



Punjab Assembly Rejects Centre's Farm Laws

Why in News

Recently, Punjab became the first State in the country to formally reject the Central government's [three Farm Acts](#) by passing three Bills to negate the Union laws.

- It also rejected the proposed [Electricity Amendment Bill](#) and demanded their immediate annulment.

Key Points

- **Punjab State Bills:** The Punjab assembly introduced **three farm Bills**:
 - The **Farmers Produce Trade and Commerce (Promotion and Facilitation) (Special Provisions and Punjab Amendment) Bill, 2020**.
 - It seeks to ensure that sale or purchase of wheat or paddy in Punjab is not allowed below the [Minimum Support Price \(MSP\)](#).
 - It also seeks to provide for **punishment for harassment of farmers** or payment of less price to the farmers.
 - The **Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services (Special Provisions and Punjab Amendment) Bill, 2020**.
 - It provides for **imprisonment of not less than three years and fines** for sale-purchase of wheat or paddy under a farming agreement below the MSP.
 - The **Essential Commodities (Special Provisions and Punjab Amendment) Bill, 2020**.
 - It **prevents hoarding and black-marketing** of agricultural produce and seeks to ensure status quo ante with regard to implementation of the Central Act namely, 'The Essential Commodities (Amendment) Act, 2020'.
 - While the central law **abolished any market fees or licences for private players outside the APMCs**, the **Punjab bills have reintroduced it**.
 - These fees will go towards a fund for the welfare of small and marginal farmers.
 - The Assembly also introduced **Code of Civil Procedure (Punjab Amendment) Bill, 2020**.
 - It seeks to **exempt agricultural land not exceeding 2.5 acres** from **Section 60 of The Code of Civil Procedure, 1908**, which provides for attachment of various properties - moveable and immovable in execution of decree (judgement).
 - It also seeks to **exempt the Properties of the farmers** such as cattle, implements, cowsheds, etc from attachment.
 - These exemptions are provided, given the **farmers' apprehension about attachment-decree of their land as a consequence of enforcement of farming contracts**.

- **Rationale:**

- The **Central laws were aimed to do away with government interference in agricultural trade** by creating trading areas free of middlemen and government taxes **outside the structure** of **Agricultural Produce Market Committees** (APMCs).
- This according to **farmers was giving preference for corporate interests** at the cost of farmers' interests and a lack of regulation in these non-APMC mandis were a cause for concern for farmers.
- The absence of any regulation in non-APMC mandis was seen as a **precursor to the withdrawal of the guarantee of MSP-based procurement**.
- **To annul the apprehensions of farmers**, the Punjab government has **changed the application of central laws to the state**. It will **restore the agricultural safeguards** for the farmers through the regulatory framework of Punjab Agricultural Produce Markets Act, 1961.
 - However, there are apprehensions that this step taken by the Punjab Government may discourage private players to buy at rates less than MSP.
- The Punjab government states that **86.2% of farmers in the state are small and marginal**, with the majority owning less than two acres of land. Consequently, **they have limited access to multiple markets, and lack the negotiation power needed to operate in a private market**.
- The Bills also point out that **agriculture, agricultural markets, and land is the primary legislative domain of the state**.

Constitutional Issues

- Earlier three **Farm Acts were passed** by the Central government under **Entry 33 of the Concurrent List**. Entry 33 of the Concurrent List mentions trade and commerce, production, supply and distribution of domestic and imported products of an industry; foodstuffs, including oilseeds and oils; cattle fodder; raw cotton and jute.
 - However, if foodstuffs are considered synonymous with agriculture, then all the powers of states in respect of agriculture, listed so elaborately in the Constitution, shall become redundant.
- States have **no authority to overrule** the legislations passed by the Centre **except under Article 254(2)**.
- Article 254(2) **enables a State government to pass a law, on any subject in the Concurrent List, that may contradict a Central law**, provided it gets the President's assent.
 - In 2014, the Rajasthan government took this Article 254 (2) route to make changes to the central labour laws — the Factories Act, the Industrial Disputes act, and the Contract Labour Act — which subsequently got the President's assent.
- However, the **Parliament is not barred from enacting at any time any law with respect to the same matter** including a law adding to, amending, varying or repealing the law so made by the Legislature of the State.
- **Article 257(1)** also states that the executive power of every State shall be so exercised as **not to impede or prejudice** the exercise of the executive power of the Centre.
 - It authorises the Centre to impose **President's Rule** in case when the State is exercising its executive power prejudicial to Centre's executive power.
- Apart from the Governor, the Punjab government's new farm Bills need the assent of the President since they seek to amend laws passed by the central government. If not, they can at best serve as a symbolic political statement against the Centre's farm laws.

