

53rd MEETING OF THE NATIONAL DEVELOPMENT COUNCIL

ADDRESS BY SHRI TARUN GOGOI CHIEF MINISTER ASSAM

NEW DELHI 29. 05. 2007 Respected Prime Minister, Hon'ble Deputy Chairman, Planning Commission, Hon'ble Members of the NDC, Members of the Union Cabinet, Distinguished Delegates

It is my privilege to address this 53rd Meeting of the National Development Council where the problem of development of the core sectors viz. Food and Agriculture, which has not shown a positive trend of growth during last several years, is going to be discussed. It is indeed a problem not only for the state of Assam but also for the whole country where the economy is essentially agrarian and where the majority of the population has agriculture as their main occupation. Poverty and unemployment can be eradicated only when agricultural productivity and production is increased. As such, the states and the Central Government will have to put their acts together to identify the problems of development and will have to adopt specific measures to address these problems during the 11th Plan period to make the country self sufficient in food I am very happy that the Sub-Committee constituted by the National Development Council has, in a very short time, made an excellent analysis of the present scenario and made valuable recommendations.

2. The agriculture development in Assam has suffered due to various problems ever since the independence. Immediately after independence, Assam had to deal with the problem of refugees, which arose due to partition. Thereafter, the earthquake of 1950, Indo China war of 1962, Indo Pakistan war of 1965 and Bangladesh Liberation war of 1971 damaged the economy of the region in succession and put the entire development to a halt. The negative trend in the growth of economy has aggravated the poverty and unemployment problems of the state. This also resulted in growth of insurgency from 1979. The impact of green revolution that took place from sixties onward could also not have its impact in Assam. As a result, the first stage of development process i.e. Agriculture development could not take place in the state like other parts of the country. Later on, the priorities for the state diversified and along with the development of agriculture we had to take care for the development of Industry and due to paucity of resources the growth of the

priority core sector of agriculture could not be given its due. Now the perspective for development in the country has further shifted from Industrial development to knowledge based Information & Technology sector and we have to put our resources in this sector also to keep This has left the Agricultural pace with the times. Economy in a rather stagnant position. The available data on trend of economic growth shows that although overall growth rate of the state economy has improved from 3.2% during Eighth Plan to 5.59% at the end of the 10th Five Year Plan, the Agricultural growth rate has declined from 1.13% to -0.27%. The performance in the Industries and Services sector has however been encouraging. The need of the hour is therefore, to correct this distortion in the sectoral growth and ensure that the food production is increased to make the state self-sufficient and if possible export the surplus, may be after processing of agriculture products.

3. Attention, therefore, has to be focused on Agriculture and its Allied sectors consisting of Animal Husbandry and Veterinary, Soil and Water Conservation

and Co-operation. Besides, Irrigation, Flood Control and Rural Connectivity are also the important areas which contribute towards development of Agriculture and need to be attended simultaneously.

4. Flood and erosion, inadequate irrigation facility, low level of use of fertilizer and High Yielding Varieties of seeds, low availability of farm power, poor post harvest technology, absence of adequate extension systems, poor marketing infrastructure, inaffordability of farmers farming technology adoption of modern inadequate credit support are the major problems which hinder the growth of agriculture in the state. I am happy that the Sub-Committee has not only recommended specific measures for the Zone which includes Assam but has also suggested that the state specific plan based on these recommendations be prepared. I am sure that if this plan is prepared in consultation with the state and implemented quickly, it will immensely benefit us and help us in achieving the growth targets fixed for the 11th Plan.

Planning Commission, in their Approach Paper for the 11th Five Year Plan have fixed the growth target for Agriculture at 4% for the country. The target fixed for Assam under Agriculture sector is 2%. To achieve the targeted development of 2% growth in Agriculture from the existing level of -0.27%, will require huge investment. I appreciate the suggestion made by the NDC Subcommittee to provide higher allocation in Agriculture. In this regard, I would like to mention that the percentage of allocation of plan fund under "Agriculture and Allied activities" in 2006-07 was 5.49% which has been increased to 8.11% during 2007-08. This is however against the total allocation of the Plan, a major chunk of which is otherwise earmarked. If this earmarked portion is not taken into account, the allocation would become 9.65% in 2006-07 and 11.38% in 2007-08. In spite of our intention to increase this allocation further, we are constrained not to do so because of resource problem. It may be pointed out that a good amount has to be allocated for flood control, irrigation and maintenance of rural connectivity, which is unavoidable for the growth of agriculture and which invariably reduces direct investment

in agriculture. In this context, I welcome the observation of the NDC Sub-Committee to increase Central Sector Public Investment and to provide Additional Central Assistance through the Ministry of Agriculture to address the problem of inter and intra imbalances. strongly regional Ι support the recommendations of the Sub-Committee that higher public investment will have to flow to the resource strained states which even after allocating higher proportion of their total plan budget to the agriculture sector are not able to meet the requirement of this sector. The increased central sector public investment will have to aim at addressing the issue of state regional disparities in agricultural development and meeting national goal of food security.

6. Paddy is the main crop of Assam but the area under paddy has declined from 24.54 lakh Ha. in 1998-99 to 23.85 lakh hactres in 2005-06. The production and the average yield rate of paddy have increased only marginally over the last several years. To increase the production and productivity, the state Government has already adopted a

State Agricultural Policy in the year 2004 to deal with the situation effectively. A clear strategy has been drawn for assured irrigation facility, farm mechanization, diversification of agriculture, marketing of agricultural produces, extension of agricultural credit, crop insurance and creation of maximum potential for employment generation.

- 7. We have always felt the need of price support for paddy in the state to encourage higher level of production. It is our considered opinion that only a procurement scheme operated by the Government would motivate the farmers to go for higher production and a suitable policy for this purpose should be put in place as early as possible.
- 8. Promoting the Rabi crops as the engine for agricultural growth and commercialization of agriculture in Assam would be the two pronged strategy for achieving the desired growth target of 2% in the agricultural economy during 11th Five Year Plan. The Kharif season, which is the main crop season in Assam, is subjected to

natural risks like flood and high humidity. Farmers not like to take risk of investment in improved agricultural inputs for the reason of uncertain returns in view of floods and pest attacks. Thus, for risk management more funds are required for crop insurance to safeguard the interest of the cultivators. In this connection, recommendation made by the Sub-Committee is welcome and I suggest that the insurance scheme for the state of Assam should be designed specifically in the light of the problems faced by our farmers in getting the benefit of insurance. The large population of wild elephants in Assam and its neighboring hills is also a factor which should be taken care of in any insurance scheme applicable to the State.

9. At present only 21.48% of the net cultivable area in the state is covered under Irrigation and we intend to increase it to 50% during the 11th Plan period. To achieve this, Minor Irrigation through installation of STWs and LLPs and completion of ongoing Major & Medium Irrigation projects are the need of the hour. The state has already installed 2.3lakh STWs and it is proposed to

install additional two lakh STWs/LLPs in the state during the 11th Plan. Adequate investment would be required from State Plan and through Central Assistance for this purpose. I support the recommendation of the Sub-Committee to cover the selected projects under AIBP and restructuring of the AIBP with a view to better monitoring and quicker returns on the investment. Entire requirement for completing 7 major- medium projects and 39 minor schemes should be provided to us during 11th Five Year Plan.

I welcome the suggestion of the Sub-Committee 10. for providing a legal frame work for Participatory Irrigation Management and strengthening of water users association in the states. In fact we have a system of user association and user charges in place but for different reasons it is yet to become effective. We are trying to improve the conditions that may improve the compliance in this regard and I am sure that better results would be achieved after the ongoing Major/Medium Irrigation projects are completed and farmers get reliable supply.

- 11. Assam do not have any National Irrigation Project although there is enough potential to be tapped for irrigation in this region. The Hon'ble Prime Minister has been generous in suggesting establishment of North East Water Resource Authority to address effectively the problem of floods and irrigation. Unfortunately this Authority has not been able to take off and in my opinion it is high time that we take steps to operationalize it. This Authority may also be entrusted with the task of handling the problem of erosion, which is reducing the cultivable areas in the state substantially.
- 12. We are revamping 754 Primary Cooperative Credit Societies [PCCS] operating at the grass root level. At the first instance Rs. 20.83 crore has been provided for liquidating the principal debt of the credit societies so that these societies can function as single window delivery point for all agricultural inputs to the farmers at their door step. The MOU for implementing the recommendations of the Vadyanathan Committee would be signed soon. With these reforms, the credit

flow to the farmers would improve in the coming years. The recommendations of the Sub-Committee regarding debt settlement programme at the district level will receive our consideration.

- 13. Private enterprise in the state is already playing a role but it has not been able to make bigger investment in development projects. In the agriculture sector, though the potential exists, it is yet to be exploited by the private enterprise. We are encouraging the PPP mode of investment particularly for establishment of Food Processing Industries in the state. I welcome the liberalization of restrictions suggestion for statutory regulations on Food Processing Industries to promote development in this sector. I also support the recommendation of the Sub-Committee for promoting contract farming for the benefit of the farmers of the state and it would be our endeavor to implement this recommendation.
- 14. Marketing of agricultural produce is another area where we intend to go for Public-Private Partnership.

We have already amended the Agriculture Produce Market Act as suggested and we would like the private sector to enter in the area of cold chain development and marketing of perishable crops. We are also looking forward for Public-Private Participation in the area of quality seed production and introduction of new technology in various agricultural activities. I believe that such Public-Private Participation would need special policy intervention for the North East on the lines of North East Industrial Policy and I request the Ministry of Agriculture to take steps in this regard.

15. Animal Husbandry & Veterinary is another area where lot of improvement is required to attain self-sufficiency in milk, egg and meat production in the state. Almost 95% of the rural population owns livestock of one kind or the other but generates a little of the household income. Development of livestock and increase in production by continuous use of latest technology, changing the method of rearing of live stock from traditional to modern scientific methods on a commercial line, health security of birds and animals

with adequate supply of nutritious food and clinical services are vital to livestock development and increase of their products. We are making efforts in these directions.

The target proposed for Assam for production of 16. milk, egg and meat during the 11th Five year Plan are 6602 million liters, 4371 million numbers and 178.35 thousand tonnes respectively. Focused attention would be given for feed and fodder development, animal health care including prevention of diseases among birds during the 11th Plan period. Increased assistance in this regard through Central sector/Centrally Sponsored schemes for eradication of disease among birds and animals and development programme for poultry, integrated piggery, cattle and buffalo breeding and fodder development, setting up of animal feed mills will be required to increase productivity under this sector. We are in the process of evolving a land use policy which would adequately address to the problem of fodder production to support the cattle development programme in the state.

- State Government has given special emphasis for 17. production of piglets in the Government Pig Farms and it would be our endeavor to increase the production of pork. We would also like to focus attention on the development of goatery by establishing more goat farms and of poultry and duck in the state through Self Help Groups by adopting scientific farming. Meat processing plants would be set up to help the farmers in getting better returns for their products. To provide veterinary services for the farm animals existing Veterinary Hospitals, Dispensaries, First Aid Centers etc. in the state would be reconstructed/renovated and strengthened for adequate coverage. As the state plan resources may not be sufficient to take up this task, I propose suitable Central Assistance for this purpose.
- 18. Assam has around 3.7 lakh hectares of water bodies in the form of wetlands, beels, ponds and tank etc. including two major river systems: the Brahmaputra and the Barak and its tributaries. Against the estimated demand of 2.83 lakh MT of fish in the state at present, the

production is only 1.87 lakh MT. During 11th Five Year Plan, it is proposed to increase production in this sector by the use of modern technology, increased supply of fish seeds and adequate feed supply.

19. Fisheries present Assam Development (AFDC) manages 184 beels in the state Corporation covering 12,900 hectares. Out of these, 90 beels covering 6,537 hectares have so far been developed. The yield of AFDC managed beels has increased from 2677 MT. in 2002-03 to 4447 MT. in 2005-06. It may be mentioned that the private fish farmers in the state have been able to achieve the productivity of 1500-2000 Kg per hectare. On the other hand, the undeveloped beel fisheries are able to produce 200 Kg per hectare only. All underdeveloped fisheries will have to be developed to optimize their productivity as early as possible. The development of fish seed farms and training for farmers is required for this purpose and private enterprise in this sector would also be encouraged.

- State Government is aware of the new technological 20. development in the field of Agriculture Biotechnology. We propose to set up a "Bio-Technology and introduce Biotechnology courses Institute" Dibrugarh & Gauhati Universities. We have made a beginning in this direction by providing small amounts from state plan, but to expedite the process we would like to have the support of Government of India in this matter. I propose that, adequate financial support be provided to gear up the research activities in the field of agriculture in the state.
- 21. As mentioned earlier, we are planning to evolve a land use policy in the state and one of the objectives of this policy would be to double the income of the farmers by the end of 11th Plan. Towards this end, the policy would also provide for plantation of bamboo, rubber and 'jatropha' in the state alongside the requirements for ecological balance. The suggestions of the Sub-Committee regarding wasteland development through PPP mode would also be kept in mind while formulating the policy.

It is indeed a great achievement that the efforts 22. of NDC have brought all the major issues standing in the way of agriculture development and food security, to focus. The strategy suggested to implement its recommendations is praiseworthy and I suggest that it should be initiated immediately. action on Government of Assam would extend its cooperation to all the efforts of the Government of India in operationalising the plan prepared for this purpose.

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