

# SUBSIDIES PAID FOR THE LOSSES ON FOODGRAINS

\*521. SHRI B. RATH: Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) whether Government paid subsidy for the losses on American wheat during the years 1950-51, 1951-52 and 1952-53;

(b) what amount was paid in each of the above years;

(c) what were the reasons for such losses and to whom the subsidy was paid; and

(d) whether during the above years such payments were made for any other imported foodgrains?

THE DEPUTY MINISTER FOR FOOD AND AGRICULTURE (SHRI M. V. KRISHNAPPA): (a) Yes.

(b) Wheat, or as a matter of that any other kind of foodgrain imported from various sources is pooled for the purpose of pricing, distribution and maintenance of quantity and value accounts. The amount of subsidy paid on American wheat only is therefore not available.

(c) The loss incurred by the Government of India on supplying grains at a subsidised price was treated as a subsidy to the State Governments to enable them to keep down the issue prices of foodgrains in the consuming areas.

(d) Yes. Coarse and broken rice and milo were also subsidised.

SHRI B. RATH: Am I to understand that most of our imports from foreign countries consist of wheat?

SHRI M. V. KRISHNAPPA: Yes, mainly of wheat.

SHRI B. RATH: Is it not possible for the Government to apportion the subsidy that is given with respect to wheat only?

SHRI M. V. KRISHNAPPA: Yes. The exact subsidies that we have paid in these three years with regard to wheat are:

In 1950-51	Rs. 11.60 crores.
In 1951-52	Rs. 29.24 crores.
In 1952-53	Rs. 12.30 crores.

SHRI B. RATH: From which country has our imported wheat mainly come?

SHRI RAFI AHMED KIDWAI: Under the Wheat Agreement from Australia, Canada and U.S.A., and then in the year 1951-52 we went into the open market also for our purchases in the U.S.A. and Canada and also in the U.S.S.R. In the open market, the prices are always high, and we had to pay these higher prices. We had to subsidise it very heavily. From the U.S.A. we got wheat at such a high price that we had to suffer a loss of Rs. 19 crores in trying to bring down that price to the level of the other imported wheat. The U.S.S.R. also insisted that we should pay them the open market prices of the U.S.A. Therefore, in importing wheat from that country also we had to suffer losses. Besides, we offered them our own goods in barter and on them also we had to suffer losses on account of the loss of import duties. Thus we suffered losses whether we imported wheat from the U.S.A. or the U.S.S.R.

SHRI B. RATH: That was not my question at all. My question was from which country we had to import wheat mainly, whether under the Wheat Agreement or in the open market.

SHRI RAFI AHMED KIDWAI: Then, I have given the names of the countries.

SHRI B. RATH: From which have we imported more?

SHRI RAFI AHMED KIDWAI: The U.S.A. is the main producer of wheat. Therefore most of our wheat imports came from that country.

SHRI S. MAHANTY: Did the U.S.S.R. charge the same price as did the U.S.A.?

SHRI RAFI AHMED KIDWAI: Yes. When we tried to enter into a barter agreement with the U.S.S.R., they insisted—and we had to make our purchases—that we should pay them the open market prices obtaining in the U.S.A., i.e. the international price, and then in getting goods from us on barter, they insisted on our own Indian prices.

KHWAJA INAIT ULLAH: May I know whether we paid the U.S.S.R. the same price that we paid to the U.S.A., or whether there was any difference between the then market prices that obtained in these two countries?

SHRI RAFI AHMED KIDWAI: The U.S.S.R. has different prices for different consumers. For labour, the price is very cheap. For leizured people, the prices are high, and the prices that we were charged were even higher than those prices.

KHWAJA INAIT ULLAH: Were prices cheaper in the U.S.A. or U.S.S.R.?

SHRI RAFI AHMED KIDWAI: We paid the same price. How can they be cheaper in one country than in the other?

SHRI S. MAHANTY: Does the U.S.A. dictate open market price so far as wheat is concerned?

SHRI RAFI AHMED KIDWAI: Because they have been the largest producers.

SHRI H. P. SAKSENA: In regard to the solution of our food problem, will the hon. Minister for Food and Agriculture take my suggestion of taking with him one of the Members of the Opposition to the U.S.S.R. to carry on negotiations for wheat from that country?

SHRI RAFI AHMED KIDWAI: I am prepared to 'export' the hon. Member to the U.S.S.R.

SHRI H. P. SAKSENA: I suggested that a Member from the Opposition Benches should be taken. Perhaps the hon. Minister does not know that I do not belong to the Opposition.

DR. SHRIMATI SEETA PARNAND: Does not charging different prices to different consumers amount to blackmarketing?

KHWAJA INAIT ULLAH: Yes, surely.

#### JAPANESE METHOD OF PADDY CULTIVATION

\*522. SHRI B. RATH: Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) the areas, where the Japanese method of paddy cultivation has proved successful in India;

(b) what has been

(i) the cost of agricultural operations per acre, and

(ii) the average yield of paddy per acre,

in each of these areas according to the Japanese method of cultivation; and

(c) what was the per acre

(i) yield of paddy, and

(ii) cultivation cost,

in each of these areas before the Japanese method was adopted?

THE MINISTER FOR AGRICULTURE (DR. P. S. DESHMUKH): (a) The method has been tried with success at the following places in Bombay State:—

1. Village Shimpavalli near Borivali at the farm of Kora Gramodyog Kendra.

2. Government Rice Breeding Station, Karjat.