

LABOUR MIGRATION AND POVERTY OF TEA ESTATE SECTOR OF BADULLA DISTRICT

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ABSTRACT

Shrinking of skilled labourers from the Tea estate is one of the major problems faced by Sri Lankan Tea industry and it is mainly due to the labour out migration from the estates. However Labour migration and external employment other than the estate work plays an important role in poverty reduction in estate sector. Hence this study was done to examine the impact of labour migration on poverty in Tea estate sector in Badulla district. Primary data for the study were gathered using pre tested questionnaire. Cluster sampling technique was used to draw households for the sample from the total population of the selected Tea estates and finally sample comprises with 298 labour households. Since remittance from the migrant is a potential substitute for estate income, we present counterfactual scenarios of what labour household poverty would have been in the absence of migration. The final outcome of this study suggest that all three aspects of poverty noticeably reduce; incidence of poverty (Poverty Head Count Index) by 25.26 %, depth of poverty (Poverty Gap Index) by 15.56 % and severity of poverty (Squared Poverty Gap Index) by 8.96 % in the presence of at least one migrant in the labour households in Tea estates.

Key words: Migration, Poverty, Labour households, Tea estate sector