

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE & FARMERS WELFARE
DEPARTMENT OF AGRICULTURE & FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 2582
TO BE ANSWERED ON THE 2nd AUGUST, 2022

AGRICULTURAL EXPENDITURE

2582. SHRI PARBATBHAI SAVABHAI PATEL:
SHRI NARANBHAI KACHHADIYA:
SHRI DEVJI M. PATEL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether it is a fact that the expenditure on fertilizer, seeds, irrigation, ploughing of fields, harvesting, freight etc. is increasing but the price of the crop is not fixed in the ratio of expenditure;
- (b) whether the Government does not ensure the procurement of crops on the prices fixed and as a result of which small and marginal farmers are continuously bound to leave farming;
- (c) if so, the number of farmers who have migrated by giving up farming in the country during the last three years particularly in Gujarat and Rajasthan;
- (d) whether the number of agricultural labourers in the country including Gujarat and Rajasthan is deteriorating in an alarming manner and if so, the total number of agricultural labourers; and
- (e) whether the Government is considering to link the agricultural labourers with MNREGS to stop the migration of small, marginal farmers and agricultural labourers and if so, the details thereof?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): While recommending Minimum Support Price (MSP), Commission for Agricultural Costs and Prices (CACP) considers important factors like cost of production, overall demand-supply situation, price trends in domestic and global prices, inter-crop price parity, terms of trade between agriculture and non-agriculture sectors, likely impact of the price policy on the rest of the economy, rational utilization of land, water and other production resources and a minimum of 50 percent as the margin over the weighted average cost of production.

CACP, projects the cost of production for the current year on the basis of actual paid out costs, imputed value of family labour and Composite Input Price Index (CIPI). CIPI measures the change in input price over previous year and is based on latest price of major inputs like human labour, bullock labour, machine labour, fertilisers and manures, seeds, pesticides and irrigation.

Moreover, The Government in its Union Budget for 2018-19 had announced the pre-determined Principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards.

(b): Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. In addition to this, Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Umbrella Scheme of PM-AASHA, as per extant guidelines.

(c) & (d): According to the Periodic Labour Force Survey (PLFS), 2020-21, the Worker Population Ratio (WPR) for rural population in the State of Gujarat and Rajasthan increased to 60.7 percent and 59.7 percent in 2020-21 from 52.1 percent and 53.2 percent in 2018-19 respectively. At all India level WPR for rural population increased to 55.5 percent in 2020-21 from 48.9 percent in 2018-19.

Further, Unemployment Rate (UR) for rural population according to usual status for Gujrat and Rajasthan has reduced to 0.8 percent and 3.5 percent in 2020-21 from a level of 3.2 percent and 4.6 percent in 2018, respectively. At all India level UR for rural population according to usual status reduced to 3.3 percent in 2020-21 from 5.0 percent in 2018-19.

(e): Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a demand driven wage employment programme which provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. It provides livelihood security, i.e. fall back options for livelihood for the rural households, when no better employment opportunity is available and mitigates to some extent push factors for migration.
