

**WILLINGNESS TO PAY FOR QUALITY IMPROVED DRINKING
WATER AND AVERTING BEHAVIOR OF ANURADHAPURA DISTRICT
CONSUMERS**

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Drinking water is an important renewable resource in the world. Over exploitation of this resource can be seen in many parts especially, in the developing world, and this is mainly due to lack of properly defined property rights and clear market value for this resource. This study was carried out to examine the consumer's willingness to pay for quality improved drinking water supply, factors affecting on willingness to pay and to recognize the averting behavior of the consumers.

The study was conducted at Madawachchiya area where the ground water is highly contaminated with Fluoride that leads to many health problems. A structured questionnaire was used to find out the response of people towards the bid value at twenty four rupees and the data was analyzed by using multiple and Logit regression model.

The results showed that the mean willingness to pay for a unit of quality improved drinking water source was Rs. 21.18 per m³. The mean averting cost was Rs.23.30 per m³. Logistic regression revealed that the disposable income, age, type of employment, perception about water quality and the level of education of the consumers have played a significant effect on accepting the bid value (P=0.05).

Quality improved water could be supplied to this area at a higher price than the current price and thereby limit the over exploitation of drinking water.

Key Words: Potential renewable resource, Monetary valuation, Fluoride, Bid value, Willingness to pay

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The Forward Sales Contract (FSC) scheme of the Central Bank of Sri Lanka in 1990 was designed to market agricultural products. The FSC is a forward contract between a seller, which the buyer agrees to purchase a specified quality at a price to be determined at the time to deliver that quality. The FSC scheme is a promotional program with a very low.

This study was conducted to identify the factors affecting farm adoption of FSC. The factors encountered by farmers and non-adopters of FSC were estimated coefficients. The results show that off-farm employment is significantly related to FSC adoption for paddy farmers and that it contributed significantly to the adoption of FSC. The study also involved and dissatisfied