

Impact of Government Policies on Small Scale Milk Production in Sri Lanka

(with reference to Kurunegala District)

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Just two decades ago, Sri Lanka was a country where fresh milk was freely available and very cheap. In 1981, under the policy of liberalization and privatization, the government took a decision to close the National Milk Board and signed an agreement with Nestle to develop the dairy industry. After 20 years, there is no fresh milk available in the market. Already, about half the population of mothers, and children of age groups 5-11 years and 11-18 years, have been found to be anemic according to the latest figures available.

The aim of this study is the impact of government policies on small scale milk production in Sri Lanka.

The objectives are to identify the reasons for reducing small scale milk production; identify the impact of government policies on increasing milk production and identify the solutions to overcome or at least mitigate the shortage of milk production in Sri Lanka. Both primary and secondary data has been used in this study. Primary data was collected from hundred respondents from Kuliyapitiya area in Kurunegala district. Interview schedule and observation method was used to collect data. Data was analyzed by using graphs, tables and percentages. It is evident that there is some impact of government policy to increase the small scale milk production in Sri Lanka. Therefore it can be

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proposed that if the government, the policy making bodies and NGOs take necessary action it can increase small scale milk production and reduce malnutrition and poverty in rural areas and save a great deal of foreign exchange and stimulate the economic development in Sri Lanka.

Key words: Government policy and small scale milk production