

Private sector participation in marketing

†1103. SHRI UDAY PRATAP SINGH: Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Government are considering to increase private sector's participation to develop marketing of agricultural crops;
- (b) if so, whether Government are considering to reduce the utilities of agricultural crop marketing committees and wholesale markets/Mandis;
- (c) if so, whether Government have consulted State Governments in this regard;
- (d) if so, the number of States which have given their consent therefor; and
- (e) if not, the reasons for not taking the States into confidence?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) Setting up of Agricultural Markets is a State subject. In the existing law dealing with agricultural marketing (APMC Act) the State Government alone is empowered to initiate the process of setting up of markets for agricultural commodities in notified areas. The processing industry cannot buy directly from the farmers. The farmer is restricted from entering into direct contract with any manufacturer as the produce is required to be canalized through regulated markets. These restrictions are acting as disincentive to farmers, trade and industries. The State Governments have, therefore, been advised to bring reforms to the APMC Act to allow direct marketing and contract farming and to permit setting up of competitive markets in private and cooperative sectors.

(b) No, Sir. The aim of the reforms is to develop alternative competitive markets in private and cooperative sectors so as to provide freedom to farmer to sell his produce in the market providing better prices/services. These markets would operate in addition to existing structure of regulated markets.

(c) Yes, Sir. National level Conferences with the State Governments were organized at New Delhi on 7.1.2004 and at Bangalore on 19.11.2004 in order to evolve a consensus on the reforms required in the agricultural marketing sector.

(d) All the States have in general agreed for bringing about proposed reforms in the Agricultural Marketing sector. The States of Madhya Pradesh, Maharashtra, Karnataka, Uttar Pradesh and Punjab have already amended their APMC Act/Rules for promoting contract farming and direct marketing and/or for permitting private and cooperative investments etc. for setting up of agricultural markets.

† Original notice of the question was received in Hindi.

The APMC Act of Tamil Nadu already provides for suggested reforms. The States of Haryana, Rajasthan, Orissa, Nagaland, Assam, Mizoram, Arunachal Pradesh, Tripura, Chhattisgarh, Meghalaya, Gujarat, Uttaranchal and J&Ktiave also initiated action for requisite reforms.

(e) Question does not arise.

Declining production

1104. SHRI RAM JETHMALANI:

DR. MURLI MANOHAR JOSHI:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the rates of productivity in agriculture sector especially that of wheat in the country has been on the decline for some decades;

(b) if so, the details of the productivity growth rates in the country being assessed during 80s, 90s and from 2000 to 2004; and

(c) the reasons for the decline thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) No, Sir. The productivity of major crops/ groups of crops like wheat, rice, foodgrains, oilseeds and commercial crops like cotton, sugarcane and jute and mesta show upward trend. However, due to weather related factors there have been significant decline in production and productivity in some years.

(b) and (c) The average productivity of wheat, rice, foodgrains, oilseeds and commercial crops like cotton, jute and mesta and sugarcane during 80s, 90s, and 2000-01 to 2003-04 are given below:

Average Productivity (in kgs/hectare)

Crop	1980-81 to 1989-90	1990-91 to 1999-2000	2000-01 to 2003-04
Wheat	1874	2496	2699
Rice	1431	1852	1959
Foodgrains	1130	1525	1657
Oilseeds	635	832	876
Cotton	179	237	219
Jute & Mesta	1353	1731	1942
Sugarcane	58418	68124	64907