

A COMPARISON OF ESTIMATES OF CONSUMER EXPENDITURE ON FOODGRAINS BY NATIONAL SAMPLE SURVEY AND AGGREGATE SUPPLY DATA

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The National Sample Survey (hereafter referred to as NSS) started collecting data on consumer expenditure as a part of a country-wide multi-purpose survey in 1949-50. Since then, they have conducted several rounds of the survey of which the results of seven rounds are readily available in published form. These seven rounds cover a time period of about five to six years. This paper is concerned with NSS estimates of foodgrains expenditure. It seeks to compare these with official figures of output of foodgrains as published by the Ministry of Food and Agriculture.

The disparity between the two sets of figures was pointed out by NSS General Report 1 on the first round and, since then, has been the subject of a controversy. The NSS, from its inquiries, estimated not only consumer expenditure on foodgrains of rural households but also the quantity of foodgrains consumed. (This was discontinued in the second round, which of course complicates the task of comparison.) It estimated per capita rural consumption of foodgrains at 202.74 seers annually and, estimating rural population at 290.58 million in December, 1949, the midpoint of the period, arrived at estimated rural consumption of foodgrains in total of 54.10 million tons. To this, it added a very minimal estimate of urban consumption of foodgrains of 7.66 million tons and arrived at total foodgrains requirement of 61.76 million tons. The official figures for production of foodgrains as provided by the Ministry of Food and Agriculture gave an average for the period 1949-50 of 48.15 million tons, including grams and 44.05 million tons, excluding grams. If estimated imports of foodgrains, which stood at 3.01 million tons for the period were deducted from requirements, the net divergence of estimated requirements from estimated output was 10.60 million tons, including grams, and 14.60 million tons, excluding grams. Such a wide disparity was thought to be "absurd" and the NSS report arrived at the conclusion that the production figures were

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