

*The Prospects for the Agricultural Production of State Farms
and Related Businesses in China's Heilongjiang Province:
With a state-owned land-reclamation enterprise
(nongken qiye) as the subject*

YAGI, Hironori

Associate Professor, Graduate School of Agricultural and Life Sciences,
The University of Tokyo

ZHU Yonghao

Researcher, Research Division, ERINA

Summary

Heilongjiang Province, located in the northeastern part of China, is one of the country's foremost granaries, and is the largest production area for japonica rice. Within Heilongjiang Province, the land-reclamation enterprises (state farms) of Heilongjiang Province, which comprise approximately a quarter of the province's food crop acreage and approximately a third of the volume of food production, play a particularly important role.

In this paper, in addition to carrying out an evaluation of the current stage regarding rice production, based on a fact-finding investigation (made in September 2008) which had the land-reclamation enterprise of Xinhua Farm in Heilongjiang Province as its subject, we have presented the future prospects.

Regarding the assessment of wet-rice production, "labor costs," "land rent," "investment in machinery," "road improvement" and "rice quality," among others, can be raised as matters which have been improved. Then, as things where upward movement has lagged behind, there are such matters as "yield per unit area" and "agricultural land development." In addition, the "existence of small-scale conventional farmers" can be raised as a matter which has remained stalled at a low level. As things which can become factors which would inhibit the maintenance and expansion of wet-rice production in the future, there is concern about such things as the "shortage of water resources" and the "rise in price of the input-factors of oil resources, etc."

Based on the evaluation of the current stage, we have proposed, from the viewpoint of rice production in Heilongjiang Province, the following points which figure in the future prospects for the food security of the Northeast Asian region:

First, there is the problem of the gap between farmers in land-reclamation enterprises and other conventional farmers. There is concern over an increase in social unrest via any further widening of the gap between rich and poor. In the event that a subset of farmers move to large scale operations and increase mechanization, then how to secure the work opportunities of the remaining farmers will become a major issue.

Second, there is the point that any further increase in the volume of production will be difficult. In the future, the expansion of the value of agricultural production via an increase in the volume of production may be hard.

Third, regarding rice-planting machines and driers, the level of the capabilities and possession of machinery cannot be called high, but with these machines gradually being put in place the potential will probably be high for operational efficiency to increase.

Fourth, the utilization of organic fertilizers such as compost is low, and as there is dependence on chemical fertilizers there is the possibility that profitability will worsen, hand in hand with the rise in the prices of resources. In order to heighten added value, reducing chemical fertilizers and pesticides will also become a necessity.

Fifth, with the rise in GDP there will be a rising trend for labor costs, but for farmers in land-reclamation enterprises, the increase of labor productivity is also being planned, via large compartmentalization, the introduction of large machinery, and the moving to the large scale in the area of arable land managed.

Sixth is the problem of water resources and the securing of prime agricultural land. In order to increase the utilization efficiency of large machinery and secure the volume of production, preventing a chaotic diversion to the use of urban land and securing prime agricultural land is important.

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