

# **REMITTANCE AND INVESTMENT OF TEA SMALL HOLDERS IN UVA REGION**

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## ABSTRACT

Tea is the second most popular drink in the world, after water. In Sri Lanka it is also an important commodity in terms of jobs and export earnings. Agricultural holdings below 50 acres are treated as Tea Small Holdings. The smallholder sector is made up of resident grower families, dealers and factory owners. There is intensive attention and husbanding of field production from family units, usually assisted by hired workers. Migrants are defined as those who lived away from their families for migratory work for no less than three months before the survey. Remittance implies money and goods that are transmitted to households back home by people who working away from their origin community. It is important to understand the impact of remittance on productive investment of Tea small holders. The population of the research was the total tea small holders in Badulla district. 8 Tea inspectors' ranges were selected from on multi stage random sampling. (3 ranges from Haliela, 3 Ranges from Bandarawela and 2 ranges from Welimada). 100 small holders were randomly selected from the 8 selected ranges. Primary data were collected from the farmers while they are interviewed at their fields. Data were analyzed by Using Stata software package. Descriptive statistical techniques were used to present the demographic features of the sample. Multiple linear regression analysis was worked out to find out the impact of remittance on productive investment of Tea small holders in Uva region. According to the data analysis there is a significant impact of remittance gained by migrant on productive investment in tea land in Uva region among tea small holders. Among independent variables number of family members, education level of household head, income from tea land and remittance have positive impact on the productive investment on tea lands of tea small holders of Uva region. Migration of family members out of farming, number of children in the family and durable consumption of the family have negative impact on the productive investment on tea lands. Tea cultivated land extent, age of house hold head, income from other cultivation, income from job of household head, non-durable consumption, and other Investment have not any significant impact on the productive investment on tea lands of tea small holders in Uva region.

Key Words – remittance, productive investment, migrant