

Users' Perceptions on Pricing of Canal Irrigation and Service Delivery: An Empirical Study in Fatewadi Canal Command Area in Gujarat*

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Canal irrigation in India is highly subsidised, with irrigation projects all over India, individually and collectively, unable to meet even the costs of annual operation and maintenance. Irrigation service provided in terms of availability and regularity of water is equally pathetic; resulting in a vicious circle of poor cost recovery from user charges, fall in funds flow leading to a further dilapidation of the physical systems. This study tries to understand the perceptions of user farmers regarding quality of irrigation service delivery. It tries to understand the factors contributing to the willingness of the farmers to pay for canal water in the state owned and managed Fatewadi canal system of Gujarat. There is a high interdependence between the willingness to pay and the sufficiency and timeliness of canal water delivery. In head reach villages, the most crucial factor is timeliness of supply whereas in tail end villages, sufficiency of water supply is the most important factor determining user satisfaction with the irrigation system and consequently, their willingness to pay. Not economic factors, but non-economic factors are responsible for dissatisfaction of the farmers with the irrigation service. An effective socio-political and legal system which strictly enforces payment, punishes the payment defaulters conclusively and gives incentives for regular compliance in payment is absent. This results in low willingness to pay. Consequently, it is manifested in the poor recovery of irrigation dues. If service delivery is improved, a large majority of sample farmers expressed their willingness to pay canal water charges levied by the Irrigation Department.

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