

Summary

This study focuses on the economic analysis and the retention capacity of the Farmers' Pension and Social Security Benefit Scheme (1987) implemented in the Sri lankan rural sector. The investigation methodology included Secondary data collection, exploratory studies and desk studies. The economic analysis indicates that B/C ratio, N.P.W. and I.R.R. are relatively higher older age categories. ~~The implication here is~~ ^{It was found} that the benefits rest on the enrolment age and higher benefits are attributed to the members ^{who} enrol ⁱⁿ the scheme at ~~their~~ older ages. The scheme is much similar to a life insurance scheme ^{so} to a rather than a welfare programme organized in the context of ^a pension scheme. The Payment intensity elucidates a declining trend over time showing low retention capacity. Further, number of resources associated with ~~non-payment~~ of instalment were also identified. Generally, this scheme can be viewed as a insurance mechanism even though the benefits were distributed as a pension. In all, ~~the~~ finding can be utilized to make relevant adjustments in the costs and benefits of the scheme.