

## As opposition hardens, Narendra Modi stands firm on land acquisition Bill

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While defending the amendments to the Land Acquisition Act, Rehabilitation and Resettlement Act, 2013, promulgated by an ordinance in December last year, the Modi government on Tuesday nevertheless agreed to hold an all-party discussion though it ruled out suspending the ordinance until consultations were complete. Claiming the legislation will benefit farmers, Prime Minister Narendra Modi asserted at the BJP parliamentary meet that there was no going back on the changes.

In defence of the changes to the Act, finance minister Arun Jaitley observed in the Rajya Sabha that the ordinance has a provision for quadrupling the compensation to farmers even in the 13 legislations that were kept out of the earlier land law passed during the UPA rule. The BJP has pointed out that since the compensation remains high, farmers would get a fair value for their land. The Opposition on Tuesday protested against the amendments in the Rajya Sabha, calling them 'anti-farmer and pro-corporates'.

On exempting the social impact surveys for acquisition for purposes including rural infrastructure, housing for the poor and industrial corridors, Jaitley said this was meant to benefit rural areas. While the Opposition was against the ordinance not allowing for farmers getting back their land if the project was not set up within five years, the BJP pointed out that at times projects were delayed for genuine reasons. Also, this provision was needed "as washing hands of projects by returning the land to farmers was earning us a worldwide dubious reputation of India becoming a country of unfinished projects", BJP national secretary Siddharth Nath Singh said.

Modi pointed out that the amendments to the Bill were based on suggestions by Congress-ruled states.

In 2011, the then chief minister of Maharashtra had expressed concern over even giving a 'fair compensation'. Maharashtra's Congress government, in August 2014, eventually lowered the compensation from four times the market value to 2.2 times, since land is a state subject under the Constitution. Even in the present ordinance, the choice of exempting such projects from the Social Impact Assessment and Consent clause rests with the state governments.

## FARMERS MOVING AWAY FROM FARMS

Non-farm incomes as share of total income of farmers (%)



\*How India earns, spends and saves \*\*PRICE's ICE 360<sup>o</sup> survey (October 2014)

**W**HILE Opposition parties are focusing on how farmers will be hit by the Land Act, the reality is non-farm income comprises the bulk of income for marginal farmers. Data from PRICE's ICE 360<sup>o</sup> all-India survey shows two-thirds of the income of marginal farmers came from industry and services in FY14. Also, with the share of urban Indians likely to rise from 33% of the population right now to 40% by 2030, India needs to create two new Mumbais every year to accommodate them. Where is the land going to come from?

In June 2014, representatives of 3 states and union territories met at the capital's Vigyan Bhavan and made a representation that the Act passed by the UPA government made development impossible. They urged the government to rethink and revise various stumbling blocks like social impact assessment, lapse of land ownership after five years and the consent clause. BJP president Amit Shah has formed an eight-member panel to seek farmers' suggestions on the Bill.

On Tuesday, several farmers' unions from across the country as well as social activists Anna Hazare and Medha Patkar staged a march to Parliament to oppose the land ordinance. Joining Hazare's agitation (against the ordinance) in the capital on its second day was Delhi chief minister Arvind Kejriwal.

The parties that opposed the ordinance in the upper house of Parliament included the Congress, the Left parties, Samajwadi Party, Bahujan Samaj Party, Janata Dal (United) and Trinamool Congress, apart from BJP ally Shiv Sena. SP leader Ramgopal Yadav asked the government to find a solution by talking to all the parties, adding that farmers' interests should be protected while development activities are being implemented.

The government had, on December 29 last year, mooted several changes to the land Act which ensured, inter alia, that even farmers whose land was acquired for critical projects like atomic energy, petroleum and highways will also get handsome compensation. This was made possible as the government included 13 legislations in the purview of the ordinance. These are Electricity Act, Resettlement of Displaced Persons Act, National Highways Act, Metro Rail Act, the Atomic Energy Act, the Indian Tramways Act, the Railways Act, the Ancient Monuments and Archaeological Sites and Remains Act, the Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act and the Damodar Valley Corporation Act.

The ordinance did away with the consent clause for acquiring land for industrial corridors, public-private partnership projects, rural infrastructure, affordable housing and defence. The Act had specified that private companies needed to get prior consent of at least 80% of affected families and 70% in a PPP project. Farmers, however, want the consent clause to be restored. The ordinance had done away with the requirement for SIA study but farmers want this to be conducted. The BJP-led government does not have the required numbers in Rajya Sabha to push through key legislations, including on land, insurance and auction of coal blocks, and, therefore, has been reaching out to the Opposition.