श्री उपसभापति जब बहुस हुई तो आप थे नहीं।

थी रामेश्वरसिंह मैं यह बैठा है।

MR. DEPUTY CHAIRMAN: When 1 called the Minister, perhaps you were not here. Hease don't waste the

time..

267

देखिए आप क्रे नहीं, मैंने सब को बुलाया (स्थवधान)

श्री रामेश्वर सिंह: मेरा नाम दिया हुआ है, मैं यहां बैठा हूं झीर आप कह रहे हैं कि मैं नहीं था। मैं यहां मीजूद हूं (व्यवधान)

MR. DEPUTY CHAIRMAN: Maybe, perhaps I did not see you. But anyway, please sit down now. I have called the Minister for the second statement.

III. Price Situation

SHRI PRANAB KUMAR MUKHERJEE: Mr. Deputy Chairman, Sir from time to time, Hon'ble Members have expressed concern about the behaviour of prices in recent months. The Government has kept the House fully informed about developments on the price front in replies to Parliament Questions as well as during discussions on relatptf aspects of the economic situation. In the light of valuable observations made by several Hon'ble Members in the past few weeks on this issue, I would like to take this opportunity to review the latest trend in prices, and the measures taken by the Government to contain inflation.

The weekly index of wholesale prices is available upto 30th July, 1983. An analysis of recent trends in the behaviour of this index shews that, since the middle of May, 1983, there has been a noticeable moderation in the rate of increase in prices. In the 11 week period from 14th May to 30th July, 1983, wholesale prices increased

by 2.5 per cent which is significantly lower than the increase of 5.4 per cent during the same period in 1982-83, 3.7 per cent in 1981-82, 8.2 per cent in 1980-81 and 7.9 per cent in 1979-80. As the Hon'ble Members ar_e aware, because of seasonal factors, during this period wholesale prices particularly of primary products, tend to show an increase. Fortunately, the rate of increase this year has been much more moderate than in any of the previous four years. The moderation in the rate of price increase since mid-May is to be welcomed as the price increase in the first 7 weeks of the current financial year was nearly 3.9 per cent which was causing concern.

Price situation

Taking the financial year as a whole, the increase in prices upto 30th July, 1983, has been 6.5 per cent as agains* 5.8 per cent last year, 6.7 per cent in 1981-82, 12.2 per cent in 1980-81 and 12.8 per cent in 1979-80. The annual-rate of inflation on a point-to-point basis on 30th July, 1983 was 6.9 per cent as compared with 9.9 per cent on 14th May 1983 and 6.5 per cent at the beginning of the financial year.

However, the prices oi certain specific items, particularly rice, pulses, edible oils, khandsari, gur, fruits and vegetables and tea during this period' have increased rather sharply which is a matter of concern. These items-also figure prominently in the consumer price index, which during the period April-Jun, 1983 (which is the latest available) has shown an increase of about 6.2 per cent. As the Hon'ble Members are aware, the increase in prices of rice, pulses and edible oils reflects the aftereffects of the severe drought experienced in the previous kharif. The Government has responded by making arrangements to import some rice and to step up releases of foodgrains and edible oils from the public distribution system. It is to be hoped that with improved crop prospects in the current kharif, there would be a downward movement in these prices. The increase in. khandsari and gur prices reflects seasonal pressures as well as recovery from unusually low

levels of prices in the early part of the year. Sugar releases have been stepped up in the recent months, which should exercise a moderating influence on prices of sweetening agents as a group.

As the House is aware, the Government has been keeping a close watch on price movements from week to week, and as was the case last year, this year also timely corrective measures have been taken to contain the general price rise as well as prices of specific commodities. I have already referred to the measures taken for import of some rice, in addition to the decision taken last year for import of wheat for augmenting stocks, i have also referred to the step-up in releases of foodgrains and edible oils through the public distribution system, and higher releases of free sale sugar. Recently, the Government took the decision to reduce prices of fertilizers by 7.5 per cent in order to encourage greater use of fertilizers in the current kharif. The decisions to increase the procurement prices of rice and other kharif crops should further provide incentives for maximising production, i Fortunately, after an initial setback, there has been a revival of monsoon activity and the current outlook in this respect is favourable. A good kharif crop would help us immensely to keep price pressures under check. The House will agree with me that higher production and adequate availability of commodities are the most effective answers to the problem of inflation.

In addition to measures *to* augment availability and production, the Government has been closely monitoring trends in money supply, aggregate demand and liquidity in the economy. In order to mop up excess liquidity with the banking system, the Reserve Bank announced an increase in the cash reserve ratio from 7 per cent to 8 per cent in two phases during May any July 1983. After a further review, and after taking into account the over-

all credit requirements of the economy, a further increase of 0.5 per cent in this ratio was announced to be effective from 27th August, 1983. It may be emphasised that these measures were introduced in order to absorb excess liquidity with the banking system, and will remain effective until conditions emerge for the suitable deployment of funds as productive credit. These measures will ensure that there is no excessive build-up of credit for inventories or speculative purposes.

I have reviewed the price situation in some details because I feel that the need for vigilance on the price front is as great as ever. We have been able to moderate the increase in prices through timely action, but the continuation of this trend cannot be taken for granted.' I seek the cooperation of this House in our continued efforts to contain inflation.

With these words, I request that the subject may be taken into consideration.

MR. DEPUTY CHAIRMAN: We can have discussion on this for about two and half hours. I will go Party-wise and call Members accordingly.

Shri Ladli Mohaa Nigam.

श्री लाडली मोहन नियम : उपसभा-पति जी, ग्रभी वित्त मंत्री जो ने एक दाम सम्बन्धी वृत्तत्व्य दिया है । ग्रन्छा होता कि इनके इस द्वत्तव्य में ग्रगर कुछ नीति सम्बन्धी दिशा संग्रेत भी हो जाता तो इस सारी बहस को और हिन्दुस्तान में चल रही दामों की उछल-कूद और उससे जुड़ो हुई लूट को रोकने में हमको कामसाबी मिलती ।

उपसभापित महोदय, मैं आपने माध्यम से कुछ बातें कहना चाहता हूं। ग्रौर वह यह है कि हिन्दुस्तान में दामों का रिश्ता धन से जुड़ा हुआ है। ग्राटमी की खरोदने की ताकत ग्रौर उसके साथ

Statement re. श्री लाडली मोहन निगम

जुड़ो हुई स्नामदनो इन दोनों का भी एक रिक्ता है। मैं जब धन के रिक्ते का बात करता हं, तो मान्यवर, मंत्री जो ने ग्राने बयान के चौथे पन्ने में ब्रहेट्य एंड लिक्बोडिटो --मुझे इसका हिंदा शब्द जो बिलकुल इसके समकक्ष हो, वह इस वन्त नहीं सुझ रहा है इस बास्ते में उस शब्द को ऐसे तरीके से इस्तेमाल कर रहा हूं।

[उपसभाध्यक्ष, (श्री धार० धार० मोरारका) पोठ सीन हुए]

जित लिनवाडिटो को बात उन्होंने कही है, दह बात ऐसा नहीं है कि कोई बहुत बड़ा सरकार की तरफ से कोई दिशा बंधेत मिलता हो कि हिस्दतान में इसको रोकने में या इसको ठीक करने में सरकार को कोई ईमानदाराना कदम एठाने की कोई पेशकश है । यह तो बात कहो है नम्बर एक पैसे के लिए। हिंदुस्तान में इस समय समानांतर अर्थ-व्यवस्था चल रही है, बल्कि समानांतर न कह कर मैं कह सकता हूं कि जिस लिक्बोडिटो को बात अभी कही है, इसमे जो नम्बर एक पैसा जुड़ा हुआ है, वह नम्बर एक पैता असल में नम्बर दो पैना बन गया है और हिंदुस्तान में काला धन जो है, वह हिंदुस्तान में नम्बर एक का पैसा बन गया है।

तो प्रकृत यह है कि जब स्राप दामों को उछलकृद को रोकना चाहते हैं, दामों का स्थिरिकरण करना चाहते हैं, उस वनत तक ग्राप दामों में स्थिरता नहीं ला सकते जब तक कि ग्रापके पास कोई ऐसे कदम नहीं हैं कि हिंदुस्तान में जिसको हम और ब्राप दो नम्बर का पैसा कहते हैं, जो सही माने में एक नम्बर का बन गया है, उस पैसे को रोकने की आपके पास कोई व्यवस्था

नहीं है। ग्राज हालत यहां से भी ज्यादा गिर गई है कि हिंदुस्तान में नम्बर एक का जो पैसा है, वह भी नम्बर दो का पैसा बन गया है, ईमानदाराना तराके से कमारा हुआ पैसा किस तरीके से कानुतन दो नम्बर का पैसा बन जाता है और उसके बाद वह आपकी गिरफ्त ५वड़ में नहीं रहता और जिसका परोक्ष असर हिंदुस्तान में दामों पर पड़ता है। एक बादमी, मान लोजिए तीस-पेंतोस वर्ष के बाद रिटायर होता है भीर वह कुछ पैसा पाता है प्रादिडेंट फंड़ को शक्ल में या ग्रैक्युटी की शक्ल में, प्रव उसको प्रपने रहने के लिए एक मकान बनाना है--उसका एक नम्बर का पैसा है, बाजार में अगर उसको अपना मकान बनाने के लिए सामान खरोदने के लिए दो नम्बर का पैसा देना पड़ता हो, तो वही एक नम्बर का पैसा दो नम्बर का पैसा बन जाता है। दो तम्बर की पैसे की कमाई करने वाले जब कहीं अपना मौज मस्ता के लिए खर्च करता है, तो वह एक नम्बर का बना करने खर्च करता है।

Price situation

तो वह जो समानांतर व्यवस्था चल रहा है, जिसने चलते हिंदुस्तान में दामों को रोकना एक असम्भव सी स्थिति हो गई है और सरकार निरोह है। आपके पास वड़े लम्बे-चौड़े कायदे-कानून हैं, पर ग्राप किसी को रोक नहीं पा रहे हैं। इसका न्या वजह है ? उसकी वजह एक है कि हिंदुस्तान की मौजूदा व्यवस्था ग्रीर सरकार वे पास इरादे की विल्कुल कमो है। अगर उसने पास कोई निश्चित इरादा होता कि हिन्दुस्तान में दाम रकतें, तो कोई नोति निर्घारण ग्रव तक हो गई होती । हिंदुस्तान की ग्रर्थव्यवस्था को दिशा संकेत और अच्छी तरह से संचालित करने वे लिए ग्रापने ग्रभी तक कोई ऐसा कारगर कदम नहीं उठाया

जिससे कि हिंदुस्तान में दामों की उन्नलकृद रुक सके।

Statement re.

मिसाल के लिए और अपनी बात जागे कहने क लिए एक सुझाद की शक्ल में कहना चाहंगा--ग्रगर ग्रा५ निश्चित तरोक से चाहते हैं कि हिंद्स्तान में दामों की लूट कम हो, तो क्या आप इस बात के लिए तैयार हैं कि हिन्द्स्तान में श्रीद्योगिक बालों का जो उत्पादन है, उद्योगों में जो माल बनता है, उनकी जो लागत खर्चा है, उद्योगों में किसी भी माल के तैयार करने में, उसके बाजार भाव या बेचने का भाव जो है, उसमें ग्रीर लागत खर्चे में एक ग्रीर डेड़ से ज्यादा फर्क नहीं होना चाहिए । ग्रगर सी रुपये से कोई चीज बनती है कारखाने में, तो बाजार में ऐसा कानून होना चाहिए कि वह डेड़ सी रूपये से ज्यादा में नहीं विकनी चाहिए।

यह तो मैंने बात कही श्रीद्योगिक दष्टि से--अब जब भृख का रिश्ता साथ जुड़ता हैं, खुराक का और खुराक ने मामले में तो हम लोग शायर द्निया में सब से दुर्भाग्यशाली देश हैं। मैं ग्रापसे निवेदन करना चाहता हूं कि इसी तरोके से जो फसल के दाम हैं, जब फसल पक करके तैयार हो जाती हैं, तो उसके दाम गिरने शरू हो जाते है। किसान के खेत ग्रौर खलिहाल है निकल करके वह गरुला—चाहे वह सरकार का गोदाम हो, या व्यापारो का वहां पहुंच जाता हैं, तो दाम बढना शुरू हो जाता आप एक दाम तय करते हो, निश्चित सीमा तय करते हो कि इस सीमा वे अंदर दामों की उछलकृद सरकार अपने खरोदने के दाम की घोषणा करती है--अगर आपने डेड सी रुपया आपने गेहं का दाम घोषित किया कि उस पर

खरोदेंगे. लेकिन बाजार में ग्राप गारंटी नहीं दे सकते कि डेड रुपये से नाचे न बिक या डेड सी रुपये से ऊपर सरकार घोषित नीति के ग्रनसार तो खरीद नहीं पाती है। किसानों का लागत खर्च चाहे 200 रुपये हो तो भी ग्राप उस से डेढ़ सी रूपये में लेते हैं। लेकिन वही गल्ला जब किसानों से ले लिया जाता है ग्रीर उपभोक्ता के पास पहुंचता है तो वह दो सी रुपये में बिकता है ग्रीर ग्राप उस पर कोई नियंत्रण नहीं कर पाते हो। तो दाम कैसे रोके जाये। मैं समझता हं कि इस पर हम सब को गंभीरता से विचार करना चाहिए । कोई तरीका आपने खोजा है कि जब कोई भाव किसी चीज का आप ने स्थिर किया तो बाजार में उस का दाम उस से ज्यादा न बढ़ने पाये। ऐसा कोई नियम आप नहीं बना सके कि जब फसल पक कर तैयार होती है उस वक्त बाजार में उस का जो भाव है उस के बाद जब तक उसी जिन्स की दूसरी फसल बाजार में नहीं **प्राती** है उस समय तक उस जिन्स के लिये आप एक अनुपात तय कर दें वह एक दस का हो या एक पंद्रह का हो या एक बीस का हो कि अगर पहले साल एक सौ रुपये वह गल्ला विका है तो वह ध्रगले साल तक 120 रुपये से ज्यादा नहीं बिकेगा। जब तक आप यह नहीं करेंगे तब तक धाप गल्ले के दाम को नियंत्रित नहीं कर पायेंगे। तो कोई न कोई समन्वय आपको खोजना पहेंगा एग्रीकल्चरल प्राइसेज के लिये, खेती की उपज के दामों के लिये। धाप का नियंत्रण खेती और कारखानों पर हो सकता है। ग्राप खेती के लिये किसानों को बढ़ावा देने के लिये पैसा देने की बात करते हैं। खाद के लिये सब्सीडी देने की बात करते हैं, उन को उस के लिये छुट देते हैं । उसका स्वागत

[श्रो लाडली मोहन निगम] है, लेकिन ग्राप बतलाइये कि जो सब्सीडी ग्राप एफ० सी० ग्राई० को देते हैं खरोद करने के लिये उस का फायदा क्या किसानों को मिलता है ? ऐसी कोई मणीनरी है क्या आप के पास कि जिस से इस का पता लगाया जा सके। वह तो बिचौलियों के पास चला जाता है। ब्राम, साधारण व्यापारी किसी जिन्स के भंडारण के लिये दो रुपया या पांच रुपया खर्च करता है ग्रीर फट कारपोरेशन ष्राफ इंडिया उसी के लिये 13 ग्रीर 14 रुपया खर्च करता है। यह सारा खर्च तो उस जिन्स के दाम पर ही पड़ता है और यह भी एक तरीका है कि जिस की वजह से देश में चीजों के दाम कम नहीं हो पा रहे हैं। आप चाहे कितनी ही ईमानदाराना कोशिश करते रहे. दाम कम नहीं हो पाते हैं। तो मैं निवेदन करना चाहता हं कि सरकार को तत्काल नीति संबंधी घोषणायें करनी चाहिए दामों के बारे में, भले ही वह कारखाने की चीजों के दाम हों या खेती की उपज के दाम हों। मैंने निवेदन किया था कि खेती के लिये एक और बीस का अन्यात श्राप निश्चित कर दीजिए । इस को रोकने का एक तरीका यह हो सकता है कि सरकार की जो सपोर्ट प्राइस जिस को आप कहते हैं, जिस दाम पर बाजार में सरकार माल खरीदती है उससे ज्यादा पर अगर कोई बेचता है तो फिर जितना ग्रतिरिक्त बेचता है उतने की भरपायी सरकार ग्रपने खजाने से देने के लिये तैयार हो। अगर 150 रुपये के भाव का गल्ला 170 रुपये में विकता है तो 20 रुपये का जो घाटा किसान को लगा है वह सरकार उस को अपने खजाने से दे। जब उस घाटे को ग्रापको देना पड़ेगा तो सही मायनों में दामी की उछलकद की बात आप समझ सकोगे श्रौर उस के लिये तब सख्ती से कानन

बना सकोगे। या यह भी कर सकते हैं कि ग्राप घोषणा करें कि सरकार ने श्रपने दाम निश्चित कर दिये हैं। उससे ज्यादा दाम तहीं होंगे ग्रीर ग्रगुर उससे ज्यादा दाम पर चीज बिकती है तो उस व्यापारी की चल और यचल संपत्ति ग्राप जब्त कर ज़ीजिए । ऐसा कर के भी दामों की उछल कद रोकी जा सकती है। आप मनाफे पर सीमा लगाये विना इन दामों की उछल कद को नहीं शेक सकेंगे।

Price situation

इस के साथ ही एक प्रश्न ग्रीर जडा हमा है, जो म्राप ने कहा है कंज्यमर प्राइस के बारे में उपभोक्ता मृल्य दो तरह का है। एक वह है जो रिटेलर सीधे किसी जोज को कहीं से खरीद कर बेचता है और इसके लिये होलसेल प्राइस ग्रीर कंज्यमर प्राइस के बीच में कोई अनुपात आप निश्चित नहीं करपाये। एक ग्रीर तमाशा हिन्दुस्तान में चला है गुजिञ्ता सालों में । पहले हिन्दुस्तान में चीओं पर दाम छपे रहते थे। पहले लिखा रहता था कि उस का दाम यह है ग्रीर उसके नीचे लिखा रहता था कि गवर्नमेंट एक्साइज इतनी है ग्रीर फिर रिटेल प्राइस लिखी रहती थी, कि उस का दाम इतना है। मैं कोई खारोप नहीं लगाना चाहता, लेकिन एक साजिश यहां हुई है। बिल्कुल साफ है मिलुमालिकों से मिलकर एक साजिश चलाई हुई है। ग्राप किसी भी चीज को उठा कर देख लीजिए, जोवनापयोगी चीजों पर, जीवन-दायिनी चोजों पर ग्राप ने रिटेल प्राइस की जगह पर मैक्सोमम प्राइस, ग्राधनिकतम प्राइस लिखवाना ग्रह करवा दिया है। मिल में जो चीज 3.24 पैसे में बनी है वह बाजार में 8.40 पैसे में कौन विकवाता है ? श्रापने खले ग्राम लटने का मौका दिया है। ग्रापने रिटेल प्राइस की जगह पर मैक्सोमम प्राइस, ग्राध्निकतम प्राइस

का प्रावधान किया है। इससे उपभोक्ता चीजों के दाम बढ़े हैं। ग्रगर ग्राप चाहते हैं कि ग्राधुनिकतम प्राइस के तरीके को हटा कर पून रिटेल प्राइस, खदरा मृत्य का सिद्धांत ग्रपना लें तो यह सारा झगड़ा हक सकता है।

, Statement re.

पब्लिक डिस्ट्रीब्यशन की बात आपने इसमें कही है। मैं इसमें निवेदन करना चाहता हं कि ग्राप सार्वजनिक वितरण प्रणाली का बड़ा ढ़िढ़ोरा पीट रहे हैं। जो चोरी, बेइमानी द्वारा, राजनीतिक संरक्षण प्राप्त जितनी दुकानें हैं ग्रगर वे सब भी जोड़ ली जाएं तो सिर्फ तीन लाख दकानें सारे देश में है जो हिन्दस्तान की मण्किल से 10 फीसदी श्राबादी के वितरण का काम करती हैं। बाकी 90 फीसदी ग्रावादी किस के भरोसे हैं ? उस को ग्रापने खुले बाजार में छोड़ दिया है। इस पर कैसे नियंत्रण होगा ? हम ग्रापकी सार्वजनिक वितरण प्रणाली पर कैसे भरोसा करें ? व्यवस्था है इनके लिये सार्वजनिक वितरण प्रणाली की? मजे की बात यह है कि सार्वजनिक वितरण प्रणाली का फायदा उन लोगों को मिल रहा है जिनका उत्पादन से कोई रिश्ता नहीं है। जिसका उत्पादन से कोई रिश्ता नहीं है उसको ग्राप सुविधा देने की बात करते हैं लेकिन मैं जानना चाहता हं कि जो उत्पादन करता है उसको जब खुद खरीदना होता है उसकी खरीद के लिये कोई व्यवस्था ब्रापके पास है ? इस मामले में मुझे यह कहना था कि ग्रच्छा होता ग्रगर इस संबंध में अपने बयान में कोई इशारा किया होता ।

ग्रापने इसमें ग्रायात-निर्यात की बात भी कही है। मेरी समझ में नहीं खाता कि कितनी परस्पर विरोधी वचन वाली सरकार बनती जा रही है। चनाव ग्रा रहे हैं।

जब चुनाव भ्राने वाले होते हैं तो देश में हल्ला मचा देते हैं कि सुखा पड़ गया है। सूखा पड़ गया है इस वास्ते हम दे नहीं सकते। जनता समझती है कि सुखा पड गया है। सुखा खुदा को पैदा किया हमा है इसलिये सरकार का कोई बस नहीं है। मैं तो ग्रब इस राय का हो गया हं कि इंसानी सुखा है, इंसानी बाद है ग्रीर इंसानी ही अकाल है। एक तरफ सुबे का ढ़िंढोरा पीटते हो और दूसरी तरह उसी सांस में कहते हो कि हमारा उत्पादन इतना बढ़ गया है। 13 करोड़, 40 लाख टन के उत्पादन का दावा कर रहे हैं ग्राप । देश को ग्राप बताना चाहते हैं कि खाद्यान के मामले में हमारे पास बहत कुछ है। दूसरी सांस में कह रहे हैं। 10 लाख टन चावल हम बाहर से मंगा रहे हैं। सुखा है चावल मंगायेंगे। अधिक उत्पादन है चावल मंगायेंगे। सुखा है गेहं मंगायेंगे, फसल ज्यादा हो जायेगी तो चावल मंगायेंगे। यह परस्पर विरोधी ग्रापकी वातें हैं।

Price situation

उपसभाष्यक्ष (डा॰ (श्रीमर्तः) नाजमा हेपतुल्ला) पीठासीन हुई]

में मंत्री महोदय से कहंगा कि इस बारे में वह जरा हम को बता दें। हिन्द्स्तान में एक मिनिमम सिद्धात ग्राप तय कर लीजिए कि एक ग्रादमी को 12 सौ केलोरी जब तक नहीं मिलता... (समय की घंटी) मैं एक मिनट में अपनी बात खत्म कर रहा है। जब तक एक व्यक्ति को, जितन। उसके जिदा रहने लायक खराक निर्धारित की गई है, जो उसका कम से कम मानदण्ड है, जितने में एक ग्रादमी की सांस चल सकती है उतना नहीं मिलता, मैं यह मानकर चलता हुं क्योंकि मैं कोई मेडिकल साइस का विद्यार्थी तो हं नहीं। लेकिन शरीर को बचा कर रखने के लिए कम से कम हजार, पन्द्रह सौ की कैलरी तो

[श्री लाडली मोहन निगम] मिलनी ही नाहिए। ... (व्यवधान) डाक्टर साहब कह रहे हैं कि दो हजार चार सौ की जरूरत होती है। मैं तो यह कह रहा हं कि ग्रादमी की सांस कम से कम चलतो रहे इसके लिये जब तक ग्राप इंतजाम नहीं करते हैं ग्रीर हिन्दस्तान एक हर एक आदमी को इतनी कैलोरी भी नहीं मिलती है तब तक इस बहस का कोई फायदा नहीं है। जब तक ग्राप हिन्द्स्तान के प्रत्येक व्यक्ति के लिए हजार, पन्द्रह सौ कैलोरीज की व्यवस्था नहीं करते हैं तब तक हिन्द्स्तान का उत्पादन बढ़ाने से कोई फायदा नहीं होने वाला है। इसलिए मैं चाहता या कि ग्राप ग्राज कोई नोति संबंधो घोषणा करते कि जब तक हिन्द्स्तान के हर एक आदमी को हजार या पन्द्रह सौ कैलोरीज नहीं मिलेंगी तब तक हिन्दुस्तान से अनाज का एक दाना भी बाहर नहीं भेजा

Statement re.

इसके साथ-साथ ग्राखिर में मैं यह बात भी कहना चाहता हं कि दामों के साथ फजल-खर्ची का रिश्ता भी जुड़ा हुआ है। आज फजलखर्जी कौन करता है ? जो लोग काम नहीं करते हैं, जो अनुत्पादक काम करते हैं, जो कलम धिसते हैं, वे फज़लखर्ची करते हैं। मेरा कुछ मिलों के यहां आना जाना होता है। उनमें कुछ मंत्री भी हैं और कभी मंत्री रह भी चुके हैं, उनको में देखता हूं। उनकी वही की वही शक्ल नजर बाती है। जब तक धाप फज्लखर्ची का तखमीना नहीं रखेंगे तब तक दाम कम होने वाले नहीं हैं। बिलकुल साफ बात है, दाम और खर्च का चोली दामन का रिश्ता है। जब तक ग्राप खर्च की सीमा निर्धारित नहीं करेंगे और जब तक आप दामों के संबंध में कोई नीति संबंधी बोबणा नहीं करेंगे तब तक हर साल बहु प्रलाप विचवा के प्रलाप की तरह से चलता रहेगा, बहस होगी, लेकिन इसका कोई फायदा नहीं होगा। वह एक

निर्जीव बहस होगी। ग्रगर ग्राप इस बहस को एक जीवन्त बहस बनाना चाहते तो मैं यह उम्मीद करता था कि खाज खाप कोई नीति संबंधी घोषणा करते, लेकिन

Price situation

ग्रापने ग्रांकडों का जाल पेश कर दिया। SHRI SUKOMAL SEN (West Ben gal) : Madam Vice-Chairman, I am very sorry at the contents of the statement made by the hon. Finance Minister. It appears to me that the statement is deceptive at the same time self-com placent, particularly at a time when the common people are groaning under ever increasing pressure of the price rise. And, now, I feel that the Finance Minister feels himself very much satis fied at the "noticeable moderation in the rate of increase in prices." And in support of his statement, he has come out with some figures to show how the trend of the wholesale prices is coming down in comparison to some previous periods. I feel that the compa rison which start with the line,- "in the 11 week period from 14th May to 30th July," are very much mislead ing, because if we look at the total price index for the last few years, we get a different picture, and I do not want to quote all these figures, but I will just quote certain figures. In Jan uary, 1982 the wholesale price index was 279. In January, 1983, it 293.7 per cent. And in April, 1983, it was 298.4. So, between January, 1982 and January, 1983, the rate of increase in the wholesale price index was 14 per cent. So, within one year, the rate of increase in the wholesale price index was 14 per cent. At the same time, without quoting all the figures, the hon. Finance Minister has come out with the latest week-wise figures of May, June and July, and thereby he is trying to show that the rate of increase is in the downward trend. And that is why he is feeling some sort of seLfsatisfaction. I feel that this is not correct. Actually, the wholesale price index is going up. And. if we come to the end of the year, we will find that, the rate of increase which was 14 per cent in the last year could be more in January, 1984. From the trend of prices, it appears to me that

the rate of increase will be more in January, 1984. So, there is no scope for self-satisfaction as has been expressed by the Finance Minister.

Now, how does this wholesale price index reflect the dimension of consumer price index? Sometimes we feel that the manner and the processing of this wholesale price index as well as the consumer price index are full of defects and at. various points of time the Government has been asked to rectify the process and the method adopted for their calculation, but this has not been done. As a result of this the price-rise in the market and the price-rise index calculated by the Government departments do not show the actual reality. When the common man goes to the market, he has to purchase the commodities at a higher price than it is reflected in the index compiled by the Government. So, these figures also do not reflect the reality in the true sense

Now I will come to the all-India consumer price index. During the last one year, in May 1982, it was 462 and » May 1983, this year, it is 521. It means between May 82 and May 1983 the rate of increase in the all-India consumer price index is 12.8 per cent. And in June, I am not sure, it may be perhaps 533 and in July 1983 it must be more. That means, from May 1983 till date the rate of increase is not only 12.8 per cent, but it is still more. So, the consumer price index is soaring high despite assurances by the Finance Minister that the trend is somewhat moderate, that there has been a noticeable moderation in the rate of increase in prices. This is the trend in the consumer price index also. Both in the wholesale price index as well as in the consumer price index we find the trend is going upwards. Not only it is going upwards, it is exceeding the rate of the previous years. So, there is no scope of claiming for the Finance Minister that there is a trend of noticeable moderation.

Now I will come to some of the points. The Finance Minister in his statement has said, I quote:

"The House will agree with me that higher production and adequate availability of commodities are the most effective answers to the problem of inflation."

This is about the price-rise but what about the industrial production? We agree that higher production and adequate availability of commodities are, if not the most but one of the effective measures to contain inflation, but what about the scene so far as industrial production is concerned? If we quote figures, you wi'll find that the industrial production index in January 1983 is 179.3 while in January 1982 it was 179.9. It means from January 1982 to January 1983 the index of industrial production has come down by point six. So, even in the industrial production we find that the trend is on the downward side. The year 1982 was declared as the year of productivity, but we find that 1982 has actually been a year of 'decrease in productivity'. So, by way of rising prices and at the same time by way of the downward trend of productivity i fail to understand how the Finance Minister is claiming to check inflation. The Finance Minister may clarify this point. At the same time, the Finance Minister says, I quote: •

"In addition to measures to augment availability and production, the Government has been closely monitoring trends in money supply, aggregate demand and liquidity in the economy."

On the one hand the Finance Minister is claiming that he has been closely monitoring the tends in money supply and on the other we find that the Government is coming out year after year with the heavy deficit financing. I would like the Finance Minister *to*-clarify how these two things tally together.

About the practical steps to check pricerise we find that the Government has put entire community of people on the mercy of the wholesale traders and on the mercy of the producers I fail to understand this. The Finance Minister may kindly clarify how without

[Shri Sukomal Sen] checking blackmarketing, how without effective measures to check black-money and without effective measures to check speculation, be can check the price rise and how without nationalisation of the wholesale trade in food-grains and essential commodities he can check the prices? The Finance Minister may kindly clarify this. The common people, various trade unions and political parties have been consis-tantly demanding nationalisation of wholesale trade in foodgrains and other essential commodities and the Government has been persistently refusing to do so, giving full licence and full liberty to the traders to exploit the common toiling masses and the people.

Another point is, the common people have been demanding and the various political parties and trade unions have been demanding that the public distribution system should be extended and strengthened and all essential items should be distributed throughout the country, right from the cities down to the villages, through a well-knit public distribution system. But the public distribution system has not been extended, nor strengthened. On the other hand, whatever meagre system is there, we find even there the edible rice is not available, edible oil is not available. Rice that is available is not eatable, the oil that is available through the public distribution system is not edible. Mostly people have to depend upon the traders, the retail traders and open market. As a result, they are fleeced by the traders in the open market. So this public distribution system, in whether form is there in the country, has too become a mockery to the people. It is not effective to give any succour to the people, any relief to the people. I would like to ask the hon. Minister why the Government is refusing to nationalise, the' wholesale trade? In •whose interest are they refusing this demand? Whose interest the Government is serving?

While the common people, the consumers are suffering, are being fleeced,

at the same time the producer at the root—the peasantry—is also suffering. They are not getting a remunerative price. The consumers are not getting essential commodities at reasonable prices, at fair prices; the entire super profit is made by the middlemen and traders. What steps the Government is going to take to check this middle-manship and to grant remunerative prices to the peasants? This point may kindly be clarified.

Another point is about the food subsidy. How to lower down the prices of essential commodities? One way to lower down the prices at least of food-grains and other essential commodities is to' subsidise the prices of these commodities. But the Government is not taking any steps towards that. On the contrary, through continuation of International Monetary Fund loan, there is a trend in withdrawing the subsidies. As a result, the people are being thrown at the mercy of the wholesale and retail traders and they are being fleeced. All these effective steps which the Government should take to check price rise are not being taken by them. At the same time, the Finance Minister is claiming that he is trying to check, price rise and is monitoring the money supply etc. This point may be clarified by the hbn. Finance Minister.

Then the Finance Minister has stated about monsoon and drought situation. Will the country have to depend throughout the year on the vagaries of monsoon or nature? We agree that there was drought in the last two years and the Government has said that it has imported some rice. The drought was there because we are at the mercy of the nature, because we could not create the irrigation potential, the irrigation facilities and other facilities for the peasantry so that they could cultivate their land despite drought. All these facilities have not been developed. And then why should you not import rice in adequate manner? Government has imported rice. But I find Government is spending valuable foreign exchange in importing colour

TV sets and other luxury items but not adequate quantities of food supplies so as to supply them throughout tile country and thereby check the rising prices. But the Government is not taking any steps in that direction. I think these claims seem to be quite hollow. So I think all these claims are quite hollow.

I would conclude. I feel that the scene of price rise is a manifestation of the deep crisis the economy finds itself in. Madam,-instead of coming out with jugglery of figures and trying to befool the people, I think the Finance Minister should openly tell the House and also the people of the country that "here is a capitalist government with a capitalist economy and I am the Finance Minister of that capitalist government; the situation is beyond my control; we cannot control the crisis". If the Finance Minister is frank enough to admit this, at least the people will decide their own course of action as to how to contain the price rise and how to live decently. I would like the Finance Minister to admit his helplessness to the people and the House. Thank you.

DR. BHAI MAHAVIR: Madam, the Statement that has been placed before us tries to make the best of a bad situation. It tries to take consola tion in the .fact that the percentage of rise in prices is less than what it used to be during the earlier years. This only shows that our claims to effect that we have "contained inflation" have we brought re lief the common man, have to no substance. This is a government which was elected on the promise of holding the price-line and bringing relief to the common man. But what is the reality, except what we can try to create through some jugglery of words or figures. When talk of percentage, Madam. it • is common knowledge that if from Re. 1 the price rises to Rs. 1.10. 'it is a 10 per cent increase, but if it increases from Rs. 1.10 to Rs. 1.20, it is a less than 10 per cent increase. So

we can claim that there is a decline in the rate of increase. Such a consolation would be poor consolation to a person who is already so hard pressed in trying to make both the ends meet. It is almost like giving consolation to a man whose temperature WBS 1-00 vesterday and is 103 today, saying that it is a 3 per cent increase, but when from 103 it goes up to 105, we say the percentage increase is, so there is a decline in the percentage increase. And from 105 if there is a one per cent increase, that may sound a death-knell to the patient. In this way we may be able to get some light consolation for ourselves, but it is not a consoldation for the common man because he finds remaining alive becoming an ever increasingly difficult exercise. In this situation, Madam, it is amazing to see the Prime Minister asserts a sort of claim which she made at recent workers' rally which was reporter in the press. If anybody else had made that claim it could have been brushed aside as a silly antique, something of an exercise in con-ection, but when the Prime Minister, the highest personage in the country makes such a claim, it deserves some serious notice. She tended to pretend in tint speech that the price inflation was a legacy of the Janata Government. What are the facts? The hon. Finance Minister would be able to confirm, even, in the report which we sent to the IMF, even the Economc Surveys will bear this out, that the two years of the Janata rule was a period of most stable prices during all these years of independence.

SHRI SYED SIBTEY RAZI (Uttar Pradesh): It was a legacy which we left for you.

DR. BHAI MAHAVIR: So. whatever was good in our time it was because of what they had, left for us, and whatever is happening now is again because of wrongs we did. Very well. Trying to befool yourself is a very pleasant exercise, Madan, sometimes. But it should be attempted in a different place. Here we should have more sober and more constructive attitude.

Dr. Bhai Mahavir] I do not mean to claim that everything happened during the Janata re gime was good. There may be mis One particular mistake, I had takes. the occasion to refer to. I do not under stand the intricacies of all that. But independent enquiry when an made and the mistake was there, well, we should admit it. But we cannot fly in the fact to truth. The Prime Minister says that there was inflation in the Janata regime and that it was much better during the period when she regained power. In the first two years of the Janata regime the average price rise increase was no more than 2 per cent a year, the wholesale price. In the third year the prices did go up. But that was when the Government had fallen, and it had fallen through the manipulation of my friends sitting that side. In the first two years of the Congress regime, Madam, afte came back to power, the whosale price index went up an average of 11 per cent a year. That is five times the corresponding average crease in the Janata regime. It is true that in 1983 the prices started coming down a little, this year. But that was due to the massive imports paid for by the IMF loan. The Government im ported everything which it could lay wheat, steel. hands upon che micals, fertilizers although most of the items could be pro although duced at home and we kept on claiming that our wheat pro duction -was recor'd production a still. we kept on importing. and through these imports we were able to create an illusion of price sta bility. But that illusion was achieved at high cost, and we shall be paying through the nose in the coming years for that illusion. (Time bell rings) Madam,

THE VICE-CHAIRMAN (DR. SHRI-MATI (NAJMA HEPTULLA).; I am just giving an indication that you have three more minutes. As Mr. Ladli Mohan said, we should abide by the rules.

DR. BHAI MAHAVIR: Very good, you have started abiding by Mr. Ladli

i Mohan's advice. But he gave a number of advices. I hope the Finance Minister will also abide by them.

THE VICE-CHAIRMAN (DR. SHRIMATI (NAJMA HEPTULLA); which, ever is my jurisdiction, I should abide by it.

DR. BHAI MAHAVIR: Madam, the illusion has also not lasted. As I wa3 saying, we have to pay in the form of interest alone Rs. 500 crores, for the loan which we have taken from the IMF from the next year or so. The prices have been going up from 1983 at an average annual rate of 8 to 11 j per cent a year, and during the month of May they went up at the rate of 18 per cent a year. If this is not double digit inflation, we do not know what it is. The worst part of it, Madam, is that the prices of the primary products, the common man's goods, edible oils, foodgrains, are going up faster than those of the manufactured goods. Since the average citizen spends something like 70 to 80 per cent of his income on his food requirements, this inflation hits him more than it did during the Janata regime. It hits the common man right in the stomach.

The wholesale prices, however, Madam, cannot tell the whole tale. We • will also have to look at the retail prices. According to the Economic j Times index number, the retail price index in Bombay in January, 1980 was 260, the month when the present Government took over. Now in July, 1983 it is almost 400; 399. The prices have risen by more than 50 per cent during Mrs. Gandhi's regime. This is more than 14 per cent a year, year after year, for the last 3i years. The common man has thus been subjected to a double digit inflation, not for a month, not for a year, but for 3J years month after month. This is not a legacy of Janata. This is not the doiaa of the weather god. This is an outcome Of the disastrous economic policies followed by ill-fated or ill-conceived decisions. Why are the prices rising, Madam? In order to bring a show of stability, what has been done>

The price of coal, electricity, steel, cement, nearly everything has gone up during the last months. There was an article today few During the last ten years, 218 per administered prices have risen by cent, which is much more than unadniiniater-ed prices. The price of coal or free market during the last ten years since it was nationalised in 1972, has gone •up by 332 per cent. In the preceding ten years, it had risen only by 80 per cent. On the gross block of capital 1429 of Rscrores. a meagre profit of Rs. 42 crores has been made on coal, and that also may disappear very shortly. The price of electricity during the last ten years has risen by 217 per cent. During the last two years, the annual increase in the case of Electricity Boards has been 16 per cent. And with all that, we have a gaping loss of R's. 500 crores on State Electricity Boards. Similar is the story with regard to steel: the rise is 228 per cent. In newsprint, the rise is 229 per cent during the last ten years. My hon. friend, the Finance Minister, would probably not be knowing what has happened after the last figures were calculated. Just recently, in the Delhi market, the price of refined oil has risen further. The price of Postman refined oil on the 25th July was Rs. 88.78 per tin of 4 Kgs. Now it is Rs. 93.50, an increase of 13 per cent just during the last few weeks. Similar is the increase in the case of the smaller tin of one kilogram, with vanaspati which cost Rs. 17.74 kilogram now costs Rs. 18.40 an in. crease of 3.7 per cent during the last four (days'-just four days. Mention has been made of tea. Probably the hon. Finance Minister has not got the latest figures or he does not care to about them. I have take us into confidence the figures. Green tea which was selling at Rs. 22.75 per packet of 500 grams is now selling at R's. 2725,

which is a 20 per cent increase. Similarly the price of Brooke-Bond tea has gone up from Rs. 13.91 to 17.35, again an increase of 25 per cent.

Price situation

This, Madam, is the situation on the prices front. The hon. Finance Minister is right when he says that more production is the real answer. But what are we doing about achieving more production? Todays papers report an answer given in the other House about our unemployed scientists and technologists, people for whom the country spends a lot for the purpose of training and qualifying them to become the most useful members of the society. How are those scientists and technologists engaged?' At the end of 1980. 3.87 lakhs of them were without jobs- at the end of 1981, 4.18 lakhs were without jobs; and at the end of 1982, 4.48 lakhs were without jobs. There is a progress, a continuous rise, and cur friends there would clap if these figures were in relation to something tlse. But they relate to the unemployed scientists who are trained and who are educated. The increase during the year before last was 8 per cent and the increase last year was 7.2 per cent. Madam, this is ths way we are utilising our talent for the purpose of increasing production. One more example of this have before me. Since I was talking about electricity generation, there are projects which we are designing, and a number of projects are on hand. There is one project, Chamera I do not know what particular project. fascination the Government has for that project because for that, a fee of Rs. 20 crores has been paid or the designing of the hydel project in Himachal Pradesh. This comes to about 8 per cent of the total cost of the civil works of this project. And it has been done by Canadian engineers. In our own country, our own nublic agencies the CEA—the Central Electricity Authority—and the Central water Commission, are able to do the same survey at a cost of 1 or I per cent. But we are spending 8 per cent, giving 8 per cent, to the Canadians for a job of the type of which we have done at-

(Dr. Bhai Mahavir) least in a hundred projects. What makes us choose foreign consultants for the purpose • of doing a job which our people are capable of doing by themselves? This is something which is beyond my comprehension. If we were to design, if the CEA or the Central Water Commission were to design it, their cost, even if they were to give up everything else, would not exceed 5 per cent of the total envisaged cost of the project. I do not know how the Planning Commission has given approval to it. What I find is the cost of the energy produced is 45 paise per unit. How are we going to work, by increasing or inflating the cost of our projects? The resultant energy will naturally be costlier, its cost will be raised and the burden will be thrown or the poor consumer. Today in various parts of the country power is available between 20 to 25 paise per unit. But here the estimated, projected, cost is 45 paise per unit. As we are all aware, no project till date has been completed within time and within the projected estimate. So many times over the cost is raised end if the cost rises here, naturally the per unit cost will also be much more than 45 paise. This is the situation.

THE VICE-CHAIRMAN (DR-. SHRI-MATI NAJMA HEPTULLA): Dr.-Ma havir, that is applicable to our House also, because our speeches are never limited to the time allotted. You have taken three times the time allotted...

DK. BHAI MAHAVIR: Yes. But the point is that this is applicable to both sides. If we were in a position where we could take decisions and at least ensure that projects which are designed for a certain tipe and within a certain completion schedule, if they were completed, then I suppose this expenditure of time would be much more worth its while. But these are the aspects which the Government needs to attend to. I wish the honourable Finance Minister took the House into confidence and at least admitted where there has been a failu on the price front. It is poor consolation if you try to blame the Janata or anybody else. You cannot lie in the

face of the facts and the history. Let us not try to do that. Let us accept the situation. Let us try to utilise the alent, rather than merely go in for imports of technology, of technicians, of scientists, even of different types of machinery. I would, therefore, urge once again upon the honourable Finance Minister to pay attention to these serious aspects.

MALCOLM S. ADISESHIAH (Nominated): I just make two opening jcomments. The first is that I take more seriously than I read the Finance Minister's statement—the price situation and its effect on the economy and on the health of the economy. My second general comment is that in order to save time—because this is a very vast (Subject and as many of my predecessors have dealt with it-I will stay within the framework of the statement made by the Minister. First, I have a feeling that the statement seems to tilt mope on the side of the supply or lack of supply of goods as against what is called the liquidity, the supply of money and credit in the economy. Am I right that the Minister seems in his statement at least to give less importance to the short-term. that is to say, what will effect the prices now, what will effect the prices this year or in the next few months, namely, the credit and monetary situation, the liquidity of the economy, than the long-term issue, namely, the suDply of goods.

Am I right in that feeling I read this document? I think both supply of goods and services as well as supply of money should be given equal importance in dealing with this question of prices.

I notice that the Minister in paragraphs 2 and 3 points out that the price rise has been 3.9 per cent upto May the 14th and 2.5 per cent from May 14th to July the 30th, so that there has been in his view a decline in the rise of prices. May I congratulate the Minister because I did not think of breaking this, four month period as h_e has done in two unequal parts and

eaying that in the first part the price rise was 3.9 per cent and in the second part it was much less? In fact the monthly increase in prices would support the Finance Minister's thesis that we seem to be having decelerating rate of inflation. In April the wholesale price rose by 2 per cent; in May It rose by 1-5 per cent and in June it rose only by 1 per cent, so that there has been decline m the price rise on a monthly basis also. But in July it again shot up to 1.8 per cent.

I agree with Dr. Bhai Mahavi, that the figure of 6.8 per cent for four months represents rather high rate of inflation for the year. It is a very high rate and can cause both economic distortions and social deprivations, unless corrected.

In paragraph 4 of his statement, the Minister refers to the consumer price index. I find that this year that index has caught up with the wholesale price index. We find very close, parity not only in the aggregate figure given by the Minister for the three months of April to June which is 6.2 per cent, but the wholesale price index also in monthly consumer price rise which is 2.9 in April, 2.3 in May and 2.1 in June and you will see "that these keep in line with the wholesale price rises."

In this connection I want to recall something which was said in this House either by the Minister or his Deputy, that out of 66 items of essential consumer items which enter tht consumer price basket, 49 items show sharp rise in prices and only 8 items show a decline, i believe that the consumer price rise has a much more serious effect on the poor majority of the country than what is indicated in these paragraphs of this document.

Here I want to say to the Minister that paragraph 4 and perhaps 3 also seen to be mainly in relation to agricultural produce. I think that the slow-down in industrial production Which has been very serious last year and which has been continuing during the first two months of this year is due

to other reasons than draught. Of course, now it is picking up. The latest figures seem to be little encouraging. I think this is not referred to at aU by the Minister in his statement except in relation to sugar. I think the fact of scarcity of industrial gopds is not sufficiently taken into account in this statement and that cannot be explained only by drought. The predominant reason for the scarcity in agricultural produce is due to drought. But the reasons for the scarcity and short supply of industrial goods are man-made, such as, low capacity utilisation,

insufficient use of capital and managerial inefficiency. I then turn to para 4 where the Minister ends up by referring to sugar

| prices. The Minister speaks of the moderating influence on the sugar pri-

ces. i would like to ask the Minister what he regards as the moderating influence on the sugar prices because, in figures that I have, I find that in April, the wholesale prices of sugar rose by 15 per cent and then they have been averaging at something like five per cent and I think the price of free-sale sugar is at such a high level that it is causing hardships to the industries which use sugar as also to the middle-class consumers who resort to the free market. T would like to ask ' the Minister whether-He says that the free sale price of sugar which is about Rs. 5 to Rs. 5.50 now is going to be maintained at this level, in the future also-this is the indication that the gives of containing the price of thia particular thing.

I then end by referring to the last but one paragraph, that is, para 6, which is the only para which deals with the other blade of the Scissors that is, the other part of the two forks that work, namely, the liquidity of the economy. Now, Madam, here the Minister uses the words "excess liquidity" in para 6 in two places. Now, the one measure of this excess liquidity is the report by the Reserve Bank of India that between April and now, which is the slack season, and by September deposits will rise by about

Es. 4,000 crores and that is the reason why the Reserve Bank of India has raised the CRR, that is, the cash reserve ratio by 0.5 per cent from 8 to 8.5 per cent as the Minister refers to here. The point that I am making, in relation to paragraph 6, is that the monetary side and the credit side should be taken care of as well as the supply side. Now, what are the reasons for this excess liquidity? One measure of the excess liquidity that he speaks of is that the deposits will have increased in six monflhs by four thousand crores. What is the reason for this? I think there is no agreement on the reason and I hope the Minister and the Ministry officials would probe this because the correct measures to be taken with regard to

the controlling of the supply of money will depend not solely on raising the CR ratio and all these other mechanical and other monetary measures, but the policy to be followed will follow from the analysis as to why this excess liquidity is there. Is it due to the overspending by the Union and the State Governments? i have no time to go into these details just now. But this is not something that has happened this year. If you take last year, you will find that the deficits of the Central Government and the deficits of the State Governments, their overdrafts covered by the Union Government, all these are now catching up.

And, Madam, I do not know whether it is one reason for this and, if that be so, there should then be some Attempt at a cut-back on the Union and State Governments' expenditures, both non-Plan, noiv-development and other unnecessary expenditures.

Then, I would like to know whether this increase in the deposits is due to the improved farm sector, that is, improved farm incomes and whether it is the rural people who are saving more because I think that though the farm sector has been bit by drought, more incomes have been generated in the rural sector than in the non-rural of the industrial sector, which has been hit even more by various other factors on account of which there is a very low rate of growth. So, Madam Vice Chairman, this is something which heeds to be looked into. You have to find out whether this is due to improvement in the farm incomes and, if it is so, then the possibility of deploying this increased income for other purposes should be looked at as one .means of controlling the supply of money. And the third factor is the unexpected improvement in our external reserves which the Finance Minister referred to in another committee and has referred to here, which was not foreseen by the Reserve Bank. Is this a force which is making for this supply push inflation that we are facing? Now, I believe, Madam, that the phrase 'excess liquidity' is the right phrase. But the reasons for it should be analysed, not on the basis of debates on this side or that side, but- a technical analysis, so that policies can be formulated to control the supply of money, just as the Government trying to increase supply of goods and services, which is a longterm measure?

Thank you.

उपसभाष्यक्ष डा० (श्रीमती) नाजमा हेपतुल्ला : श्रो रामेश्वर सिंह । श्रापका समय बहुत कम है । जरा संक्षेप में बोलने की कोशिश करें

Statement re.

श्री रामेश्वर सिंह: श्रापकी इजाजत से मैं क्या यहां आकर बोल सकता हूं।

उपसमाध्यक्ष डा॰ (श्रीमती) नाजमा हेक्कुल्लाः अवका आवाज पोछे से विलकुल टोक आसी है।

श्री रामेश्वर सिंहः मेरा गला खराव है। १००० हो से व्यक्त सार स्कूल

ं उपसभाष्यक्ष डाः (श्रीमती) नाजमा हेप्युल्लाः बड़ी खुशी की बात है कि अग्रज ग्राप कम बोलेंगे।

श्री रामेश्वर सिंह : उपराभाष्ट्यक्ष महोदया, मंत्री जो के लिये यह कहने में मुझे संकोच नहीं है कि ये हमारे एक अच्छे मित्र हैं। हमकी यह भी अनुभव है कि कद से जितना ही छोटा ग्रादमी होता है वह बुद्धि से उतना हो ज्यादा मजबूत होता है। यह मेरी मान्यता इमिलये है कि जो हमारें नेता थे, स्वर्गीय डा॰ राम मनोहर लोहिया के कद से बहुत छोटे बे लेकिन बुद्धि के बहुत परिषम्य थे ग्रीर बहुत सशक्त ज्यादित थे। लाल वहादुर मास्तो जो कद के बहुत छोटे थे लेकिन बुद्धि से बहुत सशक्त ग्रीर मजबूत थे। इसोलिये में कह रहा हूं कि।

श्री शिव चन्द्र शा : श्रीर लेनिन

श्री रामेश्वर सिंह : लेनिन की ही 'लेलिजिये । लेनिन का कद बहुत छोटा था, लेकिन उनकी बुद्धि बड़ी परिपक्य और बहुत संशक्त थी । नैपोलियन को ले लिजिये वह भो कद का बहुत छोटा था लेकिन बुद्धि से बहुत परिपक्य था..

THE VICE-CHAIRMAN DR. (SHRI-MATI) NAJMA HEPTULLA: Are you discussing heights and.... (Interruptions)

श्री रामेश्वर सिंह: यह मैं इस लिये कह रहा है कि ब्राप भी कर में बड़ी है बीर मैं भी कद में बड़ा हूं। हम दोनों लोग, दो सकता है कि हम परिपक्व न हों। लेकिन इन्होंने जो आधिक सर्वेक्षण महीने का पेश किया है, इस पर मुझे कुछ कहना है। मुझे उस पर इसलिये कहना है कि मैं गांव का रहने वाला हं, में गांव से म्राता हं। सभी डा॰ म्रादिशेषैया जी ने जितनी बातें कहीं है, उन्ही बातों को ग्रगर लागू कर िषया जाये और उन वातों की ओर हमारे वित्त मंत्री साहब गौर से ध्यान दें तो देश का बड़ा कल्याण हो सकता है। मैं सरकार की न्कताचोनी करने के लिये नहीं बैठा है और नहीं में यह दिमाग बनाकर आया हं। मगर सरकार किस रास्ते पर चल रही है ? उपसभाडयक्ष महोदया मुझे माफ करिये, 1947 में जब अंग्रेज भारत से गुये, उस वक्त मकई विकती थी 12-13 रुपये विवंदल गेहं विकता था, 16-17 रुपये निवंदल, सीमेंट विकता या 12 ग्राने बोरी, मिट्टी का तेल 2 पेंसे, 3 पेंसे बोतल । इसका

Statement re.

299

मैंन इस लिये जिला किया कि उन वदत का जमाना देख लाजिये और 30-36 पर्य में बाद का जमाना देख लाजिये। महारमा गाँवी जो ने नया कल्पना को थी ? महारमा गांधी जाने कल्पना की थे। कि जैन हुने आजादी मिलेगो तब मनकमन हमन्। भोजन मिलेगा । इंसान के लिये नान चार्जे बहुत आदश्यक हैं पहली आवश्याता है क्या को पुति याना पेट की हिफाजत । उसके कद इंसान को जरूरत है रहते हैं ियों महाल की और उसके बाद जरूरत है सेहत की उखवाली। ये तीनों इंसान की सबसे बड़ी जरूरत हैं। मैं किसान की हालत से पहले शरू करूंगा। क्या कारण है कि किसान की हर चीज का दाम आजादी के 36 वर्ष के बाद भी ज्यों का त्यों है और अपनी जगह पर स्थिर है, उसमें ज्यादा छलांग नहीं ग्राया, ज्यादा उतार-चढाव नहीं श्राया लेकिन एम्बसडर कार जो यहां पर 10-15 वर्ष पहले 23 हजार रुपये में प्राती थी अब वह कार लगभग आ रही है 98 हजार रुपये में

श्री पीं० एन० सुकुल (उत्तर प्रदेश) : श्राप एक नयी कार खरीद लीजिये, पुरानी बदल दीजिये ।

श्री रामेश्वर सिंह: : हैसियत नहीं है। तो कहने का मेरा तात्पर्य यह है कि क्या कारण है? कहीं न कहीं वृनियादी फर्क तो है न । कल कारखानों से जो सामान तैयार होता है उसका दाम दिन प्रति दिन बढ़ता चला जाए । गाड़ी किसान इस्तेमाल नहीं करता है लेकिन श्रमरीका में ब्रिटेन में जो दुनिया के सब से विकसित देश माने जाते हैं जो दुनिया के सब से ज्यादा विकसित देश हैं जो हालत श्राज हमारे देश में हरिजनों की है स्वर्णों की निगाह में जैसे हरिजन गांवों के दक्षिण में बसता है मगर उसकी रखवाली कोई नहीं है, हिफाजत नहीं है उसी तरीके से दुनिया के भौगो-

लिक ग्रीर दुनिया के नक्से में हिन्दुस्तान एक हरिजन की तरह से है। यह देश की स्थिति है . . .

श्री सैयद सिन्ते रजी: बापको सुचना गलत है।

श्री रामेश्वर सिंह: निब्ते रजी साहव मझे पांच मिनट बोल लेने दोजिये। मैं बोडो बात ग्रापकी भलाई के लिये कहता चाहता हं। ग्रापने कहा है कि हमने फर्टिलाइ तर का दाम कम किया है। जनता रिजीम में फरिलाइजर विकता था 75 से 78 रुपये प्रति बोरी अब कितने में विक रहा है ? ग्रव 132--134 रुपये प्रति बोरी था ग्रापने सात रुपये घटा दिया तो कौन सा कमाल कर दिया है । किसान कहां इस्तेमाल करेगा फरिलाइजर का ? ग्रापने जिक किया है मोसम का क्या बारिश हो रही है. क्या सिचाई की व्यवस्था ग्रापने इस देश में की है। क्या ब्राकाण के सहारे यह देश निर्भर करेगा ? क्या 36 वर्ष की म्राजादी के बाद भी ग्रापने किसानों को सिचाई के मामले में ग्रात्म निर्भर बनाया है ? फटिलाइजर कंहा पडेगा फटिलाइजर वहीं पहता है खेत में पहले पानी दो उसके बाद फर्टिलाइजर दो। पानी पहले. बोज पहले डालो बीज डालने के बाद जब बीज बढ़ेगा तो फटिलाइजर डालो। पानी जब बढेगा तभी फरिलाइजर का उपयोग बढेगा। क्या ग्रापने पानी का इन्त-जाम किया, नहीं किया। पानी नहीं है पानी नहीं है किसानों के पास। प्रापने सिचाई को व्यवस्था नहीं की है तो किसान फर्टीलाइजर कहां इस्तेमाल करेगा। मान लीजिये फटिलाईजर का दाम आपने कम कर दिया तो क्या लोहे का दाम कम किया गया ? क्या सीमेंट का दाम कम किया गया। क्या बीज का दाम कम किया गया ? क्या किसानों के पास बीज है, यह आपने सोचा है ? क्या आपने यह सोचा है कि किटानों के पास घर में खाने के लिये अन्न नहा है। नहीं सोचा है। अभी मिसाल

के तौर पर मैं कहना चाहता हूं यह मिनिस्टर सरकार नहीं चलाते हैं, श्रीमती इंदिरा नेहरू गांधी यह सरकार नहीं चलाती हैं, यह सरकार व्यरीकेसी चलाती है ? जो दिल्ली में ब्युरोकेट लोग बैठे हैं वे जैसे चाहते हैं वैसा नियम बना लेते हैं और मंत्री से हस्ताक्षर करा कर के उसको लाग कराते हैं। उदाहरण के तौर पर मैं ब्रापको बताना चाहता हुं। इनकी मिलीभगत अधुरोकेसी की करप्शन की मिलीभगत कहांसे हैनोचे से ऊपरतक है। भ्रष्टाचर का गंगोबी कहां से बहती है हिमालय से भ्रष्टाचार को गगोली बहती है और वह नीचे तक चली जाती है। भष्टाचार की गंगीबी दिल्ली से बहकर के --गांव में चली जाती है। में आपको बताता हं यह जो अधिकारी लोग हैं ब्युरोकेट लोग , आइ० ए० एस० , पी० सी । एस । लोग हैं ये अपनी नौकरी की हिफाजत के लिये 10 पोस्टें क्रियट कर देते हैं ग्रीर बजट का 50, 60, 70 प्रतिशत जो फण्ड होता है वह चलाजाता है इनको पाकेट में । श्राप लोन का क्या सिस्टम चलाते हैं । मैं रुपया लेकर दुकान पर जाता हूं तो किलोस्कर का मशीन 46 सी रुपये में मिल जाता है। मगर आप बैंक से जब किसान को कर्जा देते हो तो 78 सी रुपये में ग्राप किसान को वह मशीन देते हो । है शर्म इस सरकार को, इस सरकार में तनिक भी लज्जा है ? मैं बैल खरीदने के लिए जाता हूं तो मैं 5-- 7 सी रुपये में खरीदता हूं मगर जब ग्राप बैंक से कर्जा किसान को देते हो तो वह बैल दो हजार रुपये में खरीदना पड़ता है।

Statement re.

श्री रामानन्द यादव (बिहार) : बैल पांच-छ सी में विकता है ? बैल धाज पांच सौ में मिलेगा? वे किसान नहीं हैं। ग्राज बैलों की कीमत कितनी बढ़ गयी है (व्यवधान)

श्री शमेश्वर सिंह : इनको पहले

बैरुइये, मैं कहता हं तुम तो सुनो ना। रामानन्द यादव जी जो बैल खरीदते हैं उस बैल का दाम है दो हजार रुपया मगर गांव का हरिजन जो गांव के दक्षिण में बसता है जो चमरौती में बैठता है उसके बैल का दाम है चार सौ रुपया। समझ रहे हैं रामानन्द यादव जी और रामेश्वर जैसा किसान जो दो सौ बीघ्रे का काश्तकार है उसके दरवाजे पर पांच हजार रुपये जोडी का बैल होता है मगर चमरौती में बसने वाला किसान। . . .

श्री रामानन्द यादव : मैडम, गांवों की आर्थिक व्यवस्था के सम्बन्ध में हमारे भिव श्री रामेश्वर सिंह का ज्ञान बहुत ही सीमित है । वे शायद गांवों की आधिक व्यवस्था के सम्बन्ध में काफी भूल चुके हैं, उनको ज्ञान नहीं है । एक ही गांव में एक ही तरह के बैल की दो किस्म की कीमत हो जायेगी, पुरव में दूसरी और दक्षिण में दूसरी । इस तरह के ग्रर्थशास्त्री पैदा नहीं हुए थे, यही पैदा हए हैं।

श्री रामेश्वर सिंह : रामानन्द यादव जी ।

उपसमाज्यक्ष डा॰ (श्रोमती) नाजमा यादव जी को छोड़ हेपतल्लाः दीजिए।

श्री रामेश्वर सिंह : मैं मूल वात पर ग्राता हूं । रामानन्द यादव जी, यह सरकार जितना गलत कर रही है, उस गलत को करा करके इस सरकार को रसातल में भेजने वाले, ये चापलूस लोग हैं, ये चापलुसी करने के लिए बैठे हुए हैं, ये दलाली करने के लिए बैठें हुए हैं । हमारी बात मुनना पसंद नहीं करते हो--ग्राप सुनिये उपसभाध्यक्ष महोदया, में एक नया सवाल देना चाहता हूं (व्यवधान)

श्री रामेश्वर सिंह : मैं भी इसलिए हं कि रामानन्द यादव जैसा आदमी सरकार की चापलुसी करना बंद कर दे। मैं असली बात पर आता हं । ये चाहते हैं कि मैं न बोल पाऊं, मेरा समय खराब करना चाहते हैं।

उपसमाध्यक्ष डा॰ (श्रीमती) नाजमा हेपतुल्ला : आपका समय पूरा हो गया

श्री रामेश्वर सिंह : मैं ग्रसली बात पर प्राता हं। ग्रभी फरिलाइजर की बात मैंने शुरू की थी। फर्टिलाइजर कहां किसान इस्तेमाल करेगा ? स्प्रिंकलर पाइप से प्रणब भाई ने इयुटी माफ कर दी, कहा कि एक्साइज इयुटी माफ कर दी है। बे सुन लें, हमारी कहानी को, मैं सुनाना चाहता हुं भ्रपनी दुखभरी कहानी को। फटिलाइजर इस्तेमाल करता है किसान श्रीर पानी उसको चाहिए उस पाइप से। क्या हुआ ? हमारा कहना है कि किसान **को** राहत देना चाहते हैं तो मैटीरियल पर से एक्साइज इयूटी माफ कर दीजिए । जो फैन्टरी वह सामान **बैयार क**रती है इससे श्राप लिखित **बे लीजिए,** ग्राप उससे एग्रीमेंट ले बीजिए, उसकी सारी प्रापर्टी एग्रीमेंट में करा लीजिए कि तुमको हम तभी देंगे जब तुम केवल यह पाइप किसान के लिए बनाम्रोगे । मेरा यह कहना है । भाज क्या हो गया है ? प्रणव भाई से मैं बहत दुखी होकर कहना चाहता हूं, मेरा दिल भरा हुआ है कि आप जैसे कम्पीटेंट आदमी के एहते। आप जो चाहते वह नहीं हो रहा है और आपके

ग्राफिसर्स जो चाहते हैं वह ग्राज इस देश में हो रहा है। इसको ग्राप रोक पाएंगे कि नहीं ? मुझको उम्मीद है कि श्राप इसको रोक पाएंगे । ग्रन्याय ज्यादा दिन तक नहीं चलता । उपसभाष्यक्ष महोदया, एक ही तरह का सामान इस देश में बनता है और उसका दो तरह का इयटी दो तरह का दाम है। श्राप किसान का भला करना चाहते हो। तो किसान के लिए तीन काम कर दीजिए । मैं इसे बोल करके खत्म कर रहा हं।

Price situation

एक यह किसान को ऋण देने के लिए डाइरेक्ट ऋण दो। यह विचौलिये या बीच वाले दलालों को निकाल दें। यह जो लेखपाल है, कानुनगो हैं, बी० डी० ग्रो०, कलेक्टर, इंजीनियर हैं. इनको ग्राप निकालो । सारे पैसे का भ्राधा तो यह खा जाते हैं। तो इनको निकालो और यह जो फरिलाइजर का दाम श्रापने सात रुपये घटाया है. फर्टिलाइजर का दाम इतना कम कर दो ताकि किसान अपने देश के ग्रंदर अन का उत्पादत इतना कर दें कि दनिया से इमको गल्ला लेने की जरूरत न हो।

तीसरे ग्राप किसान को वह इक्विपमेंट दें, वह सामान दें, वह हथियार दें, वह ग्रीजार दें, जो दनिया के मुकाबले में सस्ते पड़ें, बाजार में उसको सस्ता पड़े श्रीर किसान को श्रपनी ताकत पर फसल पैदा करने की क्षमता पैदा हो जाए।

चौथी बात मैं आखिर में कहना चाहता हं--वह आखिर में मेरी बात है कि जो कमीशन ग्रापने ब्युरोकेट लोगों का बनाया है, उसमें किसान के बेटे को भी रिखये। ग्रफसरों की जो राय होती है, जो वह देता है, तो निश्चित ही कहीं न कहीं उसने अपने घोष्टाला करने का दरवाजा रखा है, कहीं न कहीं यह ग्रक्सर लोग ग्रपने लिये दरवाजा खोल करके रखते हैं। लाख कानन करिए, एक न एक कानन लगा करके यह अफसर लोग एक-एक फाइल को छह-छह महीने तक लटकाये रखते हैं।

Statement re.

मैंने प्रधान मंत्री को तीन महीने में तीन चिट्ठियां लिखी हैं। उन चिटिठयों का जवाब हमको ग्राज तक नहीं दिया गया है। क्या यह भारतवर्ष है। मेरे जैसे संसद सदस्य ने जो विरोधी दल को बिलोंग करता है, लोक दल का ग्रखिल भारतीय सेकेटरी हं, मैंने इस हैसियत से प्रधान मंत्री को तीन चिटिठयां लिखी हैं ग्रीर उनका जवाब नहीं दिया जाता। उसका कारण ग्राप जानती हैं कि क्या है ? जिस ग्रफसर के पास चिट्ठी जाती हैं, वह उसे फाइल में बांध करके रख देता है।

रामानन्द यादव जी ग्रगर चीफ मिनिस्टर हो जायेंगे, इनको लिखेंगे। भगवान करें यह चीफ मिनिस्टर हो जाएं। पर हमको मुश्किल लगता है कि यह नहीं होंगे क्योंकि यह चापलुसी ज्यादा कर रहे हैं और नहीं तो चन्द्र शेखर सिंह जी गये हैं, इनको वहां जाना चाहिए था।

उपसमाध्यक डा॰ (श्रीमती) नाजमा हेपतुल्ला : ग्रभी प्राइस के ऊपर बात करिये।

श्री रामेश्वर सिंह : सून लीजिए । रामानन्द यादव जी को हम बिहार का मध्य मंत्री देखना चाहते थे (ब्यवधान) लेकिन मैं देख रहा हूं कि यह जितनी ही चापलुसी करेंगे, उतने ही आप यहां पड़े रहेंगे।

श्री रामानन्द यादव : महोदया, मन से तो यह खुश होंगे कि इनकी जाति का

ही चीफ मिनिस्टर हो गया है, लेकिन ऊपर से कह रहे हैं कि हमको जाना चाहिए था। यह ठीक कोकोडाइल टिग्रज की ही बात है। इनका असली कलर आप नहीं जानती हैं। जब यह घर जाते हैं तो दूसरे कलर का कूर्ता और घोती पहन लेते हैं श्रीर फिर जब घर से चलते हैं पालियामेंट के लिए, तो फिर यह कूर्ता-धोती पहन लेते हैं। इनके दो रूप हैं। भाषण में एक है और दूसरा रूप करनी में है। इनके भाषण ग्रीर करनी में दोनों में बड़ा फर्क है।

श्री रामेश्वर सिंह : उपसभाष्यक महोदया, मैं दो मिनट में खत्म करता है। रामानन्द जी क्यों वहां नहीं गये ? (व्यवधान)

श्री रामानन्द यादव : मेरा प्वाइंट श्राफ ग्रार्डर है। यह पोलिटिकल मैं2र्ज को इसमें लाने की क्या जरूरत है ? सदन का टाइम वर्बाद हो रहा है। सदन के हर मिनष्ट पर इतना पैसा खर्च करना होता है और होता है, उसको यह बर्बाद करते हैं, इसलिए मैं प्रापसे श्राग्रह करता हं कि ग्राप इन पर लगाम लगाइये कि यह अपने को सीमित रखें। (व्यवधान)।

उपसभाष्यक्ष डा॰ (श्रीमती) नाजमा हेपतुल्ला : ग्रापकी चौथी सजेशन क्या है?

श्री रामेश्वर सिंह: मैं तो ग्रव खत्म ही करने जा रहा हं। इसलिए कि इनकी सदन में जरूरत है कि इसी तरह से यह चापलुसी करते रहें, इसलिए यह कभी भी चीफ मिनिस्टर . . . (ब्यवधान) प्रणव बाब् इनको कोई डिप्टी मिनिस्टर या कुछ देकर इनकी जवान बंद करिए । (क्यवधान)

श्री उपसमापति डा० (श्रीमती) जमा **हेपत्**ल्ला · उसका प्राइस राइज ताल्लुक है ?

उक्समाध्यक्ष हा० (श्रीमती) नाजना हेपतुरुखाः नहीं, अब धाय बैठ जाइये ।

श्री रामेश्वर सिंह : हमारी बात खत्म होने दीजिए । हमारा आवका एसीमेंट है, आप कह दीजिएमा तो मैं बैठ जाऊंगा ।

उपसमाध्यल डा॰ (श्रीमती) नाजमा **हेपतल्ला)** : अब आपका एग्रीमेंट खत्म हो गया । अब आप उनको बोलने दीजिए।

श्री रामेश्वर सिंह तो में ब्राखिर में प्रणव बाब् से कहना चाहता हं... (ब्यवद्यान)

श्री हरि सिंह नवला (हरियाणा) : मेरा प्वाइंट ग्राफ ब्राइंर है। रामेश्वर सिंह जी आप जितना मरजी बोलिये, कोई बात नहीं है, लेकिन इन जनसंधियों से बचें। यह फिर चरण सिंह जी को चिपट गये हैं ।

5.00 p.m.

श्री रामेश्वर सिंह : उपसभाष्यक महोदया, मैं बहुत विनम्नता से कहना चाहता हं कि प्रणव बाबु एक काम और जरूर करें कि लागत खर्म से किसी भी चीज पर चाहे वह कल-कारखाने में जने, किसान के खेत गने से ज्यादा कोई भी आदमी मनाका नहीं लेगा । एक यह काम आप कर दीजिए तो देश का कल्याण हो जायेगा। बगर नोई चीज 10 पैसे में बनती है तो उस को 15 पैसे से ज्यादा में बेचने की इजाजत नहीं मिलनी चाहिए । जो चीज 10 हजार में बनती हो...(ब्यवधान)

भी रामपजन पटेल (उत्तर प्रदेश): मैं एक बात कहना चाहता है कि गेहें की कीमत 150 रुपये रखी नयी है, उस पर लागत खर्च 150 रुपये है, इन के हिसाब से डेड गना किया जाय तो गेहं की कीमत 225 रुपए क्विंटल बनेगी ग्रीर तब रामेश्वर सिंह जी बहुत चिरुवायेंगे ।

Price situation

भी रामेश्वर सिंह: यही बात बोल कर मैं खत्म कहंगा।

श्री रामपन्नम पदेल रामेश्वर सिंह जी ऐसा आंकड़ा दें रहे हैं जिस का विरोध वे खुद केरेंगे।

औ हरि सिंह नलवा पहले अपने दामन को तो साफ करो। तम गिरवी हो जनसंघियों के पास । प्राइस की बात करते हो। तुम जनसंधियों के निकर में चले गये हो।

SHRI GHUEA.M RASOOL MATTO (Jammu and Kashmir); On a fttint of order. Kindly regulate the House so that we may also get time to speak. This is a very important subject. (Interruptions).

उपसमाध्यक डा॰ (श्रीमती) नाजमा हेपतुल्ला: आप जल्दी खत्म करिए।

श्री रामेश्वर सिंह: इन्होंने एक बात कही है कि 150 रुपये क्विन्टल गेहं है। मैं झाप को बताता हूं कि किसान की जो लागत है...

उपसभाष्यक डा० (श्रीमती) नाजमा हेपतुल्ला : ध्राप का टाइम खत्म हो गया ।

श्री रामेश्वर सिंह : हमारा ग्राप से यही प्राप्तह है जि ब्युरोक्षेट्स से बच कर आप डा० लोहिया, लालबहादुर शास्त्री, नेपोलियन घीर ऐसे लोगों जैसा कुछ काम करिए जिस से देश का कल्बाण हो। बस इतना ही हमारा कहना

Similarly, if we take the wholesale prices between 14th May and 30th July, the price increase, in 1979 was 7.9 per cent; in 1980 it was 8.2 per cent; in 1981 it was 3.7 per cent; in 1982, it was 5.4 per cent; and in 1983, that in the current year, it is only 2.5 per cent. Thus it will be seen that if we compare these figures and if we try to review the situation, make a

was much more.

I correct analysis of what is what, we come to this conclusion that the economic policy of the Government is really on the rails, if is a rational policy and is paying dividends to our country.

Price situation

I am sorry that just now a few speakers from that side were trying to praise the Janata period or the Lok Dal period. We all know what hap pened at that time. We all know that during that period only, our industrial production, our agricultural production got the worst jolt and it was almost in shambles. And in 1980 when the Government of Mrs. Gandhi came, we tried to recover. Although 1980 was also fraught with drought, with in crease in the price of international oil and our monetary constraints, we tried to recover and in 1981 our food production once again touched the previous peak of 132 million ton nes and our real Gross Domestic Pro duct rose by 7.5 per cent in 1981. As regards 1982, the World Bank called the fiscal 1982 as a year of solid growth for India. Fdo not know how our Opposition, friends are in a posi tion to criticise this Government, to condemn our policy, to belittle our achievements. Perhaps they are interested in making a correct evalu ation of the state of affairs. simple want to condemn us in way. But that is not going to help the country; that is not going to help them too. (Interruptions) Dr. Mallickplease shut up. You can say thing

SHRI HAREKRUSHNA MALLICK: Madam, how can he say "shut up"?

SHRI P. N. SUKUL: I can ask you to keep quiet, to shut your mouth up.

So the World Bank has called the fiscal 1982 as a year of solid growth for India. Our real GDP grew by 5.5 per cent in fiscal 1982. The supply condition improved and the monetary policy became more restrictive. And in that year, the rate of inflation fell to 9 per cent. This ia a real achleve[Shri P. N. Sukul]

merit. Key sectors like power, coal, rail transport, petroleum products, industrial output, benefited from improved utilisation of capacity in that year.

Statement re.

Thus, Madam, ours is a very sound economic policy. There is nothing wrong about it and as we learn from this statement of the Minister, things axe quite under control. 'Seasonal factors are there no doubt, as the Finance Minister has already said, because of which there is a small rise. And Comrade Sukomal Sen said—I do not know whether he was saying it, -or maybe someone else wag saying it-for how long are we going to fall a prev to the vagaries of nature? That is a very difficult question to answer because vagaries of nature are there. And if we take the size of our population, the area of our land, naturally we will have to take quite a lot of time to tide over the problem and the vagaries of nature have to be faced by and put up with. It is, no doubt true, Madam, that there is some price rise, as admitted by our Minister. And in this connection j would like to invite a reference as to what our Planning Minister said here in the Rajya Sabha in the first week of this very month. He also admitted this price rise and said that the price rise had affected the public sector Plan outlays in rural terms. He said that the price rise was bound to affect physical targets to some extent. Naturally, if there is some price rise, these things are affected. But, since our agricultural production in the current year is supposed to be to the tune of at least 126.5 million tonnes and if all goes well, despite this present drought, despite inadequate rainfall, we are going to have increased agricultural production, industrial production is also being stepped up. There is, of course, nothing wrong with our economic policy or our financial policy. In this respect, I would say-and everybody will agree with me-that our Minister has very candidly said that higher production and greater availability are the two reai answers to this problem.

of price rise. In a developing country like ours we cannot help price rise. If we cannot help the growth of our population, we cannot help the pice rise, unless, of course, our indigenous production goes to a very high level. Essential commodities like pulses, edible oils,, petroleum products, fertilizers, all these things have to be imported from other countries, and naturally because we are not in a position to produce enough just in one day to fulfil the needs of our countrymen. And so long as this thing goes on, and so long as we are committed to have planned development, price rise cannot be dispensed with. There has to be some price rise. It is true, Madam, as so many times our leaders have explained here. our Ministers have explained here, that the price rise in our country is very little as compared to the price rise in other countries, even in some <af our neighbouring countries. So there Is nothing alarming.

Price situation

However, in this regard, I would like to make certain suggestions which are well known things, but still we have to unsure certain things. If we are going to import goods, our imports have to be so regulated that it does not contribute to price rise. Provisions of Essential Commodities Act and such other legislations have to be very strictly enforced, especially by the State Governments and by the Union Territories. There cannot be two opinions about the fact that our public distribution system has to expand further and it has to be made more effective-by more effective, I mean to say that there is no shortage of things in the shops. There are complaints that sugar is not there or wheat is not there or something else is not there. This should not be the case. Our shops should be well equipped with necessary stocks. Also, I agree with Shri Sukomal Sen that hoarding and blackmarketing has to be contained and action should be taken against hoarders and blackmarketeers. They cannot hold the country to ransom for their personal gain. In this connection, Madam, I

will also suggest that we have to ensure greater availability of power to our farmers. Without that, we are not going to have the necessary production that we want to have. In the last year the power position was not very good. Unless you are able to provide power for their pumpsets, for their other things, you canndt^xpect them to increase the production to the desired, level. It is no doubt really very good that our Government has reduced the price of fertilizer by 7.5 per cent. 1 am sure it will go a long way to increase the consumption of fertilizer by our farmers and their production of course.

In this connection, I will very humbly suggest that so long as we «annot control the price rise, we have to be very alive to the plight of certain sections of our society. For example, the workers. It is the workers who run this Government, who run the administration, who run the country and who produce and whose products we consiune. So, the wages, the real incomes of the workers, whether Government employees, Central and State Government employees or factory workers, their incomes, have to be protected suitably against -erosion due to rise in prices. That will go a long way to inspire our workers and to help us get greater production from them.

Also, Madam, I feel very much concerned about all those who are below the poverty line. If we cannot check the price rise, then, we should try to evolve some ways and means to come to the rescue of that section of the society, the people who are below the poverty line. I do not know whether the finances of the Govternment will permit what I want to achieve or not, but if I am allowed my say, I would like to have that at least the«e people should be given cereals and such essential commodities at subsidised rates. That will be in our national interest and that will inculcate a sense of security among them, anfl 'y and by things will improve.

One more thing. I earnestly hope that this year our deficit will not increase at all. We have to contain this deficit somehow. Our Finance Minister is naturally one of the ablest man in their profession. He is one of the best Finance Minister that we have got, and he is very alive to this situation at a whole.

I hope, all these things, when properly ensured, will, of course, go a long way to check the rise in prices.

With these words, I once again congratulate our Government for this statement and for their achievements.

Thank you.

SHRI R, RAMAKRISHNAN (Tamil Nadu). Madam Vice-Chairman, I am neither an erudite economist like my learned colleague, Dr. Malcolm Adi-seshiah, nor a rabble-rouser like my colleague, Mr. Rameshwar Singh. I am somewhere in between. I am more mundane. So, I will restrict myself to such matters as we as ordinary human beings can comprehend.

At the outset, I would very much welcome the Finance Minister's statement. Though it offers very little solace to the common man, but, at the same time, it shows the great concern of the Government over an issue which is so vital to all the sections of the population every day. You know, when a housewife gets up in the morning, she thinks about the price of milk and vegetables. And when an ordinary citizen goes to the office, he i⁹ concerned about the price of cigarettes and the bus fare. Similarly, all of us are concerned with the price of the essential commodities which affect our day-to-day life. It is really no enviable job that our hon. Finance Minister, Mr. Pranab Kumar Mukherjee, has or is holding particularly because in our country we have to depend on the vagaries oi the monsoon and of the rain Gods, and more so. Madam, because of the peculiar balance in our country between agriculture and industry, which has got a great bearing

on the prices. But where I think the Finance Minister can play a positive role.—and this will have its own effect on the price situation—is in the case of public sector enterprises. With the respect to the constant publicity that many of the public sector enterprises are receiving in a positive way, I think it is high time that such of those which are making staggering losses and whose performance is much below Pa?, are looked into. It is only Oil India or Indian Oil, or Air-India or Indian Airlines which we hear about, which are making huge profits. But, on the other hand, we have a number of public sector enterprises which are making huge losses, which has its own effect on the inflationary trends in our economy. Even about the monopoly concerns like Air-India or Indian Airlines. I do not know where they will stand if they are subjected to the test of competition.

Statement re.

Madam, coming to the statement of the Finance Minister, it is accepted that inflation as a whole was of the order of 6.5 per cent this year as against 5.8 per cent last year. And for the period January to June, according to the price index which I saw from the CSO figures, it was 7.3 per cent against 6.2 per cent last year. So definitely there is improvement and the control which the Government wishes to exercise is quite in evidence. But the increased postal charges, railway fares, hikes in the prices of petroleum products, increase in the prices of steel and cement, all these will. definitely have their impact and will give a cost-push effect to the economy, about which we are all concerned. To add to this, in the light of the IMF loan and also some of the conditions that they have laid down and the policy of the world monetary authorities, if electricity generation is to be made economically viable. I think the electricity charges also will have to be raised, and this will again give a cost-push effect to the entire economy.

Madam, the remedy lies not merely in what my friend, Dr. Adiseshiah

referred to in para 6, which is mostly dealing with the monetary policy— absorbing the excess money supply in the economy and so on. This, of course, the Government is using judiciously. But in my opinion, the real answer in a country like ours will be increase in productivity and increase in competitiveness in the economy. Of course, this is quite a tall order. My friend, Mr. Sukul, who spoke just now, referred to a very important point, the recent statement of the Planning Minister when he said that the price rise will definitely have its impact on the Plan outlay, that because of the rise in prices, particularly the public sector plan outlays in real terms will definitely receive some impact. But actually the midterm appraisal of the Sixth Plan is not in our hands now. I hope when it comes, we will have an opportunity to discuss it in detail. Here I would like to refer to one aspect of our economy which perhaps is also puzzling the Finance Minister and the Government as a whole, but for which no exact answer can be available. That is, what is the impact of the parallel economy, the black money economy which exists in our country, on the prices? This is a matter on which we should lay a lot of stress. I feel that the Finanie Minister should take more concrete steps to see that this black money economy-it cannot be eradicated, we all know—should be reduced to the minimum. He should take strong measures, including demonetisation if necessary. He constantly denies that there is any such move. But if it is necessary to give an impetus to the economy, he must resort to it.

Price situation

Madam, j would, also refer to one other aspect which my friend, Dr. Adiseshiah, did not speak about, but I am sure he will agree with me, and that is about resource mobilisation by the States, which will have a definite impact on the control of prices. The Finance Minister, according to his own admission recently, agreed that though he has been able to contain it in a way, as on June 30 the overdrafts of the States were of the order

of Rs. 670 crores, of which lour States -I do not want to mention the names -accounted for Es. 530 crores. Here I would like to emphasise that States which are efficient in resource mobilisation—particularly Tamil Nadu is a classic example—should not be made to suffer because of States who take things a little easy. They may have their own problems. But something should be done about this. This will definitely have its own impact on bringing down the prices. Before concluding I would like to raise one point about regional imbalances in prices which occur from time to time. I can tell you the case of Tamil Nadu that even according to the latest CSO figures, the prices in the metropolitan cities like Madras are rising at much lower rate than in the rural areas where they are going up much faster and much higher. This is because of the inability of the Centre to supply essential commodities like sugar, kerosene oil, etc. in time to rural areas and in adequate quantities. We have been pleading for this time and again and this is a matter which is purely man-made and man-manageable. I think the Finance Minister should definitely look into

Statement re.

Finally before I conclude I would like only to welcome what he has said in para 7 of his statement: "We have been able to moderate the increase in prices through timely action but the continuation of this trend cannot be taken for granted." You have rightly stressed that point. For \his I would very much urge you—not that the emment is not functioning effectively with its bureaucracy—you can consider appointing a watchdog panel on prices which can consist of eminent economists, bankers, academicians and other people. And if you are averse to appointing a committee, at least a parliamentary consultative committee .of the Finance Ministry or there may be a subcommittee which will constantly monitor on this, apart from the bureaucracy, and give us ideas. My only fear is that we should not get into the same morass as many other Latin American countries or Central

American countries which have got runaway inflation like what was witnessed in the prewar Germany. While we all agree that zero inflation, which is purely an academic concept in the modern day should be the target, I think we should at least not and up with stagflation which most of the developing countries are gettiag into.

THE VICE-CHAIRMAN DR. tSHRIr HEPTULLA: MATD NAJMA Kalyanasundaram.

SHRI HAREKRUSHNA MALLICK: Madam, is my name not there?

THE VICE-CHAIRMAN DR. (SHRI-MATI) NAJMA HEPTULLA: No.

SHRI HAREKRUSHNA MALLICK: How is it? I had given my name.

THE VICE-CHAIRMAN DR. (SHRI-MATI) NAJMA HEPTULLA; You ask your party...

SHRI SHIVA CHANDRA JHA: Our name must be there...

THE VICE-CHAIRMAN DR. (SHRI-MATI) NAJMA HEPTULLA: Your party should have sent your name and if your party did not send your name, then you take it up with your party.

SHRI SHIVA CHANDNRA JHA: Where does the question of party come in? It is an important discussion and we seek only clarifications. It has been done in the past. This is the way you are doing every time as you like. In protest we walk out...

SHRI HAREKRUSHNNA MALLICK, Yes, what is the use of our sitting il our names are not there? It is because we are sitting here, you are running the House. In protest I am also walking out...

(At this stage some hon. Members left the Chamber.)

THE VICE-CHAIRMAN (DR. SHHI-MATI) NAJMA HEPTULLA; Mr. Kalyanasundarm.

t re,

SHRI M. KALYANASUNDARAM: Madam Vice-chairman, the honourable Finance Minister has given us an opportunity to discuss the price situation by making a statement for which he should be thanked. But while making his statement he has sought the cooperation of the House. What are the radical measures he is proposing to take for which we are asked to co-operate? Going through the entice statement I find it is a usual rigmarole about the price situation. There is nothing new in it. The only thing is he has admitted his helplessness. That is very clear from the statement. Whether it is the Congress Government or the Janata Government or the pre-Janta Congress Government, whether the Finance Minister is X, Y or Z, the state of the economy continues to be like this. That is the lesson, he should draw from today's discussion. If a worker or farmer or wage earner listens to our discussion today, he will not understand what we are discussing about. Is the responsible for this? Our workers have worked hard and they have made their contribution in production. Our farmers, under very difficult conditions, are doing their best. You cannot attribute today's situation to drought because droughts come periodically in order to give you some excuse, can't you stabilise prices at all? Can't you control inflation at all? What are the measures you are going to adopt? If you follow the same routine measures, neither inflation will be controlled nor prices will be stabilised.

Only three days ago we celebrated the 36th anniversary of our Independence Day. During these 36 years have we not advanced? Our science and technology have advanced. Our agriculture has improved. Industrial growth has improved. But still there is stagnation in agriculture and industrial growth. What are the reasons

for this sudden stagnation?, How is this stagnation to be overcome and how is production to be increased? Is stagnation only on paper? Is it because that real production does not come to light? I do not understand. Or, are they understating their quantum of production? *Is* it because of that or is it because that full capacity in industry is not being utilised? I do not know the reason for this stagnation in industry. Let him look after that

Price situation cannot be discussed in isolation. It cannot be separated from the entire economic situation. We read from newspapers that the midterm appraisal of the Sixth Plan has been completed. We are yet to get it and if we get an opportunity to discuss it, that may throw some light.

SHRI R*. RAMAKRISHNAN; That will come only in the next session.

SHRI M. KALYANASUNDARAM: By that time we will be preparing for the Seventh Plan and the mid-term appraisal and the Seventh Plan can be discussed together.

Consumers are the worst hit. As it has been explained by everybody, there is no need for me to explain it further. The consumer price index in January 1983 was 495 and in May it was 521. We have to add another ten points for 'the last two months. What will be the effect of this on the consumers? Three or four instalments of DA, will become due for the Central Government employees. Public! sector employees also will have to be paid more D.A. The working class and wage-earners are not enamoured of this D.A. What they need is supply of essential commodities at a reasonable price. Prices are shooting up like anything. Rice is selling at Rs. 6/- and Rs. 7/per kg. Even inferior quality of rice is selling at Rs. 5/-The effect of all this on the common man is that he cannot manage his family budget. If there is absolute scarcity, we can understand. There is some shortfall in production, no doubt. But

d<tes it warrant such a rate of increase in the prices? That is what the Minister should examine carefully. If you pussue this policy, when are you going to stabilise the prices? Come on, tell me now let 1983 be over. When will trie prices stabilised, in 1984, in 1985 or in 1986? Can you assure me on this? Then I am prepared to follow your policy. Your basic policy is responsible for this. Unless and until this is realised, no salvation is there for this problem. We will produce more and we \vill starve more. The people will pro-luce more and they will suffer more. That seems to be the situation at present. Therefore, I want to know from ths honourable Minister of Finance whether he has any proposal to strengthen the public distribution system and supply the essential commodities at a subsidized price or a fair price so that the expenditure on dearness allowance a\% least could be kept under control? Wha1* is it that stand in the way of doing this? Even in a Slate like Kerala, where the same Congress (I)-led Front .is in power, all the Opposition parties have joined together to stop the trains and "they have resorted to this agitation for getting larger supplies for the public, distribution System. The same is there in Tamil Nadu also. The Tamil Nadu Government has also asked for more supply of rice and other essential commodities for its public distribution system. There are economic experts in our country and there is no dearth ol them, and there is no dearth of Economic Commission also, who are there to advice the Government. Kindly tell me this: Can you succeed in stabilizing the" prices and in reducing even the Government expenditure? are you going to reduce the How Governmental expenditure? The Government itself is responsible for the rise in prices and that Government is spending more. Their own transport system, their own administration, are suffering because of their own policies. It is due to the policies of the Government If the administrative expenditure is rising year after year, it is' not the common man who is responsible for this, but it is your economic policy which is res-

ponsible for this. Who are dominating the economy of our country? As I said earlier, it is only the monopolists and the wholesale traders who are dominating our economy. Even in the case of the publip distribution system, you can maintain it and you can do it successfully. May be that there are some, weaknesses here and there and maybe that corruption is there. Where is not corruption? Corruption is also inherent in the system itself; it is not outside the Corruption, high prices, black system marketing and unemployment—these are all the diseases of the system and they are all serious diseases. Cancer cannot treated by chanting some mantras or just by some good wishes. In the statement made by the Minister, there may be good intentions. But how is he going to implement his policies? What is the attitude of the Government towards the consumer industries? We have been clamouring that the consumer industries must be under the control of the Government so that at whatever is produced is least available for distribution, and if that is distributed, the price problem can be solved to some extent. Unless and until you do this you cannot succeed in your attempts. Show me a country where they hav« succeeded*. Whether it Is Japan of America or West Germany, which country has These are all countries which succeeded? are powerful industrially than us. Have they succeeded? So, my point is that the problem of rise in prices is not beyond the control of the Government. But it is the policy of the Government which will either bring the prices down or will push the prices up. Government is pursuing 3 policy under which it is afraid of exen touching the whosesale traders. Without taking over the whosesale trade, without taking the wholesale trade in your hands, you cannot succeed, however much you may import. After all, where does it go? Our indigenous production also goes to the private profit; our imported goods also go their profit. Even while importing, have you seen how much goes in wastage? Do you know how much IS going

vShri Kalyanasundaram)

in pilferage? I have seen how the Food Corporation of India is unloading wheat in the harbours and where it goes. Does it go to godown? Shortage is reported and shortage can be written off. So import alone is no remedy. Increased production only is no remedy. Increased production is essential. I do not deny its necessity. (Time Bell rings) But whatever is produced must be available to the Government to distribute, and not to the private profiteers, black marketeers and black money holders. So long as this policy is pursued, whether Mr. Pranab Mukherjee or any other person is the Finance Minister, whether it is the Congress(I) Government or any other Government, the fate of the common people will continue to be the same.

Statement re.

MURLIDHAR CHANDRA-SHRI KANT BHANDARE: Madam, Cnairman, I must admit that the statement which has been placed before the House by the hon. Finance Minister is to be welcomed for two reasons. One is that it is extremely candid; it has concealed nothing. It has admitted the situation. The second the reason for which it has to welcomed is that it admits of no complacency; there is no room for complacency whatsoever. In a serious debate like this I do not think generalisations will help. Whatever has been said by Mr. Rameshwar Singh, I believe, he said so more because he was unwell today and probably during course of his speech his temperature increased. Whatever has been said by the hon. Mahavir, really stand no Member, Dr. Bhai scrutiny at all for the simple reason that figures he has produced cannot whatever really stand scrutiny of verification. thesis that we have not been able to control the inflation for the last two years is not correct, anri in a serious matter like this, I think what is necessary is an objective approach like the one which the hon. Member Dr. Malcolm Adiseshiah brought upon the debate on this issue. Now, there can be no two opinions....

¹ (Interruption) I am going to deal with what he also said. I think he was also critical, and there can be no two opinions on what has been said by some of the hon. Members here, particularly when the hon. Member Mr. Ladli Mohan Nigam opened the debate that we must do some thing to curb the parallel economy, the black money. This is one of the factors. The two factors have been really very succinctly brought out in the statement, namely:

"The House will agree with me that higher production and adeuate availability of commodities are the most effective answers to the problem of inflation."

For the purpose of today discussion I propose to restrict myself to these tw« factors that are mentioned in the Finance Minister's statement, though I wholeheartedly agree as I have repeatedly said, given figures, given reason*. give cures for the removal of the ill of black money.

Now, the first thing one must look »t is what is the cause of the present inflation: Now, it is admitted that the wholesale price index rose by 6.5 per cent, and it is also admitted that the major contributory factors for the price rise were the primary articles, particularly cereals. No, I given the figures of price rise in these specific commodities: cereals 18.1 per cent—for the same period —vegetables 12.5 per cent and oilseeds 6.6 per cent. Now, if one looks at this, there is no doubt that the main reason for this inflation has been the drought. effect of inflation really falls on the common man because it is these articles such as cereals, fruits, vegetables, tea and oil which really are necessary to keep the bone and flesh together and which really cause a lot of hardship to the common man. It cannot be denied that inflation is the worst form of on tho common man and the Government must take all possibly measures to avoid it. The second point which one must see is whether the Government has taken adequate steps or not. I expected a

realy stringent criticism .from the hon. Members of the opposition on this point. But none of them suggested or even remotely hinted that the steps taken by the Government to check this inflation were either inadequate or were irrelevent. I think the merit lies in the Government pursuing a policy which will brine down prices.

Statement re.

What I don't like about the statement is that it does not refer to the industrial position. That is also very serious because excepting sugar, where there has been a decline of about 5.3 per cent, a number of industrial products like jute textiles (17 per cent), drugs and medicines (10.4 per cent), iron and steel (12 per cent) non-metallic mineral products (7.5 per cent) and basic metals and alloys (9 per cent) have recorded a steep increase in price. The most disturbing factor is the cumulative increase in prices of some of these products in the course of the last one year. I must say that apart from the drugs and medicines, iron and steel and others are intermediate goods and the effect on the final consumer prices will be very large. I must say that in terms of industrial recession, it is a global phenomenon. I must say that we have tried to contain it to the minimum. I want to read from a report of the World Bank which I have here. And that is what is said in the World Bank assessment recently:

"The two largest low-income countries-China and India-have come through the current recession with encouraging resilience. They were not so heavily dependent on foreign trade, had little consumer debt, and so were not much affected by high interest rates. They have also made impressive progress in agricultural; India's low GDP growth in 1982 was largely due to failure of the monsoon."

This I have quoted from the World Bank.

The next point to which I want to invite the attention of the hon. Fin-

ance Minister is that he must pursue this policy of checking this sort of recessionary tendencies and with a good monsoon. I am quite sure that there will be considerable fall in inflation. Therefore, what is essential to check inflation is to improve the productivity both in agriculture and industry through improvement in per hectare yield in agriculture and improving labour productivity and better capacity utilisation in industry. There are many reasons which I can quote for low industrial growth which has been 3 per cent as compared to 8.6 per cent in 1981-82. There have been several factors like decline in agricultural incomes, continued drought, 15month strike in my home city of Bombay in the taxtile mills, continuous power shortages in many States, tight credit policy to check inflation, worldwide recession adversely affecting exports from our country. Now, what I want to say and invite the attention of the hon. Finance Minister is that there are three spheres in which the in-fractructure must be strengthened— firstly, power, secondly steel, and thirdly Railways. We have done extremely well, Madam, on the oil production front which has brought down our import bill to a considerable extent and improved our balance~bf payments position also.

Madam, there is one more aspect to which I will refer and I have done. And it is this which is referred to in para 7 of the statement because for the second time in three months, the Reserve Bank of India has deemed it necessary to impound bank funds by raising the cash reserve ratio. This was increased from 7 per cent in May to 8 per cent with effect from ^2 9th July. And the figure has been hiked, further to 8.5 per cent. The cumulative effect will be to impound Rs. 815 crores of bank money. The Reserve Bank of India feels that the banking system has a surplus liquidity of 1500 crores of rupees. Now, what is heartening to note is that the bank deposits have been rising faster than expected and seem certain to exceed the original estimate of an investment

[Shi Murlidhar Chandrakant Bhandare]

Statement re.

of Rs. 4,000 crores in the first half of the year. Now, all this is very welcome and the Government must push' the pressure on because any increase in credit at this stage is likely to finance speculation and inflation rather than production. And, I think, this fiscal policy which is followed by the Reserve Bank of India is right restricting the credit policy. Now, we have the trends which show that strong factors are at work in increasing the money supply. The States' overdrafts, from what the Planning Minister has told us, have been kept in check, and the Centre's finances are also around the budgeted levels. Foreign exchange reserves have been steadily rising this year. Thus, if the Government wants to have growth without inflation, if will have to reduce the budget deficit and get better returns from, what has been said by hon, Mr. Ramakrishnan, the public sector enterprises. I think, a close look will have to be given, in many cases, they have improved. But there is no significant recovery. I think, apart from the infrastructure I talked about, considerable attention will have to be paid and monitoring will have to be done on the performance of the public sector undertakings. All in all. let us pray to the Lord Varuna for giving us adequate monsoon which will bring down the prices and which....

DR. BHAI MAHAVIR: In a secular State, how can you pray?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Ver, well, we pray whenever we are in difficulties. I can assure you that I have gone id the country and we pray more when the secularism is in danger. Butwhatever that may 'be, it is a very strange notion of secularism of my hon. friend, Dr. Bhai Mahavir, that we give up our prayers because we are secular. I mean, that is how I understand secularism. (Interruptions) All in all statement satisfies everybody that the Government is earnest

and serious about tackling this demon of inflation and rising prices and to see that the poor and the common man of this country are not put to undue hardship and undue burden.

R. RAMAKRISHNAN; Bhandare's prayer is that the prices should be kept down.

SHRI A. G. KULKARNI: Vice-Chairman, whenever we discuss the issue of price rise, I remember the Budget speech of the Finance Minis ter. Every year, the Finance Minister sayas that these measures will not have any impact on prices. Then, on the next day, after the Budget has been presented, in the Press confer ence which is customarily held by the Finance Ministry Officials, they give a convincing reply as to why there would not be any impact the prices. Today, in "the statement itself, the Finance Minister has accepted that there has been price rise, a sharp increase in the case of certain items. We should also take into account that there is an unorganised market. The abstract of statistics compiled by the CSO cannot also be relied upon as a proper guide because the experience of the housewife or the common man in the market is mostly dependent on the retail prices and the consumer prices. I see a change in the policies of the Government during the last two and a half years. Since 1980, this Government is dependent more on the supply side, in regard to managing the price rise, than what you call the monetary side of it.

(The Vice-Chairman (Shri R. Ramakrishnan) in the chair.)

Even in the case of the supply side, s happening? I do not understand. For example, take, sugar. Somebody has mentioned about the sugar price rise. When the commodity is so abundant, its price is being artificially maintained by less releases. Why should there be any discrimination in favour of the sugar industry as against the consumer. Otherwise, the price of sugar would have gone down much below than what it is today. Mr.

Tinance Minister, you know what the prices are like. Take, for example, the retail prices of essential commodities at selected centres. Here, the Bombay prices are given. There, you find that the price rise as compared to March, 1982, is something like Rs. 1.40 as against Rs. 4.7 It means, about 15 to 17 per cent, something like that. Then, in regard to Arhar Dal, it is Rs. 6.27 as against Rs. 7.06. Then, tomato, which is an ordinary vegetable and which is required by everybody; the price rise has been mentioned here. I really do not believe in it. In 1982, it was Rs. 2.92. Now, it is Rs. 4.02. In Delhi also, the price has been mentioned. It is Rs. 4.38 as against Rs. 5.44. Now, Madam is not here. I was going to ask her. I cannot ask you.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Not Madam: Sir, You said, Madam.

SHRI A. G. KULKARNI: Now, is is "Sir. Madam turned into Sir. I wanted to ask her whether she purchases tomatoes now-a-days. Because for the last one month, I am monitoring my finances. I am getting my food cooked by a cook in the house. He gives me every day an account and he told me that tomato is being sold at about Rs. 8—10 in Delhi. No vegetable available for less than Rs. 6. I would like to know whether it is a fact. Is it a fact?

DR. MALCOLM S. ADISESHIAH: Yes. SHRI A. G. KULKARNI: The doctor of economics concurs with this. But the rate given by the CSO is Rs. 5.44. If this is the rate, as I have mentioned and which is concurred with by Dr. Adiseshiah, PranaV Mukherjee, the figrues mentioned by you in your statement should be doubled. Instead of 6.09, it should be really 13 or 14. Don't think I am joking on this. Take any commo-6 P.M. dit-y; whether it is vegetable or rise or dal or oil. Only recently, three days back, there was a meeting Kolhapur

where somebody said that the price of oil had gone up to Rs. 18, but people from the meeting shouted, no, it was Rs. 22. This is the position. So, what we really want is the actual price index and not the statistics of the CSO. Whether you have a certificate from Mr. Clausen or from your party members, that has no meaning. Clausen may be dealing in dollars of some countries while we have to deal with our own money in this country and we have to purchase goods.

The other point is, I would like to know from the hon. Minister whether this price-rise has anything to do with the recession in industry. I find a recessionary trend in industry. Though you yourself said that industry was recently picking up, it is a feeble picking, it is not picking up in the way in which it should have in real terms. Therefore, I would like to know what steps you are going to take in connection with this recessionary trend so that side by side there is a healthy development in industry and of the workers. When a question is asked why there is the price-risa, nobody gives the reason, T think the reason is that the industrial production is lagging behind while the flow of money is increasing one way or the other. I think Dr. Adiseshiah talked about excess liquidity, and in this respect I can tell you my own experience in the cloth trading. In my town the cloth trading had a very hard time for finding money, but during the last three months I do not know wherefrom the money has come, it has multiplied, doubled and trebled. Excess money is being pumped into the town and the merchants are paying spot cash for purchasing cloth at a reduced price. So, liquidity also is playing its part in one way or the other.

The third point that I wanted to know from the hon. Minister is about-the loss of purchasing power of the people. That is the reason why the consumer products are being sold at a very slow speed. Has anything been done fo_r increasing the purchasing

power of the people? You have mentioned here about the massive imports. I am against massive import of agricultural products. I do not know whether it is proper to have massive imports. You must have taken into consideration the availability of foreign exchange, the IMF loan and the servicing charges, but I am totally against the massive imports of wheat and other products which really affect the Indian agriculture.

The last point which I wanted to make was, having said all that, what is the solution for this? I think somebody said that opposition has only criticised but not given the solution. We are not here to And solutions. We cannot find solutions. If we were capable of finding solutions the people would have voted us to power. They have voted you to power and you have to And solutions for all these things. You are not working properly and that is why we criticise. The solution seems to be, i will attempt to define it, the overall policy of the Government in non-developmental expenditure which is really cutting the real resources; then lack of industrial production which is cutting the resources of the common people and no purchasing power, and I do think that this massive import policy is really not proper because the future generation will be responsible to repay the loans. I do think that these are the three reasons and if these three reasons are looked after properly, the Government will find increased production. Unless production increases, with the financial growth in the liquidity of money, this problem will not be solved.

Thank you.

श्री हुक्मदेव नारायण यादव (विहार): उपसभाव्यक्ष महोदय, मैं सदन का ज्यादा समय नहीं लुंगा । मैं केवल एक दो बातों की श्रोर वित्त मंत्री जी का ध्यान स्नाकषित करना चाहुंगा । यह जो मूल्यों का सवाल है, इसके संबंध में हम प्राय:

बातें करते रहते हैं । जब तक हमारे देश के अन्दर कोई निक्चित मूल्य नीति नहीं होगी तब तक मुल्यों का नियंत्रण नहीं हो सकता है । दुर्भाग्य इस देश का यह है कि ब्राज तक इस सरकार ने कोई मुल्य नीति निर्घारित नहीं की है । मैं यह निवेदन करना चाहता हं कि जब तक किसी वस्तु के उत्पादन लागत का पता नहीं चलेगा तब तक इस बात का पता नहीं चल सकता कि हम पर कितना म्नाफा लिया जा रहा है। ग्रौर तब तक मुल्यों पर नियंवण नहीं किया जा सकता है । प्रक्रन यह है कि इसका निर्धारण कौन करेगा ? सबसे प्रथम बात तो यह हैं कि किसी भी वस्तु के उत्पादन पर जो लागत आती है जब तक उसका पता नहीं किया जाएगा तब तक उस वस्तु का मूल्य निर्धारित करना कठिन होगा । जब हम इस पर विचार नहीं करेंगे कि किसी वस्तु के उत्पादन पर कितना लागत खर्च ग्राया है ग्रीर उस पर कितना मनाफा दिया जाय तब तक हमारे देश में मल्यों में बृद्धि होती रहेगी ग्रीर व्यापारी लोगों को लुटते रहेंगे । इसलिए मेरा सुझाव है कि भारत सरकार को स्वायी तौर पर एक आयोग का गठन करना चाहिए जो समय-समय पर यह निर्धारित करे कि किसी वस्तु की उत्पादन लागत क्या है श्रीर कितना उस पर मुनाफा दिया जाय। मेरे पास यह गमछा है। बाजार में यह 12 रु या 15 रु में बिकता है। इसको तैयार करने में 13 रु या कितना खर्च ग्राता है इसको जानकारी के बिना म्नाफे का पता कैसे चलेगा । प्रश्न यह है कि किसी वस्तु पर कितना मनाफा लिया जाय। इसलिए मेरा सुझाव है कि भारत सरकार को स्थायी तौर पर एक आयोग का गठन करना चाहिए जो मह्यों का निर्धारण करे ग्रीर सरकार को बताये कि किसी वस्तु का लागत खर्च कितना है।

दूसरी बात मैं यह कहना चाहता हं कि किसान जब ग्रंपने उत्पादन की चीजें बाजार में लेकर ब्राता है तो उसको बहत कम दाम मिलते हैं। लेकिन वही माल बाजार में जब तैयार हो कर आता है तो उसके दाम बहुत बढ़ जाते हैं। किसानों से आल 50 पैसे फी किसी के हिसाब से खरीदे जाते हैं ग्रीर जब यही ग्राल चिप्स के रूप में विकते हैं, ग्लास्टिक के थैलों में बिकते हैं तो 20 एक जिलो बिकते हैं। मक्का किसानों से 1 ६० किलो के हिसाब से खरीदा जाता है, लेकिन यही मक्का जब पांच सितारा होटलों में कार्न फलेक्स के रूप में विकता है तो वह 18 रु और 20 रु में विकता है। इस पाप कार्न को हमारे देहातों में मक्का का चुरा कहते हैं। मैंने एक उदाहरण ग्रापके सामने दिया है। इसी प्रकार की स्थिति सरसों की भी है। किसानों से सरसों तो बहुत कम दाम में खरीदी जाती है, लेकिन बाजार में तेल बहुत ज्यादा कीमत पर विकता है। इसलिए मैं वित्त मंत्री जी से निवेदन करूंगा कि स्थायी तौर पर एक आयोग का गठन किया जाना बाहिए । उस ग्रायोग में सिर्फ सरकारी नियंत्रण वाले ही ग्रर्थशास्त्री न हों बल्कि उसमें ऐसे नामी-ग्रामी ग्रर्थशास्त्रियों को रखा जाना चाहिए जिनका संबंध विश्व-विद्यालयों से हो । वे अपनी राय दें और उसके ब्राधार पर मल्यों पर नियंत्रण किया जाय । वह स्थायी श्रायोग इस बात को देखे कि किसी वस्तू का लागत खर्चा कितना है, कितना उस पर म्नाफा होना चाहिए ग्रीर ग्रन्थ जो बातें हैं उनको भी वह देखें। जब तक ग्राप इस प्रकार की व्यवस्था नहीं करेंगे तब तक चोर-बाजारी रुकने वालो नहीं है।

ग्राखिरी बात में यह कहना चाहता हं कि मुल्य नियंत्रण करने के लिए आपको दूसरे भी कदम उठाने पडेंगे । मैं आपको

विहार की एक घटना बताता हं। बिहार के मजफ्फरपूर शहर में एक व्यापारी के यहां तीन सी० टी० ग्रोज० ने छापा मारा । दूसरे दिन उस व्यापारी ने उन ग्रधिकारियों पर मुकदमा दायर कर दिया कि उन्होंने मुझ से 25 हजार रुपये देने को कहा ग्रीर यह कहा कि ग्रगर ये स्पये नहीं दोने तो तुम पर हैवी टैक्सेशन लगा कर तुमको तंग और परेशान किया जाएगा। यह केस कोर्ट में गया । बिहार सरकार ने इन तीनों सी० टो० ग्रोज ० ट्रांसफर कर दिया । जब इस प्रकार की स्थिति होगो तो किस प्रकार से धाप मृल्यों पर नियंत्रण कर सकते हैं ? एक व्यापारी के कहने पर सरकार अपने अधि-कारियों को सजा देगी तो फिर ग्रधि-कारी किस प्रकार से काम कर सकेंगे । मैंने यह एक उदाहरण दिया है । यह मुजफ्फरपुर का उदाहरण है। ग्राप इसकी जांच करके देख सकते हैं। ये तीनों बिहार सरकार के ग्राफिसर्स हैं, उनके हाथ में हैं । लेकिन भापने राजस्व विभाग से भी जड़े हुए हैं ।

Price situation

केन्द्रीय बिकी कर वहां निर्घारित आप इसकी जांच कराइसे ताकि पता चल सके कि वास्तविकता क्या है। मैं निवेदन करना चाहता हूं कि सरकार इस ग्रोर ध्यान दे। मुझे ग्रांशा ग्रौर विश्वास है कि श्री प्रणव मुखर्जी नये खुन के वित्त मंत्री हैं ग्रीर वें इस म्रोर कुछ नये कदम उठायेंगे मौर बतायेंगे, लोगों को नई ग्राशा वधायेंगे कि नये खून का आदमी कुछ नये काम भी कर सकता है।

SHRI GHULAM RASOOL MATTO: Mr. Vice-Chairman, Sir, I 'thank you very much for giving me an opportunity to speak on this vital subject. Although I belong to the Opposition, I feel that this question of inflation and price ri»e is a national problem, and

all of us, whether in the ruling party or in the Opposition, must pool our heads together to find a solution. The Statement made by the Finance Minister is before us. Apart from anything else, what has struck me most out of the Statement is-and I quote: "The House will agree with me that higher production and adequate availability of commodities are the most effective answers to the problem of inflation." This is the crux of the whole situation. The point at issue is whether or not we are doing all that we have to or we can do in this proceas, whether? the production of consumer goods which the common man needs is being done in the way that We should. I feel that we are not doing that. Our country is a continent. What have we done to ensure that all the land available to us is cultivated? What have we done about dry about which Dr. Adiseshiah has been repeatedly saying, which could give us a lot of production. These things have to be considered.

Statement re.

The Finance Minister has referred to the wholesale price index increase fey 2.5 per cent. I agree with him. That ^may be correct. But for a consumer, I think, the correct price index is the consumer price index; and in the period that he has mentioned, the increase is 6.2 per cent.

Somebody was mentioning about the prices prevailing in vegetables. My servant this morning told me that cabbage (band gobhi) is available atfis. 7 a kilo. So ^Ehe housewife in Delhi or elsewhere will judge us by what she has to pay in the morning for her consumer items. So, in this connection, Sir, we have to do something. We have to increase our. production. We have to see that all the land available is brought under cultivation.

The second point that I have to bring to your kind notice, Mr. Finance Minister, is that between now and the kharif crop, when rice will be available in the market, my personal estimate is that we will have a minimum

shortfall of 8 lakh tonnes. We are arranging for import of only one or two lakh tonnes, as you have mentioned in your Statement. I feel that we will be faced with a situation either in the month of November or in the month of December when we will be very much handicapped for want of rice.

The third point that I have to make is that though public distribution system is a responsibility of the States, but the States have to be told that whatever they can make available to that pool of distribution they must, the deficit has in all circumstances to be met by the Centre. Whether it is rice or it is wheat or edible oils or anything else, the Centre has to make good the deficit in the public distribution system, i am told that the Centre has now taken a istance that this is not their responsibility. This attitude will not help because this will, on the contrary, aggravate the situation and hoarders and blackmarketeers will take undue advantage of this. But the Centre must say to the States that they must gear up all their resources to procure all these commodities which are very essential to the common man and that where it is not possible, the Centre will come and fill in that gap so that they are riot handicapped for distribution to the general public.

Another point that 1 have to marke is this. Much has been said about this, about the expenditure. I would request the hon. Finance Minister that he may kindly issue orders to freeze any further appointments for the next three years be they either in the States or at the Centre, so thai our expenditure in that direction is stopped. We must somehow curtail our expenditure in the Governments, at the Centre as well as in the States.

With regard to the public enterprises, recently a Bill had come in the House, which was passed, the Electricity (Amendment) Bill. Under that Bill the Government has enjoined upon all the Electricity Boards that the minimum of 3 per cent has to be en-

Lastly, Sir,—the time constraint is there—I think some type of control on the wholesale procurement and distribution is essential, by the State, because in a country like ours, unless we do that, it is not possible for those of our States which are deficit in one thing or the . other to make available certain commodities which may be available plentifully in other States,

With their observations. I Commence the statement and i hope that all of us will pool our heads and ensure that the demon of inflation is done away with and We extend all our cooperation to the Government in this mattfr

श्रो बी । सत्यनारायण रेड्डी (ग्रान्ध्र प्रदेश) : उपसभाध्यक्ष महोदय, वित्त मंत्री जी ने जो वक्तच्य दिया है इसके अन्दर उन्होंने बताया है कि जो ग्राम इस्तेमाल की चीजें हैं ग्राम लोगों के इस्तेमाल की की चीजें हैं जैसा चावल, दाल, खाने के तेल, खण्डसारी, गुड़ ग्रीर फल तथा संज्ञियां ऐसी जितनी जरूरी चीजें हैं इनके दाम दिन प्रति दिन बढते जा रहे हैं। इनको रोकने के लिये कोई इंतजाम नहीं है। मैं सरकार से यह चाहंगा कि जब तक सरकार के पास कोई दाम नीति नहीं होगी जब तक कोई दाम नीति

नहीं बनायेंगे उस वक्त तक किसी चीज का दाम बढ़ेने से रोक नहीं सकेंगे। इसलिये सब से पहली बात ग्रीर ग्रहम है कि सरकार को यह दाम नीति बनानी चाहिए। जब दाम नीति नहीं बनायेंगे किसी चीज के बढ़ते हुए दाम को भ्राप सकेंगे।

Price situation

दूसरी चीज यह है कि जो चीजें कारखाने में पैदा होती हैं ग्रीर जो चीजें खेत में पैदा होती हैं उन दोनों के अन्दर जो समन्वय होना चाहिय वह नहीं है । जिन चीजों का उत्पादन कारखाने में होता है उन चो जो का दाम कारखाने-दार तय करते हैं ग्रीर जो चीजे खेत में पैदा होती हैं उनका दाम खरीदार तथ करता है। किसान खेतों में जो पैद करता है मेहनत करता है वह तय नहीं करता है। वह तो मण्डी में खरीदनें वाली द्वारा तय किया जाता है। वे ही तय करते हैं इस लिये इसके बारे में सरकार की गम्भीरता से सोचना चाहिए ।

तींसरो चीज यह है कि कई चीजें जो मल्क के उत्पादन के कामों में ग्राने वाली है जो बड़े-बड़े कारखानों में तैयार होती हैं और किसानों के काम में ग्राने वाली चीजें हैं जैसे लोहा, कोयला, इत्यादि इनके दाम दिन प्रति दिन बढ़ित जा रहे हैं । इसके बारे में भी सरकार की कोई नीति निर्धारित नहीं है। इसके बारे में सरकार को गम्भीरता से सोचना चाहिये ।

एक समस्या यह है कि देश में काला धन बहुत ज्यादा बढ़ गया है और चाहे सरकार हो या सरकार के बाहर हो ग्रौर फजल खर्च होता है । श्रीर बड़े-बड़े कारखानेदार हैं जो खर्ची करते हैं इससे दामों में इड़ती

Statement re.

[श्री बी० सत्वनारायण रेड़ी] हो जाती है। इस काले रोकने के लिये सरकार क्या कदम उठा रही है, क्या उपाय कर रही है। इसके साथ-साथ जो ग्राज बड़े पैमाने पर खर्चा हो रहा है चाहे वह सरकार की तरफ से हो या मंत्रियों की तरफ से हो, यह जो एक्सपेन्डीचर है और खास कर चुनावों में एक-एक उम्मीदवार पर हमने सुना है और यह अखबारों में भी आया है ग्रीर लोग ग्रपने हल्कों में ग्रापको बतायेंगे कि 5 लाख, 10 लाख या 20 लाख तक खर्चा होता है, जबिक ग्रापके कांस्टीट्युशन में है कि 10 या 20 हजार से ज्यादा खर्चा न हो लेकिन वहां 10 लाख खर्चा 30 लाख खर्चा होता है, क्या इसका श्रसर दामों पर नहीं पड़ रहा है ? जरूर पडेगा। हर चं∖ज पर पडेगा । इसलिये इस चीज को रोकने के लिये आप क्या कर रहे हैं ? कई बार हमने इस सदन में ग्रौर सदन के बाहर भी कहा है कि इलैक्टोरल रिफार्म्स होने चाहिएं। इन पर जो खर्चा होता है इससे सारे मुल्क की इक्नामिक कंडीशन दरहम-बरहम हो रही है। इसको रोकने के के लिये हमको कदम उठाने चाहिएं । इसके बारे में भी सरकार ने कोई कदम नहीं उठाया है । जब तक तमाम चीजों के बारे में ग्राप एक नीति बनायेंगे, ्रक दाम नीति, ग्रर्थ नीति ठीक ढंग से मुल्क को चलाने नहीं बनायेंगे, तब तक ये जो कीमतें दिन ब दिन बढ़ती जा रही हैं. श्राम शोगों के इस्तेमाल की चीजें हैं, इनको ग्राप रोक नहीं सर्वेंगे।

ग्रापने कुछ ग्राकड़े दिये हैं। इसमें आपने बताया है कि अब जो कीमतें 11 महीने के ग्रंदर बड़ी हैं वह 2.5 प्रतिशत है। दूसरा पिछले साल के भी ग्रापने दिये हैं । लेकिन यह 2.5 प्रतिशत भी

क्यों बढना चाहिए। इसको भी रोकने के लिये श्राप तजवीज क्यों नहीं करते हैं। श्रापने यह जस्टीफाई कर लिया पिछले साल की बनिस्वत कम है। लेकिन ये जो बढ़ती हुई कीमतें हैं इनको रोकने के लिये **आप** कोई ऐसी दाम नीति बनाइयेगा कि इनको रोका जा सके।

Price situation

इसके साध-साथ बयान में यह भी बताया है कि

The consumer price index during the period April-June, 1983, which is the latest available, has shown an increase of about 6.2 per cent.

श्रीर श्रापने यह भी बतया है कि मुल्क के श्रन्दर जो सुखां ग्रादि चीजें हो रही हैं, इनकी वजह से ये तमाम चीजें हो रही हैं। जब कभी आपके दामों में कोई वृद्धि होगी और कोई ऐसी मुसीवत होगी तो आप कहते हैं कि बाढ की वजह से या सुखा इन तमाम चीजों की वजह से हमें इसका सामना करना पह रहा है। मगर आप इस तरीके से बच नहीं सकते हैं। ग्रापको कोई कंकीट इकदाम उठाना चाहिए, कोई दाम नीति बनानी चाहिये ताकि यह मुल्क ग्रागे बढ सके ग्रीर श्राम लोगों की जिन्दगी को श्रागे बढाने में सहलियत हो सके ।

SHRI PRANAB KUMAR MUKHERJEE: Mr. Vice-Chairman, Sir, first of all, I would like to express my gratitudes to the hon. Members who have participated in this discussion, as mariy as 13 speakers. But I am not saying 13 because at least I have the superstition that 13 is not a good number. That is why I am including myself. So I am saying 14. As we are discussing about statistics, i think I can have the indulgence of the House in playing with the figures. So my speech should be treated as two, the introductory one and the concluding one. In all we are hearing 15 speeches. Thirteen hon. Members have made their contribution and various suggestions have come in the course of their observations. Sir, in a discussion like this, various attitudes and approaches and from different angles are naturally reflected and there is nothing wrong in it. But, at the same time. [would appreciate that the hon. Membeis have tried to place the problem in the proper perspective. First of all, I would like to make one point quite clear. It is nobody's case that we have been able to reduce the prices'. It is nobody's case and nobody expects us, because it is not simply-possible. What I have tried to emphasise in the statement is that the rate of inflation has the relevance of time What is inflation? Technically inflation means rate of rise in prices. Therefore, it has relevance of time, of year, and what I have tried to point is that the rate at which the prices were increasing, has been moderated, I would first explain why I have taken the period of 11 weeks from mid-May and tried to make a compa^ rison. of the price trend in the last three years or four years including the current year; it is not to indicate that we achieved something miraculous. The whole objective of selecting this period is this. Every year you will notice that this is the period where there is a seasonal factor and prices start increasing. I wanted to make a comparison of what has rate, what has been the effect. That is why this particular period has been taken and a comparison of the year from 1979-80 to 1983-84 has been made this period. Similarly, you will notice everv year from September-October prices declining because certain seasonal factors are there. And in that context the statement is to be read. It is not to present a picture is otherwise not true or is irrelevant. In the next paragraph—as Dr. Adiseshiah will agree with me—I have myself said that if I take the financial year as a whole from 1st April to 23rd July, the period which I have taken into account, the annual rate is more compared to that of the last year. Therefore, it is not

Statement re.

my case to say that this year we have done somehing miraculous or something remarkable. Now, coming to the strategy how we are to tackle the problem some Members have expressed their view that perhaps we are laying too much emphasis on the supply side. It is true we are laying emphasis on the supply Similarly we are laying emphasis on monetary side. That part I will come to later. If you look at the behaviour of the prices, you will find that in most of the commodities the prices have increased up to 23rd July, 1983' over which you could not have much control by monetary policy or by fiscal policy. For instance, none of these commodities are subjected to any taxation. And the simple law of demand and supply, availability controls the If you look at the contribution of situation. this group of commodities in the overall basket, you will find that these commodities are making the maximum contribution. For instance, rice; its contribution is nearly 10.5 per cent gur, khandsari and sugar as a group its percentage is 29.1 per cent during this period. And if I take gur alone, it will be more than 41.9 per cent. oil 10.8 per cent. Fruits and vegetables 14.2 per cent. Tea 24 per cent. Therefore, if I want to tackle the problem of inflation in certain areas we shall have lay emphasis on the supply side and try to reduce the gap between the demand and supply. In this connection Mr. Kulkarni raised a question with reference to sugar. It is true sometimes we have placed ourselves in a paradoxical situation, that when the country is having a bumper production of 8.4 million tonnes of sugar which we have never produced before, still why should the price of sugar go up? It is because of the policies; otherwise, if today I reduce the sugar price drastically, not a single grower will get the price. In any system you cannot have a particular sugarcane price, have sugar to be distributed through the public distribution system at a particular rate, and have a particular minimum wage to be paid to the workers. We have all these arrangements because if you simply allow market forces to operate,

Price situation

the worst victims will be the sugarcane growers. This is not a theoretical or hypothetical proposition. In 1978-79 this country which is a nett exporter of sugar had to import sngar in two consecutive years because the sugarcane growers burnf their cane and they did not produce sugar in the next year. Then we have been able to produce substantial sugar because of the fact that we have been able to ensure a reasonable return for the growers. I do not say that we have been able to meet the total claims of the sugarcane growers. But substantially we have been able to maintain that position because we wanted to create some confidence in the minds of the growers so that they could produce more sugar. So, we are not complacent. We have to take various factors into account. I just gave one instance. Generalisation of the problem is not applicable in our system.

■ I am glad at least Mr. Sukomal Sen from the other side' has welcomed our decision on import. His colleagues and other friends from the opposition just a year ago were bitterily critical of the Government on their decision to import wheat and rice because the impact of drought you cannot simply overlook. The fact remains that there has been shortage in production by about 7 to 8 million tonnes. We have been able to make up by rabi wheat, but not so in the case of rice by kharif crop. So shortage is there. In order to meet the above shortage, we have to import. It is not that we importer one million tonnes. I cannot say the exact quantity because it will have repercussions in the international market. So. the exact quantum we cannot indicate. Normally we do not do so before we take a decision.

Certain points have been raised by both Dr. Bhai Mahavir and Dr. Adi-seshiah. Dr. Adiseshiah wanted to know the reasons for increase in deposit. He will agree with me that the time deposit is genuine saving. I will just tell him that it has increased by 7.6 per cent during the period from

March 11 to July 22, compared to 6,2 per cent last year. Also there is evidence that the increases in workers' remittances have been there. It is a fact. Dr. Bhai Mahavir made some economic points and, at the same time. being basically a politician some political points also. He would no; miss any opportunity of scoring some political points also. His contention was: Why is the Prime Minister saying that we have the Janata legacy? It is a statement of fact. The fact remains that on the 14th January, 1980 the rate of inflation was about 21 per cent. Suppose a man's temperature today is 101 degrees. Tomorrow if goes up to 102 and the date after it goes up to 103. If this continues the patient will die. So, we have to contain it. Likewise, the rate of inflation in January 190 was 21, some additional 21 per cent in January, 1981, and an adoditionai 21 per cent in January, 1982. another additional 21 per cent in January. 1983—where would we have reached at that rate? It would have reached 140 or 160. But it is de-finitely not at that rate. And, Sir from the point from which we had started, we have been able to reduce the rate and we have to take credit for this. Why are you now objecting to imports? What was the state of the infrastructure then? What was the position with regard to power generation, when we just came to power, which is the crucial raw material? What was the state of affairs in the transport sector? The whole infrastructure was in a total mess. If you look at power generation, the plant load (actor, if you look at the transport factor, or if you look at any of the key sectors, you will see that everything was in a total mess. Naturally, as short-term measures, we had to depend heavilly on imports and I think that policy has paid us dividends. We have been able to stabilize the prices at some point. Somebody has asked at what point of time we have stabilized. It is not relevant. Yes, our economy is a mixed economy and our economy is not totally free or insulated from the external forces. Our economy is not totally isulated from the market forces So, the market forces will have

Price situation

role to play. We have not accepted the Soviet model or the communist model. But we have accepted a model which is peculiar to our own country and that model of economic development is paying us dividends. It may be slow and it may not be up to our expectations. But it is nobody's case that it has not paid us any dividends. Therefore, my point is that' it would be too much of a generalisation to come to the condusion that we have not been able to insulate it totally. I am not replying to your point, Dr. Mahavir, but to somebody else's point.

Statement re.

, I>R. BHAI MAHAVIR: What I said is that we have resorted to heavy imports through the IMF loan and now that has given us in some measure or illusion of stability of prices and for that we will have to pay through our nose. That is what I said.

-SHRI PRANAB KUMAR MUKHERJEE: Yes, I am coming to your point. Your contention is that we will have to pay through our nose and that is the exact phraseology that you used. But there too my contention is the same, as I have explained on an earlier occasion, in regard to our debt servicing position, in regard to what would be the ratio even in the year 1983-84 or when we would be starting the peak year, 1985-86. My contention is the same and i have maintained that position and, as the honourable Member is aware, it is not that alarming, provided I am allowed to make some assumptions in regard to our economy such as the one that I will be having a reasonable growth in our exports. 1 am not making any tall claims so far as our export performance is concerned. But I must be able to make the assumption that there is a reasonable growth in exports and the position as it stands today, including the 5 billion SDRs that we have taken, is that it would not be unbearable and it would be within the manageable limits only and this position I have explained on earlier occasions also.

Then, Sir. another argument has been put forward by some Members, particularly by Dr. Bhai Mahavir. What has been the rate for the last ten years? What is the relevance of comparing it for the last ten years? The economy is growing. If you talk of the current prices, then you will have to take into account the current incomes also. YOU can't have only one side of it. What has been the increase in the national income at the current prices? That also you have to take into account. During the last one decade, just from 35,000 crores of rupees, it has increased to 1,30,000 crores of rupees. You have to take that into account aiso. If you take the prices at a fixed level, you will have to take into account the other side, the income side, also. II you want the rate of inflation and if you take into account the prices at the current level, then you will have to take into account income also at that level, on that basis, and let us not be totally out of the reality here. I am not talking of 1941-42, when the great Bengal famine was there and when rice was sold at twelve annas per measure which is today equivalent to 75P. In those days, rice was sold at 12 annas per measure or, in the present-day terms, 75P, but more than five million people died! Why? It is because the people did not have the purchasing power even to that extent, even to buy rice at 12 annas a measure! And, all of you will agree, the drought situation which we are, facing today is almost of an unprecedented character and there is no match at all. Further, it is all over India and it is not confined to any one State. But, despite that, it has been possible for us to maintain the situation in which the people are not dying of starvation. We have been able to maintain the situation. It has not been possible simply because of miracle or simply because of something extraordinary. It is because of certain positive, constructive policies and the policy of creating more employment. Every year we are providing 300 to 400 million man-days through the Integrated Rural Pro-

[Shri Pranab Kumar Mukher.jee]

gramme. Last year alone we have been able to bring nearly 42 lakh families within the purview of that programme. Somebody may say that it is 32 lakh' and not 42 lakhs and somebody may say 400 or 600 or 700 millions; I am not disputing that. But the fact remains that some positive achievements have been made; some positive programme has been taken, as a result of which we have been able to avert that crisis. Therefore, Sir, as I mentioned, it is not my case that I have been able to reduce the 'prices. My case is that I have been able to check their growth, and upward movement of prices, and I have been able to maintain it and stabilise it fairly. But at the same time you shall have to keep in mind this. I am giving one example of last year. If you look at the price range in the months of April-May, you will find on 19th May last year we reached almost a negative rate. And the moment the forecast was that the monsoon may he erratic, prices istarted behaving erratically and there was an upward movement. And the moment the monsoon became natural, was fairly normal, there was some effect on the price situation itself. Whatever we have been able to do, every year we are adding 2.3 million hectares under the irrigation scheme. But, at the same time, a sizeable percentage of our agricultural land ought to be fed by the monsoon. Apart from agriculture, apart from cultivation, a large amount of our electricity generation, nearly 47-48 per cent, has come from the hydel sector. One of the major disturbing elements of last year's drought was that it,, affected our kharif production. In three important industrialised States, power generation came almost to a grinding halt, "because they heavily depended on hydel generation and there was no rain in the reservoir and there was no rain in the catchment areas

Coming to the point of money supply, as Dr. Adiseshiah and Mr. Kul-karni*—he is not here—both raised.

we are taking care of it. I will give you simple variations in the monetary resources of both 1981-82 and 1982-83 March to July; I am giving you the last series, end-March to end-July. 23. In 1981-82, M-I was 3.9; in 1982-83 it is 5.1; M3 it was 5.3; 1982-83 it is 6.6. Commercial credit, in 1981-82, it was 2.8; in 1982-83 it is 4.5. Aggregate deposit was 5 and 7. I am not giving you figures for the whole years 1981-82 and 1982-83, but of the last quarter; end-March to July of 1981-82 and 1982-83 i have compared.

One pertinent question has been raised and, there, too, I agree with the hon. Members generally whether we can reduce our non-Plan expenditure. But here I would like to make one correction that all non-Plan expenditure is not necessarily non-developmental expenditure, because in our concept of planning the assets which we create in one Plan, to maintain that the expenditure in the next Plan may be non-Plan but it is not noct_ developmental. If we strictly talk of the non-developmental expenditure, then, Sir, you will find-I have some figures and it is very interesting. I would like to have a suggestion from the hon. Members. On which head would they advise me to reduce expenditure? There are tfiree heads— Expenditure on subsidies, expenditure on defence and expenditure on interest payment. In total it is .70.2 per cent of the total expenditure in 1982-83. It is 73.2 per cent in the budget estimate of 1983-84. Now. I would like to have the suggestions of the hon. Members as to on what head the expenditure can be cut.

SHRI B. SATYANARAYAN REDDY; On governmental expenditm*e.

SHRI PRANAB KUMAR MUKHERJEE: You should take the trouble of understanding what I said. I said that of the entire expenditure of the Union Government which you approved in the Budget Session, 73.2 per cent is on 3 heads. One head is defence.

-Another head is interest payment and the third head is subsidy. It is subsidy for item like food, fertilisers and Exports. These are the major subsidy ;areas. Would you suggest that I should reduce on food subsidy or fertiliser subsidy or export subsidy? Still I do feel that there is an area where we shall have to control if we can find a way out and we are trying to do it On the one Hand, you will demand even before the Pay Commission gives its verdict that I should announce the interim relief or give the dearness allowance, be the production. None of my whatever friends of the trade unions are there except Mr. Sukomal Sen sitting in the corner. It is also one of the major problems in the public sector. It is true that the resources which we expected from the public sector are not going augment to fund the plan projects. As a result, there may be ah erosion in rural terms so far as the plan outlay is concerned. As the mid-term appraisal will be presenter to the House, the hon. Members will get an opportunity to express their opinions. I can tell in brief that you need not be panicky because apart from substantial increase in the nominal term, I am not going to say what the plan size would be in 1984-85 so far as the central plan sector is concerned. If you just look at the trend in the last 4 years, you can make some intelligent guess as to what the ultimate figure would be. But apart from figure, in many of the areas, we are nominal the target for the first time, not in reaching monetary and financial outlays, but physical terms. For instance, in petroleum, our target was to produce about 26 million tonnes at the end of the current plan and we are going to produce nearly 30 million tonnes. In cement, we are nearing the target. In fertilisers we are reaching the target. In generation, it is true that 19,000 MW will not be produced in the plan period, but we are going to

add 14,000 MW. If you just make a comparison, from 1977 to 1979, we have created a capacity of 28,000 MW and now in one plan period, i.e. in 5

years, we are adding 50 per cent, i.e. 14,000 Therefore, it is not very small achievement. That is a different issue. We will have an opportunity and we can discuss it later. What I want to say is that there is a case for reducing expenditure which is not But, at the same essentially developmental. time, as I pointed out, the leverage of the Finance Minister is extremely limited. The hon. Members will bear me out that most of the cblleagues are angry with me now and they are taking the Member into confidence so that they exert some pressure on the Finance Minister to make for them. I don't blame them allocations because the demand is so big. Having a Plan size of Rs. 97,500 crores—in nominal terms, it would be much more-we are not in a position to meet the demand* of the various important sectors. And in that connection, definitely I would like to agree with Mr. Ramakrishnan when he said that it is the urgent need and it is a necessity to have some sort of discipline in the States. Unfortunately, a serious erosion of resources is taking place. And there is a tendency, I am sorry to say, and I am not blaming any State or making any individual reference. But there is a tendency to have populism at the cost of long term developmental efforts. This may provide us short term gain, but ultimately it would not provide us any gain. When, you look at the figure, particularly in certain States, and make a comparison, even whatever resources to them, the share in that are available developmental expenditure gets reduced year, and non-developmental expenditure¹—I am not saying non-Plan expenditure— increases. It may add to the popularity of the then Government for the time being but ultimately the economy will have to pay a heavy price, and we must arrest that And, unfortunately, Sir, in that process. process, some of the States which make serious efforts to maintain fiscal discipline, sometimes they become the victims because they do not get the advantage which others get simply because of indiscipline.

SHRI R. RAMAKRISHNAN: Like Tamil Nadu.

SHRI PRANAB KUMAR MUKHERJEE: Mr. Matte suggested about Strengthening of public distributeTM system. It is nobody's case that we are' going to remove public distribution system. It is an effective instrument to contain the price rise. It ft an effective instrument to check inflation. Therefore, there in no question of giving up the idea. Rather, the whole efforts are to strengthen the public distribution system. And from January to June, we have added to the distribution system a number of outlets. I have forgotten the exact figure. But what I want to emphasise upon is that this instrument is to be strengthened, arid with the effect of this instrument, with the help of this instrument, we mtrol the situation effectively.

lr, some hon. Members have pointer^ out as to what steps the Government are going to take to tackle the problems of black money. And there is no denial that it has its effect, and to a considerable it helps speculative trade because speculatie trade is not permitted from the bank finance. Credit policy of the bank system is controlling it. But except the measures which I have already mentioned. I can quote statistics, for instance, the number of income-tax raids. If you just make a comparison of four months-April to July-of current financial year with the four the months of the last financial year, in the four months of the current financial year, the number of raids are more than 1300 which is almost more than double. We tensifying the raid, we are intensifying the searches, and we are intensifying the seizures. To present su the seizures. To prevent sumuggting COFEPOSA. and various other enforcement measures are being taker. fere we took up discussion on price situation, in connection, with ano «latement, we discussed about certain measures which are being taken to unearth unaccounted money and black money. I am not ruling out the possibility of that. There is a place, and. a part may be played by unaccounted money to add to the inflationary pressure. But what would be the quantum and what would be the instrument to measure the effect of it, lam afraid, I do not have ihat measurement. But I do agree that we shall have to carry on the fight against black

Price situation

Sir, some of the general points to which the hon. Members referred, 1 have tried to reply. And 1 would only like to...

SHRI SUKOMAL SEN: What about the outlets of public distribution system in villages?

SHRI PRANAB KUMAR MUKHER JEE: Sir, here my reaction would be that it would be easier to say than to do. And we shall have to keep in mind one point. Even in Bengal, would be able to cover each and every village—600,000 villages in alt through the public distribution outlet? whatever ... And one point shall we may say, we have to keep in mind, the existing retail outlet of our country is perhaps the cheapest. If you go to a simple village grocer shop you will get some toiletry arti cles, you will get your daily necessi ties, and even if you require a kurta or a lungi, you may get from the vil lage grocer shop and his earning, I do not think, it would be more than Rs. 300 or Rs. 400 a month. I do not know the type of services in any pub lic distribution system, through public distribution outlet, if we wanted to of give this type service, whi te the cost. Therefore, we shall have it is not....(Interto keep in m

the case of foe nationally we are having more than ;s of public distribution outlets but how effective these distribution outlets are, I will give you just one concrete example. When we decided

to have dual pricing in kerosene, like >r. simply we could not implement that policy because most of

the State Governments said that it would not be possible, including yours.

the State Government of West Bengal

said, that it would not be possible to have the dual pricing effective in kerosene through the distribution system because the public distribution System is not that effective. Therefore,, it is easier to say, nationalise the wholesale trade and after nationalising the wholesale trade, if I cannot substitute by anyother outlet, the whole thing would be ended in fiasco, and I do not remember in which year, perhaps, maybe, in 1973 or in 1974 we tried to have wholesale trade in wheat and what was the outcome of it? The hon. Members are fully aware of it. So, the answer lies in strengthening the public distribution system, in bringing more commodities under the public distribution system, to reduce, as Mr. Ladli Mohan Nigam correstly pointed out, that if we can reduce the overhead costs, but hardly there is any room for reducing these costs, because the interest rates they are to bear, you are to maintain a buffer stock, wastage and wear and tear you are to admit, because you cannot take the risk, and I can tell you from my own experience, the moment the decision was announced that we are importing four million tonnes of wheat, the wheat was being loaded in the ships, or even the shipments might not have started, out a news item appeared in the newspapers, that is enough to have an influence in the marker and trie prices started reacting favourably. All these lactors we shall have to keep in mind because the problem with which we are dealing of the size of the country. the complexities and enormosities of the problem, keeping that in view I do not think that a generalised simplification can lead us anywhere. I do agree that the situation is grave.. We require to maintain vigilance and keep constant eye on the developments and take corrective steps as and when the situation demands. Thank you, Sir

Statement re.

PAPERS LAID ON THE TABLE-CONTD.

Notifications of the Ministry of (Department of Revenue) Finance

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA RAO): Sir, I beg to lay J on the Table:

- 1. A copy each (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notifications G.S.R. Nos^ 632(E) to 644(E), dated the 18th August, 1983, together with an Explanatorj Memorandum thereon undei section 159 of the Customs Act, 1962, [Placed in Lib-
- rary See No. LT-6896|83].
- (Department of Revenue; Notifications G.S.R. Nos. 645 (E) to 650(E), dated the 18th August, 1983, together with an Explanatory Memorandum thereon. [Placed in Library. See LT-6897]83].

MESSAGE FROM THE LOK SABHA

The Appropriation (Railways) No. 4 Bill, 1983

SECRETARY-GENERAL: Sir, i have to report to the House the following message received from the Lok Sabha signed by the Secretary of the Lok Sabha:

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith the Appropriation (Railways) No. 4 Bill, 1983, as passed by Lok Sabha at its Sitting held on the 17th August, 1983.

The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India.

Sir, I lay a copy of the Bill on the Table.

श्री उपसभापति : सदन की कार्यवाही कल 11 बजे तक के लिये स्थगित की जाती है।

> The House then adjourned at seven of the clock till eleven of the clock on Friday, the 19th August, 1983