



Address by
Ms. MAYAWATI
Chief Minister
Uttar Pradesh

At the Meeting of
NATIONAL DEVELOPMENT COUNCIL
May 29, 2007

Hon'ble Prime Minister, Deputy Chairman, Planning Commission, Members of the Council of Ministers and Members of the Planning Commission, the Chief Ministers of the States and other distinguished dignitaries.

We are thankful to the Prime Minister for convening this National Development Council meeting to deliberate on Agriculture and related issues. The agenda for the meeting is the report prepared by the Sub-committee of National Development Council. I thank the Hon'ble Agriculture Minister for the report which has drawn attention to a number of issues which require serious consideration.

2. This meeting is being held at such a time when we are required to give a new direction to the development of rural economy. Many important issues have cropped up which require serious thinking by all of us. Seventy two percent of the country's population depend on agriculture for their

livelihood. In spite of the fact that the country is achieving high growth rate, the condition of the farmer has not improved. Agriculture production is not increasing and the farmer is not getting remunerative price for his produce. If the farmer does not get remunerative price for his crop, he will never be interested in increasing the production and it is because of this, 40 % of the farmers would like to give up farming if they could find alternative means of livelihood. The share of agriculture in the Gross Domestic Product which was about 56% during the First Five Year Plan period has now declined to 18%.

3. Uttar Pradesh is a predominantly agriculture-centric state. It is therefore necessary for the State to strive for higher growth rate in agriculture. We have fixed a target of 5.7% in the Eleventh Five Year Plan for the agriculture sector. As agriculture has been accorded the highest priority in the State, all activities which contribute to increased production and productivity would be promoted. In order to achieve the target of doubling the income of the farmer during the Eleventh Five Year Plan, we need to promote diversification

of agriculture, Food processing and agricultural marketing in a big way.

4. The dream of second green revolution cannot be achieved without higher investment in the agriculture sector. For achieving higher investment, it is necessary to provide credit to the farmers atleast at the rate of 4%. Some other sectors like Khadi & Gramodyog are already getting credit at 4 % interest rate. But 70% of the people who are dependant on agriculture get credit at higher interest rate. As a result, they become heavily indebted. Only a perceptive improvement in their economic condition would improve the farmer's capacity for investment. Lower interest rates would reduce the cost of cultivation and consequently increase the profitability of agriculture. This would also free the farmers from the clutches of money lenders.

5. Agricultural research is an important area which could reduce the cost of cultivation and increase the production and productivity. Agricultural research has not received due importance so far. There are only three agricultural

universities in the State which are responsible for development of high yielding varieties and appropriate crop rotation for all types of land holdings in the nine agro-climatic zones of the State. The State needs nine agricultural universities to cater to the specific requirements of each agro-climatic zone.

6. About 90% of the farmers in the State are small and marginal farmers whose average size of holding is 0.39 ha. Efforts will be made to convert such small holdings into productive and remunerative units.

7. Traditional crop cycle based on paddy and wheat has created imbalances in the soil health which is affecting productivity. Farmers should be encouraged to undertake soil testing, balanced use of fertilizers, bio-fertilizers, NODEP and vermi compost to improve soil health and promote sustainable agriculture.

8. The availability of high yielding seeds at required quantities at reasonable price is of prime importance. Only

then the seed replacement rate can be improved substantially. There is a great possibility of production of certified seeds in the private sector, but small farmers are not in a position to buy such seeds due to high cost of production. Therefore, financial support is required for making certified seeds available to farmers at reasonable rates.

9. There are clear regional disparities in agriculture in the State. In the Western region, agriculture productivity is the highest while in the Eastern region it is very low. The Bundelkhand region, because of its geographical location is normally drought-affected but this region is suitable for cultivation of pulses and oil seeds. Our endeavour should be to reduce these regional disparities. Specific steps need to be taken to increase productivity in Eastern and Bundelkhand regions.

10. The earlier process of fixing minimum support price for the farmer's produce needs to be reexamined.

11. Under the crop insurance scheme, the assessment of

loss is made treating Nyay Panchayat as a unit for giving benefit to the farmers. Instead of the Nyay Panchayat, the Village Panchayat should be treated as unit for providing compensation to the farmers. Besides, the insurance premium to be borne by the small and marginal farmers in crop insurance scheme should be reduced keeping in view their economic condition.

12. It is necessary to promote small industries for value addition of locally produced fruits, vegetables, potato, mango, amla etc. This would require setting up of processing units closer to the farmers fields.

13. In order to promote export of surplus agricultural produce, we need to meet the stringent quality standards of the international market. Our farmers and exporters would have to be informed about the demands of international market as well as the prevailing market prices. Our exporters in the north Indian states would have to be adequately compensated for taking the produce to the sea-ports for exports. There is a need to make appropriate arrangements

for exports of perishable products at Lucknow International Airport. The Government of India would have to step-in to introduce refrigerated coaches for transport of perishable agricultural products to important destinations.

14. In order to provide remunerative price to farmers and to improve their economic condition, it is important to explore export avenues for processed surplus foodgrains, vegetables, meat, fish and poultry. Food processing is important for creation of additional employment potential and income. A flourishing food processing industry can act as a catalyst for agriculture diversification. Therefore, Government of India should take initiative to develop this sector.

15. Irrigation is an important factor in the development of agriculture sector. It is the endeavour of the State Government to complete all incomplete irrigation projects during the Eleventh Five Year Plan. The State Government proposes to increase the irrigation potential of surface water from present level of 21% to 33% by the end of the Eleventh Plan. For attainment of these goals, the State would require

liberal funding under the A.I.B.P. The State Government is also working towards a balanced and sustainable exploitation of ground water which forms the backbone of the irrigation system in the State.

16. Faulty management of water resources and lack of adequate drainage facilities have resulted in vast tracts of land getting water-logged in canal-irrigated command areas. It has led to declining foodgrain production and also problems of soil erosion and alkalinity. Uncontrolled exploitation of ground water is causing depletion of water level in some areas. Thus, the State Government proposes to undertake water recharge schemes. At the same time steps are also being taken to regulate uncontrolled exploitation of ground water.

17. Of the total irrigated area in the State, 68% is irrigated through private tubewells. Thus, the main source of irrigation is private tubewells. Only 13% of private tubewells are electrified while at the national level, the corresponding figure is 42%. Thus, farmers are forced to use high cost

diesel for running the tubewells. The running cost of a diesel operated tubewell is five times higher than the electrified tubewell. This adds to the production cost of the farmers in the State. The State needs heavy investment in power generation and distribution. Only then, supply of quality power to farmers can be ensured. The State Government is taking steps to improve the power situation in the State. But this will take some time and till such time, the farmer can be compensated only by providing remunerative prices for his produce. Government of India should take into account the higher expenditure being incurred by farmers of Uttar Pradesh while fixing prices of food grains.

18. Water is precious and it is a limited natural resource. Farmers need to be trained in water conservation techniques and ways to get optimum output per unit of water used. The traditional method of flood irrigation needs to be changed. Farmers need to be kept abreast of latest water management technologies and ways and means of checking loss of micro nutrients in soil. This calls for extensive dissemination of technology to farmers by agriculture scientists.

19. Animal husbandry, fisheries, poultry, dairy development, etc. can make significant contribution in increasing the income of farmers. Those engaged in animal husbandry should be encouraged to adopt new technologies. There is a need to utilize the services of non-governmental organizations in transferring latest technologies to those engaged in animal husbandry activities and adequate financial support should be provided for such activities.

20. Improvement of indigenous breed through artificial insemination and arrangements for high quality natural breeding can also lead to higher milk production and productivity. There is a major role for private vets in controlling animal diseases and improving animal fertility. There is a need to train a large number of 'Paravets' in this regard.

21. The State Government proposes to make the State self reliant in poultry products and promote meat processing

industries. The State Government also proposes to check the declining trend in fodder production and encourage farmers to produce nutritious and good quality fodder for the large number of milch animals in the State.

22. There is a need to make the milk collection process more transparent and provide proper remuneration to milk producers. Towards this end, the State Government proposes to set up Automatic Milk Collection Units and Bulk Milk Coolers in the villages. These will encourage both Milk Cooperatives as well as the private sector to make investment and use modern technology in collection and marketing of milk in an efficient manner.

23. Arrangement should be made for transportation of milk from remote areas to destination points so that milk does not get spoilt and its quality does not deteriorate. The State Government also proposes to encourage production of processed milk products in the State.

24. The State Government is also committed to use

available water resources for fish production and make the State self sufficient in production of fingerlings. Our priority will be to strengthen the infrastructure of fish marketing and to provide remunerative price to fishermen along with availability of fresh & high quality fish to consumers. In addition, the State Government will also encourage export of freshwater fish produce including processed fish and production of fresh water prawn, ornamental fish and cold water fisheries which have a niche market.

25. I wish to present certain other issues which are very important for the State:-

1. In Uttar Pradesh about 90% farmers are small & marginal farmers whose economic status is weak. The cost of irrigation is high due to the use of diesel-operated pump sets in the State. Hence, diesel should be made available to farmers at a reduced price and steps should be taken by Government of India to provide assistance to small and marginal farmers for developing

adequate irrigation facilities.

2. The State consumes about 12 lakh metric tonnes of DAP and faces acute shortage of DAP during the Rabi season practically every year. The main reasons for this include inter alia delay in import of DAP as well as delay in import of phosphoric acid by its manufacturers. Hence, the existing procedure for import should be simplified.
3. There is no railway rack point in nineteen districts of the State. This creates difficulties in ensuring timely supply of fertilizers in these districts. Government of India should take steps to resolve this problem.
4. Eastern Uttar Pradesh and Bihar face floods every year from the rivers emanating from Nepal. This causes heavy loss of life and property and also impedes development activities in these parts. Government of India should take up with Government of Nepal, the issue of flood control measures which include construction of water

storage structures in Nepal.

5. Fertilizer factories of Indian Fertilizer Corporation in Gorakhpur and 'Duncan Fertilizers' of Goenka group located at Panki, Kanpur are closed since long. Government of India should take steps to restart these factories.
6. State Government has signed M.O.U. with Government of India and signaled its commitment to implement the recommendations of Vaidyanathan Committee. State Government is likely to receive Rs.1900 crore from Government of India. Central Government should make arrangement to provide this assistance to State Government at the earliest so that the large network of cooperative societies in the State may be strengthened and activated.
7. At present, there are only three veterinary colleges in the State whereas on the basis of area & more than 6 crore livestock population in the State, there is a need to have more veterinary colleges in

the State. The State Government proposes to seek the support of Government of India in this regard:

8. According to Indian Farmers Commission, there should be one veterinary hospital for every 5000 livestock population. But at present, there is only one veterinary hospital for every 20000 livestock population in the State. Requisite financial support from Government of India is needed for setting up at least one veterinary hospital for 15000 livestock population.
 9. Full vaccination of animals in sixteen districts of the State has yielded good results and contributed to increase in animal produce. This programme is proposed to be extended to all the districts in the State. Government of India should make arrangements for supply of requisite number of vaccines to the State.
26. Sir, till economic growth is not matched by social growth, our development efforts will be in vain. The social

and economic condition of groups which have traditionally been excluded from the development process such as the Scheduled Castes/ Scheduled Tribes, Other Backward Classes and religious minorities and the poor among the general classes need to be improved and adequate opportunities should be provided to them. Government of India needs to transfer adequate resources to the States to enable the participation of these excluded groups in the 'inclusive growth' strategy of Eleventh Five Year Plan.

I am extremely grateful to the Hon'ble Prime Minister and other respected dignitaries for hearing me with patience and concentration.

Thanks