

## 5. Income

Household income is defined as the income received by all the members of the household from various sources, either in cash (monetary income) or in kind (non-monetary income). The main income sources used in this survey are wages and salaries, income from agricultural activities (seasonal and non seasonal crops), income from non agricultural activities, other cash income (Samurdhi, dividends, interests, current remittance and transfers, windfall income etc.) and income in kind (consumed quantities of home grown fruit and vegetables, firewood, estimated rental value of owner occupied housing unit etc.).

Obtaining income information from individuals and households is a difficult task. People do not prefer to give complete and real information on income. Therefore to gather more accurate and reliable data, income information declared by the household members were collected in six separate sections. Apart from that an extra column was added in the expenditure section to gather more information on consumed items such as freely received, home grown products etc. Using this information, average monthly household income (mean income), median income, per capita income, income receiver's income, Gini coefficient of household income etc. were estimated.

### 5.1 Household income

According to Table 5.1 the survey results reveal that the mean household income per month for Sri Lanka is Rs. 25414 in 2006. The highest mean income per month is reported from urban sector ( Rs. 42878) and Western province ( Rs. 34493), which compared to other sectors and provinces respectively.

Median household income is a better indicator than the mean household income to compare the household income in Sri Lanka. The survey results show that the median household income per month for Sri Lanka is Rs.16494, which means half of the households in Sri Lanka have received less than Rs. 16494 per month per household in the year 2006. When Central and Eastern provinces are considered, it is seen that the mean income in Central province (Rs.20507) is greater than the mean income in Eastern province (Rs. 18876). On the other hand, the median income in Central province (Rs.13326) is less than the median income in Eastern province (Rs. 14280)

Table5.1 :Average monthly household income, median income by sector and province - 2006

Sector/Province	Mean household income (Rs.)	Median household Income (Rs.)
<b>Sri Lanka</b>	<b>25414</b>	<b>16494</b>
Urban	42878	23000
Rural	22979	15783
Estate	15724	11287
<b>Province</b>		
Western	34493	21340
Central	20507	13326
Southern	24730	16798
Eastern	18876	14200
North Western	20631	14898
North Central	24548	18343
Uva	19757	13606
Sabaragamuwa	19698	12436