

Factors Influence in Low Income Level Farmers' perception Towards Micro-Insurance in Sri Lanka; Study Based on North-Western Province

M. G. S. S. Wijesiri¹ and H. J. R. Buddhika²

Department of Finance, University of Kelaniya, Sri Lanka^{1,2}

samansanjaya1996@gmail.com¹, buddhkar@kln.ac.lk²

ABSTRACT

Introduction – The study contributed towards the factors influence on low-income level farmers on micro-insurance in Sri Lanka. Micro Insurance is the provision of insurance to poor and low-income people. Micro Insurance covers numerous risks such as illness, accidental injuries, credits, death, natural disasters (earthquake, drought) and property loss (theft, fire).

Design/Methodology - The study based on a survey model approach; data gathered on primary mode. The information collected through printed questionnaires distribution. The total numbers of farmers in the paddy sector in Galgamuwa area considered as the population, where 250 farmers selected for the sample study with the convenience sampling technique.

Findings - The three variables (accessibility, knowledge and Behaviour of agent) have a positive relationship with farmers' perception toward micro insurance concept in Sri Lanka where agent's ability does not have a positive relationship. Further, there is a positive relationship between the ability to pay and the farmers perception, but there is no significant relationship between them.

Conclusion – The micro insurance concept is an essential significant contribution element in developing countries. That is most successful in several countries, but that is not a positive symptom condition in Sri Lanka. The findings can conclude as the reason for that is the poor knowledge and wrong opinions in the society. According to the presented data sample, the majority is low educated people.

Keywords: *Ability to pay, Accessibility, Behavior, Knowledge, Micro insurance, Perception*