



Press Release

Farmers Protest – A Perspective

Toronto, December 03: Canada India Foundation (CIF), a nonpartisan organization, working to strengthen the bilateral ties between Canada and India, responded to the recent turn of events that has put new strains on an otherwise healthy relationship. Certain remarks by Canadian leadership over the protests by farmers in India have been flagged as unwelcome by the Indian Government.

India enacted significant reforms to its agricultural sector through a series of bills recently. The need to reform agriculture in India and to bring it par with modern standards was never controversial. There was consensus among most experts that India was losing out by sticking to an old way of doing agriculture. The latest legislation was enacted through the most democratic manner—discussions and dialogues among various political parties, scholars, and stakeholders. Intense deliberations and debates preceded at multiple levels.

The current reforms were first mooted twenty years ago and have seen it cropping up occasionally only to be swallowed up in the reality of political compulsions, allowing vested interests to prolong their stranglehold on state institutions like the APMCs (Agricultural Produce Market Committees). According to report by NITI Aayog, "(the new act) takes forward the unfinished agenda of reforms started in 1991 and the fragmented, piecemeal, somewhat patchy reforms undertaken across states to their ultimate culmination".

Several deficiencies in the agricultural sector may have led the Government to enact these laws. The farm industry has lagged behind other sectors ever since 1991 reforms were put in place. Over the years, the disparity between a farmer and a worker in the non-agricultural sector widened. The situation continued to worsen; the tragic case of farmers' suicides in their thousands in recent years indicates that everything was not perfect with the sector. Structural reforms in the farming sector are inevitably warranted.

The sector has faced enormous challenges like overproduction, not enough diversified and open market places to sell their produce, lack of storage and efficient distribution systems, almost no innovation in agri-marketing, no capital infusion, to cite a few. To address such long plaguing issues over the farming sector, the Indian Government enacted this legislation.

On the other hand, the farmers have some real concerns, and they are coming out to express their grievances. They have every right to do so. What are their demands? Going by recent reports, they seem to be worried over two main issues. They believe the Minimum Support Price

mechanism (that has been in place during times of shortage or plenty) might be scrapped. The other criticism is that by allowing Contract Farming, the Government is inviting the Corporate sector to take over the farm sector. These are fears and points of criticism that the Government of India needs to address.

Punjab farmers have been at the vanguard of India's food revolution. The protesters ask- (1.) to be heard by the central leadership in New Delhi and (2.) changes to the law. According to the latest information, government representatives are actively engaged in a dialogue with them.

CIF welcomes the Indian Government's willingness to listen to the concerns of the farmers. In a democracy, peaceful negotiations are the only way to resolve differences. The expectation in India and the diaspora is that both parties will choose a peaceful and mutually respectful method to arrive at an agreement.

The issue further got complicated because of the recent statements by Canadian leadership imputing state violence by the Indian administration to deal with the protesters. The political compulsions to appeal to a section of Canadian voters who have deep roots in Punjab's farming communities perhaps played a role in such public pronouncements. The Government of India has let its displeasure known for what it considers as an 'interference in its internal affairs.'

India today is a major world player in many areas. One of the key contributions to fighting the current pandemic will come from India set to produce three billion doses of vaccines when approved. India is also a big market for a whole host of products and services that Canada can offer. It is also one of the most attractive destinations for investment at time pension funds, and other institutional investors are looking for higher returns on each dollar.

We in Canada are also the beneficiaries of immigration by hardworking and qualified, skilled workers from India. More recently, we also have attracted India's young and bright minds to our educational institutions, adding billions of dollars to our economy.

There is a lot that Canada and India can achieve together for their citizens. Our bilateral engagement is vibrant and multilayered; business/investment, trade and immigration. There is plenty of good news. And yet, occasionally, a hasty tweet here, or a quick comment there, from leaders in responsible positions from Canada are known to roil the calm waters. Both Canadian and Indian leadership will be better served if due diligence is employed to deal with each other's sensitive issues. CIF is confident that mature leadership on both sides will smoothen the latest wrinkle in ties and fully embrace the great promise and potential inherent in a healthy and respectful Canada India relationship.

For a full and detailed report on the sensitive aspects of the Farm Bills and understanding its implications, please read the document published by NITI Aayog. The views expressed in the paper are strictly that of the author/NITI Aayog and do not necessarily reflect the opinions of CIF.

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