CHAPTER II

Government Support, Subsidies, Incentives and Government welfare Programmes for Fishermen Development in Karnataka

Motorisation of Traditional Craft

This production oriented scheme was introduced during 7th Plan (April 1, 1985 to March 31, 1990) with the objective of technical upgradation of traditional fishing sector in order to help the fishermen to reduce their physical strain and to extend the range of their fishing operation which would help to increase their fish catch and income. Under this scheme 50% of the cost of engine is provided as subsidy subject to a maximum of Rs.10,000/- per Out Board Motor (OBM) and Rs.12,000/- per In Board Motor (IBM) which is shared by the Centre and State equally.

Reimbursement of Central Excise Duty on HSD Oil supplied to mechanized fishing vessel below 20M length

This Scheme was introduced from 1990-91 onwards with a view to help the small mechanised fishing owners/operators to bring down the operational cost of their vessels and thereby to encourage them to increase the fishing days, fish catch and income. The cost of central excise duty on HSD oil @ Rs.351.75 per KL is fully subsidized under the scheme which is shared on 80:20 basis between the Centre and States and met fully by the Centre in the case of States which have exempted sale tax fully on HSD oil.

Facilities for Marine Fisheries Infrastructure

The Ministry of Agriculture, Government of India has been implementing a Centrally Sponsored Scheme “Fishing Harbor Facilities at Major and Minor Ports” since 1964 for providing safe landing and berthing facilities for various categories of fishing craft operating along the coast of the country. The objective of the scheme is to provide safe-berthing facilities for the mechanised and non-mechanised fishing vessels plying in the coastal water, by providing needy infrastructure facilities. The facilities being created under the scheme are fishing harbour and fish landing centre include breakwater, wharf, jetty, dredging, reclamation, quay, auction hall, slipway, workshop, net mending shed and other ancillary facilities.
Under the scheme, the maritime State Governments are provided with 50% grant assistance on the capital cost for the development of fishing harbors and fish landing centers. Whereas the Union Territories are provided with 100% grant assistance for construction of fishing harbors and fish landing centers. However, the Government of India has been bearing entire capital cost of construction of major fishing harbor in the Port Trust area. The construction, maintenance, management and operation of the fishing harbors and fish landing centers are the responsibilities of the respective State Government/UTs and Port Trusts.

**Fishing Harbor Facilities at Major and Minor Ports**

Fishing harbors are being developed at both major and minor ports, in addition to fish landing centers at a large number of sites. The objective of this Scheme is to provide appropriate and adequate infrastructure facilities viz. breakwaters, wharf, jetty, dredging, reclamation, auction hall, slipway, workshop and navigation facilities for efficient operation of the large number of fishing vessels.

Under this Scheme 100% grant is provided to Port Trusts for construction of fishing harbors at major ports and 50% share is provided to maritime State Governments for construction of minor fishing harbors and landing centers. Union Territories are provided with 100% grant under the scheme. Since inception of the scheme till the end of 2000-01, Government of India have sanctioned 6 major fishing harbors, 49 minor fishing harbors and 171 fish landing centers. Out of these, 6 major fishing harbors, 33 minor fishing harbors and 130 fish landing centers have been completed by the end of 2000-01.
Welfare Programs for Fishermen

This scheme has the following three components:

i) Development of Model Fishermen Villages

ii) Group Accident Insurance Scheme for Active Fishermen

iii) Saving-cum-relief Scheme

Development of Model Fishermen Villages

The objective of the component is to provide basic civic amenities such as housing, drinking water and construction of community hall for fishermen villages. In each village a minimum of 10 and a maximum of 100 housing units, up to 5 tube-wells and one community hall (only if the number of houses to be constructed is 75 or more) will be constructed. A fishermen village may consist of not less than 10 houses. There is no upper limit for the number of houses to be constructed in a village, which would depend on the number of eligible fishermen in that village. The village would be provided with tube wells at the rate of one tube well for every 20 houses. As recreation and common working place, a fishermen village with at least 75 houses is eligible to avail financial assistance for construction of a community hall. Unit costs under the scheme is Rs. 40,000/- for houses, Rs.30,000/- for the tube-well (Rs.35,000 for North Eastern Region) and Rs. 1,75,000/- for community hall. The expenditure is share equally between Central and State Government.

Group Accident Insurance Scheme for Active Fishermen

The objective of this component is to provide insurance to cover fishermen engaged actively in fishing. Such active fishermen are insured for Rs. 50,000/- for one year against death or permanent disability and Rs. 25,000/- for partial disability. The upper limit for insurance premium is Rs. 15/- per head. The 50% of the annual premium is subsidized as grants in aid by the Centre and remaining 50% by State Governments.
Saving-cum-Relief Scheme

The objective of this component is to provide financial assistance to fishermen during lean fishing season. Under this component, beneficiary has to contribute a part of their earning during non-lean months. The monthly contribution of marine fishermen is Rs. 75/- for eight months, while that of inland fishermen is Rs.50/- for nine months. A matching amount is provided with equal contribution from Central and State Governments and the accumulated amount is distributed back to fishermen in four/three equal installments at the rate of Rs.300/- per month to marine/inland fishermen.

Integrated Marine Fisheries Development Project

The integrated Marine Fisheries Development Project with NCDC assistance with an outlay of Rs. 12.69 crores is under implementation through South Kanara and North Kanara Fisheries Co-operative Marketing Federation. The project components include supply of gill nets, plank built boats, FRP boats, establishment of infrastructure like ice plants, cum-fresh fish storages, go down for salt and dry fish, retail outlets for engine spares, fishing gears, transport vehicles, fish drying racks, and insulated boxes. Working capital and margin money to Primary Fishermen Co-Operative Societies etc. are also provided under the project.

Distress Relief Fund

For providing assistance to fishermen who are in distress on account of accidents, damage for loss of fishing gear or craft or even loss of human lives due to natural calamities funds are raised from Government, fishermen, and entrepreneurs to meet the expenses. So far Rs. 60 lakhs are collected and 1674 fishermen are assisted.
**Group Accident Insurance Scheme**

60,000 fishermen between the age group of 18 and 65 years are covered under Group Accident Insurance Scheme. On the death of an insured person Rs. 50,000 shall be paid to his next kin in the family. Rs. 25,000 is paid in case of partial disability. The central and state governments share insurance premium equally.

**Mathsyavahini Scheme**

For organized quick transportation of fish in hygienic condition from landing centers to marketing places, it is proposed to provide 25% subsidy to a maximum of Rs. 25,000 for the purchase of a three wheeler temp rickshaw for a group of 3-4 fishermen. Fishermen are showing interest in availing of the assistance.

**Supply of Insulated boxes to Fishermen for Fish Marketing**

In order to help fishermen to transport harvested fish in hygienic conditions to organize marketing, assistance is provided for the purchase of bicycles and insulated boxes with 50% subsidy subject to a maximum of Rs. 1,250

**Assistance for Acquiring Electronic gadgets**

For safe navigation and to identify potential fishing grounds in the sea, subsidy to a maximum of Rs. 34,000 is provided for the purchase of electronic equipments i.e., GPS navigator, Radio Telephone, echo sounder etc. for fishing vessels.

The impact of such programmes on fishermen community was analysed in the frame work of "Effect on production approach" or partial budget frame work. The approach assumes that with the subsidy from the state the small and marginal fishermen would overcome their economic problem and enable them to adopt improved fish catching methods.