

PERFORMANCE OF RICE MILLING INDUSTRY IN ANURADHAPURA DISTRICT (APPLICATION OF STRUCTURE-CONDUCT - PERFORMANCE PARADIGM)

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Present status of rice milling industry in Anuradhapura district was studied applying the Structure-Conduct- Performance paradigm. A convenient sample of 40 mills from four different categories of rice mills (based on their capacities) was selected. A pre-tested and structured questionnaire and personal observations were used to collect primary data. Descriptive statistical methods were used in data analysis. Mills of categories 1, 2 and 3 and 4 represented 50%, 25%, and 12.5% each respectively, of the total mills found in the area. Results indicated that large scale millers were affected negatively due to environmental and labor legislations than the small scale millers. All millers were affected negatively due to tax policies. High cost of production is a common problem while most of the large scale millers have faced difficulties due to labor scarcity. Though credit use is popular, they are not interested about product advertising. All millers have maintained paddy stocks in order to continue production throughout the year. Selling price was determined adding 7.63% to the cost of production. Due to scarcities in paddy, labourers, capital and transport none of the millers do operate at full capacity. Lack of paddy and capital were the main problems faced by the small scale millers and scarcity of paddy and the labourers were the main problems faced by the large scale millers. All millers operate under unsound conditions of structure and conduct. The study suggests enhancing the millers' awareness about the environment related issues, introducing new machinery, providing subsidies, taxing relief and introducing convenient credit supply mechanism in order to increase performance level of the industry.

Key words: Milling, Paddy, Rice, S-C-P Paradigm