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## **The Economic Impact of 2017 Floods in Baddegama Divisional Secretariat Division in Galle District**

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Fifteen districts were affected by floods and landslides in Sri Lanka due to the heavy rains in southwest monsoon during May 2017. The floods in Baddegama DSD were severe than the previous years and affected the livelihood of the people. The objectives of this study were to evaluate the economic impact of 2017 floods in Baddegama divisional secretariat division (DSD) in Galle district and to analyze the damage occurred due to floods in 2017 and corresponded satisfaction level on damage compensation payments received by the respondents. A sample of one hundred fifty-two flood affected households from twenty-five affected Grama Niladari Divisions (GNDs) were selected (15% of the affected population) according to the stratified sampling technique. The data was analyzed by using descriptive statistical methods, non-parametric statistical methods of Kruskal-Wallis H test one-way ANOVA and the regression analysis. Twenty one percent of the household heads were laborers followed by 17% were unemployed, 14.5% were self-employed and 12.5% were private sector employed. Significantly highest numbers of households were limitedly damaged (55.3%) while 19.1% of households were partially collapsed. Significantly higher percentage of Small and Medium Enterprises (SMEs) (64.7%) were severely damaged due to floods which implies the SMEs were highly affected than the houses. Further, the 89% crop cultivation and the 80% of respondent's occupations were affected by 2017 floods. Significantly higher percentage of people 57.9 % were unsatisfied about their damaged compensation while significantly lower percentage of 31.7 % people were satisfied. However, the regression analysis conducted on the relationship between the expected and received damage compensation payments for total damages due to the floods in 2017 were significantly positive by resulted P value of 0.000 ( $P \leq 0.05$ ). Corresponded facts highlighted the significance of damage compensation payments are consensus hence inadequate in filling the gap occurred due to the SME damage and the circumstance directly and adversely impacted the economic status of the people of Baddegama DSD.

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