



Livestock Statistical Bulletin

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Daily Milk Production

The most distressing feature which was surfaced when analyzing the details was that nearly 46% of farms were not producing milk during the period of registration. Moreover, another 39 % were producing below 10 litres of milk per day. The percentage of farms that producing milk from 10 l to 20 l per day were only 14 % . Out of total dairy farms nearly 4 percent farms had production levels of 20l – 50 l of milk per day

Average Milk Production

Average milk production per farm in Nuwara Eliya district was the highest (9.6 l/day) followed by Colombo district (8.2 l/day). On an average, districts of Kandy ,Matale, Polonnaruwa, Hambantota , Kalutara had milk production over 5 litres per day. The lowest daily average production per farm per farm per day was reported in Kegalle district(2l/day). All the other districts recorded average milk production more than 3 litres per day.

1. Farm Registration Programme -2008

Livestock farm registration program was implemented by the Department of Animal Production and Health, in 2008. A total of 199,261 farms were registered in all over Sri Lanka which is about 76%. coverage of livestock holdings recorded in livestock census 2002 by the Department of Census and Statistics. Details of farm structure ,herd composition and production levels were also collected through this program..

Type of Farms

Out of the total registered farms nearly 76% were keeping cattle only .Around 5 percent of farms maintained buffaloes only.

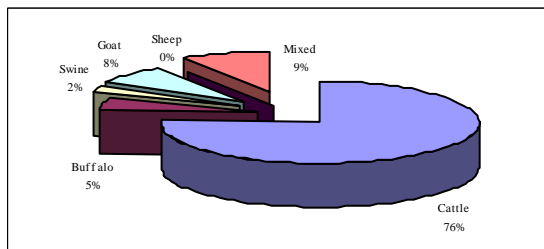


Fig.1 Type of Livestock Farms

Around 8 percent and 2 percent of farms were goat farms were swine farms respectively whereas 9 percent of the farms were mix type .Percentage of sheep farms were negligible.

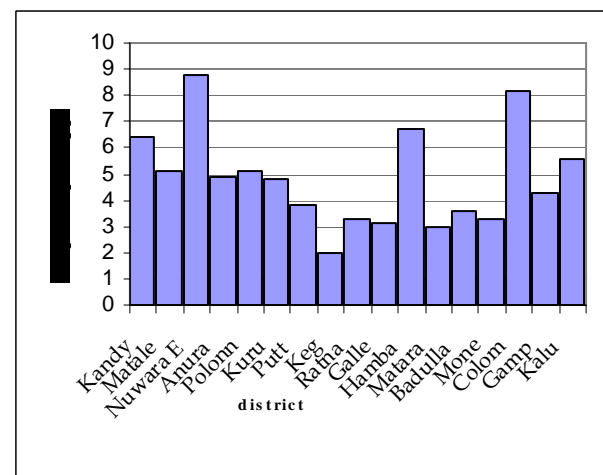


Fig.2 District Level Daily Average of Milk Production per Farm

2. Cost of Production of Milk under Different Agro Climatic Zones of Sri Lanka

The cost of production (COP) is the key determinant of farm gate price of milk, which may vary with the breeds kept, feeding systems, area, etc. Authentic data on the same is necessary for policy formulation and future planning pertaining to the dairy sector. Thus estimation of cost of production of milk in different agro climatic zones is extremely useful in present development programmes.

Therefore, a survey was conducted by the livestock planning and economics division of the Department of Animal Production and Health (DAPH) in 2008 to estimate the cost of production of milk under different production systems. The study was conducted in five (05) districts representing different agro climatic zones of Sri Lanka. Data was collected from farming households which had milking animals at that time. A total of 637 households were interviewed and data was collected by a pre structured questionnaire. Fixed cost, feed cost, labour cost, veterinary charges and other costs were taken in estimation. *Table 1* shows the main findings of the survey.

COP of milk shows significant variation with the management system even within the same agro climatic zone. Average cost of production in the area depends upon the common management system adopted (intensive, extensive, semi intensive), availability of by products, milk marketing net work etc..

Cost components of milk production

Labour cost was the highest component that comprise 46 % to 63 % in extensive, intensive and semi intensive systems respectively (*Table 2*). The percentage of labour cost to the total cost in semi intensive system was significantly lower to other two systems. Feed cost does not show much variability among three systems when calculating percentages. Miscellaneous cost component was significantly higher in semi intensive system due to cost of some other inputs (ropes, etc..)

Table 2. Cost components of Milk Production in different Management System

Component	Intensive	Semi intensive	Extensive
Feed cost	29	32	31
labour cost	61	46	63
Vet.cost	3	3	2
Other cost	3	9	3
Variable cost	98	92	99
Fixed cost	2	8	1

Percentage of fixed cost in the total cost under the semi intensive system shows a higher figure (*Table 2*) due to comparatively lower percentages of labour cost in that system.

N.A

Table 1 Cost of Production of Milk in Different Agro Climatic Zones by Management System (Rs/litre)

Zone/District	Sample size	Average COP	Management System		
			Intensive	Semi intensive	Extensive
Coconut traingle	163				
K'urunegala	94	22.49	25.19	21.62	11.89
Puttlam	69	14.50	N.A	17.7	9.50
Dry Zone	136				
Hambantota	44	10.81	22.85	11.39	8.94
Anuradhapura	92	14.67	23.8	17.64	9.52
Hill Country	134				
N'Eliya	134	27.25	29.85	22.38	N.A
Mid Country	68				
Kandy	68	25.80	29.4	24.8	N.A
Wet Zone	190				
Gampaha	58	23.6	26.57	23.52	N.A
Matale	64	18.85	22.13	17.79	12.05
All island	623	22.1	27.8	22.53	10.86

Milk marketing

Farm gate price of milk in areas where intensive system is dominant was lower (Rs.30.25) and it is highest (Rs.32.65) in areas where semi intensive and extensive system dominant areas as high Fat and SNF percentages of milk due to high level of roughage feeding and breeds kept (tropical).

COP in Different Management Systems

Rearing cattle under intensive system is most expensive and keeping under extensive system is highest profitable. Milk production cost is highest in Nuwara Eliya district where the predominant management system is intensive. It was least expensive in Hambantota district where the main rearing system is extensive.

Managing cattle in semi intensive system is also less expensive as well gaining higher profits.

Note

3. Manufacture of Value Added Meat Products

Value added meat products (i.e. sausages, meat balls) are popular among Sri Lankan consumers, particularly with younger generation. Six (07) meat processing companies are presently engaged in manufacturing these products. Quantities of value added products manufactured by these companies during 2004 to 2009 (up to June) are given in *Table 3*.

A bulk of these products (around 85%) comprise of chicken meat based products .

Annual average growth of this industry is around 3 percent. However, value added products manufactured over the first half of 2009 has dropped by 4 percent (3278.5 to 3139.2 MT), when compared with corresponding period in 2008.

Table 3 . Manufacture of Value Added Meat Products (2004-2009)

Product	2004	2005	2006	2007	2008	2009 Up to June
Chicken meat	5050.27 (76.9)	5544.79 (79.5)	5224.34 (78.3)	5411.81(83.4)	7858.10(91.6)	2902.74(86.6)
Beef	1126.43 (17.1)	1045.44 (15.0)	316.5 (4.7)	276.15 (4.3)	495.93(5.98)	105.48(3.2)
Pork	269.18 (4.1)	292.89 (4.2)	1031.2 (15.5)	722.43 (11.1)	185.36(2.16)	298.95(8.9)
Mutton	125.27 (1.9)	92.15 (1.3)	99.88 (1.5)	78.1 (1.2)	35.90(0.4)	45.02(1.3)
TOTAL	6571.2	6975.3	6671.9	6488.5	8575.4	3352.2

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4.Import of Milk Products and Domestic Milk Production

Large quantities of Milk products are being annually imported into Sri Lanka. Around 85 percent of these imports account for full cream milk powder. Imports in 2008 totalled 65,376.1 Metric Tons costing Rs. 30.8 billion (Figure 4). This value represents well over 15 percent of total food import bill in Sri Lanka in 2008.

Import of milk products during the first half of the year was only 28,470.98 Metric Tons, which is a significant decrease of 23% from the corresponding figure of 36,850.8 Metric Tons in 2008.

It should be noted that since April this year, tax base on the imported milk powder has been revised from Rs 35/Kg to Rs 125/kg.

Milk collection through the formal milk marketing network from January to June this year has shown a slight increase when compared with the same period of last year. However, reliable data on liquid milk sales, processing through the informal milk market and household consumption levels over the same period is not yet available.

All these factors have to be taken into account before any comment is made on the declining trend on import of milk products and the domestic milk production.

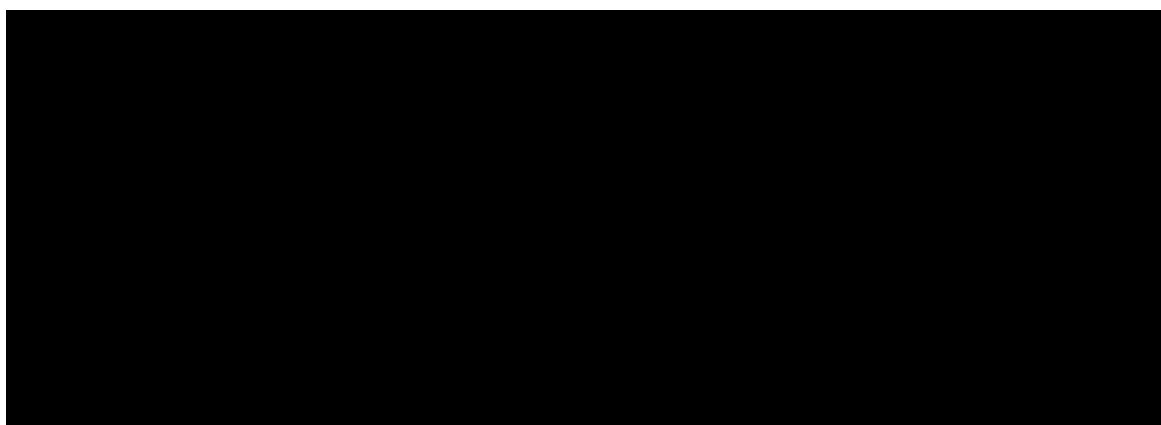


Fig.4. Import of Milk and Milk Products (2004-2006)

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