

**FACTORS ASSOCIATED WITH OVER EXPENDITURE  
AMONG LOW INCOME HOUSEHOLDS IN SRI LANKA**

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Degree of Master of Science

Department of Mathematics

University of Moratuwa

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## **ABSTRACT**

Over expenditure can cause various problems in household. If monthly income is lower than monthly expenditure it can be referred to as a situation of “over expenditure”. This means that the amount of money spent in a given month exceeds the amount of money earned during that same period. It can worst the living condition in a low income household. It can be identified huge problems in the society due to low income in the households. Among the problems caused by insufficient income are health problems caused by insufficient nutrition and depression due to the inability to provide adequate facilities for the dependents, economic security lost due to the increase in expenditure over income, negative impact of family well-being with mental stress and emerging family problems, negative impact on children’s education, mental and physical health and the future etc. are critical social problems.so it is important to find out the reason for over expenditure among low income families. Therefore the current study was done in order to find the factors associated with over expenditure among low income families. This study was done by using secondary data obtained from the Income and Expenditure Survey\_ 2019, conducted by Department of Census and Statistics. There are seven factors identified as significantly associated with over expenditure among low income households. Those are Sector of residence, Number of members in household ,Employment status of the household head, Educational level of the household head, Age group of the household head, Suffer from chronic illness by household head , monthly food expenditure greater than the half of income. Among low income households in Sri Lanka those who are in urban sector, working as a contributing family worker, headed by person who are in 31-40 year of young age level and suffer from chronic illnesses, have the maximum possibility of being low income over expenditure per month. Also the family who spent money for their monthly expenditure than their half of monthly income has high possibility being low income over expenditure. When increasing the number of family members possibility of being over expenditure also increasing.

**Keywords:** Economic security, Family well-being, Family stability, Food security

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