

ECONOMIC ANALYSIS OF SMALL SCALE FLOWER FARMING INDUSTRY IN SELECTED AREAS OF NUWARA ELIYA DS DIVISION AT NUWARA ELIYA DISTRICT

By

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ABSTRACT

This study was on Economic analysis of small scale flower farming industry in selected areas of Nuwara eliya DS division at Nuwara eliya district. The study was mainly based on primary data obtained from a sample survey in four GN divisions at Nuwara eliya DS division at Nuwara eliya district. Both primary and secondary data used in this study. 100 small scale flower farmers in the study area were selected as the respondents and primary data was collected through pretested questionnaires. The random sampling method was used for the primary data collection among the small-scale farmers in Nuwara eliya DS Division and secondary data also used. Data was analyzed using SPSS and MS Excel. Descriptive statistics, Frequencies, Gross margin analysis, Benefit Cost Ratio, Breakeven analysis and Regression analysis were done. Socioeconomic features of farmers, marketing sources of flowers and flower products, cost of production of flower farming and constraints in small scale flower farming were studied.

Results indicated that the average age of the respondents was 41 years. Average years of schooling was 10 years. 59% of farmers doing flower farming as subsidiary occupation for part time. 82% of the small-scale flower farmers had own land. 69% of farmers had grown roses as it well suited for the climate in Nuwara eliya and also Daisies, Chrysanthemum and Anthurium cultivation were practiced. The study found that majority (83%) of farmers use family members for farming. It was found that lack of preservation facilities between harvesting to marketing, higher transportation cost, lack of modern cultivation technologies, Lack of quality planting materials and drought caused by the reforestation at the area were the major problems faced by small scale flower farmers. 45% of farmers sell their products to flower collection centers. 65% of farmers were obtained loan for flower farming. 29% farmers only exposed to extension services and 56% of farmers participated in the training programs. Regression model result reveal the age of the respondent, education qualification in schooling years and marital status had significant impact on total income by flower farming per month. The average total cost of cultivation of Rose, Anthurium, Daisy and Chrysanthemum were Rs 28350/=, Rs 24500/=, Rs 24726/= and Rs 23643/= per annum per 1000sq.ft. According to the gross margin analysis the net profit for Rose, Anthurium,

daisies and Chrysanthemum were Rs 105650/=, Rs 55,500/=, Rs 137,274/= and Rs 74,357/= per annum per 1000sq.ft. Breakeven price of Rose, Anthurium, daisies and Chrysanthemum were Rs 2.95, Rs 2.72, Rs 1.71, Rs 1.31. Benefit Cost Ratio of Rose, Anthurium, daisies and Chrysanthemum were 5.07, 3.67, 6.98, 4.56 where indicates that small scale flower farming was profitable and has potential for expansion in Nuwara Eliya District.

Its recommended that better extension services for small scale flower farmers and supply of high quality planting materials to the farmers will increase flower production and improve farm income.

Keywords: Descriptive statics, Gross margin analysis, Benefit Cost Ratio, Breakeven analysis and Regression analysis, Socioeconomic features,

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