INCOME DIVERSIFICATION OF TEA ESTATE HOUSEHOLDES IN BADULLA DISTRICT

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ABSTRACT

The study on income diversification of tea estates households is conducted in Badulla district by using the 298 tea estates households. Mainly the findings of this research examined the determinants of income diversification in tea estates households in Badulla district. Both descriptive and multiple regression analysis (Tobit model) were employed to achieve the main objectives of the research. The result show that total dependents, number of males and females, monthly expenditure, age of household head, years of schooling household head, loan receipt are influenced to the estate income. The factors influenced on the other agricultural activities were total dependent, monthly expenditure and years of schooling household head. Total dependents, number of males and females, age of household head, years of schooling household head, loan receipt are the factors influenced on non-agricultural income. The estate households have different income sources such as estate income, animal husbandry income, crop cultivation, government job, working in shop, vehicle hiring, foreign employment, sundry working, and other income activities. When considering the overall diversity of the study area, most of households are in average diversity of their income. The factors affecting on the overall diversity of income were total dependents, number of males and females and gender of the household head while monthly expenditure, distance to the city, loan receipt, age of household heads, years of schooling household head did not influenced. To enhance income diversification, it is important to improve loan receipt at low interest rate and giving inputs to start self-employments at home.

Key words - Income diversification, Tobit model, Shannon equitability index