

PARLIAMENTARY QUESTION NO B/1129

**B/1129 The Honourable Fifth Member for La Caverne and Phoenix
(20.11.07) (Mr Soodhun)**

To ask Dr the Honourable Minister of Agro-Industry & Fisheries:-

Whether he will state if Government has decided to stop the collection of milk from the cow breeders and the distribution thereof and, if so, indicate any alternative support is being proposed to the cow breeders?

REPLY

Mr Speaker Sir,

I am advised by the Agricultural Marketing Board (AMB) that the current Milk Marketing Scheme, which is in operation since 1985, will run until May 2008. The scheme, which is not viable presently, will be reviewed after that date. In this regard, the AMB has organized a series of meetings with the cow-breeders to inform them of the AMB's decision and to allow them to make alternative arrangements to sell their milk.

2. I wish to assure the House that my Ministry will assist interested entrepreneurs and milk cooperatives through the Empowerment Programme and other institutions to set up business in milk marketing so that they can be equipped with mini pasteurization units including packing facilities for pasteurized milk to be sold to the public and hotels at large. The Nouvelle Découverte Cow-Breeders's Cooperative Society is being guided in this direction along with the Mouvement pour l'Autosuffisance Alimentaire.

3. Furthermore, large players in dairy activities namely Surat & Co Ltd, Krish Cow Farm and Dairy Products have expressed intentions in setting up their own marketing system and will sell pasteurized milk. They will also buy the fresh milk from small operators for marketing and pasteurization.

Mr. Speaker Sir,

4. Under the Milk Marketing Scheme, milk collected island-wide from cow-breeders is pasteurized by Best Dairy Company Ltd for which the latter charges a fee to the AMB. After the pasteurization process, milk is packed and distributed for sale by AMB.

5. It has been noted that the delivery of the pasteurized milk by Best Dairy Company Ltd is not being effected as per the requirements of the Food Act. Various shortcomings have been noted by the Ministry of Health and Quality of Life and the Company has been requested, on various occasions, to take remedial actions.

Mr. Speaker Sir,

6. For the Milk Marketing Scheme to be viable financially, the AMB needs at least 3,500 litres daily. It presently collects less than 1,000 litre daily compared to an average of 4,000 litres each day, over the past ten years.

7. The AMB started making losses as from year 2000 mainly because there has been a drastic decrease in the supply of milk. Cow-breeders are not interested to sell their milk to AMB because they are fetching higher prices on the market i.e. Rs 25 to Rs 35 per litre compared to AMB's price of Rs 12 per litre. The AMB is contemplating an increase in the price of fresh milk to provide an incentive to cow-breeders.