

Land Structure and Status of Land Holdings in Rural Punjab

Ranjana Sood

Department of Economics S.D.P. College for Women Ludhiana
E-mail: soodranjana@yahoo.com

Abstract—*The economy of the Punjab is largely dependent on agriculture and the state has contributed significantly towards strengthening India's self-sufficiency. Having distinction of being the pioneer of Green Revolution, Punjab is facing stagnancy in production and constant decline in primary sector's share in state GSDP. In this Paper, an attempt is made to analyze salient features of land structure and status of land holdings in Punjab. The structural shift in post-green revolution era has been in favour of large farmers. The marginalization of agriculture is responsible for declining share of agriculture in total state income in Punjab. The objective of the paper is to study the impact of agrarian structural shift on status of land holdings in Punjab. The paper is based on both secondary as well as on primary data. The structural shift in Punjab has been analyzed on the basis of secondary data available in NSSO Reports of different years, various issues of Agricultural Census of India and different reports of Statistical Abstract of Punjab. The status of land holdings in Punjab has been analyzed on the basis of primary data collected from different zones of Punjab. This chapter consists of three sections, the first section deals with land structure of agrarian Punjab and second section examines status of land holdings in Punjab and in third section conclusion and suggestions have been discussed.*

Keywords: *land reforms, green revolution technology, marginal farmers*

1. INTRODUCTION

During the Green Revolution period, Punjab experienced a technological change, which resulted in a vital change in productivity of the resources. The productivity of land increased manifold and the approach to farming has undergone a significant change. In the wake of new technology, Punjab experienced rapid growth in agricultural productivity since mid sixties. This progress has been made possible by speedy adoption of improved seeds, irrigation and increased use of non-conventional inputs like fertilizers machinery and pesticides supported by natural resource base of state.

Large farmers having better access to capital assets generally own these and financial resources now will be in a more favourable position vis-à-vis small farmers. This may even lead to the dominance of lease-market by this well-off section of the peasantry. Even some of the small peasants, lacking

capital, may also lease out their land to these farmers or increasing size of their operational holding by leasing in land.

In Punjab, majority of the population is dependent on agriculture for their livelihood. It is worth mentioning that the state is the pioneer of Green Revolution in the country and is among top ranking states in terms of per capita income and high monthly per capita expenditure; yet continue to face certain problems. The main concerns before the agriculture sector in Punjab according to the Economic Survey of the state are saturation in agriculture and erosion of soil health, over exploitation of scarce water resources, high incidence of debt on farmers, poverty and marginalization of agriculture.

2. OBJECTIVES

The main objectives of the paper are:

1. To study the changes in land structure in Punjab.
2. To examine the status of land holdings in Punjab.

3. METHODOLOGY

To achieve objectives of the paper, secondary data derived from reports of various NSSO rounds, Economic survey of India, various issues of Agricultural Census of India and Statistical Abstracts of Punjab have been used in the paper. Status of land holdings mined on the basis of primary data collected from different zones of Punjab.

The decade of 1970s has brought remarkable changes in the land relations in Punjab. Pure tenants are almost eliminated. The new pattern of tenancy is of capitalistic nature in Punjab. There is increase in demand of land by big landowners. Therefore, land prices are increasing and ultimately reducing the access of small and marginal farmers to the land market. Therefore, subsistence leasing co-exists with capitalist leasing. The decline in tenancy and growth of reverse tenancy would lead to an increase in the population of agricultural households not operating any land and greater concentration of operational holdings towards large size group. This situation has been evolved in Punjab and Haryana as well as in several other states.

The table 1 reveals that 2648 thousands households in the state (Punjab and Pepsu combined) owned 6051 thousands hectares of land in 1953-54 and 2494 thousand households owned 4888 thousands hectares in 1961-62. It means that during the period of 1953-54 to 1961-62 number of households decreased by 6 per cent whereas, in 1971-72 the number of households declined by 33 per cent in comparison to 1961-62. Further it reveals that in 1953-54, Punjab and Pepsu together had 2.29 hectares as average size of ownership holding but it came down to 1.96 hectares in 1961-62, and further decreased to 1.43 hectare in 1971-72 and 0.84 hectares in 2002-03. Therefore, it can be concluded from the table that the average size of ownership holding declined constantly during the period from 1953-54 to 2002-03.

Table 1: Estimated number of households, area owned and average size of household ownership holdings in Punjab during 1953-54 to 2012-13

Particulars	1953-54 Punjab	1953-54 Pepsu	1953-54 Punjab + Pepsu	1961-62	1971-72	2002-03	2012-13
(i) Estimated number of households (000)	2086	562	2648	2494	1653	2985	2755
(ii) Estimated owned area (000 ha)	4591	1460	6051	4888	2367	2500	1742
Average size of ownership holding (ha)	2.21	2.61	2.29	1.96	1.43	0.84	0.632

Source NSSO Reports of different years.

Table 2: Changes in percentage distribution of operational holding and area operated by size categories of operational holding in Punjab during 1970-71 to 2010-11

Year	Marginal		Small		Semi-medium		Medium		Large		Total	
	per cent No. of House- holds	per cent Area operated	per cent No. of House- holds	per cent Area operated	per cent No. of House- holds	per cent Area operated	per cent No. of House- holds	per cent Area operated	per cent No. of House- holds	per cent Area operated	per cent No. of House- holds	per cent Area operated
1970-71	11.7	1.5	19.1	7.1	32.7	24.3	30.5	45.1	6.0	22.0	100	100
1980-81	59.0	3.9	10.3	8.9	14.0	21.8	14.2	45.9	2.5	19.5	100	100
1990-91	63.2	6.2	11.4	10.7	13.9	26.7	9.8	40.6	1.7	15.8	100	100
2002-03	66.3	7.3	11.2	11.7	12.9	26.2	7.8	36.4	1.8	18.4	100	100
2005-06*	13.42	2.10	18.22	6.52	31.85	21.55	29.44	42.91	7.07	26.92	100	100
2010-11*	15.62	2.55	18.57	6.78	30.84	21.56	28.35	43.18	6.62	25.93	100	100

Source: NSS Reports of different years.

Note: *estimates for 2005-06 & 2010-11 are from Statistical Abstract of Punjab

The changes in percentage distribution of operational holding and area operated by size categories of operational holding in Punjab as given in various land holding survey reports of NSSO is presented in table 2. As per estimates of Statistical Abstract of Punjab, the percentage number of marginal farmers has increased from 13.42 percent in 2005-06 to 15.62 percent in 2010-11 and percentage of area operated by these farmers has also increased from 2.10 percent in 2005-06 to 2.55 percent in 2010-11.

Table 3: Changes in percentage distribution of operational holdings and area operated by size categories and average size of holding in Punjab during 2005-06 to 2010-11(P)

Size category	2005-06	2010-11 (P)				
	Number (000)	Area (000,ha)	Average size of holding	Number (000)	Area (000,ha)	Average size of holding
Marginal (Below 1 ha)	135 (13.36)	83 (2.09)	0.62	164 (15.50)	101 (2.53)	0.62
Small (1-2 ha)	183 (18.25)	258 (6.51)	1.41	195 (18.53)	269 (6.76)	1.38
Semi-medium (2-4 ha)	320 (31.80)	854 (21.57)	2.68	325 (30.90)	855 (21.57)	2.64
Medium (4-10 ha)	296 (29.51)	1700 (42.91)	5.75	298 (28.45)	1713 (43.24)	5.74
Large (10 ha and above)	71 (7.08)	1067 (26.92)	15.03	70 (6.62)	1029 (25.90)	14.79
All holdings	1003 (100.00)	3964 (100.00)	3.95	1053 (100.00)	3967 (100.00)	3.78

Source: Different issues of Statistical Abstract of Punjab

The results arrived at by analyzing the primary data have been presented, elaborated and discussed in this section. The average numbers of percentage share of gender and sector wise activity have been presented in table 4. The family members are involved mainly in two types of earning activities i.e. on-farm and off-farm activities. On the overall level, there are 2.21 total earners, of which 1.24 (55.96 percent) are earning on the farm and the remaining 0.97 (44.04 percent) in the non-farm sector. On farm, as much as 1.14 (51.58 percent) adult males, 0.06 (2.87 percent) adult females and 0.03 (1.51 percent) children are working. In non-farm sector, 0.79 (35.75 percent) adult males and 0.18 (8.30 percent) adult females are working while no child is found to be working in non-farm sector.

Family income may affect the status of farming households. The family income from all the sources has been given in table 5. Family income is the sum total of gross income from all the sources i.e. farm and other sources. On an average farm, total family income is Rs. 779238 per household, while the same is Rs. 367298 in zone-I, Rs. 967849 in zone-II and Rs. 1002569 per household in zone-III. The share of agriculture in total family income is 70.47 percent, followed by leased-out land (15.05 percent), government job (6.61 percent) and private job (6.07 percent). The lowest share to the tune of 0.06 percent of total family income is accounted for by hired-out labour,

followed by 0.21 percent by dairying and poultry, 0.22 percent by hired-out machinery and 1.15 percent by business and trade.

Table 4 : Occupational structure of family members of respondents (average number)

Occupation/ Category	Zone-I		Zone-II		Zone-III		Overall		F- ratio
Working on farm	Average	percentage	Average	percentage	Average	percentage	Average	percentage	
Adult Male	1.02	50.50	1.27	52.26	1.13	51.83	1.14	51.58	1.23
Adult Female	0.11	5.44	0.00	0.00	0.08	3.67	0.06	2.87	1.54
Children	0.06	2.97	0.00	0.00	0.04	1.83	0.03	1.51	1.23
Total Farm Workers	1.19	58.91	1.27	52.26	1.25	57.34	1.24	55.96	1.34
Non-farm earners									
Adult Male	0.71	35.15	0.89	36.63	0.77	35.32	0.79	35.75	0.98
Adult Female	0.12	5.94	0.27	11.11	0.16	7.34	0.18	8.30	1.09
Children	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Non- Farm Workers	0.83	41.09	1.16	47.74	0.93	42.66	0.97	44.04	1.34
Total Earners	2.02	100.00	2.43	100.00	2.18	100.00	2.21	100.00	1.63
Dependency Ratio	1.75		1.54		2.07		1.78		1.41

Field Survey, 2013-14.

A similar pattern could be seen in case of different zones. The share of agriculture is found to be 67.96 percent in zone-I, 70.30 percent in zone-II and 71.54 percent in zone-III, while respective share of leased-out land is 6.90, 14.86 and 18.23 percent respectively. The government and private job accounted for 22.89 percent in zone-I, 13.79 percent in zone-II and 7.87 percent in zone-III. The per capita family income came to be Rs. 66180, Rs. 156609 and Rs. 149637 in zone-I, zone-II and zone-III, respectively.

Table 5: Per household family income of respondents from different sources

(Rs. per annum)

Source of Income	Zone-I		Zone-II		Zone-III		Overall	
	Average	percentage	Average	percentage	Average	percentage	Average	percentage
Farming	249617	67.96	680422	70.30	717246	71.54	549094	70.47
Dairying/ Poultry	1185	0.32	1067	0.11	2770	0.28	1674	0.21
Govt. Job	54218	14.76	67733	7.00	32613	3.25	51522	6.61
Private Job	29879	8.13	65680	6.79	46280	4.62	47280	6.07
Business/ Trade	4987	1.36	5520	0.57	16480	1.64	8996	1.15
Hired-out machinery	941	0.26	1956	0.20	2167	0.22	1688	0.22
Hired-out labour	0	0.00	0	0.00	1320	0.13	440	0.06
Leased-out land	25334	6.90	143827	14.86	182741	18.23	117301	15.05
Miscellaneous	1137	0.31	1641	0.17	952	0.09	1243	0.16
Total Family Income	367298	100.00	967846	100.00	1002569	100.00	779238	100.00
Family Size	5.55		6.18		6.70		6.14	
Per Capita Family Income	66180		156609		149637		126912	

Field Survey, 2013-14.

4. CONCLUSION AND SUGGESTIONS

Therefore, it can be concluded from the study that the number of agriculture households and average size of ownership holding has declined. The percentage number of marginal farmers and percentage of area operated has also increased. There is marginalization of holdings with proportionate increase in marginal and small farmers in Punjab. On the other hand, the proportion of holdings in all other categories viz. semi-medium, medium and large had been declined during this period. The analysis conveys that still farm families mainly depend on farming for their livelihood. The share of agriculture is found to be highest in family income. The rising proportion of landless, semi-landless and marginal farmers should be a matter of serious concern for planners and policy makers. More employment opportunities in both agriculture and non agricultural sectors should be created to meet the challenges posed by the rapid landlessness. The state government should effectively implement tenancy legislations to enable landless and marginal owners to access land market. It will ensure equitable distribution of land among farmers and improve their economic conditions. Agriculture related growth policies such as land reforms, technological advancement and extension services should be integrated with poverty alleviation programs, so that poor farmers could avail various opportunities provided by the centre and state governments to make them better off.

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