



Research Paper

Factors affecting income from crop production and dairy farming in Punjab

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ABSTRACT : The study was undertaken with a view to identify the factors affecting income from crop production and dairy farming in Punjab. The study was conducted in all the three agro-climatic zones of Punjab. The primary data were collected from a sample of 300 farmers pertaining to the agricultural year 2008-2009. The technique of multiple regression analysis was used to analyze the data. The results revealed that human labour employed, availability of irrigation machinery, fertilizers applied and insecticides-pesticides used were the most important determinants of the gross value of produce from crop production. The rational use of inputs like fertilizers and insecticides-pesticides will help in decreasing variable cost and ultimately increases the farm income. In the case of dairy farming, quantity of concentrates fed and expenditure on veterinary care emerged as important determinants of the gross value of milk produced. By paying more attention on the animal health care management, the income from dairy farming can be increased.

KEY WORDS : Inputs, Dairy farming, Fertilizers

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INTRODUCTION

Punjab agriculture experienced accelerated economic growth during the early Green Revolution period. The agriculture sector recorded a growth rate of 3.18 per cent per year during the period 1966-67 to 1979-80 and 4.87 per cent per year during 1980-81 to 1990-91 (Singh and Singh, 2002). Traditional agriculture has progressively given way to modern and commercial agriculture. Technology and inputs were the main underpinnings of this transformation. The agricultural policy that ensured easy access to inputs through credit and subsidies and an assured market through minimum support and procurement prices helped successfully to translate the new technology into increasing agricultural production. Production of food grains in Punjab increased from 7.3 million tonnes in 1970-71 to 27.3 million tonnes in 2008-09 (Anonymous, 2009). The Punjab state with only 1.53 per cent geographical area of the country has been contributing 55-60 per cent of wheat and 30-40 per cent of rice to the central pool of food-grain reserve. Punjab has witnessed an increase in per capita income and a decrease in levels of rural poverty over

years since the Green Revolution (Shergill and Singh, 1995). The real per capita income increased at a rate of 2.39 per cent per annum during the period 1966-67 to 1979-80 and 3.42 per cent during 1980-81 to 1990-91 (Singh and Singh, 2002).

The good performance of Punjab economy cannot be sustained in the long period. After a spectacular growth rate during the sixties and seventies, it began to slow down in late 1980s and decelerated further during the 1990s. Its per capita income grew at an annual average rate of 2.1 per cent during the 1990s which was significantly below the national average and the third lowest growth rate among major Indian states (Malhi, 2005). Though, the growth rate of per capita income has increased to 4.22 per cent during the period 2000-01 to 2008-09, but still it is below the national average (6.24 per cent per annum) (Anonymous, 2010). Much of the growth slowdown originated from the agricultural sector. For the state that spearheaded the Green Revolution in the 1960s and 1970s, today is facing a major crisis on the agricultural front. The continuous cultivation of wheat and paddy has badly affected the soil and water resources of the state.

So, the need of the hour is to identify the major