

immediate steps should be taken to enforce the provisions of the Order strictly. This will entail drastic action, for the registers are at present encumbered by the names of thousands of persons who are not traders by profession. Originally, licences were not granted to new entrants in the trade, or to those who had been in business for less than three years, unless the District Magistrate was satisfied that a public purpose would be served by granting the licence. In May 1943 when free trade was introduced into the Eastern Region, these restrictions were removed and orders were issued that the licensing authority "should issue licences freely to new entrants to business and to those who have been in the trade, irrespective of the period during which they have been in business, provided the applicants are able to satisfy the licensing authority that they have made arrangements for carrying on business, and possess storage accommodation, and have an office where accounts will be kept and business transacted". We understand that this step was taken because of the great need for obtaining the maximum amount of supplies from outside the province. The result was the issue of thousands of new licences. In one district which a Member of the Commission visited, out of 3,500 licensees over 2,000 had not submitted any return for many months. In these conditions efficient administration is impossible. We consider it very important that drastic steps should be taken without delay to restore order out of this chaos.

10. **Embargoes.**—The enforcement of embargoes round surplus districts prohibiting the export of rice and paddy, except under permit, presents special difficulty in many parts of Bengal because of the large number of rivers and *khals*. Control of transport by rail and river steamer is a simple matter and that of movement by road does not present great difficulty. But the control of country boat traffic, when that traffic, as in Bengal, travels by innumerable rivers and *khals*, throws a heavy burden on the administration. There is little doubt that cordons round many of the surplus districts are not effective because the country boat traffic is not properly controlled. And yet procurement will suffer unless these cordons are enforced strictly. A large staff is essential but an increase in staff will not of itself solve the problem. The staff, particularly the supervisory staff, must also be provided with adequate transport, that is, with launches, if success is to be achieved in controlling country boat traffic. In the riverine districts of Bengal, launches are just as essential for the efficiency of administration as are motor cars in areas where communication is by road. We realise the difficulty of obtaining launches for the civil administration under conditions imposed by the war, but we trust that it will be possible for arrangements to be made by which a reasonably adequate number of launches are made available to the Government of Bengal. It should then be possible for the Provincial Government to enforce these cordons effectively.

#### E.—REQUISITIONING

11. We attach great importance to requisitioning. We consider it essential that Government should be prepared to undertake requisitioning as and when necessary, whether from traders or from producers, if the flow of supplies is not maintained by voluntary sales. If it were practicable to adopt in Bengal monopoly procurement schemes on the lines of those in force in Bombay and Madras, requisitioning as a separate measure would be unnecessary. The compulsory sale of the levy quota in Bombay and the assessed surplus in Madras is a form of requisitioning. It is the impracticability of adopting such schemes which makes requisitioning in Bengal a matter of such importance.

12. One point should be made clear at this stage. When we speak of requisitioning from the producer we are not thinking of requisitioning from the cultivator who has a small surplus over and above his own needs. That we regard as not only impracticable but also dangerous. The compulsory purchase of the surplus of such a producer is only possible where means exist for making a reasonably correct estimate of the crop he has reaped and of the needs of

himself and his family. In Bengal the agency for making such an assessment does not exist. What we contemplate, therefore, is not the requisitioning of the surplus of the small, but of the large cultivator. In practice, requisitioning will be limited to holdings with an acreage above a prescribed minimum.

13. If requisitioning is to be successful it must be prepared for in advance. This is particularly necessary in Bengal where, owing to the absence of village records and a village revenue establishment, particulars are not readily available as regards large cultivators. We understand that the District Enforcement Staff has been directed to collect information, but, so far as we could learn, little progress has been made. It is important that plans for requisitioning should be kept in readiness. What is required is a list of large cultivators so that, should requisitioning become necessary, information will be ready at hand as regards potential "hoarders". It will be impossible to prepare these lists in secret and we think it would be a mistake to attempt to maintain secrecy. If Government are prepared to undertake requisitioning it is desirable that the public should not be kept in ignorance of Government's policy and should realise why requisitioning may be necessary. Like every other activity of food administration it is essential that the policy of requisitioning should have the support of public opinion. Only then can it be successful. The hoarder must not be in a position to rely upon public sympathy. Public opinion must make him realize that hoarding grain is anti-social. Indeed, the more village opinion condemns the holding up of stocks the less there will be for requisitioning. We attach, therefore, importance to propaganda directed to explaining Government's policy in regard to requisitioning.

14. Although occasions may occur in which requisitioning on a wide scale may be necessary and indeed imperative, we trust that these will be rare or absent. We regard general requisitioning as an extreme measure that should be resorted to only in a grave emergency such as that arising from an exceptionally poor crop. On the other hand, we regard individual requisitioning as part of the normal procedure of procurement, that is to say, as a measure which should be taken whenever, in an area, the flow of grain to the markets is slowing down owing to large cultivators holding back their stocks. This policy has been adopted with success in other provinces, for instance in the Central Provinces and Madras. In the main rice producing areas of Madras, as in Bengal, procurement normally depends upon voluntary sales by the cultivators. Usually, no difficulty is experienced during the months immediately following the harvest. Later in the year, however, the flow of grain slows down and at such times the Grain Purchase Officers have been authorized to resort to requisitioning. We understand that requisitioning, or even the threat of requisitioning, of the surplus stocks of a relatively small number of individuals usually has the desired effect. The practice is that the cultivator whose grain is requisitioned is given the option to enter into a voluntary contract for the sale of his surplus within a reasonable time after the service of the requisitioning notice. This procedure has worked satisfactorily and, in the large majority of cases, the cultivator sells his grain voluntarily and compulsory acquisition proves unnecessary.

15. We understand that the Bengal Government are considering a proposal that the large cultivator should be brought within the scope of the Foodgrains Control Order. We support that proposal. Although we have recommended that lists of large cultivators should be prepared, we recognize that their preparation, in the absence of village records showing the areas held by individual cultivators, will not be such a simple operation as would at first sight appear. Extensive and intensive inquiries will be necessary and if the lists are to be accurate the work of the staff engaged on the inquiries will require close supervision. Finally, even when the lists have been prepared it will be necessary, prior to the issue of requisition notices, to decide which cultivators have hoarded

their stocks. This will necessitate further inquiries. There is an administrative advantage, therefore, in a procedure which places upon the large cultivator the duty of submitting returns. It is also possible that an obligation to submit returns may of itself discourage him from holding back his surplus grain. He will realize, provided there is an adequate inspection staff, that he is under continual observation. Again we understand that the large cultivator is sometimes also a trader and that, by reason of being a producer, he evades the provisions of the Foodgrains Control Order. We recognize, of course, that the number of cultivators who are required to submit returns should not be unwieldy. It has been suggested that the numbers would not be too large if a limit of 25 acres was adopted, that is to say, if those who cultivate 25 acres or more of land were brought under the scope of the Order.

16. Requisitioning of stocks may be necessary not only in the case of the large cultivator; action may also have to be taken against the trader. But such action will not be possible, except in a haphazard manner, unless up-to-date records of stocks are maintained. This can only be ensured by the efficient administration of the Foodgrains Control Order to which we have already referred.

#### F.—RICE MILLS

17. Rice mills constitute a most important part of the procurement machine, for they form "bottle necks" through which paddy, except in so far as it is hand-pounded, passes in order to emerge as rice. Their efficient use in procurement schemes therefore is of the greatest importance. In Madras, Bombay, and the Central Provinces rice mills are under official control. We were not able to visit the rice-producing areas in Bombay and the Central Provinces, but from what we heard from official as well as non-official witnesses, we are satisfied that the system of official supervision has been a success in those provinces and that the co-operation of the rice millers has been obtained. In Madras we were able to visit two of the important rice purchasing centres, Bezwada and Tanjore, and had the opportunity of acquainting ourselves with the working of the system in that province. There too official control has operated with ease and success. The main rice surplus areas of Madras are in the north and south deltas and comprise seven districts which are well supplied with rice mills. Practically all the purchases by the official purchasing agents, Grain Purchase Officers, are made from the mills in these districts. The Grain Purchase Officers, who are selected Deputy Collectors belonging to the Provincial Service, are five in number and each is in charge of a separate area. During the period December 1942 to October 1943, the purchases made by these officers amounted to 721,000 tons, and during the ten months from November 1943 to August 1944, to 700,000 tons. The staff employed is not large and consists of 5 grain Purchase Officers, 5 Grain Movement Officers, 29 *Tahsildars* and Deputy *Tahsildars*, 66 Food Inspectors, Marketing Assistants, Grain Purchase Supervisors, etc., and 166 Clerks.

The cost to Government is very low. At the Bezwada centre the cost (excluding pensions) is about 3 pies per maund of rice purchased, while that at Tanjore is only about 1 pie per maund. Again, milling charges are not high, being about 11 annas a maund, including profit, in the southern delta, and about one anna less in the northern delta. The mills are closely supervised by the Grain Purchase Officers' staff throughout all the milling processes in order to ensure that quality is maintained and the under-milling order complied with. We visited several of the mills and found rice, both in store and in the course of production, to be of good quality. We understand, however, that at an earlier stage the quality of rice obtained from the mills and distributed by the Grain Purchase Organization, left much to be desired.

18. An important feature of the scheme is the manner in which storage difficulties have been avoided. Monthly quotas are allotted to deficit districts.

certain Indian States, the Defence Services, and the Railways, and are distributed among the Grain Purchase Officers. Each of these officers, therefore, knows the monthly demands which he has to meet and regulates his purchases from the mills accordingly. Deficit districts are supplied by merchants selected by District Officers and these merchants are also allotted monthly quotas. The merchants apply to the Grain Purchase Officer and deposit the cost of the rice in advance. The Grain Purchase Officer arranges with a mill for the delivery of the consignment at the despatching point where it is inspected by the merchant. The miller is paid after the merchant has accepted the consignment. The same procedure is followed as regards purchases for the Indian States, the Railways, and the Defence Services. The Grain Purchase Officer accepts no responsibility for transport but he keeps the railway authorities informed of probable despatches and assists the exporting merchants as far as possible. The system has worked successfully. Storage accommodation, beyond that provided by the mills, has not been found necessary and the demands for transport have been spread out uniformly throughout the year.

19. In Bengal, rice mills are under the control and supervision of the Chief Agents and it is they who are responsible for the inspection of the milling processes, for taking delivery of the rice and for making payments. The Bengal Rice Millers' Association gave evidence before us and it is clear from what they told us that the rice millers are suffering under a sense of grievance. They said quite frankly that they object to being placed under the control of other members of the trade, that is the Chief Agents. They urged that if the rice milling industry must be controlled by the State, control should be exercised directly through Government officials and not through private firms. They regarded this as a matter of principle and maintained that the present system was bound to lead to friction and misunderstanding. It is essential that the full co-operation of the Bengal rice millers should be obtained and, after our visits to other provinces, we have no hesitation in recommending that Bengal should, as regards the control and supervision of rice mills, fall into line with other provinces. We realize that the Bengal Government fear that Government officers will not be able to deal with the rice miller as efficiently as the Chief Agents have done, but if Government officers in other provinces are able to accomplish this task with success we see no reason why Government officers in Bengal should not be able to protect Government interests and at the same time deal fairly with the mills. The rice millers made no complaint against the Chief Agents individually. It is of course possible, indeed probable, that their views are influenced by circumstances in which, rightly or wrongly, they feel that they have not had a fair deal at the hands of the Chief Agents. We realize that personal differences between the millers and the Chief Agents may have strengthened the former's view in favour of direct relations with the Government instead of through the Chief Agents. But, quite apart from the possibility of individual cases of friction and misunderstanding, we take the view that the proper course is for the mills in Bengal to be brought directly under official control. As we have said, we see no reason, in the light of experience in other provinces, why officials in Bengal should not be able to exercise efficient supervision and control over rice mills.

20. In relation to the size of the crop, the number of rice mills in Bengal is small as compared with that in Bombay, Madras, the Central Provinces, Sind, and the Punjab. Further, in Bengal the mills are unevenly distributed. The surplus rice districts in West Bengal are well provided with mills and a large number are concentrated in and around Greater Calcutta. On the other hand, the majority of the surplus districts in East and North Bengal are badly provided with mills. For instance, Khulna has only nine very small mills, and Jalpaiguri only seven, of which only one has a capacity of over 500 maunds a day. Bakarganj, another heavy surplus district in East Bengal, has 64 mills but only

12 have a capacity of over 200 maunds a day. We understand that the Bengal Government are considering a proposal for the better distribution of rice mills either by the transfer of existing mills or by the erection of new ones. We agree that a better distribution of mills would be advantageous from the point of view of procurement. There is one point, however, to which special attention should be drawn. Hand-pounding of rice is a village industry of considerable importance in the rural economy of the province. Roughly one half of the market supply is dehusked by manual labour in the villages. We attach importance to the maintenance and extension of village industries. Hand-pounding of rice is a small industry specially suited to rural conditions in Bengal; it provides employment for a large number of landless persons and serves as a subsidiary means of livelihood for the smaller cultivator. We accordingly recommend that in any plan for increasing the total output of milled rice as opposed to one for redistributing existing mills, the existence of this important village industry should not be overlooked.

### G.—MONOPOLY PROCUREMENT

21. Schemes under which the producer is required by law to sell the whole or a part of his surplus grain to Government are in operation in several of the provinces and states in India. An officer of the Food Department of the Government of India, who recently made a tour of the provinces and states in which "monopoly" schemes are in operation, has made the following observations in his report:—

"It is interesting and important to observe that in those areas which have gone forward towards a Government monopoly, there is not one single instance where any doubt is felt that the basic principle is right. In no case is there any thought of withdrawing even to a minor degree. On the contrary, the tendency is quite the reverse and in virtually every case the determined policy is to go forward to make the monopoly more complete."

We visited several provinces and states in which "monopoly" schemes are in force and our inquiries point to the same conclusion. Where such schemes exist they appear to be working on the whole satisfactorily, though no doubt they will be further improved as experience is gained. The advantage of "monopoly" procurement is that it enables the authorities to ensure a more equitable distribution of the available food resources. We shall now describe the schemes in operation in the Madras and Bombay Presidencies and then decide, in the light of conditions in Bengal, whether they are suitable for introduction into that province.

22. **Bombay.—The failure of the voluntary system.**—Up to the spring of 1944 procurement operations in the Bombay Presidency depended upon voluntary sales by the producer. During 1943 District Officers made purchases locally. Purchases were, however, not on an extensive scale and in the autumn of that year the Provincial Government came to the conclusion that if black markets were to be eliminated and the food resources of the Presidency equitably distributed it was essential that a more extensive scheme of procurement should be adopted. They, therefore, announced their intention to purchase 10 per cent of the millet production and 25 per cent of the rice production. The scheme was of a "voluntary" character and cultivators were under no obligation to sell any portion of their produce to Government. The scheme was only partly successful and the quantity procured fell short of the target figure. This was attributed to lack of co-operation on the part of the big landlord and the large cultivator. The failure of this scheme led the Bombay Government to adopt in the spring of 1944 a scheme of monopoly of purchase and distribution

23. **The Bombay Monopoly Scheme.**—The main elements of this scheme are—

- (a) a compulsory and graded levy from the cultivator of a portion of his surplus grain; the levy quota must be sold to Government;
- (b) a Government monopoly of purchase of whatever the cultivator sells over and above the levy quota;
- (c) strict control over movements; and
- (d) a Government monopoly of distribution in all rural and urban areas.

In 1944 the scheme was introduced into three districts. In spite of certain difficulties experienced in its actual working, it was considered to have worked successfully and it has been decided to extend the scheme, subject to certain modifications in the method of calculating the levy, to all areas in the province where rice is not the predominant crop.

No private trade in a monopoly foodgrain is allowed except that the producer is permitted to sell, within the village, retail quantities for the *bona fide* consumption of the buyer and his family. All movement beyond the village boundary is prohibited except under permit. Government is entirely responsible for distribution and both rural and urban areas are rationed. In the rural areas family ration cards are issued to those who have no stocks and those whose stocks are inadequate to last them till the next crop is reaped. Rations are drawn from controlled shops, and in the rural areas these shops are so situated that no villager has to go more than 5 miles for his supplies.

The District Officer, with the assistance of the revenue staff—this has been strengthened considerably—is in charge of the procurement and distribution operations. In most districts purchases are effected by Government officers directly from the producer. In some districts, however, co-operative societies are entrusted with the task of making purchases and in others, traders are employed as purchasing agents on a commission basis.

Under the system of land revenue administration in Bombay, complete and up-to-date records are maintained by the village accountant for each village and it is primarily on the basis of these records that the levy is calculated. The prices paid by Government for the grain purchased from the cultivator are fixed and remain in force for the whole crop year.

24. **Madras.**—The District of Malabar is a heavily deficit area in regard to rice, the staple foodgrain. Formerly it drew a large proportion of its supplies from Burma. The Madras Government have not been able to supply rice to the full extent of the needs of the district and in order to ensure a satisfactory distribution of the total supplies available from internal and external sources, a scheme of monopoly of purchase and distribution was introduced in the district in October 1944. The main features of this scheme are two. First, the cultivator is required to sell the whole of his assessed surplus, not only a proportion of it, as in Bombay, to Government at the notified price, and secondly, the entire population of the district is rationed.

No private trade whatsoever in monopoly foodgrains is permitted and all movement beyond the village boundary is prohibited. In view of the shortage of supplies, the ration has been limited to 12 ounces of foodgrains per adult per day instead of the normal figure of 1 lb per adult per day. This standard of 12 ounces has also been adopted for the purpose of determining the quantity which the producer is allowed to retain for his own consumption.<sup>1</sup> As in Bombay the District Officer is in charge of procurement and distribution. Purchases are, however, not made by Government officers but by local traders acting as government agents. The distribution of foodgrains to the licensed retailers

<sup>1</sup>It is understood that this amount has recently been increased.

is also made by approved local traders. The assessment of the surplus with each producer is made by the village accountant under the supervision and direction of the district revenue staff. The prices paid to the cultivator for his surplus produce are fixed by Government.

25. For the successful working of a monopoly scheme on the lines of those in force in Bombay and Madras, it is imperative that Government should possess an agency which can (a) prepare a reasonable and accurate assessment of the crop reaped by each cultivator; (b) can purchase and collect the quota due from each cultivator or in the alternative, supervise and, if necessary enforce the sale of that quota to approved purchasing agents; and (c) can undertake the distribution of supplies to the whole population other than those who grow sufficient grain for their own needs. In Bombay and Madras (and in other parts of India where similar monopoly schemes are in operation), the foundation for this agency exists in the form of a highly developed revenue administration. As we have explained in Chapter II, this administration consists of, first a revenue staff in each village or group of villages charged with the maintenance of village records, and secondly, a staff of revenue officers whose duty it is to assist, supervise, and control the village staff. There is no such staff in Bengal, nor can it be brought into being within a reasonable time. Its recruitment and training would certainly be a matter of years, and we are of the opinion that any attempt to improvise such a staff within a short time would result in failure. It is not only a question of appointing and training thousands of officers. The subordinate revenue staff in the provinces of Bombay and Madras has been in existence for many years and possesses great influence and authority among the villagers. But that influence and authority cannot be acquired in a day. And finally there is the question of cost. The charge would be a very heavy one. We see no prospect, therefore, of the successful introduction into Bengal of monopoly schemes of purchase on the lines of those in operation in the provinces of Bombay and Madras.

26. In Orissa, and the Central Provinces and Berar, schemes are in operation which, while they do not require the producer to sell the whole or part of his surplus grain to Government, create in favour of Government a limited monopoly of purchase over the marketable surplus, that is, over that part of the crop which the producer brings for sale to the market. Under these schemes, as in Bengal, sales by the producer are voluntary. Where they differ from the Bengal system is that Government acquire not only a monopoly of purchase of all the rice produced by the rice mills but also a limited monopoly over that part of the marketable surplus which does not pass through the mills. We shall now describe these schemes and then consider whether they are suitable for introduction in Bengal.

27. **Orissa.**—The scheme which has been in operation in Orissa since the harvesting of the rice crop in 1943, aims at directing the flow of all rice and paddy sold in wholesale quantities into the hands of Government. It has three essential features. First, the prices of rice and paddy which the producers are entitled to demand and receive, have been fixed for the whole of the crop year. Secondly, purchase or sale by any person, whether a cultivator or not, of any quantity of rice or paddy exceeding 10 maunds in any one transaction has been prohibited unless it be by or to a Government agent.<sup>1</sup> Thirdly, no person holding a licence under the Foodgrains Control Order is entitled to hold a stock of more than 100 maunds of rice and paddy at any one time unless he is an agent or a sub-agent of the Government.<sup>1</sup> The object of the exemption of the purchase and sale of quantities up to 10 maunds in a single transaction is to enable purchases and sales to continue unhampered at the small village markets and elsewhere as an essential part of the system of distribution in the

<sup>1</sup> It is understood that these limits have since been reduced.

province. Purchases are made by agents selected from the trade. Each agent makes purchases in a definite area and in order to bring the purchasing agency within easy reach of the cultivator, the agents have been encouraged to appoint sub-agents. The agent is responsible not only for the purchase of foodgrains but also for custody, packing, and safe storage. Purchases are, as far as possible, spread over 8 months of the crop year. The District Officer is in charge of all the operations. We understand that this scheme has been on the whole successful and that the target figure, which includes a provincial reserve, has been achieved.

**28. The Central Provinces.**—In the rice producing areas paddy is brought to the mills and rice to the markets by the small trader and to some extent by the primary producer. Paddy is either sold outright to the miller or, after being milled on a commission basis, is sold in the market. In other areas where mills are few in number, hand-pounded rice is also sold in the market. Under normal conditions, rice in the markets is bought partly by local retail dealers but chiefly by the larger dealers either for export to the consuming areas, or resale to other dealers for export. The millers are frequently wholesale traders and exporters, but in certain areas they sell their rice in the main markets. Normally therefore it is either at the mills or at the market that rice passes into the hands of the large wholesale dealer and it is at this point that the Government monopoly of purchase normally comes into operation. The actual sanction by which this monopoly is effected is by an order under clause 4 of the Central Provinces and Berar Foodgrains (Control of Distribution) Order prohibiting any person from selling rice at places specified in the Order except to Government or their agents. The monopoly extends only to rice and not to paddy.

When the scheme was first introduced, it was found that, on the issue of an order giving Government the monopoly of purchase at an established market, sellers, in order to avoid selling to Government at the controlled price, transferred their operations to places outside the declared markets. To prevent this evasion these places were treated as market equivalents and an order passed prohibiting sales at these places otherwise than to Government. The number of such places declared as market equivalents depends upon local circumstances. If rice is not flowing freely into the markets (or the market equivalents), requisitioning of paddy from the cultivator is resorted to without hesitation. Purchase prices are fixed on the basis of delivery at railhead, and for purchases in the interior prices are reduced by the differential necessary to bring the grain to railhead. Variations are also made to allow for differences in quality. A large number of agents drawn from the trade (including the millers) are employed in making purchases. Agreements are entered into with the agents by which they bind themselves to act as Government agents only and not to trade independently. The functions of the agents are to pay for the rice, take delivery of it on behalf of Government, bag it, weigh it, mark the bags, and transport it to Government warehouses. The agents work under the close supervision of Government officers. A Food Inspector is always present at the time a purchase is made either in the market or at the mill and if there is a difference of opinion between the seller and the Food Inspector as regards the quality of the rice, the matter is referred to the local Food Officer whose decision is final. The scheme has worked successfully in the surplus rice districts of the Chhattisgarh Division.

**29.** An essential feature of the schemes in force in the Central Provinces and Orissa is that Government purchases are made at fixed prices. We do not, however, regard this as a serious objection to the introduction of similar schemes in Bengal. Reductions in the ceiling prices at relatively short intervals were necessary during 1944 in view of the abnormal prices prevailing at the end of



1948. Prices have now (the beginning of 1945) reached a more reasonable level and it seems to us that the time has come when it is not only possible but also desirable for Bengal to adopt a more stable price policy. Other provinces have followed a policy of maintaining a uniform price level for as long a period as possible. In Orissa prices have been fixed for both rice and paddy for the whole of the crop year and in Madras, the Central Provinces, and Bombay, prices have been maintained at a steady level over a long period. It is clearly desirable that the cultivator should be assured that Government have no intention of forcing prices down to an unduly low level. Further, it is essential that the acreage under rice should increase rather than decrease, and this can only be ensured if the cultivator is assured of a reasonable price for his grain. It is also to the advantage of the rice miller to know that prices will remain steady. Apprehensions that prices may fall must inevitably restrict his purchases of paddy and, in consequence, his outturn of rice. Again, a stable price will make Government relations with the miller easier. We accordingly recommend that the prices at which purchases on Government account will be made, should be fixed for as long a period as possible. We would prefer that this period should correspond to the crop year but, if that is not possible, we suggest that it should be for at least six months. We also consider that the prices should not be kept secret. It is desirable that the cultivator, the trader, and the miller should know the prices fixed by Government for their purchases.

30. We now return to consider whether the schemes in operation in the Central Provinces and Orissa are suitable for introduction in Bengal. In the Central Provinces monopoly purchase by Government extends to rice and not to paddy. It will not be possible to maintain this distinction in Bengal, except perhaps in a few districts which are well supplied with rice mills, because the procurement organization purchases large quantities of paddy. No difficulty, however, should be experienced in extending the monopoly to paddy. But it is doubtful whether the system in force in the Central Provinces is suitable for adoption in all districts in Bengal. We have in mind the districts in which communication is mainly by water. In these areas, rice and paddy are largely bought and sold by merchants who move about in boats. To a large extent the boat is the market, and much of the grain is not brought to an established market as in the Central Provinces. In these conditions, it would be difficult to prevent evasion of orders prohibiting the sale of rice and paddy at markets or market "equivalents", to persons other than Government agents. The only way to prevent widespread evasion would be by full monopoly. This we consider impracticable. Bengal has not the administrative machinery for full monopoly procurement, nor do we regard the establishment of such an organization a practical proposition. Full monopoly purchase also implies full responsibility for distribution. And here again, we do not consider this practicable. Subject, however, to the reservation as regards districts in which communication is mainly by water, we are of opinion that the system of monopoly procurement in force in the Central Provinces may prove suitable for adoption in Bengal. As regards the scheme in operation in Orissa, we do not anticipate that any insuperable difficulty will be experienced in introducing a similar scheme in Bengal.

31. We are of opinion that Bengal should advance towards the monopoly ideal. We therefore recommend that the schemes in force in Orissa and in the Central Provinces should be studied with a view to the introduction of a system of monopoly purchase as an experimental measure in a selected district or districts in Bengal.

#### H.—THE PROCUREMENT MACHINERY

32. The procurement organization which was set up at the end of 1943 and was in operation during 1944 consists of

- (i) a Purchasing Board, and
- (ii) four sole purchasing agents, called the Chief Agents.

The Purchasing Board, the functions of which are of a purely advisory character, consists of the Commissioner of Food and Civil Supplies, who acts as its Chairman, one representative of the Railways, two representatives of the Chambers of Commerce, and the four Chief Agents. Its duty is to advise Government on questions of policy such as the price at which purchases should be made, the quantities to be purchased from time to time, and the areas in which purchases should be accelerated or retarded. Four firms of standing have been appointed as purchasing agents, and districts, in which they conduct their buying operations, have been allotted to each of them. Their purchases are made at prices fixed by Government, on the advice of the Purchasing Board and the methods of buying are through rice mills, through sub-agents appointed from among the local rice and paddy dealers, and directly through local dealers, co-operative societies and cultivators. This system was in operation throughout 1944.

33. It will be recalled that a substantially similar procurement organization was set up on two occasions during 1943 and the agency employed for making purchases under the "denial" scheme was of the same type. We have explained in an earlier chapter our view that this type of organization is not suitable for procurement in conditions of shortage.<sup>1</sup> In saying this we are not criticizing the manner in which any of the Chief Agents performed his functions during 1944. As we have said, procurement in that year was successful—more successful than was expected during the early part of the year. Government were able to purchase over one million tons of rice and paddy, and at the end of the year had built up a reserve of over 600,000 tons. The success of the year's operations reflect the success with which the Chief Agents carried out their tasks. The point we are considering is the suitability of this type of purchasing organisation in more difficult conditions when measures of coercion may be necessary in order to maintain the flow of grain. At first it might appear that a commercial firm with experience in the buying and selling of foodgrains would be a more suitable agency than a purchasing organization manned by officials. This, however, has not been the experience of the large majority of the provinces. Madras, Bombay, Orissa, Bihar, United Provinces, the Central Provinces, and the Punjab, have all preferred an official agency and, as we have pointed out, even more significant is the fact that when a change has been made, it has been the substitution of an official for a trade agency. The result of this experience, combined with the failure of the "private" agency in Bengal in the difficult times of 1943, offer lessons which, in our opinion, should not be disregarded, and are conclusive.

34. We would briefly summarize the reasons for our preference in favour of an official purchasing agency in the following terms:—

(i) The system of agents selected from the trade raises a problem of selection. It gives rise to jealousy and friction which often lead to difficulties for the agent actually chosen. Such jealousy and friction hinder co-operation between the Government and the trade, which is so important for the success of control measures. The views expressed by the Bengal Rice Millers' Association, to which reference has already been made, are relevant as illustrating this point.

(ii) It is important that the procurement agency should have the full support and co-operation not only of the local traders and the rice millers but also of public opinion generally. This is particularly necessary when the flow of grain into the market shows signs of slowing down and pressure has to be brought to bear on the producers and local traders to part with their grain. The public does not readily believe that private firms are imbued with a spirit of public service and the more difficult procurement conditions become, the more ready

<sup>1</sup> Part I, Chapter X, paragraphs 29 to 32.

the public is to assume that their object is gain at the public expense. It is just at the stage when coercion is necessary that lack of confidence in the private agency may gather momentum and prove very embarrassing.

(iii) There is a fundamental difference between normal trading and the procurement of supplies on behalf of the Government. The latter in the last resort must depend on coercion, in the form of requisitioning. Requisitioning involves the use of legal powers which must be entrusted to responsible state officials and not to private individuals. It can be undertaken more effectively, and with less risk of misunderstanding as to its necessity in the public interest, by officers who are part of the official purchasing agency than by officers who are normally outside the procurement organization and are occasionally called in to support the operation of that organization.

(iv) The continuity of an official agency is assured though individual officers may change. A system of agents chosen from the trade, on the other hand, involves danger of lack of continuity. For, should a Chief Agent retire for any reason the benefit of his experience and organization in the areas allotted to him is lost and procurement may suffer while a new organization is establishing itself and acquiring familiarity with the work involved.

(v) It has been found necessary to buttress the present procurement organization in Bengal by a Government establishment, parallel with that of the Chief Agents, for the purpose of supervising and assisting them. Originally, provision was made for a staff of 7 Regional Deputy Directors, one Additional Deputy Director, 87 Assistant Directors and Officers of equal standing, and 450 Inspectors. The duties of this very considerable staff were defined generally as being "to supervise procurement operations as well as distribution under the scheme", and specific reference was made to the inspection of the stocks purchased, requisitioning of godowns and stocks, and the control of rice mills. We understand that recommendations have recently been made to the Government for the enlargement of this staff. There is in addition a considerable establishment entrusted with the responsibility for the storage and movement of supplies. Given the position that official establishments on this scale are necessary, we feel they would be more adequately, as well as more effectively, employed if they are also entrusted with the duty of making purchases from rice mills and local traders.

35. For these reasons, we recommend that an official procurement agency be established in place of the Chief Agents. We fully recognize the fact that careful preparations will have to be made before the change we recommend can be carried out. The transition will not be effected in a day; the pace of the change-over must necessarily be a matter for practical administration in Bengal. We desire to add that there should be no undue delay in taking the necessary measures; and having regard to the considerations which we have set out in Section F, the procurement of rice from rice mills should be entrusted to an official agency as an initial step in this process of transition.

#### I.—ORGANIZATION IN THE DISTRICTS

36. During 1944, the staff employed in the districts in the administration of food and civil supplies and connected matters was considerably strengthened. In every district there is an Assistant Director, and under him, a number of Licensing and Returns Officers, and Inspectors. During our inquiries we gained the impression that there was some uncertainty as to the authority responsible for controlling this staff. According to the orders issued by the Government of Bengal early in 1944, this staff was placed under the Regional Deputy (or Additional Deputy) Director of Civil Supplies, an officer whose jurisdiction extends over a group of districts and who is directly responsible to the Civil Supplies Department of the Provincial Government. It was also at the same time pro-

vided that the district staff was to be "subject to the supervision of the District Magistrate". This arrangement reflected the uncertainty prevailing at the time about the respective functions to be undertaken by the District Magistrate and the Deputy Director of Civil Supplies. It was expected that the uncertainty would be removed in course of time, as a result of mutual settlement between these officers with reference to local conditions; and that some definition of functions would emerge as a result of the practical working of the *aman* procurement scheme. This expectation, however, was not realised, and during 1944, officers, generally speaking, were not clear about their functions and powers. We consider it desirable that the responsibility for procurement, distribution, and enforcement of controls should be clearly defined.

37. We think there can be no doubt that the District Magistrate, except for certain clearly specified purposes, should be the authority responsible to the Government for food administration in his district, and that the staff employed for this purpose should be controlled by an officer or officers subordinate and responsible to him. We understand that the Provincial Government have recently decided that the District Magistrate, assisted by a staff over which he will have complete control, shall be solely responsible for all matters concerning the distribution, storage, and movement of supplies within the district from the point or points at which they are made available for use within it. The uncertainty as regards the authority responsible for distribution within a district has therefore been removed and we need say nothing further on this point. We consider however, that the District Magistrate should also be responsible for the enforcement of controls within his district, and we recommend that this principle should be observed. We agree that in those districts where a staff is specially employed for the purpose of making purchases on behalf of Government, or controlling and supervising such purchases, the District Magistrate and his staff should have no responsibility in the matter of procurement and operations connected therewith. We suggest, however, that in districts classed as deficit districts, the District Magistrate should be authorised to undertake procurement, should this prove necessary, in local surplus areas in order to provide supplies for other parts of the district.

38. There has also grown up recently a large staff which, while it performs a number of functions relating to the Jute Regulation, the Rural Reconstruction, and the Agricultural Development Departments, is also employed in connection with the distribution of controlled commodities. We understand that this consists of 10 Assistant Development Commissioners, 30 District Development Officers, 82 Chief Inspectors and Inspectors in Charge, 154 Range Inspectors, 1,000 Assistant Inspectors, 1,000 *Amins*, 6,000 Development Assistants, and 12,000 part-time Local Crop Recorders. A considerable proportion of this staff belongs to the Jute Regulation Department, and the remainder represents the staff sanctioned in 1943 and 1944 for the "Grow More Food" campaign and the collection, by a plot to plot enumeration, of agricultural statistics. The "jute" staff was utilized during 1943 in connection with the food drive and subsequently in relief measures. About the end of 1943, Government decided to introduce a scheme for the equitable distribution of controlled commodities, e.g., kerosene, salt, sugar, and in a very limited field, foodgrains, throughout the province. Again, in 1944 Government formulated a scheme for the "modified rationing" of foodgrains in the smaller towns and rural areas. This scheme has so far only been brought into force in certain rural areas in the Chittagong District. But, if we understand the position correctly, the intention is to introduce it as a relief measure should it become necessary to undertake the distribution of foodgrains at subsidized rates in other parts of the province. This scheme also contemplates the utilization of local food committees, the work of which will be supervised by the Jute Regulation Staff. It is possible that the functions we have referred to are such that they can be combined with advant-

age in one organization but we consider it a defect that the staff should be, as at present, organized independently of the District Magistrate in a separate hierarchy directly subordinate to the officer who holds the posts of Chief Controller of Jute Regulation, Director of Rural Reconstruction, and Special Officer, Rural Rationing. We have drawn attention more than once in our report to the weakness in the district administration in Bengal arising out of the absence of revenue and village establishments similar to those in the *ryotwari* provinces. Apart from the *Amins* and the part-time Local Crop Recorders, we assume that a considerable proportion of the establishment to which we have referred, will be retained permanently. It seems to us, therefore, that the existence of this staff affords an opportunity for organizing a subordinate administrative establishment under the control of the Circle Officers, which will be of great value in enabling the District and Sub-divisional Officers to maintain closer contact with the villages. We understand that the whole question of the organization of administration in Bengal is at present under review, and we recommend that the suggestion we have set out above be borne in mind in any scheme of re-organization.

#### J.—OTHER MATTERS.

39. **Co-operative Societies.**—Although an attempt was made in 1944 to utilize co-operative societies as agents for the purchase of grain from producers, little success was achieved. On the one hand, the co-operative societies attribute this lack of success to the "unsympathetic attitude" of the employees of the Chief Agents with whom they had to deal, whereas, on the other hand, we understand that the Chief Agents complain that the societies refused to sell paddy and rice at the prices at which they (the Chief Agents) were authorized to buy. We cannot say what truth there is in these allegations and counter-allegations, but we think it unfortunate that the co-operative societies should have this sense of grievance. We consider that not only in Bengal but throughout India, endeavour should be made to develop co-operative societies as part of the procurement organization because they are perhaps the most effective way of obtaining the support of the cultivator in procurement operations. At the same time, however, we recognize that the rate of progress cannot be spectacular. Indeed, there is a real danger in attempting too rapid an advance and the history of the co-operative movement, certainly in Bengal, affords a clear warning of that danger. An official agency is now operating in the Bakarganj district and what we suggest is that a scheme should be worked out for the utilization of the marketing and agricultural credit societies in that district as part of the procurement machine. We feel convinced that the wise course is to concentrate on a particular area and to postpone, except in regard to the few large and well established marketing societies in other areas, any attempt to introduce on a wider scale procurement through co-operative societies until further experience has been gained.

40. **Corruption.**—Many persons who gave evidence before us spoke with great concern of the extent to which corruption prevails in connection with food administration (and other matters) in Bengal. Food administration, particularly in conditions created by war, unfortunately offers special opportunities for dishonesty and the atmosphere in Bengal has been charged for some considerable time, with rumours of widespread corruption among both officials and non-officials. We have little doubt that the conditions prevailing in Bengal in 1943, encouraged the growth of speculation and dishonesty and it is possible that this explains why the evil seems to be more serious in that province than in other parts of India. The disease demands drastic treatment. A cure will only be effected by vigorous action in three directions. First, rigorous disciplinary action against officials of whatever standing guilty of corruption, secondly, strict enforcement of controls and the punishment of those who break the law, and

thirdly, the mobilization of public opinion against every form of corruption. The eradication of the evil is necessary for the full recovery of Bengal and for her future progress.

41. **Public Co-operation.**—In paragraph 25 of Chapter X in Part I, we have drawn attention to the existence in other provinces of *ad hoc* advisory bodies which have been of assistance to the Provincial Governments in reaching satisfactory decisions on matters of food administration and in obtaining support of public opinion in executing them. We have also referred to the fact that a proposal to set up such a body in Bengal was considered and that Government and the Opposition could not agree on its functions. In spite of the difficulties experienced in the past, we recommend that a Provincial Advisory Council should be established and that it should be composed of officials and non-officials, the latter representative of producers, traders, and consumers. We also recommend that District Advisory Committees should be established for the assistance of local food administrations in those districts in which such a body does not at present exist. In particular, we consider that it would be an advantage if a separate advisory body were to be established for Greater Calcutta. We are clear that the functions of these bodies should be of a purely consultative and advisory nature; they should not possess any executive power. The responsibility of Government for the maintenance of the supply and distribution of food is to-day no less important than that for the maintenance of law and order. Government must, therefore, accept full responsibility for all measures taken in regard to the food of the people and cannot share that responsibility with food councils and committees. We have recommended the formation of these bodies not with the object of absolving Government and their officers of responsibility for securing and distributing food supplies, but because we consider that they will enable public opinion to play a more effective and helpful part in shaping food policy, in devising measures and reviewing their execution, and also in assisting to remove questions affecting the food of the people from the sphere of party politics.

42. **Summary.**—Our main recommendations arising out of this chapter are:—

(1) The rationing of towns with a population of about 25,000 or more should be carried out as quickly as possible, and in the light of the experience gained, rationing of smaller towns considered.

(2) (a) Immediate steps should be taken to review licences issued since May 1943 under the Foodgrains Control Order, and to remove from the register of licensees persons who are not traders by profession.

(b) Cultivators holding land exceeding a prescribed acreage limit should be brought within the scope of the Foodgrains Control Order. A limit of 25 acres is suggested as suitable.

(3) Embargoes round the surplus districts should be effectively enforced: an adequate number of launches should be made available for the purpose.

(4) Requisitioning should be undertaken, as and when necessary, from traders and large producers, if the flow of supplies is not maintained by voluntary sales. Public opinion should be enlisted in support of requisitioning by suitable propaganda directed to explaining the policy of Government.

(5) An official procurement agency should be established in place of the present system of procurement through Chief Agents chosen from the trade. The pace of the change-over must necessarily be a matter for practical administration in Bengal. It is desirable, however, that there should be no undue delay in taking the necessary measures. The procurement of rice from rice mills should be entrusted to an official agency as an initial step.

(6) The systems of monopoly procurement in force in Orissa and the Central Provinces should be studied with a view to the introduction of a system of monopoly purchase, as an experimental measure, in a selected district or districts in Bengal.

(7) (a) The respective functions of District Magistrates and Deputy Directors of Civil Supplies in regard to the procurement and distribution of supplies and the enforcement of controls should be clearly defined.

(b) The District Magistrate should be responsible for all matters concerning the distribution, storage and movement of supplies and the enforcement of controls in the district.

(c) In those districts where a staff is specially employed for making purchases on behalf of Government or for controlling and supervising such purchases the District Magistrate and his staff should have no responsibility in regard to procurement and operations connected therewith. In other districts, the District Magistrate should be authorized to undertake procurement, should this prove necessary, in local surplus areas in order to provide supplies for other parts of the district.

(8) The existence of a large staff under the Jute Regulation, Rural Reconstruction, and Agricultural Departments affords an opportunity for organizing a subordinate administrative establishment which will be of value in enabling District and Sub-divisional Officers to maintain closer contact with the villages. The possibility of such a reorganization should be considered.

(9) It is no longer necessary to reduce prices at relatively short intervals. A more stable price policy is recommended.

(10) Co-operative societies should be developed as part of the procurement machine. It is recommended that a beginning should be made in the utilization of the marketing and agricultural credit societies in the Bakarganj district as part of the procurement machinery.

(11) Vigorous action against corruption is called for in three directions. First, disciplinary action against officials of whatever standing guilty of corruption, secondly, strict enforcement of controls and the punishment of those who break the law, and thirdly, mobilization of public opinion against every form of corruption.

(12) (a) A Provincial Food Advisory Council, composed of officials and non-officials, should be established. Producers, traders, and consumers should be adequately represented on this council.

(b) A separate advisory body for Greater Calcutta should be established as also District Advisory Committees in those districts where they do not at present exist.

1. **Short and long term schemes.**—In previous chapters we have described the effect of the famine in Bengal and the relief measures taken during the emergency period. The first necessary steps were to provide food, to get the wanderers back to their homes, and to bring the health situation under control. By the beginning of 1944, adequate supplies of food were available, the majority of wandering destitutes had returned to their villages, and throughout the year the health situation slowly improved, until at its close the death rate was not far above the usual unsatisfactory level. But more is needed to repair the damage inflicted by the famine.

We do not propose to deal here with long term schemes for improving the economic condition of the population. These concern the whole of India and will be considered in a later report. In order to remove any threat of future famine, far-reaching developments in irrigation, animal husbandry, and industry are required. But such developments will take time. Meanwhile there is an immediate problem of rehabilitation in Bengal. We obtained abundant evidence, both during our tours in rural Bengal and in the examination of witnesses, of the need for effective measures to hasten the economic recovery of the classes affected by the famine. Such measures should conform with, and ultimately merge into, broader schemes of reconstruction and development.

2. **Restoration of lands.**—Late in 1943 the Bengal Alienation of Agricultural Land (Temporary Provisions) Ordinance was promulgated to enable petty cultivators, who sold their land during the famine to get it back. According to the Ordinance, any small-holder who during 1943 transferred agricultural land by sale "for any consideration the amount and value of which does not exceed Rs. 250", can apply to the District Officer for restoration. He must satisfy the latter that "he could not have maintained himself or his family except by making such alienation of such land", and the transferee has the right of being heard. The small holder who regains his land must repay the sum he received from the sale in 10 annual instalments. If the small-holder so desires he may, however, instead of applying for a restoration order, apply for the conversion of the sale into a complete usufructuary mortgage for a period of 10 years. The Ordinance ceased to operate on March 11, 1944, under the provisions of the Government of India Act, 1935, regarding such Ordinances. A Bill was thereupon introduced in the Legislature and passed by the Council; it could not, however, be passed by the Assembly owing to the prorogation of the latter. On September 7, 1944, Government issued a fresh Ordinance embodying the provisions of the Bill. Over 7,000 cases were filed under the original Ordinance. Out of these only a small proportion were disposed of during the period of the first Ordinance and in September 1944 the number of pending cases was 6,498. The disposal of these, and of further cases which may be filed, will place a heavy burden on District Officers and their staff. Considerable importance must be attached to the settlement of cases with the greatest possible speed.

Restoration of land is a very necessary part of rehabilitation. No information is, however, available as to the number of dispossessed small holders who would be entitled to take advantage of the Ordinance. Probably only a small fraction have already applied, or will apply, for restoration. Many of those who sold their land will find it difficult to raise the money necessary to pay the annual instalments, and thus regain immediate possession. If they prefer to apply for the usufructuary mortgage, they will regain their land in 10 years,



unless they can pay off the mortgage debt earlier, but meanwhile will have to find other means of earning a living.

**3. Expenditure on rehabilitation.**—Rehabilitation schemes involving the expenditure of Rs. 4 crores have been formulated by the Government of Bengal. The schemes include the establishment and maintenance of workhouses, homes and orphanages for destitutes, free grants for house building, the rehabilitation of artisans, and various irrigation projects. The Revenue Department is in charge of the work of rehabilitation.

**4. Workhouses and destitute homes.**—It is proposed to centralize relief institutions, at present scattered, into 60 institutions consisting of a workhouse, a destitute home, and homes for orphans, deserted children and young women with and without children. Workhouses are planned as centres for encouraging cottage industries. They will provide work for (a) inmates of destitute homes, if any, attached to the workhouse, (b) such residents of neighbouring areas as wish to come and work for a living and (c) for local people who may take materials from the workhouses, produce goods in their homes, and return the latter to the workhouse against suitable payment. The kinds of work to be carried out include paddy-husking; cane-work and bamboo work; mat-making; spinning; weaving; net-making; rope-making; toy-making; paper-making; and nail-making. Other suitable handicrafts may be suggested by the Director of Industries.

The care of widows is one of the major problems of rehabilitation, and presumably the majority of adults who will be housed in, or otherwise assisted by, relief institutions will belong to this class.

**5. Orphans.**—The number of orphans requiring care does not appear to be very accurately known. Preliminary estimates made by District Officers gave a total of over 30,000, but later this figure was reduced to 10,000. The Government of Bengal have accepted the responsibility of looking after all famine orphans, the Education Department being entrusted with their care. Voluntary bodies will also assist. Any private organization which undertakes the charge of orphans must, however, submit proposals to the Director of Education for approval and guarantee to feed the children on an approved type of diet and to educate them in accordance with principles laid down by the Director. It is proposed that the orphans should receive elementary education with particular emphasis on hand work, and that at a later stage they should be given a training in some craft which will provide a means of livelihood and render them independent of state aid.

In August 1944, 11 Government orphanages, with accommodation for about 1,700 children, had been constructed and occupied, or were nearing completion. The bulk of the orphans were still housed in workhouses, temporary orphanages etc., scattered all over the province, their care being the responsibility of District Officers. Some orphanages were also being run by voluntary organisations.

**6. House building.**—Expenditure of Rs. 10 lakhs has been sanctioned for this purpose. Free grants will be given to homeless destitutes to enable them to re-build their huts. There has been particular need for this in the cyclone-damaged areas, but elsewhere also huts need repairing. In the chapter on relief we have told how famine victims sold doors, windows, roofs, etc., in the early stages of the famine.

**7. The rehabilitation of artisans.**—This is a task of great importance. It is proposed to assist workers such as fishermen, weavers, potters, carpenters, etc., by subsidies and loans, and by the supply of raw materials and trade implements at cost price. Fishermen suffered severely during the famine and their rapid rehabilitation is particularly necessary in order to increase supplies of a valuable protective food. Boats, nets and other fishing tackle must be

supplied to set fishermen who lost their belongings at work again. One difficulty which was mentioned to the Commission is the shortage of water-proofing material to prevent the deterioration of nets.

8. **Irrigation.**—Irrigation Schemes, at a cost of Rs. 100,00,000, are projected as follows:—

(a) Rs. 10,00,000 for expenditure on the re-excavation of derelict irrigation tanks, mostly in western Bengal.

(b) Rs. 26,00,000 for the execution of small irrigation projects which do not require much expert supervision by engineers. This will be spent by District Officers.

(c) Rs. 64,00,000 for expenditure on the more important irrigation schemes which are ready for execution, under the supervision of the Irrigation Department.

9. **Comment on rehabilitation.**—Plans have thus been laid for the care and rehabilitation of those who suffered during the famine and considerable sums of money have been allotted for the purpose. It is, however, one thing to draw up schemes and provide money, and another to produce satisfactory practical results. We are by no means satisfied with the progress hitherto made towards rehabilitation and wish to stress the need for more energetic and coordinated action.

There seems to be some lack of knowledge about the nature and extent of the problem to be tackled. Thus, it is known that the famine has had important effects on village life and economy, but no clear picture of the changes it has produced is available. Many small-holders sold their land, and many artisans their trade implements and have not the means to resume their normal means of livelihood. The numbers involved are, however, unknown. There has been loss of life which must considerably affect the availability of labour and opportunities for employment. Will the village labourer, on account of the shortage of labour, be better off than before the famine? On a number of such questions there is at present no accurate information, and the Commission heard many conflicting opinions. Clearly it is essential to make a careful study of the whole position, in order to guide rehabilitation policy. Unless this can be done expenditure on rehabilitation, however, generous, may be misdirected and the results obtained disappointing.

A strong staff is needed for rehabilitation, both at the centre and the periphery. We shall refer shortly to the question of central direction. With regard to the actual task of rehabilitation in the rural areas, we fear that the ordinary district staff, overburdened as it is with other work, will not be able to give sufficient time and attention to this important matter. We accordingly are of opinion that special officers, trained in rehabilitation work, should be appointed.

While some good orphanages already exist, the present position with regard to the care of a large proportion of orphans is by no means satisfactory. Plans for their accommodation in Government institutions seem slow in maturing and meanwhile the conditions in which many are living leave much to be desired. We would, therefore, emphasize the need for establishing suitable homes for all destitute orphans without unnecessary delay. We are by no means satisfied that this task is being prosecuted with sufficient energy.

It is essential that when private organizations are entrusted with the care of orphans, Government should have powers of supervision and inspection to ensure that the necessary standards are reached and maintained. Provided such powers are conscientiously exercised, there is every advantage in making use of the services of suitable voluntary bodies, supported by subventions from Government. Children in a well-run voluntary institution would probably

receive more sympathetic attention than in a Government institution. On the other hand, voluntary bodies may undertake the care of orphans during the wave of enthusiasm for relief work engendered by the famine, and lose interest in their charges as the years pass. This possibility should be borne in mind in enlisting the help of such bodies.

While the Revenue Department is responsible for the organization of rehabilitation and the allotment of funds, rehabilitation is also the concern of other Departments, *e.g.*, Commerce and Industry, Development, Health, Agriculture, Fisheries, etc. These departments must, therefore, be closely associated with rehabilitation work and the necessary co-ordination between them and the Revenue Department, which is directly responsible for rehabilitation, must be assured. Secretariat delays, *e.g.*, delays in obtaining sanction for expenditure on suitable schemes, should be avoided. For the rehabilitation of the affected classes, instruments and materials (*e.g.*, seed, fishing boats, yarn, etc.), have to be provided immediately, and this demands joint action on the part of the various departments concerned.

**Recommendation.**—We are of the opinion that a Rehabilitation Commissioner, generally responsible for rehabilitation work in all its aspects, should be appointed without delay, with whatever additional staff is necessary both at the centre and in the districts. Such an officer would be in a position to initiate a survey of the existing situation, with the object of obtaining a clear idea of the economic and social effects of the famine, and of the measures necessary to repair the damage. His main task would, however, be to provide the drive necessary to overcome obstacles and difficulties, and to ensure that the work of rehabilitation was not hindered by lack of contact and co-ordination between the various Departments. Drive and co-ordination are needed to speed up rehabilitation.

## A. THE PRESENT POSITION

1. **General.**—The famine of 1943, was a famine in rice. Typical Bengali diets are composed largely of rice which may provide 80 to 90 per cent. of total calories. While, in the feeding of Bengal, adequate supplies of rice (and of wheat, to fulfil the Calcutta demand) are the primary necessity, the importance of other foods must not be overlooked. In the first place, such foods supply additional calories and hence a reduction or increase in the quantities available influences requirements of cereals. Secondly, the nutritive value of a diet based largely on rice is unsatisfactory. To be adequate for health, such a diet must be supplemented by other foods which help to make good the deficiencies of rice in respect of protein, vitamins and mineral salts. Such foods are often called "protective" foods, and include milk and milk products, meat, fish, eggs, pulses, vegetables and fruit. Vegetable oil (usually mustard oil in Bengal) and sweet potatoes are not usually placed in the protective group, but they have certain useful properties. Sweet potatoes provide calories and some varieties are rich in pro-vitamin A. Vegetable oil, while it contains no vitamins, is a source of fat and the fat content of Indian diets is in general undesirably low. Further, one part of vegetable oil is equivalent, in calorie value, to about  $2\frac{1}{2}$  parts of cereal so that an assured supply of vegetable oil, sufficient to provide one ounce *per capita* daily, would have an appreciable effect on rice requirements.

2. In nearly all parts of India there is, in normal times, a scarcity of protective foods. The poorer classes live on an ill-balanced diet composed almost exclusively of cereals. Intake of protective foods rises with increasing income, but even middle class families may consume too little of them. In Bengal, at the present time, the scarcity and high price of protective foods have led to in general reduction in their intake, never sufficient from the standpoint of nutrition. This has affected mainly the middle classes, accustomed to some variety in diet. The Commission heard many complaints about the difficulties encountered by middle class families in obtaining milk, fish, vegetables, etc. The scarcity is felt less by the poor, who were used to go without such foods, or to consume them only in very small quantities. The fact, however, that their intake of protective foods may not have been greatly influenced by the scarcity does not indicate that their need for them is less than that of the middle classes. More protective foods are required, not only for those who can afford to purchase them in reasonable quantities in normal times, but for the whole population of Bengal.

In the case of rice and wheat fairly adequate data about supplies and distribution are available. The position with regard to various non-cereal foods is more obscure. We propose to discuss the situation in the light of whatever information we have been able to obtain.

3. **Pulses.**—Pulses are a valuable supplement to cereal diets since they supply protein and various vitamins. Bengal is normally deficit in pulses. The Government of Bengal were not able to provide the Commission with any figures relating to the normal production and import of gram (*Cicer arietinum*). Under the Revised Basic Plan nearly 62,000 tons were received in Bengal and the quantity allotted for the period May 1944 to April 1945 is 38,000 tons. It appears, however, that gram is not a popular pulse in Bengal, and a considerable proportion of the 62,000 tons remains unconsumed. A small part of the consignment of 38,000 tons was accepted, but the balance was cancelled at the request of the Government of Bengal since large stocks were already available in the province.

4. Imports of pulses other than gram during the years 1937-40 averaged 120,690 tons. Under the Revised Basic Plan, Bengal was allotted, in April 1944, a quota of 70,050 tons of pulses other than gram for the period November 1943 to April 1945. Previous to April 1944, 11,450 tons were obtained by special arrangement from various provinces and states, which were not debited to the quota of 70,050 tons. Roughly speaking, a quantity equal to about half the usual import is due to Bengal during the present financial year under the Basic Plan.

The quota as originally formulated included the following:

	Tons
<i>Dhal arhar</i> ( <i>Cajanus indicas</i> ) . . . . .	20,300
<i>Mung dhal</i> (Green gram, <i>Phaseolus radiatus</i> ) . . . . .	16,200
<i>Masur dhal</i> (Lentil, <i>Lens esculenta</i> ) . . . . .	12,350
<i>Khesari dhal</i> ( <i>Lathyrus sativus</i> ) . . . . .	20,000
<i>Urd</i> (Black gram, <i>Phaseolus mungo</i> ) . . . . .	1,200

5. The most popular pulses in Bengal are *masur dhal* and *mung dhal*. Of the pulses included in the allotment, *khesari* and *urd* are in no demand, and the Government of Bengal surrendered the quotas of these pulses. They asked the Government of India to reduce the quota of *dhal arhar* by half and raise those of *masur dhal* and *mung dhal* to 40,000 and 20,000 tons respectively. While these negotiations were proceeding the actual import of pulses into Bengal was small. Up to November 1944, nothing was received except some quantities of *masur dhal* from Bihar.

6. The pulse position in Bengal cannot, therefore, to put it mildly, be regarded as satisfactory. The Commission, during its tours in various parts of India, observed lack of direction and co-ordination with regard to the supply of pulses. In some provinces there was a glut and in others a shortage, and demand and supply appeared to be uncorrelated. Existing difficulties seem to be partly due to lack of knowledge of local preferences for different kinds of pulses. These are important, since local methods of cooking are often based on the use of certain familiar pulses and people may be as reluctant to change their favourite pulse as their staple cereal. There is also some lack of knowledge about the supply and distribution of pulses in normal times.

It is the task of the Government of Bengal to encourage production within the province of the various pulses which the population requires. The despatch of pulses to Bengal under the Basic Plan is, however, the responsibility of the Government of India and the provinces concerned. The whole position needs to be clarified and the existing chaos reduced to order.

7. **Fish.**—More fish is consumed in Bengal than in most other provinces in India. The many rivers, large and small, which flow through the province abound in fish and the mouths of the great estuaries are exceptionally rich fishing grounds. There are also numerous tanks which are a good source of fresh-water fish. Both fresh-water and salt-water fish are important; about 40 per cent of the fish reaching the Calcutta market in 1941 was sea fish and the remainder fresh-water fish.

During 1943 and 1944 there has been a serious scarcity of fish and prices have been high. In April 1944 the price of common varieties sold in the Calcutta market was 2 to 3 times in excess of the pre-war level. The present position is due to a variety of causes. First, the removal of boats under the Denial Policy, and the restriction on the movements of boats, affected the fishing industry in the greater part of the estuarine area. Secondly, fishermen were among the classes seriously affected by the famine. Considerable mortality occurred amongst them and many, reduced to destitution, have not yet been able to resume their trade. A good many have found other employment. Thirdly, there are difficulties in obtaining motor boats, and petrol and kerosene

for the few motor boats that are available. Ordinary boats are also in short supply. Fourthly, there is a shortage of yarn and water-proofing material for nets. Fifthly, transport of fish from the fishing grounds is affected by the prevailing conditions on the railways, the lack of motor boats and shortage of ice. Lastly, there is a considerable military demand for fish and ice which reacts on the civil markets.

**8. The Denial Policy.**—An account has already been given of the removal of boats under the Denial Policy. Both large and small boats are used for fishing in the estuarine area. In 1942 most of the larger fishing boats were taken away and the movement of all boats was restricted. In normal times fishing boats may go 10 or 15 miles out to sea. By degrees the restrictions have been relaxed. Except in certain localities, boats are now allowed to go up to 8 miles from the shore and a number of fishing boats requisitioned under the Denial Policy are now in use again. These are being supplied to fishermen either free or on a hire-purchase system. The provision of loans and subsidies to fishermen to enable them to buy boats and fishing apparatus is an important item in the rehabilitation programme. No information is available to the Commission about the construction of new fishing boats.

**9. Motor boats.**—Motor boats are not used to any extent in actual fishing operations in Bengal, which remain primitive and undeveloped. The chief function of motor boats is the transport of fish and ice to and from centres at which fish is collected. While the number of motor boats employed in this way was not large, those engaged in the trade played a useful part in supplying the Calcutta market. During 1942 motor boats and launches were requisitioned for military purposes and have not been returned. Attempts are being made to secure their return and to put a few boats, which are lying idle, into commission. For running motor boats petrol and kerosene are necessary, and this, it appears, involves further difficulties under present conditions.

It is the Calcutta market which is mainly affected by the lack of motor boats. For the provision of fish in villages and towns remote from the main fishing centres and markets, the rehabilitation of fishermen operating in small craft is the chief necessity.

**10. Nets.**—The yarn needed for the manufacture of nets is in short supply and what is available is so expensive as to be beyond the means of the average fisherman. Many nets previously in use have perished during the last two years. Water-proofing is necessary to preserve nets and for this purpose coal-tar is the most satisfactory material. In normal times it was transported from Calcutta to the important fishing centres, but now it is unobtainable. Various local tanning materials, such as gab fruit and saran bark, are used for water-proofing; these are reasonably effective if not as good as coal-tar. The Controller of Supplies, Government of India, was approached in June 1944, for supplies of coal-tar for the Bengal fisheries. He replied that coal tar was unprocureable and suggested the use of a preparation of bark called "cutch". Supplies of the latter were available in Bareilly in the United Provinces. Cutch cannot be used for nets once water-proofed with coal-tar, but appears to be reasonably satisfactory for application to new nets. After some delay two wagon-loads of cutch were obtained from Bareilly in October, 1944.

**11. Ice.**—Ice is essential for the transport of fish to the Calcutta market. Nearly all the ice factories are in Calcutta. Previous to the war, ice factories were established at various fish-collecting centres, but most of those within easy reach of Calcutta had to close down owing to underselling on the part of the Calcutta factories. The present position is that there is little production of ice outside Calcutta, while the factories in the Capital cannot meet the military and civil demand. The Government of Bengal have allotted a quota of 120 tons daily for military use, a quantity which is actually considerably below estimated requirements. The demand for ice in military hospitals in the hot climate

of Bengal is heavy. The Director of Fisheries, Bengal, stated in evidence that within 40 miles of Calcutta fish was being thrown away for lack of ice. Salt for fish preservation is also in short supply. Late in 1944 an Ice Control Board was set up, with the functions of controlling the production and distribution of ice and of allocating available supplies, and an Ice Controller was appointed.

12. **Railway transport of fish**, which is affected by the shortage of ice, is by no means satisfactory. Insulated wagons are not available. A number of trains carrying fish have been cancelled without alternative arrangements being made for its transport. Trains often run late, to the detriment of so perishable an article of food as fish. Arrangements for loading and unloading fish at railway sidings are defective. Railways in Bengal are at present under heavy strain owing to the additional demands imposed by the war. We would, however, ask the Railway Board to do whatever is possible to improve and accelerate the transport of fish.

13. **Military demand.**—The amount of fish purchased by the Army in Calcutta is only a small fraction of the total quantity estimated to reach the Calcutta market in normal times. It is probable, however, that military demand has been a serious drain on supplies reduced by the conditions in the fishing industry which we have described. In 1944 there was some controversy, into which we need not enter, between military and civil authorities about army purchases of fish. Steps are now being taken by the military to develop their own sources of supply and thereby relieve the Calcutta market.

14. **Tank fisheries.**—A considerable development of tank fisheries is contemplated by the Government of Bengal. Such fisheries in general, supply local demand, so that problems of storage and distribution do not arise. The project involves the cleaning of tanks, their stocking with fish fry, and periodic draining to ensure aeration of the floor of the tank to prevent the formation of poisonous gases. As a preliminary experiment, fry is being distributed free in certain areas in the Sunderbans to villagers who have cleaned their tanks and embanked their paddy fields to make them suitable for fish culture. It is hoped that the encouragement of tank fisheries will considerably increase the fish supplies of the province.

15. **More fish.**—The potential supply of fish in Bengal is enormous. While an increase in the production of milk and meat presents great difficulties, fish is there waiting, so to speak, to be caught and eaten. Meanwhile, for reasons which we have briefly outlined, fish is scarce and dear. Of all measures designed to improve nutrition in Bengal the resolution of the present difficulties in the fish trade, and the development of fisheries generally, are perhaps the most promising. The Commission is glad to note that the Government of Bengal have taken the preliminary step of strengthening the Fisheries Department. In 1942 the Department consisted of a Director of Fisheries and two District Fishery Officers. It is now proposed to employ, in addition to the Director, 4 Deputy Directors, 8 Superintendents, 32 District Fishery Officers and 90 Fishery Demonstrators.

The immediate difficulties regarding nets, motor boats, ice and transport do not appear to be beyond solution. The case for the supply of the necessary materials from within India or abroad is a strong one. We feel that immediate steps should be taken by the Government of Bengal and the Government of India to obtain motor boats, the necessary machinery and materials for the construction of additional ice factories, water-proofing material for nets, and whatever else is needed for the reorganization of the fishing industry in Bengal. Military and civilian demand could be more amicably adjusted and plans laid to turn channels of supply developed by the Military to civilian use when the war is over. Closer co-ordination between military and civil authorities with regard to fish supplies is obviously desirable.

16. **Milk.**—In the "Report on the Marketing of Milk in India", published in 1940 by the Central Agricultural Marketing Department, the daily *per capita* consumption of milk and milk products in Bengal is estimated as 2.8 oz. This is a low figure, which may be compared with 15.2 oz. in the Punjab, 40.3 oz. in Denmark, and 55.6 oz. in New Zealand. The same report gives the daily *per capita* milk consumption in Calcutta as 3.8 oz. In normal times the milk supply of Bengal was in fact grossly inadequate, and a large proportion of the urban and rural populations consumed no milk at all.

During the last two years supplies of milk and milk products have been reduced for various reasons and prices have risen. In the famine year there was high mortality among cattle owing to disease and inadequate feeding and care. Bengal normally imports cattle from neighbouring provinces, but exports are now prohibited by these provinces. Bihar has recently agreed to the export of a very small number. The slaughter of cattle for meat may also have reduced milk supplies to some extent. Bengal's consumption of butter and ghee was normally in excess of production, the balance (some 688 and 12,858 tons in the case of butter and ghee respectively) being obtained from provinces which now restrict their exports. In 1944 the Governments of the United Provinces, Bihar and Madras were asked to allot export quotas from these provinces to Bengal. As a result 440 tons of butter were obtained from Bihar and 1,837 tons of ghee from the United Provinces.

The Government of Bengal have themselves prohibited the export of milk and milk products from the province except under permit. To conserve the cattle population a Meat Control Order enjoining two meatless days per week throughout the province has been issued.

17. The increase in the population of Calcutta has accentuated the demand on the city's limited milk supply. Military purchases of milk are of importance in Calcutta, and in other places in Bengal. The Army consumes large quantities of tinned milk, imported from abroad, but fresh milk is also consumed, particularly in hospitals; actually some 50 per cent of the total military consumption of milk is in the form of fresh milk. In one important town the military offtake of fresh milk amounted in 1944 to 102 tons monthly, which must represent a considerable proportion of the total milk supplies available. Some 75 per cent of the total military requirement was, however, being provided in the form of tinned milk.

18. The total production of milk in Bengal can be substantially increased only by far-reaching developments in agriculture and animal husbandry. Improvement in milk marketing is also essential to the growth of the dairy industry. Meanwhile the existing problem of scarcity and high price has to be faced. Among the immediate measures which would help to relieve the situation are the following: An increase in the import of milch cattle and dairy products; prohibition of the use of milk for non-essential purposes; a rationing system whereby infants, young children, and expectant and nursing mothers are given prior claims on available supplies; a reduction in military demand.

19. With regard to imports, we may urge that other provinces should consider sympathetically the requirements of Bengal, where the need for nourishing food is particularly pressing, in respect of cattle and milk products. We understand that the Government of Bengal contemplate prohibiting the manufacture of luxury articles, such as ice-cream, for which milk is required. This has already been done in Bombay. Such a measure would not, of course, increase total supplies, but it would presumably have some effect towards making more fluid milk available and reducing its price.

20. The Commission was very favourably impressed by the Bombay Municipal Corporation's scheme for the distribution of milk to infants, initiated in 1944. Under this scheme, which is financed by the Government of Bombay, 8 oz. of milk daily can be bought at half price by those entitled to benefit.



The actual cost of this quantity is  $1\frac{1}{2}$  annas. Milk cards are issued at Rationing Offices in the different wards and the milk is issued to card-holders in the early morning at numerous distributing centres, in return for cash payment. The supplies for the various centres, bought from contractors, are inspected by the Health Department of the Municipality to ensure their freedom from adulteration. At the beginning of January 1945 the scheme was extended to include children up to 6 years of age and expectant and nursing mothers. At that time 36,705 milk cards were registered under the scheme and about 18,500 lbs. of milk were being distributed daily at 192 centres.

21. We hope that other municipalities in India will follow the lead of Bombay. The first step would be to discover whether sufficient quantities of milk are obtainable and, if they are not, to reorganize the milk supplies of the municipality concerned in order to provide them. There is nothing to prevent card-holders re-selling the milk at market prices, but it is assumed in Bombay that family affection will ensure that the milk reaches the child for whom it is intended in the great majority of cases, and little evidence of abuse has been obtained. We realize that conditions in Calcutta and Bombay are not the same. Milk supplies in Calcutta are probably smaller, in relation to the size of the population, than in Bombay, and for various other reasons the organization of a scheme of this nature might tax the resources of the Calcutta Corporation. Nevertheless we feel that the authorities in Bengal should give the matter their earnest attention.

22. Military demand can be reduced by the greater use of tinned milk and the development of military dairy farms. Nutritionally speaking, imported tinned milk is generally superior to local fresh milk and there is no objection to its use in military hospitals. Soldiers, however, get tired of tinned milk and relish fresh milk for a change. The quantity of processed milk which can be made available for military use in Bengal depends on the supplies of the United Nations, the distribution of which is a matter of high policy with which we have no concern. We can, however, suggest that there is a strong case for relieving local markets in Bengal as far as possible of military demands for milk.

23. **Meat.**—As compared with fish, meat is not an important food in normal times in Bengal. Its present dearness and scarcity seriously affect only the small section of the population accustomed to consume it regularly. The reasons for its scarcity are very similar to those which have led to a shortage of milk. Though the bulk of army consumption of meat has been in the form of tinned meat and meat imported from other provinces, the military demand on local supplies has been very considerable. It is now, however, being reduced. Schemes for breeding pigs and poultry for army purposes have been developed and it is anticipated that by the middle of 1945 frozen meat will be available in substantial quantities.

We are informed that Regional Control Boards consisting of civil and military representatives have been, or will be, set up in each division to control available supplies of fresh meat. The Bengal Government have urged the military authorities to reduce Army consumption of local meat to the greatest extent possible.

24. **Eggs.**—Eggs, always an expensive article of diet, were in 1944 almost beyond the means of all but the wealthy. The estimated annual production in Bengal in 1938 was some 500 million eggs, which works out at less than one egg per month per head of population. Military demand, including the large American demand, amounts to a considerable fraction of total production, though the Army cannot obtain all the eggs it requires. Steps are being taken by the military to increase supplies of eggs by the creation of duck farms. It has been found that ducks are less liable to disease in Bengal than poultry, and easier to handle generally. We commend to the Government of Bengal the

idea of encouraging duck-rearing in the province, on the basis of the experience gained in the military venture.

The export of poultry and eggs from Bengal is now controlled, no one being allowed to take more than one bird and 6 eggs out of the province, except under permit. We understand that the Government of Bengal are now taking some steps to develop poultry farms and encourage the rearing of poultry in villages.

**25. Vegetables.**—Both Indian vegetables and vegetables of the European type are produced and consumed in Bengal. The latter grow well anywhere in the province during the cold weather and can be grown in the hills throughout the year. In 1944 there was a shortage of all kinds of vegetables for the civilian market, and prices in Calcutta were 2 to 3 times in excess of the pre-war level. A large farm for the production of vegetables for the Army has been created in Darjeeling, a small proportion of its produce being available for the civilian market. The Bengal Government have also developed vegetable farms in Darjeeling and a scheme has been sanctioned for the creation of farms in other centres. It is proposed to put 5,000 acres near Calcutta, and 1,000 acres somewhere in East Bengal, probably near Dacca, under cold weather vegetables. No serious attempt has been made by Government to control the price of vegetables.

**26.** The supply of home-grown potatoes in Bengal is normally insufficient for the needs of the province. The average annual imports from 1937 to 1942, which included imports from Burma, were about 62,000 tons. Since 1942 the import from Burma, which amounted to 40 per cent of the total imports, has ceased, and provinces which previously supplied potatoes to Bengal have restricted or prohibited exports. A small export to Bengal was allowed in 1944 by the Government of Madras, and in September 1944, the Government of Bihar temporarily removed the ban on exports. The shortage of seed potatoes is an obstacle to an immediate increase in the production of potatoes within the province. Sweet potatoes are widely grown in Bengal, but no data about the quantities produced are available. Their price in the Calcutta market in 1944 was one to three annas per pound. Ordinary potatoes were selling at about 8 times this price.

**27.** The present scarcity of vegetables of all kinds obviously calls for a vigorous "grow more vegetables" campaign. We feel that this is an important matter which should receive the special attention of Government. As regards control of price, we would draw attention to the fact that in England the price of vegetables has been fixed by the Government, although the Government does not itself purchase vegetables for distribution, and that prices have been successfully kept in check. Vegetables are rapidly perishable. If reasonable prices are fixed and made known to the public, and the public learns to insist on paying no more than the fixed rate, opportunities for refusing sale and subsequent disposal in the black market are limited. In Bombay vegetables are sold at fixed rates in ration shops. The sale of even a limited quantity of vegetables at controlled prices would help to keep the general price level down. We have little information about the fruit position; but it appears that fruits, like vegetables, are scarce and dear. The quantities reaching the Calcutta market are considerably less than before the war. The scarcity is no doubt due to approximately similar causes to those which have reduced supplies of other supplementary foods.

**28. Mustard oil.**—About half of Bengal's supply of mustard seeds for the manufacture of oil formerly came from other provinces. Here again, imports have almost entirely ceased owing to embargoes on export imposed by other provinces. The actual quantity imported annually from 1937 to 1942 averaged