

**A STUDY ON THE INCOME DIVERSIFICATION
PATTERNS OF PLANTATION WORKERS IN SRI LANKA**

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ABSTRACT

The purpose of this study is to examine income diversification patterns and to see whether diversification helps to increase the resilience of the plantation household. Plantations (estates) have distinct characteristics compared to the rest of the country, Sri Lanka. The plantation workers have many constraints in carrying out income diversification activities. Despite these, many types of income diversification are taking place inside as well as outside the estates.

The experience obtained by studying thirty households gives more insights into the challenges faced by the plantation households in seeking a livelihood and an increased standard of living. Many factors (personal and external) influence the household income diversification activities. They are multidimensional; social, economic, and political. Further, this study observed that plantation households are willing to incorporate estate work for use their initial base on the estate; they do not leave the estate, because of the welfare facilities provided to registered estate workers. Even though, they are not satisfied with this welfare service, they feel it supports their cost of living. These households are mostly semi-skilled workers, also they are diversifying their income sources, which are in three categories such as estate work only, estate work plus outside the estate work (either in-country work or both in-country and overseas) plus self employment.

Further, it is identified that education and skill training is the main determinant to the progress of the socio-economic stability. However there are some factors such as motivation, personal aspiration, infrastructure facilities, social, and political support are lacking that prevent the achievement of educational qualifications, which is the prerequisite of income diversification. Households, who obtain educational attainment, are in the socio-economic mobility and moving out of poverty. Furthermore, overseas employment enables them to quick accumulation of assets and that leads them to invest in self employment or education.

Finally, this study concludes that income diversification helps to increase resilience of the plantation household, which could be articulated when compare the socio- economic progress of the grouped households within the unit of thirty households. Further, public policy intervention is required to initiate or enhance this progress.