply will clearly show the functioning of the Government. It is a Government which announces the policies and which has no plan of action or implementation. Sir, the price of sugar which is ruling in the market even today is more than Rs. 10 per kg. Sir, the hon. Minister, in his reply to the press reporters when they have specifically asked him the question whether he would see that the price of sugar per kilogram would not rule more than Rs. 9, was keeping silent and he has neither affirmed it nor negated it. Sir, this shows clearly that the reply given by the hon. Minister is not clear, and it is far from the truth. Sir, the price of rice also which is prevailing even in Delhi—I am not going into the markets out of Delhi—is more than Rs. 5 per kg. Sir, this is a fact. Probably, the Minister would have got the information from his wife if he has asked her before coming to this House. Therefore, Sir, even the broad outline which the hon. Minister has given about the monitoring system, strengthening public distribution system and also importing edible oil and sugar, all these things were followed by the previous Government..

SHRI SATYA PRAKASH MALAVIYA: Is it a question or a speech.

SHRI V. NARAYANASAMY: Malaviyaji, I am repeating what you did earlier. Sir, I am coming to my question. Sir, the Prime Minister, while assuming office, has stated to the nation and to the public that his Government's first priority is rationalisation of the prices of essential commodities. Sir, more than 26 days have elapsed and the things are remaining... (*Interruptions*)

MR. CHAIRMAN: Let him put his question.

SHRI DIPEN GHOSH: This is the maiden question to the maiden Government.

SHRI V. NARAYANASAMY: Sir, kindly see the faces of the CPM Members now. Sir, I would like to know from the Government whether they have received any complaints from the various consumer sections that the prices of essential commodities have gone up, specially sugar, and what action this Government has taken in this regard.

SHRI NATHU RAM MIRDHA: Mr. Chairman, Sir, whatever the Member has stated is only theoretical. However, he has not gone into the price structure of all commodities. I have got the wholesale price Index with me... (Interruptions) Will you kindly hear? I have got the day-to-day prices before the Government took over, — which includes the wholesale prices and the retail prices of all commodities. I think the common man's understanding of the whole thing is produced in this newspaper... (Interruptions)

MR. CHAIRMAN: You have put the question. You must listen to the answer.

SHRI YASHWANT SINHA: He doesn't have the patience to listen to the answer.

SHRI NATHU RAM MIRDHA: I have got all the figures for all the commodities from various agencies including newspapers such as 'The Economic Times,' the Departmental figures, and the State figures. I have collected all the figures. (Interruptions) Kindly hear me. All these figures show a downward trend, in respect of the wholesale prices as well as retail prices. (Interruptions) Sir, the hon. Member talked about two commodities. I would like to give some figures even for Delhi or any other part of the country. I have got a large list of all the towns and the prices prevailing in each of them. So, if you do not want to see, if you do not want to hear, I have nothing to say. But I can convince you...

SHRI V. NARAYANASAMY: You have given an interview to the press...

SHRI NATHU RAM MIRDHA: I have given my interview to the press. This is what the press says if you see the graph. Any blind man can see it. (Interruptions). And, therefore, you hear me. (Interruptions).

AN HON. MEMBER: Sir, what is all this? He is misleading the House.

SHRI NATHU RAM MIRDHA: Not at all. I will never mislead this Hon. House. I will only tell the facts. It is they who have failed to do their duty and check the rising trend in prices when they were ruling...

SHRI JAGESH DESAI: You are misleading the House. (Interruptions)

SHRI NATHU RAM MIRDHA: No, not at all. What I want to say is that when you left the Government, what was the situation, and when we came in what is the situation. I am going to explain that. (Interruptions).

MR. CHAIRMAN: Let him answer, Mr. Desai. Please hear him.

SHRI NATHU RAM MIRDHA: I have got a record of all the retail prices and wholesale prices. I can give...

श्री जगेश देसाई : आप हाऊस को गलत बता रहे हैं। प्राइसेज कम हुई हैं।
(व्यवधान)

श्री सभापति : आप दोनों को बता दीजिए।

श्री नाथूराम मिर्धा : हैदराबाद में शगर रिटेल प्राइस के बारे में बता रहा हूँ क्योंकि

He has talked about sugar. I will talk about sugar. In Hyderabad the retail prices of sugar on 25.11.1989 was Rs. 9.00 per kg. And on 22.11.1989 it had come down to Rs. 7.50. This is the retail price of sugar per kg in Hyderabad. Now I come to Delhi.

SHRI SUBRAMANIAN SWAMY: You lay it on the Table. Or, do you

want to delay the question on the Bofors? Sir, you ask him to lay it on the Table.

SHRI NATHU RAM MIRDHA: No, I have got no interest. Now, I am talking about Delhi.

SHRI SUBRAMANIAN SWAMY: Ask him to lay it on the Table.

SHRI NATHU RAM MIRDHA: Sir, I want to answer the question that he has asked. I have explained about Hyderabad how the prices have come down. Now I will talk about Delhi. He talked about rice. The rice price on 25.11.1989 was Rs. 4.65 per kg. Now it is Rs. 4.70. About sugar in Delhi the price was Rs. 8.60 on 25.11.89 when they were ruling and when we came in on 22-12-1989, the price was Rs. 8.60 per kg. All the prices are showing a downward trend. This is what I have to say. If you like I can give the wholesale prices and retail prices of various commodities at various centres. You will see that they are all the low except at one or two places. Otherwise, everything is showing a downward trend and prices have gone low and this is what the people have realised. You may talk anything. *(Interruptions)*.

SHRI VISHWANATH PRATAP SINGH: Sir, I want to share with the House the real situation in the macro-economics which we are faced with today. The money supply in the last recent period has gone up by 18 or 19 per cent. *(Interruptions)*. Just one moment. So this pressure that we are confronted with, I am sharing with the House this is a difficulty which we all are sharing. I think that unless this macro picture is revealed, the challenge we are confronted with will perhaps not come fully itemwise. I think this challenge of a huge dose of money supply is causing a pressure and this is a fact which I want to share with the House.

SHRI V. NARAYANASAMY: Mr. Chairman Sir, about streamlining the prices of essential commodities, but before putting the second supplement-

tary, I would request the hon. Chairman to direct the Minister to place the paper which he has referred to...

MR. CHAIRMAN: He has said, he will lay it on the Table of the House.

SHRI V. NARAYANASAMY: ... lay it on the Table of the House.

MR. CHAIRMAN: He has already said it. You were not hearing

SHRI SUBRAMANIAN SWAMY: Sir, how can he lay on the Table a copy of the *Economic Times*? That newspapers will be laid on the Table is a joke.

MR. CHAIRMAN: If you ask for it, you will get it *(Interruptions)*.

SHRI SUBRAMANIAN SWAMY: I do not want the *Economic Times* to be laid on the Table of the House. I get it every morning. I do not want it to be laid on the Table of the House.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, when the present Government took over, the State Government demanded 40,000 tonnes of rice and the Central Government gave 80,000 tonnes. I do not have any grudge about it. But I would like to know whether the Central Government would follow the same policy in regard to the other States also. In regard to the demands made by the various State Governments for supply essential commodities, I would like to know whether the Central Government would follow the same policy and provide more than the quantity required by the State Governments concerned. *(Interruptions)*

SHRI NATHU RAM MIRDHA: When they had come to me with a request for more quantity, I have fulfilled their needs. I will look into the demands of the States and see that their needs are fulfilled.

SHRI S. B. CHAVAN: Mr. Chairman, Sir, we are thankful to the hon. Prime Minister for making a realistic statement that there is pressure of the money circulation in the market and, if I have understood him correctly, what the hon. Prime Minister wants to convey is that in spite of the efforts

which the Government is making, there is no denying the fact that money circulation has increased in the market which is bound to raise the prices. I would like to know which of the two replies is correct. When the hon. Minister is saying that there is a declining trend, does the hon. Minister want to convey to the House that this is over and above the seasonal trends which, normally, are found every year, or, the money supply has not affected the downward trend at all? I would like to know, which of the two replies is correct.

SHRI NATHU RAM MIRDHA: I think, both the statements are correct. There is no contradiction. In spite of the fact that the money supply has increased, the prices have still come down. If that situation improves, prices would go down further. But we have to stabilise the prices at a level where there is no pressure of increased money supply on prices. The hon. Member talked about seasonal variation. The present trend is not a seasonal variation. It is only because of the present Government that we are in such a situation. Dehoarding and things like that have started and the Government means business. Every trader has understood that the Government means business. It is only a account of the *chhabhi* (image) of this Government that we are in such a good position.

SHRI PASUMPON THA. KIRUT-TINAN: Mr. Chairman, Sir, the Essential Commodities Act is supposed to safeguard the interests of the common man, in general, and the people who live in the villages and who belong to the weaker sections of the society in particular. But Sir, so far as our experience goes, this Act and its various sections have only safeguarded the interests of the Government and the Party ruling the Government at the Centre. As you know, Sir, as soon as the DMK came to power in Tamil Nadu, the issue price of rice was increased by the then Central Government. But...

SHRI SUBRAMANIAN SWAMY: What is this? He is propounding a thesis. He is sitting in the ruling benches and propounding a thesis.

SHRI PASUMPON THA. KIRUT-TINAN: Don't worry, Mr. Swamy. I am coming to the point. Don't interrupt.

Sir, as I said, the issue price of rice was increased by the then Central Government. But our Chief Minister announced that rice would be sold at the same price, that there would be no increase in the price of rice though the Central Government had increased the issue price and that the difference would be subsidised. In the same way, the then Central Government increased the issue price of sugar. They permitted to increase the price to the tune of Rs. 3.50 per kilo. The Government itself misused the provisions of the Essential Commodities Act and allowed the sugar magnates to earn a profit of more than Rs. 175 crores. Out of this profit earned by the sugar magnates the Congress party was duly awarded... (Interruptions). In this background, Mr. Chairman, Sir, I would like to know whether this is not a gross injustice meted out to the common man, and whether this is not a gross misuse of the powers by the then Central Government. I would also like to know whether this Essential Commodities Act would work as a guardian of the common man and that it will not be misused by the Central Government in power in future. I would also like to know whether in future at least the Chief Ministers of different States would be consulted if there is any proposed hike in the price of the essential commodities.

SHRI NATHU RAM MIRDHA: I am not aware of any malpractice. If at all...

MR. CHAIRMAN: What he says is that the Central Government should give these commodities at a reasonable price so that the States are not burdened to give subsidies.

SHRI NATHU RAM MIRDHA: That we are doing and we will do that.

MR. CHAIRMAN: That is good. The matter ends.

SHRI ANAND SHARMA: I would like to know from the Minister...
(Interruptions)

श्री सभापति : बीच में जो लोग बोलते हैं उनको जवाब देने की जरूरत नहीं ।
अ. नन्द शर्मा जी का जवाब दीजिये अ.प ।

SHRI ANAND SHARMA: Just now the Minister has said that there is a declining trend in the prices of essential commodities. He has also laid on the Table of the House a chart which is printed in the 'Economic Times'.

SHRI NATHU RAM MIRDHA: No, no.

SHRI ANAND SHARMA: You have done it.

MR. CHAIRMAN: He has given his own chart.

SHRI ANAND SHARMA: I would like to know whether his own Government or Ministry has compiled the figures and if so, the same may be placed on the Table of this House. He should give us the date from which the decline in the prices started, whether the declining trend started from mid October, 1989 or after this Government came into power. I would like to have the exact date and the statement to be placed on the Table of this House.

SHRI NATHU RAM MIRDHA: Sir, the first date I referred to is 25th November, 1989, i.e. before this Government took over. Another date is around 20-12-1989, i.e. after this Government took over. I am placing the wholesale prices, retail prices of the various mandis and cities of the country and they are comparatively available in the figures. They are the figures compiled by the Government. They are authoritative figures of the Government and they are available

in the papers that I am laying on the Table.

SHRI ANAND SHARMA: When did the prices start coming down? Sir, he has not answered my specific question. I have asked whether the declining trend was first noticed in the month of October 1989 or not.

SHRI NATHU RAM MIRDHA: No, no.

SHRI ANAND SHARMA: Ask the Minister to lay the figures from August till November on the Table of the House. Sir, he has made an incorrect statement.

SHRI RAOOF VALIULLAH: He is misleading the House. (Interruptions)

MR. CHAIRMAN: They want you to lay the figures of prices in October...

SHRI ANAND SHARMA: ...and September also.

MR. CHAIRMAN: You asked about October prices. Now you are wanting the September prices also.

SHRI ANAND SHARMA: I want to know when the decline in prices started. It was in mid-October and we want him to admit it.

MR. CHAIRMAN: You lay the figures on the Table.

SHRI NATHU RAM MIRDHA: Sir, today I have got the figures only as on these two dates—i.e., one set of figures relates to the previous Government and the other relates to the period under this Government. Kindly wait. Kindly hear me. I have no figures of September or October here readily available with me.

MR. CHAIRMAN: You can lay these on the Table of the House.

SHRI NATHU RAM MIRDHA: If they want any figures, they should let me know and I will collect these and give them.

MR. CHAIRMAN: Question No. 23. Absent. Question No. 24.