

Farmer Perceptions on Agricultural Policy: Case of Production and Marketing Policies in Paddy Sector in Sri Lanka

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ABSTRACT

Farmer perceptions on existing agricultural policy framework in Sri Lanka were explored with a special attention to those policies related to paddy production and marketing. Data were collected from the farmers belong to 15 well Paddy Farmer Organizations operate in the Polonnaruwa, Hambantota and Kurunegala districts by means of a series of Key Informant Surveys and Focus Group Discussions supported by a structured interview schedule from March to April 2013. The information gathered in this process was analyzed using the *N-Vivo* Qualitative Data Analysis Software (*Version 10*). The results highlight that the paddy farmers' highest interest was on up keeping the guaranteed purchasing price for paddy. In addition, those policies associated with the fertilizer subsidy, seed paddy production, provision of irrigation water, and agro-chemicals have grabbed much attention of farmers. The outcome of analysis suggests that paddy farmers in Sri Lanka are yet and highly expect a prominent role from the government to retain in paddy farming, especially with respect to controlling of markets.

KEYWORDS: Agricultural policies, Farmer perception, N-Vivo, Paddy sector

INTRODUCTION

Agriculture sector is the backbone of Sri Lanka's economy as it contributes 12.1% to the Gross Domestic Production (GDP) and generates 30% of the country's employment. More than 70% of rural population is depending on agriculture for their livelihoods. A boost in the agricultural productivity growth is essential for reducing poverty in Sri Lanka as 90% of the poor are relevant to rural agricultural economy. Nevertheless, agriculture sector should be developed in order to meet the aspirations of people, particularly that of the farming community. Thus, this sector plays an important role in developing socio-economic conditions of the country

When considering about Sri Lankan agriculture sector, paddy receives the highest concern as it is the staple food. Rice has a contribution of 1.8% to the total GDP and per capita consumption is about 100 kg per annum while paddy production varies as in Table 1. Paddy cultivation occupies 25% of the total cultivable land and approximately 2 million farmers are engaged in farming as their main occupation. There are more than 6.5 million people, nearly 30% of the employees in the total production in the island, are either directly or indirectly involving in various activities related to paddy industry, including production, processing and marketing (Central Bank Annual Report, 2011). Therefore introduction and regulation of agricultural policies is very much important as policies are

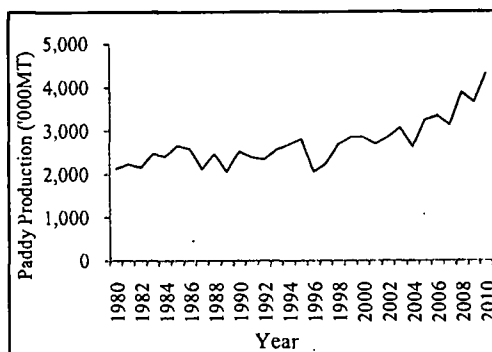


Figure 1. Performance of the paddy sector in Sri Lanka

the courses of actions chosen by government towards an aspect of the economy (Cafiero, 2003).

When moving on to agricultural policies, production and marketing policies are the key drives to uplift the performance of agricultural sector. By considering all above facts, investigating on the farmers' perception on production and marketing policies related to paddy is important. Central Bank Annual Reports from 1980 to 2011 show that policies like fertilizer subsidy, irrigation schemes, practices on seeds and planting materials and chemical, are the most common production policies that have implemented to fine tune the paddy production sector, while guaranteed purchasing price is the most stabilized policy in paddy marketing.

The specific objective of this study was to explore the perceptions of paddy farmers in Sri Lanka on existing agricultural policy framework, where the special attention was to examine those policies related to paddy production (fertilizer subsidy, irrigation, seed paddy, planting materials and agro-chemicals) and marketing (guaranteed purchasing price).

METHODOLOGY

Study Area

Paddy is cultivated in all nine provinces in Sri Lanka; however, the highest extent of land allocated for which and the mean annual production is reported from the Ampara, Polonnaruwa, Hambantota and Kurunegala districts. Taking into these, and the fact that a large portion of households, directly or indirectly, depending on paddy farming, Polonnaruwa, Hambantota and Kurunegala districts were selected to carry out this study

Table 1. Production details about the study area

Area	Acreage (Ha)	Production (MTs)	Per capita availability
Polonnaruwa	118613	547366	1.34
Hambantota	50353	226125	0.38
Kurunegala	125440	499502	0.31

Data Collection and Analysis

Initially, reviewing of the Central Bank Annual Reports from 1980 to 2011 was carried out to identify prevailing policies implemented in paddy sector. Then five farmer organizations (Table 2) were selected from each district under concerning following criteria.

- (1) Government approved and registered organisations;
- (2) Minimum registered farmers 100;
- (3) each member cultivate minimum of 1ha

By involving key informant of three of them, a focus group discussion was carried out to decide the framework of the questionnaire, the content flow and time requiring to complete an interview. Ultimately a questionnaire which is designed to collect farmers' personnel data, data about the Farmer Organization (FO) they represent and perception on different agricultural policies was designed. Then a key informant survey was carried by interviewing the total sample of 15.

Each interview was restricted to be done within a period of one hour to maintain the

quality of timing and all the interviews were audio recorded. The audio records were transcribed and the qualitative data analytical software package: N-Vivo was used to evaluate the contents. The transcripts were entered into N-Vivo 10, as by using this tool removal of the rigid divisions between data and interpretation can be done.

Table 2. Details about the farmer organization

District	Farmer Organization	Number of Members	Area (Ac)
Polonnaruwa	Kaudulla	120	260
	Sansungama	150	350
	Bedumara	300	600
	Thissa	280	540
	Uthurumada	110	280
	Janatha	280	540
Hambantota	Ekamuthuwa	110	280
	Petakum	110	280
	Andalla wewa	140	320
	Samarakoon wewa	135	300
	Gemunu	410	650
Kurunegala	Debara Wewa	156	260
	Diwulgasyaya	120	230
	Wayamba	330	500
	Jathika Govi	330	500
	Balasaruluwa	120	300
	Gamunu	120	300
Kurunegala	Eksath	133	250
	Kurukgamuwa	150	300
	Walamitiyawa	100	250

As in Jayasinghe-Mudalige and Henson, 2007, the information included in each statement was used in developing the categories/government agricultural policies. This involved scrutinizing the data for recurrent words, themes, or concepts; looking for relationships, and synthesizing information in order to arrive at a conclusion (Ikram *et al.*, 2012). Word frequencies of each district regarding the five major production and marketing policies were found out. Further, district-wise, the most common quotations on each policy were exposed and the FOs who stressed those policies were identified through first order quotes.

RESULTS AND DISCUSSION

The analysis, generated a large number of quotes of farmers under policies considered, organized in a way that reflect their unique characteristics and examined the potential relationship between these government agricultural policies and domestic paddy production with respect to the FO's served

paddy market (Figure 2). As the particular interest of this process is the 'frequency': the number of times a given government agricultural policy was referred to by the leader of the FO, it is resulted that from all these policies, 'guaranteed purchasing price' is the highest issue (Figure 3). In the case of production policies, farmers' interest descends as interest

on policies related to fertilizer subsidy, seeds and planting materials, irrigation schemes and agro chemicals in order. Although it is the variation of interests on production and marketing policies as a whole, some fluctuations are visible in district-wise consideration.

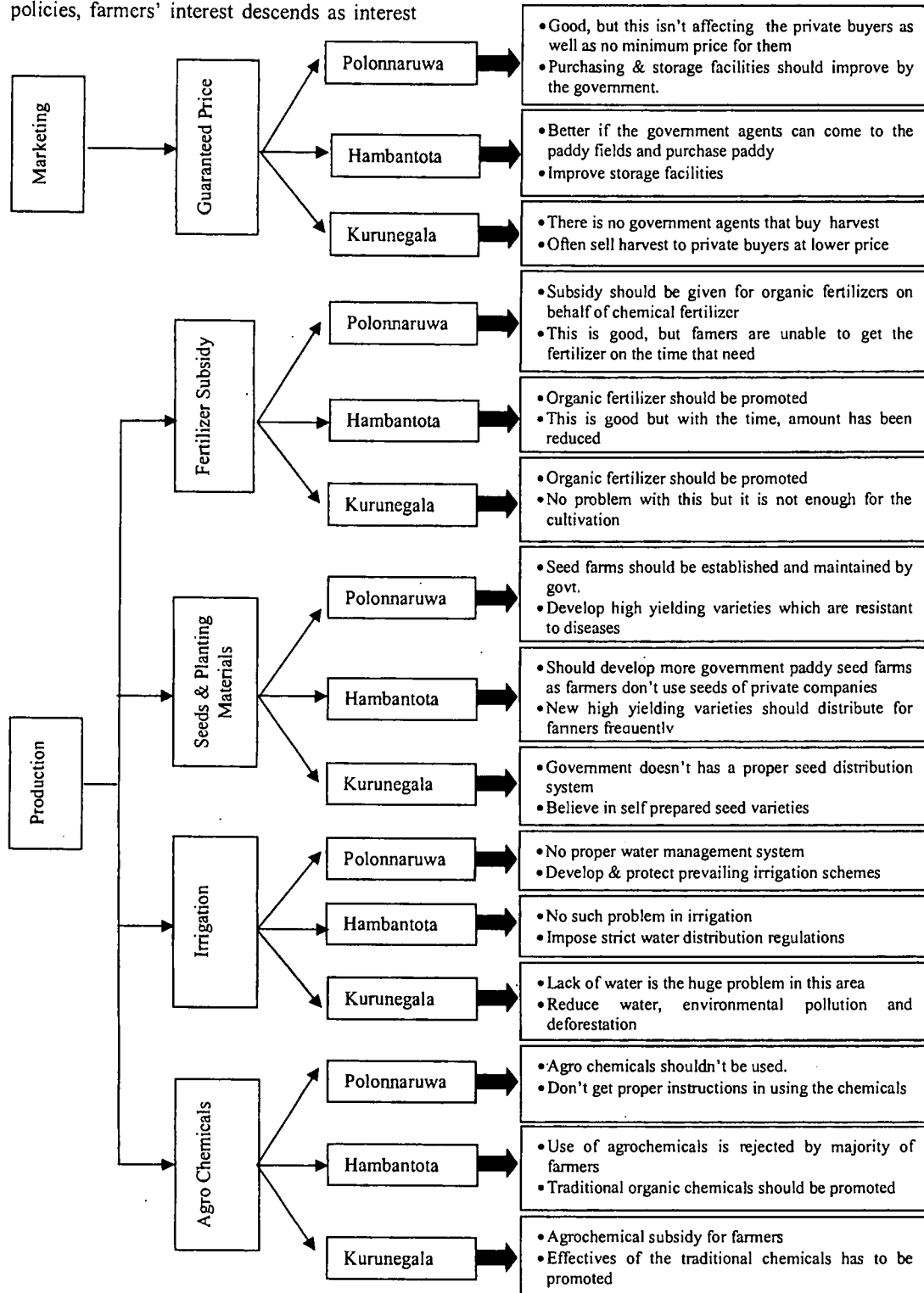


Figure 2. First order quotes on production and marketing policies

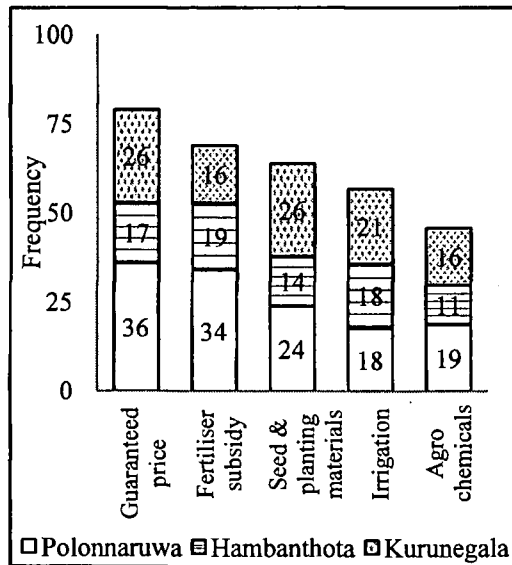


Figure 3. Word frequencies of farmers regarding government agriculture policies

Guaranteed Purchasing Price

The general idea among all the farmers about guaranteed purchasing price is very positive. But there are some issues like no buyer to that price (Polonnaruwa, Kurunegala), low storage facilities (Polonnaruwa, Hambantota), difficulties in meeting Paddy Marketing Boards standards at low cost which has been ultimately directed the farmers to sell the harvest to private buyers at low price. Nevertheless, it is suggested to buy paddy from government at the place of harvesting and increase the purchasing price. The quotes like below further prove that.

"Though there are posters and banners about the certified price there is no place to buy and store them. Government should purchase the paddy at a price of Rs.40".
 ["Thissa", Polonnaruwa]

"Government bodies should purchase at correct time. Then farmers don't have to keep their harvest within them for a longer time".
 ["Andala wewa", Hambantota]

"There is no one to buy the products to that price".
 ["Eksath", Kurunegala]

Fertilizer Subsidy

The outcome on fertilizer subsidy has resulted both negative and positive ideas as well as suggestions. All the FOs mentioned fertilizer subsidy as the best thing that they got from the government. Not getting at the correct

time and reduction in the amount were the negative points as mentioned. The main suggestion of all FOs' representatives in three districts considered was that, government should promote organic fertilizer or encourage, educate farmers to use organic fertilizer rather than chemical fertilizer as they cause for many health issues. In that case, farmers from Polonnaruwa district suggested that government should give subsidy for organic fertilizer behalf of chemical fertilizer subsidy. Here are some examples quotes about fertilizer subsidy.

"Before introducing fertilizer subsidy 1965, our ancestors did the cultivation using organic fertilizer. So I think government should stop this chemical fertilizer subsidy and convert this into organic fertilizer".
 ["Thissa", Polonnaruwa]

"We now receive less amount of fertilizer than earlier. Both small scale and large scale irrigating fields get same amount".
 ["Samarakoon wewa", Hambantota]

"The only relief we get is fertilizer subsidy. There isn't a problem with that. Our FO buys and brings fertilizer from the "Govi Jana Sewa". There are no difficulties or issues in that".
 ["Kurukgamuwa", Kurunegala]

Seeds and Planting Materials

Most FOs in Polonnaruwa and Hambantota districts mentioned about establishing more government paddy seeds farm. Also it is pointed out that the effects of privatization of seed farms as higher price of seed paddy & need of using more chemicals for them etc. Introducing developed high yield varieties was also a concern of many farmers. Kurunegala farmers mentioned that although they get seeds "Govi Jana Sewa", the seed distribution system is poor. Most farmers common practice was to produce own seed paddy or buy from nearby healthy looking paddy fields. Some statement on seeds and planting materials are stated below.

"Hikuraggoda and Palwahera seed paddy farms had been lending to private sector. So prices are high. Government should maintain government paddy seeds farms with the help of DOA".
 ["Perakum", Polonnaruwa]

"The period taking to introduce new varieties is very lengthy. That should be minimized".

["Diwul gasyaya", Hambantota]

Irrigation Schemes

Polonnaruwa farmers' perception on prevailing irrigation systems was negative. They were asking to protect prevailing irrigation system and develop more while Hambantota farmers were satisfied with the systems. Only farmers from 'Mahaweli project' face troubles as illegal water pumping is done. Lack of water is the main issue in Kurunegala and their suggestion is to take relevant action to reduce water pollution, environmental pollution and deforestation. For instance, following quotes can be extracted.

"Water supply management is poor. Releasing water for the farmers is decided by someone else".

["Uthuru Mada. Janatha Ekamuthuwa", Polonnaruwa]

"Water should be distributed efficiently among the farmers. A legally accepted solution should be provided".

["Samarakoon wewa", Hambantota]

"A proper irrigation scheme should be introduced that supply water for three seasons".

["Kurukgamuwa", Kurunegala]

Agro Chemicals

Inorganic chemical usage has minimized in Polonnaruwa and Hambantota as a result of effective extension services. Farmers in those areas have identified the effectiveness and environmental friendliness of natural and biological control methods while farmers in Kurunegala district are still stuck into agro chemicals.

"Farmers get instructions to use chemicals from the agro chemical shops".

["Thissa", Polonnaruwa]

"Traditional organic chemicals made by margoza, tobacco, etc should be promoted and advertised".

["Wayamba Jathika Govi Balasamuluwa", Kurunegala]

"We don't use them at all. Only 2% of farmers use chemicals. Predators and

other biological control methods are effective".

["Andalla wewa", Hambantota]

CONCLUSIONS

Farmers in the three districts had the highest interest on guaranteed price. Strengthening, spreading the Paddy Marketing Board in every main city and developing more storage facilities by the government were the key points that emphasized by all farmers. Promoting the usage of organic fertilizer behalf of chemicals fertilizer was the consent of most farmers while farmers in Kurunegala district suggested for a subsidy for the chemical fertilizer. The analysis came up with suggestions that the government should establish more paddy seed farms and allocate funds for developing new high yielding varieties frequently. When considering irrigation, Kurunegala farmers were suffering from the unavailability of water as their cultivations are rain fed. Reducing water pollution, deforestation, and environmental pollution were the key points that came up from that district. The qualitative analysis also suggests that the relative importance of agriculture policies differs among the three districts.

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