

AGRICULTURE

THE RECORD MAHA HARVEST

The paddy harvest in the Maha season of 1980/81 was the highest production on record achieved for a Maha season. According to figures compiled by the Department of Census and Statistics paddy production reached 73 million bushels or 1.5 million metric tons in Maha 1980/81; an improvement of about 7 per cent over the 69.7 million bushels or 1.45 million metric tons recorded in the Maha season of 1979/80. Still, actual production in 1980/81 Maha season fell short of the target of 77.2 million bushels (set by the Ministry of Agriculture) by 4 million bushels.

The record Maha 1980/81 paddy output is attributed to several factors, particularly, the increase in the acreage under cultivation and the higher yield per acre, together with wider use of fertiliser and high yielding varieties, greater availability of water and of institutional loans for cultivation.

The increase in the acreage under paddy cultivation and the acreage harvested as well as the increase in the acreage yield per acre were significant factors. The area sown and the area harvested in Maha season 1980/81, was the highest for a Maha season in recent years. The acreage under paddy cultivation and the acreage harvested in the Maha season 1980/81 showed an increase of approximately 4.2 per cent and 2.1 per cent respectively over that of the previous Maha season. The increase in the acreage under paddy cultivation was mainly due to the substantial increase in the acreage under paddy cultivation and the acreage harvested under major irrigation schemes; while the increase in rain-fed areas and acreage under paddy cultivation under minor irrigation schemes was comparatively small.

The 1980/81 Maha season has returned an average yield of 58.3 bushels per acre which is also the highest recorded hitherto. The average yield per acre in the 1980/81 Maha season shows an increase of about 1 bushel more than the average yield for the previous Maha season. While the average yield per acre in rain-fed areas for 1980/81 Maha season, as compared with the previous Maha season, shows an increase of 9 per cent; the increase under the major irrigation schemes was only 2.5 per cent.

The average yield for 1980/81 season under minor irrigation schemes had dropped by 8 per cent.

The wider usage of fertilizers and the increase in the acreage under cultivation with high yielding varieties were also major contributory factors for the increase in the average yield per acre.

Of the total area cultivated with paddy in 1980/81 Maha season, about 85 per cent had been cultivated with new improved varieties and old improved varieties; with only 15 per cent being under traditional varieties. The acreage under cultivation with old improved varieties and new improved varieties in 1980/81 season was 6 per cent more than that of the previous Maha season.

Loans granted

There was a reversal in the trend of loans granted for cultivation. Though cultivation had dropped since 1978, there was once again a considerable increase in the issue of such loans with the Maha season 1980/81. The People's Bank and the Bank of Ceylon have granted cultivation loans during the Maha season 1980/81 to the value of about Rs. 57 million; an increase of Rs. 11 million over that of the previous Maha season. The increase in the institutional loans for cultivation was mainly due to the substantial increase of cultivation loans granted by the People's Bank. For example, the People's Bank cultivation loans granted had gone up from Rs. 22 million in the previous Maha season to Rs. 33 million in the Maha of 1980/81. In addition, factors like not so unfavourable weather conditions and better system of water management also contributed to the production growth in 1980/81 Maha season.

Fertilizer usage

The quantity of fertilizer issued for paddy cultivation for the Maha season 1980/81 stood at 115,000 metric tons; as much as 16 per cent over the 99,000 metric tons issued in the previous Maha season. It may be noted that fertilizer issued for paddy cultivation in 1979/80 Maha season had increased substantially, by about 77 per cent. The enhanced subsidy for various varieties of fertilizer (ranging from 55 per cent to 85 per cent) from October 1979 and the consequent drop in prices of fertilizer at the time contributed significantly to the increase in the usage of fertilizer for paddy cultivation.

Table 1—EXTENT CULTIVATED AND HARVESTED, AVERAGE YIELD PER ACRE AND TOTAL PRODUCTION 1974-1980

Year	Season	Net Extent Sown		Net Harvested Area		Average Yield Per Acre		Total Production
		'000 acres	Difference	'000 acres	Difference	Bush.	Mn. Bush.	Difference
1974		2038	+13.3	1969	+18.6	45.65	76.8	+22.1
1975		1719	-15.6	1476	-25.0	44.04	55.3	-28.0
75/76	Maha	1147		1052		47.17	42.3	
76	Yala	642		518		40.30	17.7	
1976		1789	+4.1	1570	+6.4	44.91	60.0	+8.5
76/77	Maha	1329		1250		51.56	54.8	
77	Yala	717		683		43.98	25.6	
1977		2045	+14.4	1933	+23.1	48.92	80.4	+33.9
77/78	Maha	1421		1366		53.02	61.6	
78	Yala	744		711		46.61	29.0	
1978		2164	+5.8	2077	+7.5	50.70	90.6	+12.7
78/79	Maha	1444	+1.6	1376	+0.7	54.70	66.8	+8.8
79	Yala	646	-13.2	575	-19.1	49.94	25.1	-13.5
1979		2090	-3.5	1951	-6.1	53.36	91.9	+1.4
79/80	Maha	1429	-1.1	1381	+0.4	57.23	69.7	+4.3
80	Yala	673	+4.2	649	+12.9	55.99	32.5	+29.7
1980		2102	+0.6	2030	+4.0	56.76	102.2	+11.3
80/81	Maha	1489	+4.2	1410	+2.1	58.29	73.0	+4.7

Source: Department of Census & Statistics

Since the low price of fertilizer remained unchanged until about February 1981, fertilizer usage continued to increase in the Yala 1980 and Maha 1980/81. However, with effect from February 1, 1981 the price of fertilizer increased by about 74 per cent to 140 per cent. There were clear signs that the increase of fertilizer has adversely affected paddy production. For example, fertilizer issue for paddy cultivation for 7 months from February to August 1981 has dropped by 17 per cent when compared with the issue during the corresponding period last year. Again on September 16, 1981 the price of fertilizers was put up a further 30 per cent.

The issue of fertilizer in the coming months will have to be closely watched to assess to what extent the increased price of fertilizer would affect usage of fertilizer for paddy cultivation. The use of fertilizer for paddy cultivation is dependent on factors such as the price of fertilizer, the price of other inputs and paddy prices. In an attempt to cushion the effects of this increase the Government increased the guaranteed price of a bushel of paddy from Rs. 50 to Rs. 52.50 in the same month. Once again with the increased prices of fertilizer in September 1981, the guaranteed price of a bushel of paddy was also increased to Rs. 57/50. Yet, the price of a bushel of paddy in the open

market is about 30 to 70 per cent over that of the G.P.S.

Although the price of paddy has gone up, the cost of other inputs, (specially tractor, buffaloes, labour charges and seed paddy) have also gone up. A further increase in the price of fertilizer would lead to a fall in the profit margin for the paddy cultivators which would eventually discourage them from using fertilizer; and this could result in lower paddy production. Since nearly 80 per cent to 85 per cent of the present area under paddy cultivation is sown with improved seed paddy, which is highly responsive to fertilizer, changes in the usage of fertilizer would have direct consequences on the level of paddy production.

Table 2—USE OF FERTILISER, IMPROVED SEED PADDY VARIETIES AND CREDIT GRANTED FOR PADDY CULTIVATION

	1979/80 Maha	1980/81 Maha	% of increased Over the previous Maha Season
Use of fertiliser-Metric tons	98,676	114,689	16
Area Cultivated with improved seed varieties '000-Acreage	1,202	1,278	6
Cultivation loan granted (Rs. Million)	46	57	24

Sources: National Fertiliser Secretariat, Ministry of Agricultural Development and Research. People's Bank. Central Bank of Ceylon.