

CONSTRAINTS AND POTENTIALS OF SMALL SCALE MILK PRODUCTION AND MARKETING IN KURUNEGALA DISTRICT

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This study was conducted in Kurunegala District, the coconut triangle, where a considerable extent of land is available and environmental conditions favourable for dairy farming. Kurunegala District accounts for 38% of the total national milk production. Both small and large scale dairy production units are found in the district and current milk production of the district accounts for 53.4% of the targeted annual milk production in Kurunegala District. The prevailing gap between targeted production and the actual has resulted due to some of the production and marketing problems. Hence, this study focused mainly on factors related to milk production and marketing in Kurunegala District. Production and Marketing data were collected from a random sample of 100 dairy farmers from 10 veterinary divisions. Results revealed that family structure, access to technical support services, average milk yield, marketing channels, off farm income, feed availability and methods of rearing of animals are factors that have contributed to the existing level of production. Main problem was the low average milk yield, compared to average yields of cross and pure breeds (101 and 140 liters per month, respectively). The insufficiency in artificial insemination services may have an effect on the low yield of milk. 46% of the farmers have an education level only up to grade ten. Other major issues related to production are low profit margin and lack of money for initial investment. The cost benefit ratio of dairy enterprise is 0.644. So they expect animals of improved breeds. The average farm gate price of milk is around Rs. 55.00 per liter and it is lower than the certified price of Rs. 60.00 and that might be due to the lack of quality consciousness of farmers. There is a good potential to alleviate the constraints of small scale milk production and marketing.

Keywords: Dairy products, Kurunegala District, Marketing constraints, Production constraints