

LOK SABHA
UNSTARRED QUESTION NO. 569
TO BE ANSWERED ON JULY 20, 2018

RURAL INFLATION

569. SHRI KODIKUNNIL SURESH:

Will the Minister of FINANCE be pleased to state:

- (a) the details of steps taken by the Government to contain and control inflation in the country;
- (b) whether rural inflation trends show an upward trend, affecting rural purchasing capabilities and a decline in rural wages falling from 7 per cent in July 2017 to 4 per cent in February 2018, while rural inflation rising from 1.5 per cent to 5 per cent over the same period; and
- (c) if so, the steps taken and policy interventions initiated to address the rural inflation by the Government?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI P. RADHAKRISHNAN)

(a) & (c) Government monitors the price situation on a regular basis as price stability is high on its agenda. Government has taken a number of measures to control inflation especially food inflation which, inter alia, include regular review meetings on price and availability situation at the highest level including at the level of Committee of Secretaries, Inter-Ministerial Committee, Price Stabilization Fund Management Committee and other Departmental level review meetings, a dynamic buffer stock of pulses upto 20 lakh tonnes, appropriate market interventions under Price Stabilization Fund to control price volatility of agricultural commodities as and when required, and advisories to State Governments to take strict action against hoarding & black marketing and effectively enforce the Essential Commodities Act, 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980 for commodities in short supply. National Food Security Act, 2013 (NFSA) has been implemented in all States/UTs under which access to highly subsidized foodgrains at Rs.1/2/3 per kg. for coarse grains/wheat/rice, respectively, is provided.

(b) Annual rural inflation based on Consumer Price Index – Rural (CPI-R) has declined from 6.2 per cent in 2014-15 to 5.6 per cent in 2015-16 to 5.0 per cent in 2016-17 and 3.6 per cent in 2017-18. However, rural inflation (CPI-R) in July, 2017 and February, 2018 was 2.4 per cent and 4.5 per cent, respectively. Growth rates of rural wages for general agriculture labourers and non-agricultural labourers for July, 2017 and February, 2018 are presented below.

Table: Growth in rural wages (per cent)

	General Agriculture Labourers		Non-Agricultural Labourers	
	Man	Woman	Man	Woman
Jul-17	7.3	8.3	5.6	9.7
Feb-18	4.7	5.3	3.9	6.2
