

Need for Land Leasing Legislation

What is the issue?

- The government's recently announced set of [agricultural marketing reforms](#) as part of the Atmanirbhar Bharat Abhiyan is largely welcome.
- However, a critical big-ticket land sector reform, which is the legalisation on land leasing, is still pending.

What is the present scenario?

- At present, leasing of agricultural land is either banned or severely restricted in most states.
- Only some states allow selected individuals to let out their lands.
- These include disabled people, widows or armed forces personnel.
- The landholders do not lease them out for fear of losing the ownership rights.
- As a result, many tiny land parcels and land holdings of migrant farmers remain unutilised.
- But cumulatively, they amount for a sizable part of the cultivable land.
- Besides, tenant farmers and share-croppers are denied the compensation for crop damages.
- They also find it hard to access cheap bank loans and other government subsidies and doles.
- E.g. the direct income support through annual cash transfer of Rs 6,000 per hectare

What does this call for?

- The small farmers are now forced to either rent out their fields to quit farming or hire more land to make their holdings viable.
- A valid land lease market is, in fact, believed to have become an economic necessity for the small farmers.
- Legal validation of land leasing is imperative to undo the gross injustice done to farmers.
- Tenurial security, on the other hand, will incentivise tenant cultivators to invest in land improvement and crop yield-enhancing measures to raise their income.

What are the proposals in place?

- Legalisation of land leasing has long been a part of the agricultural reforms agenda laid down by the NITI Aayog.
- This has subsequently been endorsed by the high-level committee on doubling farmers' income too.
- The committee (headed by an agriculture ministry official Ashok Dalwai) mentioned it in its report submitted in 2019.
- The NITI Aayog also appointed a committee headed by the former chairman of the Commission for Agricultural Costs and Prices, T Haque.
- This has already drafted a model land leasing Bill to serve as a guide for the states to amend their land laws.
- Several states are said to be favourably inclined to reform their land-related statutes.
- But, concrete action has not been forthcoming in this field by them.

What is the way forward?

- The land acquisition law faced stiff resistance from farmers who did not want to be uprooted from their ancestral lands.
- But unlike this, the land lease statute is non-controversial as it does not affect land ownership.
- All that the Centre needs to do now is nudge the states to make the necessary provisions in their laws for leasing of land.
- The reform needs the cooperation of the state governments, which the Centre will have to seek through persuasion.
- If brought into place, a land lease law can potentially help the rural poor move out of poverty.

Source: Business Standard