

**EFFECTS OF MIGRATION AND REMITTANCE
INCOME ON YIELD OF TEA SMALL HOLDINGS IN
UVA REGION**

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ABSTRACT

Sri Lankan tea industry mostly depends on tea small holding sector currently than estate sector. Uva region is popular for tea production in both estate and small holding sector. But currently most of the household has migrant in this region. Migration and remittance has an impact on the economy. However, very little is known about its impact on the tea small holding sector, which accounts for three quarter of the country's tea production. This undergraduate research was carried out to identify the effects of migration and remittance income on yield of tea small holdings in Uva region. Pre-tested structured questionnaire was employed to collect information from 300 tea small holders in the Badulla, Passara, Hali-ela and Attampitiya TI ranges which belongs to regional tea small holding development authority, Bandarawela. The result of the research indicate that labor migration from the tea small holding sector has a negative impact on the green leaves production. But in other hand remittance from the migrants positively impact on the green leaves production by boosting the application of inputs at the correct time during the cultivation. Both impacts are mainly due to creating labor shortage in the sector and remittance receiving households are investing a portion of remittance into the tea cultivation respectively. Therefore, skill improvement to both outgoing and returning migrants can increase the green leaves production by increasing remittance and enhancing the decision making skills in the tea cultivation respectively. High remittances can neutralize the labor shortage from labor migration by hiring the labor and decision making skills on tea cultivation can enhance the productivity.

Keywords: Migration, Remittance, yield