

THE DAIRY INDUSTRY AND THE FOOD PRODUCTION (ESTATES) ACT

Under the Food Production (Estates) Act, No. 40 of 1954, proprietors of tea and coconut estates of over 35 acres in extent are required to cultivate food crops on a certain percentage of land on their estates or elsewhere. If such food production is not undertaken, the estates have to make a payment in money to compound their obligations. Exemptions are also granted to estates who engage in Animal Husbandry activities in place of the cultivation of food crops. A number of conditions have been prescribed for the proper conduct of Animal Husbandry activities and it is only if the estates conform with these conditions that they become entitled to exemption from the monetary levy that would otherwise be imposed upon them. Briefly the conditions are that clean and hygienic sheds be provided to house all cattle, a standard type of milk room should be erected. Every herd of over 50 cows must maintain a stud bull approved by the Veterinary Surgeon of the area. Or, if this is not possible, the cows must be served either by artificial insemination at a Government Centre or by a stud bull, outside the estate, approved by the Veterinary Surgeon. No bull calf over 18 months, other than one that has been approved, shall be kept on the estate unless it has been castrated. A herd register has to be maintained and all cattle should be identified by ear-tags, ear tatoo marks, or other brand marks.

These conditions are clearly designed to stimulate better breeding and cattle maintenance practices as well as to increase the production of milk. For each cow yielding more than an average of 12 bottles of milk per day during lactation, the estate can claim to be exempted from cultivating two acres of food crops. There is a sliding scale for smaller milk yields. Under a further extension of this scheme, estates which carry out the conditions mentioned earlier are assessed on the quantity of milk sold to the Milk Board, the exemption being calculated at the rate of one acre for every 200 gallons of milk sold to the Board. Additional exemptions are allowed on account of capital expenditure incurred in the construction of cattle sheds and milk rooms based on approved type plans. From January 1st, 1957, estates which seek to continue to earn these exemptions and which are situated within the area of operation of the Milk Board will be required to organise the collection and delivery of 75 per cent of the milk produced within their confines. The Milk Board, reciprocally, guarantees to purchase all the milk so collected.

The effect of the Scheme can be examined in terms of a 200-acre coconut estate. Under the Act, such an estate would have to lay 6 per cent of its acreage, i.e. 12 acres, in food crops for each of the 2 seasons. If it failed, it would have to meet a levy of Rs. 2,000/- a year. It will, however, discharge its liability in entirety if the estate maintained 12 medium yielding milk cows.

The achievements of this scheme have been remarkable. During the year 1956, the estates produced over 26,000 gallons of milk under this Scheme. With the establishment of Gampola and Nattandiya and with the impending establishment of Polgahawela and Kotagala the tie-up between the Food Production (Estates) Act, the estates and these 4 dairies of the Milk Board should yield a truly substantial quantity of milk. There are other achievements too that have to be recorded. Since the beginning of 1955, over 200 cattle sheds have been built on estates at a cost of about Rs. 550,000. 60 Milk Rooms have been erected costing Rs. 90,000. Estates have purchased 175 approved stud bulls. The number of animals ear-tagged is nearly 10,000. At the end of 1956, 318 estates participated in this scheme and earned exemptions for 33,749 acres. If the direct levy had been made, these estates would have been liable in over Rs. 3 lakhs per year.

(Extract from the Administration Report of the Chairman, Milk Board for 1954-57, Part I—(Civil (00)).