

The question was put and the motion was adopted.

SHRI JAGANATH RAO: Sir, I introduce the Bill.

MOTION RE FOOD SITUATION—
continued

MR. CHAIRMAN: The motion regarding the food situation.

I may announce at this stage that the House will sit through the lunch hour and the Minister will reply at four of the clock. Shri Annadurai.

SHRI C. N. ANNADURAI (Madras): Sir, the motion before this House presented by the hon. Minister is couched in such colourless language that it shows the astuteness of the present Food Minister. He has asked us to consider the present food situation without taking us into his confidence as why the present food situation has deteriorated and what were the steps that were taken obviously for stemming it. And he has also given certain assurances and certain promises and platitudes which were offered in plenty by his own predecessors. Of course the present Food Minister succeeds to a seat which has been occupied by equally alert, equally able, and equally vigorous Food Ministers. The Food Minister would himself admit that they have been experienced colleagues. And what were the factors that went into the way of the failure of the food situation? A probe ought to have taken place on this, and the House ought to have been taken into confidence about the failure on the food front. Of course, many hon. Members of this House stood up to pay sweet praises to the Food Minister, and the Food Minister himself has stated that he would look into the

matter and see that this riddle—or is it muddle—is settled once and for all. He is only asking this House to show the green signal. He says, "Give me the signal. Off I go and off goes all the evil on the food front." I am very glad indeed that sweet sentiments have been expressed by hon. Members and I too am elated when I hear a Member from my own State and my own personal friend repeating the very many sweet sentiments expressed here. But I do not propose myself to succumb to the temptation of singing a sweet song in praise of his head or heart. As a matter of fact, I am going to put certain blunt questions to him. I would like to know whether the present Food Minister is enunciating a new policy or whether he is announcing the present and the future activities of the administrative wing. I would like to ask the Food Minister whether he realises and admits failures on the food front for the past so many years. If he thinks that this House will be satisfied with only assurances, I can assure him that such sweet assurances were given by his predecessors and I am certain that he cannot beat his predecessors in the art of giving promises to the House and to the country. His predecessors, the Food Ministers have stated in very emphatic terms:

"For the first time after many years we have found an atmosphere where we are not afraid that worse days are ahead. In fact, it is an atmosphere of self-confidence".

"We have laid a very stable foundation of a self-sustaining and self-developing agricultural economy."

Through you, Mr. Chairman, I would ask the present Food Minister to note the words "stable foundation of a self-sustaining and self-developing agricultural economy." I would like to know what has become of the stable foundation. Has it not been shattered, or was not there a stable foundation except in the imagination of the Minister? Are we not taking more facts as foundations? And if that stable

foundation has not been shattered, there would not have been any interest for the present Food Minister to discard his previous portfolio and take over the present portfolio. Therefore, my point is that the predecessors of the present Food Minister have given brave and energetic assurances. And these are the words of the hon. Mr. S. K. Patil when he was taking over the Food portfolio. He has stated that he had laid a very stable foundation. What has become of that foundation, I would very much like to know. Perhaps, the Ministers being members of the ruling party, may argue. Because of natural calamities like floods, locusts and droughts, what can any Minister do? But the hon. Shri S. K. Patil who announced that he had laid a very stable foundation also said:

"There were unprecedented floods in some parts of India, continued droughts for several weeks in other parts and the visitation of locusts once or twice; in spite of all that, our foodgrain produce has increased." And he has assured:

"If my policies succeed, I shall not import foodgrains after three years."

He had stated it in 1961 and had assured the country through this House that he would stop the import of foodgrains after three years. I would like to know what has become of that stable foundation. Unless we find out what are the reasons for the shattering of that foundation, we cannot solve the food problem by mere assurances.

My friend, the Food Minister, has also stated or requested that politics is not to be imported into the food problem. Yes, Sir, politics ought not to be imported not only into the food problem but into all the measures that are to be undertaken by the Food Ministry, by the machinery that he proposes to build, by the methods of implementation which he has got in his mind. I would like to know from the Minister what exactly he means

by "importing politics into the food front." Is the Food Ministry headed by an accredited economist? Are all the plans that are formulated by the Food Minister or the Food Ministry devoid of political or party sentiments? May I say that the present debacle is, to a very large extent, due to the fact that party politics has been imported into almost all the activities of the agricultural, co-operative and community centre spheres, in all those places where the ruling party holds sway, which means throughout India? And it is exactly because of the import of party politics into all these spheres that we find that although all these plans look very good on paper, when they are implemented, we do not get the maximum benefit due by these projects. This House may not be interested in knowing the details but I can assure this House, through you, Sir, that I am taking the fullest responsibility for proving that party politics has entered into all these activities. Last month, while I was touring the Salem District, I found the President of a major panchayat board making a public complaint that when a Congress Minister was touring that sector, the panchayat board President invited him to come to his particular panchayat so that he might place certain facts before him, so that he could get some enlightenment on vital matters. And this House will be surprised to know that the Minister refused to comply with the request, not because of lack of time due to his multifarious national activities, but simply because of the fact that the President of the Panchayat Board happened to be a member of another political party, not of course the D.M.K. but the Communist Party, and even among the Communist Party a member of my hon. friend, Mr. Bhupesh Gupta's Party. Is that not importing politics into every sphere of activity? If that mentality persists and if that mentality continues, I think the advice administered by the Minister is one-sided or lopsided and cannot have any meaning. Therefore, I must say when advices are administered that politics ought not to be imported into the food problem . . .

DR. ANUP SINGH (Punjab): May I ask a question? Is it the inference of the speaker that the Minister did not go there because the head of the panchayat happened to be a member of another party, or is it that the Minister said that he was not coming there because the Chairman belonged to another party? Or did the Minister say that he was not going there because the Chairman happened to be a Communist, or is the hon. Member assuming by implication that he did not go there on that score?

SHRI C. N. ANNADURAI: Sir, the Minister is too intelligent to give his real motive. Of course, the Minister said that he had no time. But he had time to go to other places. I would give you another instance. The Agriculture Department is interested in maintaining panchayat fruit gardens. A friend of mine, a member of my Party, happens to be the President of a panchayat. He is maintaining a fruit garden. When that Minister was invited to visit that fruit garden, though that fruit garden is considered to be the best in that particular sector, the Minister had no time. It is very curious that he cannot find time whenever members of the Opposite parties request him to come. Of course, I do not expect any better attitude from the members of the ruling party. But as for my hon. friend's question whether the hon. Minister answered in the same way, after all he is an experienced Member and a Congress Minister. One cannot expect that he will state bluntly that since he belongs to another political party he will not come. Therefore, I have got instances to prove that party politics has been imported in all the spheres of activities.

There are co-operative spheres wherein members of all parties are eager to enter but the members of parties other than the ruling party are not allowed to enter. And so I would say that the advice administered to us should be a two-way traffic and not one-way traffic.

[THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) in the Chair.]

Sir, if politics or party politics is not imported into the food problem and allied problems, I think an extra energy can be mobilised for increase in food production.

Now, Sir, I would like to look into this problem of food scarcity, I would like to have it analysed so that we can find out what is the best way of solving this question because the food problem is, after all, an amalgam of various other problems and each one of these problems differs from one another. For instance, one aspect of the food problem is increase in production. Another aspect of the food problem is the distribution of what is produced. And the third aspect is how best to hold the price line.

Sir, only in the case of economics distribution comes after production. But in actual practice distribution and production are simultaneous processes. We do not produce and then wait for some time and begin to distribute. So also there is another misconception that people can be divided into producers and consumers. Producers are consumers and consumers are producers. There can be, of course, some margin. But we cannot altogether divide society into two watertight compartments of producers and consumers. So also we cannot differentiate between production and distribution. Therefore, there ought to be overall supervision over all these things.

Sir, if we take, first of all, the problem of increased production, I would charge this Government for having made the land reforms legislation a dismal failure. When the people of the various political parties have been pressing for this land reform, they expected that it would have revolutionised not only the society on the agricultural front, they thought that their children would get a fair deal, that there would not be concentration of land in the hands of the

few, yet the way this land legislation has been carried out has landed us in fresh difficulties.

Sir, an unbiased American study team visiting one of the agricultural centres in my State have issued a statement very recently that the implications of the land legislation have not been properly understood by even the officials, that there is concentration of land in the hands of a few individuals, that there is absentee-landlordism, that there are gentlemen farmers who sit in their town villas asking agricultural labourers to carry on the tilling operations. Hence the gravamen of the charge that this Government has failed to implement in a socialistic way the land legislation and allied reforms. And I need not quote even the strictures of the Americans because my friend, Mr. Bhupesh Gupta, would be worried that I am importing American stuff. We have got our own stuff. The Finance Minister, Mr. T. T. Krishnamachari, has stated very recently that on this point he has been beaten by the big landlord. He has stated very categorically that assuredly the land legislation has been defective. We have been defeated in this game by the big landlord. Sir, why is it that the big landlords have beaten us? Why is it that we do not retaliate. Why is it that we allow the landlords to beat us? Is it because their lash is dipped in gold so much needed for election purposes? If only we had implemented the land legislation in a proper, radical and revolutionary way, till now production would have gone to stupendous heights.

We talk about farmers, we talk about peasant proprietors. I know there are peasant proprietors in the district from which the hon. Minister comes, the Coimbatore district and the Salem district. There the peasant proprietors take pleasure and pride in being on the spot, in being actual cultivators. But there are other States, other places where there is still the

phenomenon of peasant-landlordism, of gentleman-farmers. And, therefore, when we talk of incentive price for improving production, we should see that the increased money that has come goes to the actual tillers who carry on the agricultural operations. It is not enough to declare an incentive price, a remunerative price and then allow that remunerative price and that margin to remain in the hands of a few magnates for none can deny that the ruling party today is being bossed over on the mental level by magnates. I would like the ruling party to publish the names of the bigwigs of their membership with their economic status and their political attitude. And if they publish that, that itself would be an added weight to my argument. It is exactly because the ruling party is aligned with the landed magnates that these reforms which have been announced as revolutionary reforms have not yielded the best results. Therefore, it is that I request that, if incentive price or remunerative price is being given, the margin of profit should not be pocketed by the landlords themselves but should go to the agricultural labourers. Just a few minutes ago when a Member put the question whether there is any scheme for improving the lot of the agricultural labourers, the Minister was pleased to state that there is no particular scheme but all those schemes which are adumbrated for the Scheduled Castes and Scheduled Tribes will apply to them also. That is the way in which the present Government is looking at the agriculturists. Unless the lot of the agriculturists is bettered, they cannot get two meals where there is only one now. They cannot get him that extra energy that is needed, that extra energy which is more powerful than your fertilisers, that extra energy which will make him feel. 'I work and I live, I labour and I get the product, I am working in the agricultural field and my life is comfortable.' Unless the agricultural labourer is made to feel that measures taken on the food front

[Shri C N Annadurai] are going to help him also, unless you take that step, you cannot find a solution on the plane of this agricultural food production. Therefore, I would like to know the methods by which they are going to fix the remunerative prices or the price incentives. For I find, wading through the debates of previous years, that almost all the Ministers who have preceded the present Food Minister, have also stated that they were going to give incentive price, remunerative price, fair price—they used such other phrases. In fact Mr Patil went to the length of saying: "Hereafter the price structure is going to be producer-oriented, rather than consumer-oriented." I would like to know how you are going to fix the price. If the Minister had taken us into confidence to find out the methods of tabulating the cost of production, the margin that the producer should get, the margin that the trader should get, the margin that the middle-man is to get, if he has taken us into confidence in these details, then of course we could have offered certain suggestions and the debate could have yielded much benefit to him.

About food production, they are stating that they are going to put in extra energy to see that food production increases very much. For that they are saying that they are going to give incentive price to the farmer but I would like to point out that the monetary value or amount given to the farmer is not as important as a reduction in the cost of cultivation. Any actual farmer wants that there ought to be a reduction in the cost of cultivation and if reduction in the cost of cultivation is to be achieved, there ought to be a reduction in the price of fertilisers. There ought to be a reduction in the price offered for good seeds and there also ought to be a reduction in land revenue so far as uneconomic holdings are concerned. Therefore, I would request this Government to enthuse the farmer first by assuring that there would

be no land revenue up to five acres, that people who are owning one, two or five acres should be assured that this Government in order to boost food production, are not going to levy land revenue up to five acres. If you give such sort of incentives, the farmer would get enthused and he would put in extra energy.

Another item that this Government should take into consideration is that more fertilisers are being used by the producers. I am glad to inform this House that of all the States, the Madras State depends on fertilisers to a very great extent. In a tabulation I find about cost of production, the amount spent by a Madras farmer, by a Tamilnad farmer, on farm manure is the highest. Therefore if there ought to be more production, increased production, then there ought to be a reduction in the price of fertilisers but the Minister might say: 'We do not have enough fertilisers, we have to import from outside and therefore we cannot reduce the prices'. But this is what the Public Accounts Committee is saying.

"Prices had deliberately been kept high with a view to making profits. This the Committee regret to point out was not consistent with the objects of the pool which was never intended to be a revenue earning scheme. In the circumstances such a wide margin of profit (Rs 868 per metric tonne in 1961-62) could by no means be justified—a sort of indirect taxation which was the prerogative of Parliament only. Besides, this defeated the basic concept of establishing the pool which was to make the fertilisers available to the cultivators at reasonable rates in the interest of maximising agricultural production."

Therefore, the strictures of the P A C show beyond doubt that on the fertiliser front, the Government has been following an unsympathetic attitude, a sort of inimical attitude

for increasing food production. Therefore, I would like to know whether in his anxiety to increase food production, the Minister is taking into consideration the reduction in the price of fertilisers also, because unless there is reduction in the price of fertilisers, the farmers cannot go on purchasing fertilisers and so long as there is no fertiliser at reasonable prices, there would be a reduction in food production.

Another item that I would like to know is this. The Food Minister has formulated a scheme that he is going to have a Foodgrains Corporation. I welcome that project. In fact I have had occasion to write to him that we, myself, belonging to a particular political party, are one with him in that formulation of a Foodgrains Corporation but he has not enlightened this House about either the structure or the method through which it is going to function. That was why an hon. Member from this side after a speech, stated that he was reserving his opinion about the Foodgrains Corporation till it actually starts functioning. I have pointed out the various schemes which were adumbrated by his predecessors. We seem to think that whenever a Minister comes forward with any proposal, that proposal is the one that is needed for solving the problem. When land levy and procurement were proposed, we stood up to say: 'Yes, that is the best method of solving the food problem.' When we had the Food Zones created, we were ready to support it and say that by forming the Food Zones, we were going to feed the deficit areas through the surplus areas. When State trading was adumbrated, we said: 'The food problem is now solved'. When buffer stocks were talked about, we said: 'By building up the buffer stocks we are going to solve the problem once and for all'. When Mr. S. K. Patil went to America—I ought to have stated, visited America—and when he returned to India with P.L. 480, we said: 'Now at least the food problem is solved'. That is why I

say that we should not take any project or policy or scheme adumbrated by the Minister on their face value. He should take us into confidence by explaining certain details. Of course, he can withhold some information in the public interest but he should tell us the broad features of this programme because from previous experience as far as State trading in foodgrains is concerned, I find again from the Estimates Committee that in 1960-61 there were Rs. 88.48 lakhs loss in transit, in 1961-62 it was Rs. 79.57 lakhs and in 1962-63 it was Rs. 207.74 lakhs loss in transit. Whether we increase food production or not, we seem to be very alert in increasing production in such kind of losses. As regards storage loss, in 1960-61 it was Rs. 6.43 lakhs and in 1962-63 it was Rs. 23.02 lakhs. I would like to know whether proper safeguards have been taken by the present Food Minister to see that the proposed Foodgrains Trading Corporation will not land us into all these difficulties.

Another point that I would like to know from the Food Minister is whether the Foodgrains Trading Corporation is to be a body working on the maximum 'no profit no loss', or whether it is going to be merely a commercial body, if the Foodgrains Trading Corporation is merely to replace the grain traders. And if they are going to take a margin of profit just as the grain traders are taking, I do not think we can have a reduction in the prices, because the overall expenditure of any Government machinery is bound to be higher than the overall cost of any private machinery. The private traders have got various methods, some of them dubious, some of them illegal and some of them not to be encouraged—I admit—but anyhow their cost of machinery is less than the overall cost of Governmental machinery. I would request the Food Minister to see that the proposed Foodgrains Trading Corporation is worked on a no profit no loss basis. But he has in ambiguous terms said: "It will be a commercial organisa-

[Shri C. N. Annadurai] tion", and it is exactly due to the fact that there are various commercial organisations having various commercial ethics that we are having these increased prices. Therefore, when my friend, the Food Minister, stated that this Foodgrains Corporation is to be a commercial organisation, I was wondering whether he was after all becoming the biggest grain trader. I would not like the present Government to become the biggest grain trader only; of course, I would like them to handle grain but then I would like them to see that the margin, that the difference between what they pay to the producer and what they charge to the consumer ought to be lesser than what the grain traders are charging. Unless the people realise that the Foodgrains Trading Corporation is handling the food situation in a more human way than the grain traders, we would have created another Governmental organisation which would need another probe, perhaps another Public Accounts Committee Report, another Estimates Committee Report and another debate here. I would not like newer and newer organisations of the Government to spring up unless they have got a purpose behind them, and this Foodgrains Trading Corporation, I take it, has a purpose behind it.

There is every necessity that people ought not to be allowed to be tossed about this side and that by the whims and fancies of grain traders. Food is the most basic necessity, and if people are tossed between the profit motive of private producers, and others, then they are not going to get that extra energy which is needed for production on other fronts because, though the agricultural producer is a producer, there are others who do not produce agricultural commodities but they are producing also, producing other commodities. That is why I was saying some minutes ago that the differentiation between producers and consumers was illusive, because producers do consume things and consu-

mers do produce things. So those who are called consumers, unless they produce agricultural implements, unless agricultural implements are produced at cheaper rates and given at cheaper rates to the agriculturists, the agricultural producer cannot produce food in a greater quantity. Therefore, they are interlinked, and we cannot look at the problem of food only from a particular angle. It is, as I said, an amalgam of all problems put together, and in that connection I would like that the policy of the Government ought to be that there ought not to be too many changes in the Food Ministry, not that I wish that a Minister should continue for all time to come, but when particularly a Minister adumbrates a new scheme, he should be allowed to remain in his seat to formulate the scheme, work it out and then stand up and say to the House and to the country that during his tenure of office he chalked out a scheme, built up a machinery for it and carried it out. I am particularly apprehensive because my very good friend, the present Food Minister, before he became the Food Minister, was handling another portfolio from where he gave out sweet promises. I am very sure he chalked out policies and programmes also for the Salem steel plant, and just when we were hoping to get it from him he had been asked to go over to the food front. I am very glad that the present Government has placed such high confidence in my friend to handle one of the most delicate portfolios. But if the previous method of shifting a Minister, so soon after he formulates a scheme, to another portfolio is adopted here too, we might perhaps find Minister Mr. Subramaniam handling Education and Cultural Affairs next year, whereas his successor may be saying: "Well, the Foodgrains Corporation adumbrated by the Government is being looked into." I do not want such a thing to happen here, not because I have the greatest regard for my friend, the hon. Mr. Subra-

maniam, not because he can adorn any portfolio, not because it is he that I am saying that, but because the scheme that he has adumbrated—the Foodgrains Trading Corporation—is one of the most delicate of the machineries that any Government can handle. Therefore, I would request that the man who has given this idea should be asked to translate that idea into action, and he should be kept in the Food portfolio so that we can have the Foodgrains Corporation worked with this clarification that the proposed Foodgrains Corporation should be on a no profit no loss basis. There should not be too much officialdom in the Foodgrains Corporation; there should not be transit loss and storage loss; there should not be all these things which have been very beautifully depicted by Parkinson and Appleby. This should not become a sort of white elephant to the Government and to the people, but should become an alert, vigorous, delicate machinery, sympathetic to every mood of the agriculturist, every mood of the consumer, and for that I think that debates from time to time in such Houses alone will not be enough. There ought to be consultation amongst members of all political parties, members of the various sectors of society, from time to time, to see whether the plans formulated have borne fruit, whether there is necessity for bringing forward new schemes. That is why, when I was in the State Legislature along with my friend, I said that there ought to be a sort of permanent committee to look into agricultural and food problems, and the Minister replied at that time that the very idea of the formulation of such a committee, such an all-party committee, would create a scare in the minds of the people, that people would think that there was something with the food position and that therefore such a Committee was thought of being constituted. I think that the psychology in Delhi is different from Madras and my hon. friend would have convinced himself of the necessity for the

formulation of such a consultative committee.

THE MINISTER OF FOOD AND AGRICULTURE (SHRI C. SUBRAMANIAM): But I think I consulted the Opposition leaders on most of the vital subjects; I do not think he can throw the blame on me.

SHRI C. N. ANNADURAI: That shows that sometimes Members of the ruling party are adapt in the art of taking away some of the Opposition parties to their side. If there is nothing else, I would like to say that the consultative committees should be placed on a permanent footing so that we can meet very often and find out what is wrong and where it went wrong, and when this Foodgrains Trading Corporation scheme was adumbrated, I had an occasion to have a talk with a grain dealer in my part. He said that the Government should take over the grain trade wholesale, but if they wanted to compete with them—the grain trader told me—they cannot beat us in the game. He said that the Governmental machinery, if it goes to purchase paddy, they cannot differentiate between one kind of paddy and another, they will rely upon the petty officers and they cannot understand the mood of the market, they do not know where to get, how to get, and therefore, if they are going to handle part of the trade and if another part is going to be left to us, then we can beat them in the game. I do not point this out in favour of the grain dealers. I am just placing the fact before the Food Minister so that he can know the psychology behind the grain traders. They think that the Government when it enters this field half-heartedly and only as a half measure, it cannot compete with the grain traders. So I would ask the Food Minister to consider this aspect. Why should we leave another sector of it in the hands of the grain traders? When just now an hon. Member pointed out what the grain traders are saying, he has stated in answer, in a

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classical way, that an alternative may be thought of. Of course, for a Minister holding a responsible portfolio, he cannot be more plain than that. I would like to know what prevents him from taking over the entire foodgrains trade. Is it paucity of funds? Is it paucity of machinery or is it paucity of men? If he had advanced any one of these arguments, any hon. Member of this House would have pointed out the solution for that difficulty. But to have a Foodgrains Corporation for 30 per cent. and leave the rest 70 per cent. in the hands of the grain dealers, I think that the grain dealers—and the grain dealers have said it to me—have got every chance of defeating the Government on this plane. When I say 'hat they have got every chance of defeating the Government I would like to remind the House of what the hon. Shri T. T. Krishnamachari stated, namely, "the landlords had beaten us in the game." Just as the landlords have beaten the Government in the game of land reforms, these grain dealers will beat the Government in this game, unless the entire grain trade is taken over and controlled by the Government. If there are difficulties they cannot be insurmountable. If co-operation is needed, every political party which has any sense of radicalism behind it would be prepared to strengthen the hands of the Minister and of the Government. But if the Minister's or the Government's policy is not to hit anybody, so as not to infuriate them for election purposes, then they are importing politics and party politics into the food problem.

The last item that I would like to place before the House is that when we fix up an incentive price and a remunerative price for the producer, we should not forget that the consumer is today being put to great hardship by the increase in prices of foodstuffs and other articles also. He cannot bear the burden. However

much the present Government may condemn the agitation taken or proposed, they can never dispute this fact, that when the call comes thousands and lakhs of people gather to register their protest against the increase in prices. Therefore, the consumer's difficulty is very acute, very critical and very grave. Therefore, the consumer's point of view should be paid the greatest consideration. I find, Sir, a curious metamorphosis in this problem. The agitation arose from the point of view of the consumers. There were agitations stating that food prices have gone up, that they should be brought down. But by a curious combination of certain political forces, we find that the consumer is entirely forgotten and it is now a problem of giving remunerative prices and incentive prices to the producer. From the consumer, we have shifted to the producer. I would like the present Minister to take into consideration the fact that not only the producer's but equally the consumer's point of view should be taken into consideration and if the price that is allotted for the producer is too high for the consumer, then the Government should not shirk the responsibility of subsidising the consumers, by giving more D.A. to the white-collared workers and so on, and thus alleviate the difficulties of the consumers. I say this because the consumers, unless they are given certain incentives, are not going to produce the goods through the work in which they are employed or engaged. Therefore, a sort of sympathetic middle path between the producer and the consumer ought to be followed by the Minister so that the price that is finally arrived at will not hit the consumer and will give certain incentives to the farmers. When incentives to the farmers are talked about, I would like to say that the cost of production in his case, the cost of cultivation, should be considerably reduced by reducing the fertilizer prices, by reducing the prices of other items that are needed for cultivation. If we take

this overall picture, we can arrive at a solution and I think that increased food production is not beyond our capacity. If we can do that I can say with a certain amount of pleasure, that if only our State is given cheaper power, if our State is given Godavari water, if our State is given the atomic plant very soon, then we can not only produce for ourselves, but we can solve the food problem of India itself. Therefore, it is that I am talking about our State plan. Please do not think, Sir, that I am entering another field altogether, my favourite field. It is not for that purpose that I am saying this. I can point out that food production in Madras State per acre yield, whether it be rice, groundnut or jowar or maize, is the highest that is obtained. And yet, we do not have perennial water. We depend on deep wells and that is why electricity is needed for our State in larger and larger quantities and at cheaper and cheaper rates. And since we have exhausted all other avenues, that is why we want the atomic plant and the diversion of the river water from the Godavari and other rivers. Therefore, I would request the hon. Minister to take these also into consideration and to see to it that this particular State which is fast becoming the granary of the entire country is encouraged still further so that we can produce more and solve the food problem facing the entire country. Thank you.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): Shri S. N. Mishra. There are a large number of speakers. So kindly limit your remarks to fifteen minutes.

SHRI S. N. MISHRA (Bihar): All right. I shall try.

Mr. Vice-Chairman, I would first like to agree with the previous speaker about what he said for securing non-official co-operation for meeting the situation that confronts us today. In fact, Sir, we very much wished that after the efforts made by the Prime Minister a few weeks back,

exploring avenues of non-official co-operation. There is no doubt that this is a problem which, in the truest sense of the term, is a natural problem, a problem which requires a national effort and endeavour. Therefore, we thought that there would be a national committee or national food council with the Prime Minister as its chairman, in which all shades of public opinion in the country would be represented. We do hope even now that the hon. Minister would think on the lines of creating some machinery both at the national level and at various other levels for securing non-official co-operation. To illustrate the point, how non-official co-operation is of great value in the present situation, I would like to point to the necessity for procurement and building up stock. Sir, many a time the suggestion has been made that enough is being hoarded by the farmers. I do not fully subscribe to this hoarding theory, that is, hoarding by the farmers. And I make a distinction between hoarding by the farmers and hoarding by the merchants. Even if now there is increased capacity on the part of the peasants to hold on to stocks I think there is not much to lament about it. In fact, all the policies that we have been pursuing during the course of the last few years were meant to increase the holding capacity of the peasant. We do not want that the peasant should be compelled to part with his stock at distress prices and so, to a large extent, what has happened is, in fact, a welcome phenomenon. But even if there is now a greater amount of deferred sale, as I would like to call it, and if we want the peasants to come out with their grains, that can be done only with the assistance of the leaders of public opinion at various levels of our national life. This is simply not possible through police action. I have great faith that if persons with sufficient prestige and influence go about this job, even the little bits that the peasants have in their possession would certainly come to our stock or

[Shri S. N. Mishra.]

there would be further attempts for to the market. So, the necessity for non-official co-operation on a large scale is clearly indicated and I agree whole-heartedly with the speaker who preceded me.

Sir, there is another point on which also I would like to record my agreement with the previous speaker. He said that there should be no frequent changes in this vital Ministry of Food. That, in fact, is an important point to be considered. In this particular Ministry, so vital to the nation, after independence we have had a procession of about eight or nine Ministers. That is not to suggest that we did not welcome the new Food Minister. In fact, we welcome him cordially because we consider him just the man for the job. But the point that has to be considered is that frequent changes and rotations in this Ministry do have an adverse impact on the policies and they do affect the evolution of a long-term policy. If you compare the number of Ministers in this Ministry with that of the other Ministries after independence, you will find that the Food and Agriculture Ministry has had a bumper crop of Ministers. In fact, during the last year, we had even double cropping. We thought, Mr. Vice-Chairman, that this spirit of ministerial productivity would also be reflected in agricultural productivity in which lies the solution of the problem that we are discussing here today.

SHRI BHUPESH GUPTA (West Bengal): There is no family planning there.

SHRI S. N. MISHRA: Sir, after having expressed my agreement with the previous speaker on these two points, I would like to say that I differ very strongly from him over two points on which he laid considerable stress. He said, Sir, that this Ministry, particularly, has been given to making false promises or false assurances. He, in fact, mentioned one particular example about the previous Minister,

Mr. S. K. Patil, who had given the assurance of evolving a stable foundation for a self-sustaining and self-developing agricultural economy. Now Sir, to come only after two or three years and ask for an account in this respect seems to me to be somewhat fantastic. Particularly, since it comes from my hon. friend, Mr. Annadurai, who wants this assurance to be fulfilled, I am reminded of the fact that he represents a party which believes in making Utopian promises to the people. We do not belong to a party which believes in giving false promises or false assurances. We do not promise to the people an independent country within this country. It is not because we are opposed to the idea that we say so but because the idea was so chimerical, without any foundation, that one expected that a man of his stature would not give any false promise to the people of his State on those lines. It is not a question of our giving false promises in respect of agriculture, agriculture is a field, as has been emphasised by many hon. speakers, on which many of the advanced countries have broken their teeth and in which it is not possible to achieve such results within a short time. Agricultural situation is such that we have to deal with a large number of people. In our country when we talk of agriculture we have to deal with about 350 million people engaged in agriculture. We have to change the outlook of about 350 million people, the socio-economic outlook of about seventy million peasant families in this country. So, when we talk of laying a stable foundation for self-sustaining growth in agriculture, we will have to look forward to a larger time horizon than this period of two or three years which Mr. Annadurai has mentioned.

Sir, after having said something about the previous speaker's views, let me preface my further observation by saying that if it is our intention to discuss the situation created by high food prices, then it would be utterly wrong to isolate this food problem in a test tube and treat it as an auto-

nomous sphere with laws of its own. The motion before us, in fact gives a wrong kind of impression about this whole problem as it is not being treated as an integral part of the total complex of economic forces which are at work today. The motion, to my mind, would lead to erroneous conclusions; there would be necessarily excessive or even exclusive emphasis on the physical aspect of the problem. In fact, what we find at this stage of the debate is that it has developed into a debate on agricultural production and not into a debate on food. The long-term aspects of agricultural development are indeed well known to us. And if we think that the real remedy lies in terms of long-term development, there could be no disagreement about this. Everything possible has been said on that subject in our Plan and in the subsequent pronouncement by the Ministers. But what we are confronted with just now is the instant urgency of the food situation and to what extent we can live in this situation. Therefore, Sir, I would like to say that this debate has so far as I have been able to see, not been able to produce the kind of perspective or strategy which should govern the future course of action by the Government.

And, therefore, I would first of all like to go into what I mentioned earlier, the complex of the economic forces which seem to govern the situation. Some hon. Members have attempted to analyse the causes which have led us to this situation. I do not agree with many of the views 1 P.M. that have been expressed on this subject. All these views, however, do represent the elements of the situation; there is no doubt about it. What I want to suggest is that this problem is not only a problem of shortage; nor is it a problem of only mal-distribution. It is also a monetary phenomenon, and an aspect of the total economic situation. Had it not been so, why in spite of about 14 per cent increase in rice output during the course of the last year,

that is about 4.5 million tons the market arrivals had been less by 17 per cent or so and why the situation should not have registered even the slightest improvement in the post-harvest market? That being so, I would say that it would be wrong to consider that it is only the physical aspect which is responsible for this situation.

I would also like to say that there is nothing mysterious about the present rise in food prices. In fact, if the monetary authorities had been alert, I have every reason to believe that the situation would not have gone out of control as it has done. What has actually happened? Let us pause for a moment to think about this. Some calculations have indicated that as compared to 1960-61, the increase in demand in 1963-64 was likely to be of the order of about Rs. 4000 crores. As against this the increase in national output may be put at about Rs. 1,400 crores at 1960-61 prices, and if we add to that the increase in imports of Rs. 100 crores or so, the total supply would be about Rs. 1,500 crores. Therefore, there has been an excess of about Rs. 2,500 crores of demand over supply. That being so it is quite understandable that this kind of phenomenon should have occurred. On this basis it has been estimated that a price rise of the order of about 16 per cent could have been expected; that is, about one-sixth rise in the general price level. And that is, in fact, what has happened—a 16 per cent rise in the general price level. Now it is clear . . .

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): Your fifteen minutes are over.

SHRI S. N. MISHRA: Is it? I had to deal with the previous speaker and I have only started.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): Please wind up in two or three minutes.

SHRI S. N. MISHRA: Then I would like to sit down even now.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): That is your choice; what can I do?

SHRI S. N. MISHRA: I am in the midst of an analysis which I wanted to pursue. One has to take note of the criticisms made by earlier speakers.

Now, what I was mentioning was that this excess in demand should have been taken note of by the monetary authorities, but that was not done. So, the blame has to be borne by the Government for its credit policy or by the Reserve Bank for its credit policy. Otherwise, how are we to explain that in the second half of the last year 1963-64 there should have been a phenomenal increase, as had never occurred earlier in seasonal credit expansion of the scheduled banks? How are we to explain that after the 8th February there should have been such an increase in advances against foodgrains when the Reserve Bank of India had issued a directive to the contrary? If the banks do not abide by our directives, are we to suppose that we are quite helpless? Are we to think that there is no remedy? To my mind, the situation is fast ripening when the demand for the nationalisation of banks would not only be irresistible but quite justified in the circumstances.

After having said this, I would also say that the reasons for the present situation have also to be found in the failure of certain basic assumptions of the Third Five Year Plan. The first main assumption that I would like to mention in this connection is the target to achieve six per cent. rate of growth in agricultural production per annum; secondly, the rate of growth of over 5 per cent. in national income per annum. These have been the two main reasons for this kind of situation.

As I see it, Mr. Vice-Chairman, the catastrophic fall in our stocks which was allowed to happen during the last one or two years is also one of the main reasons for this. In fact, the stipulation in the Third Five Year Plan was that out of 17 million tons of foodgrains to be imported from the

United States 5 million tons would constitute a buffer stock. Now, somebody owes an explanation to the House, why was it allowed to be depleted so catastrophically that we have not got anything that we can mention so far as buffer stock is concerned.

Now, having said something about the reasons, I would like to say that this increase in demand has to be attacked on two fronts. Some hon. Members have directed their fire on the investment expenditure by the Government. I totally disagree with this view and I would say very emphatically that in remedying the price situation nothing should be done which might cause injury to the Plan perspective. So far as the investment expenditure by the Government is concerned, this has been only of the order of 25 per cent. of the total increase in demand. Therefore, it is not the villain of the piece. As it appears to me action is needed on two fronts. First is credit expansion by banks to finance private outlay. That is one of the most important things that we have to tackle in a very effective way. The second is the increase in Government's consumption expenditure. With regard to this also I would like to submit that the announcement made by the Finance Minister that he would be axing Government expenditure to the tune of about Rs. 70 crores is not enough. He must go in for larger cuts in Government's consumption expenditure.

If we are now perturbed by the present developments, I must say that we are largely responsible for them because we have not been able to introduce the discipline of a war economy even after we have undertaken such a great increase in defence expenditure. After having had an additional defence expenditure of Rs. 800 crores or so during the last three years we thought that by now there would be greater discipline and controls introduced in the economy. In fact, even planning *ex-hypothesi* requires strategic controls at various places, a

complex of controls at various points. And if we impart a new dimension to planning, that is, defence dimension, the necessity for greater controls at various points in our national life becomes all the more obvious. So, this has to be carefully considered so far as the future is concerned. While I am on this point, my constructive suggestion would be this. Now, that we are going to live with this increased defence expenditure for quite some time we have to think of relating our defence requirements to our developmental strategy. Unless we marry the two, I think there is going to be imbalance. There are countries which have shown that defence expenditure in fact, has proved to be a great stimulant for economic development and that is what we have to keep in mind in formulating the Fourth Five Year Plan.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): Mr. Mishra, I am sorry I have to ask you to stop now.

SHRI S. N. MISHRA: All right, thank you.

STATEMENT RE RAILWAY ACCIDENT AT KAITHALKUCHI STATION OF NORTH-EAST FRONTIER RAILWAY ON THE 19TH SEPTEMBER, 1964

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI SHAM NATH): Sir, with profound regret I have to inform the House that on 19th September, 1964 at about 18:45 hours, at Kaithal-kuchi station on the Alipurduar Junction Gauhati section of Northeast Frontier Railway, train No. 5 Up Kamrup Express entered platform line No. 1 and collided head-on with the Down Gauhati Lucknow Express which had been admitted on that line a short while earlier.

As a result of the collision, the train engine of Kamrup Express derailed and capsized, the third luggage cum-brake van next to the engine

derailed and capsized and the following two bogies—a third class and an upper class—got derailed and telescoped. The engine of the Gauhati-Lucknow Express sustained damage and the front third luggage-cum-brake van of this train also got derailed and telescoped. The second boggy from the train engine, a third class carriage, was also damaged.

Nine persons including two Railway employees were killed on the spot. Thirty-five persons, including the Driver and the two Firemen of 5 Up Kamrup Express sustained injuries. Twelve of the injured after being given first aid on the spot resumed their journey. The remaining twenty three were sent by the railway medical van to Gauhati for medical treatment. One of the injured in the medical van succumbed to his injuries on the way. The remaining twenty-two persons were admitted in hospitals, some in the Gauhati Medical College Hospital and others in the Railway Hospital at Maligaon. According to the latest information, eight persons have been discharged.

Immediately on receipt of information about the accident, medical vans and relief trains from Rangiya and Alipurduar Junction, and other medical aid were rushed to the site. The General Manager and other senior officers of the North-east Frontier Railway also proceeded to the site to supervise the relief operations.

The unaffected portions of the two trains were despatched to their respective destinations with relief engines after some detentions.

Ex-gratia payments to the next of kin of the deceased and to the injured have been arranged.

A Member of the Railway Board flew from Delhi on the morning of 20.9.1964 to visit the injured and the site of accident.

My colleague, Dr. Ram Subhag Singh, Minister of State for Railways, would also be visiting the injured in the hospitals at Gauhati today.