

Sanjeewa, P. D. P. & A.J. Patabendige  
Faculty of Commerce & Management, University of Kelaniya

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## **Socio-economic status of families of Sri Lankan workers overseas**

Migration overseas for employment has been a rising trend over the last two decades, and it has become the highest net foreign exchange earner of the Sri Lankan economy in year 2009. Remittances are of major importance because it is at the intersection between migration and local household economy with their sheer volume, effect on household income, and contribution to financial asset building which improves quality of life. The remittances play a significant role in the economy and the social arena of Sri Lanka. The amount of money for consumption, savings and investments out of total remittance earned by the recipient contribute towards the stability and the growth of the economy which in turn decide the social aspects of those families.

The study tries to investigate the social and economic status of worker remittance recipient families with the aim of analyzing relationships and potential causality links between worker remittances and other socio-economic indicators of those families. The study was conducted in over 156 households in Colombo, Trincomalee and Hambantota administrative districts of Sri Lanka. Households receiving remittances from European, Middle Eastern, Asian and other regions of the world were selected. Each district was considered as a cluster and the data was collected through an extended household survey.

Results revealed that remittances have generated significant, long lasting improvements in wellbeing for many local households.

It was revealed that considerable number of households suffer from Pseudo Riches Mentality in which they try to show off in society with luxurious type of living even when they are not financially stable nor the wealth sustainable. Failure of households to make a stable and lasting income source with remittances earned results in cyclic occurrence of the migrating leading to the continuation of vicious cycle of migration.

The study concludes that the migration for employment and the receipt of worker remittances have shown a significant positive impact on the social and economic aspects of the local households. But in terms of productivity of investing money into business ventures and other purposes, drain of skilled and young workforce, households clinging to imports etc., the benefits due to foreign worker remittances and the contribution on the Balance of Payments of the country are not very promising.

**Keywords: Remittance, Migration, Pseudo Riches Mentality**