

**B-40: Comparison of sources, amounts and income distribution of farm families before and after settlement in Mahaweli System C**

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People from various parts of the country have been settled in Mahaweli System C. There is a wide variation in the standards of living among the settlers. This study was undertaken in 6 blocks in Mahaweli System C to examine the income sources, amounts and distributions of settler families before and after settling in System C. The sample size was 211 farm families.

Before settlement, about 36% of the farm families received a monthly income below the poverty line (less than Rs. 750). The average monthly income earned by a settler family in System C was Rs. 2,138.00 (SD Rs. 3,616.00). Those earning above Rs. 6,000.00 were estimated to be only 5%. Although the average income increased with the expansion of sources of income in Mahaweli System C, income inequalities of settler families expanded. The families also showed wide disparities in asset ownership, land cultivation, and other agricultural and non-agricultural activities and enterprises. These may be due to initial inequalities that they bring with them at the time of settlement as well as due to the situational variations that they encounter after settlement in System C.