

Stories from Gojo's Financial Diaries

Diarist Kalai:

When illness threatens stability!



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“My husband lost his job when he became paralyzed, and during that difficult time, his siblings supported us. Now, I earn a living through tailoring,” said Kalai (name changed), her voice breaking as she recalled years of hardship. At 42, she is a widow, a mother, and the sole breadwinner of her household. What was once a stable and secure life collapsed overnight when illness struck, leaving the family with no income and burdened with debt. During our visit to her house, she broke down several times, sharing not only the grief of losing her husband but also the challenges of providing and paying for essentials. Yet her story is not only one of vulnerability but also of quiet resilience. Despite hardship, she continues to lead her household with dignity, holding on to the hope that her circumstances will improve in the years ahead.

Income realities

Kalai lives in Kesbewa, Sri Lanka, with her two children, aged 14 and 10, and her 78-year-old mother. Her life changed drastically when her husband, once a skilled construction worker, was paralyzed in 2018. For years, she shouldered the dual burden of caregiving and earning, struggling to support his treatment while raising her children. His passing in June 2025 deepened the loss, but in truth, Kalai had long been carrying the weight of responsibility alone, holding her family together through years of hardship.

Her journey, captured through Gojo's Financial Diaries research (December 2021–February 2024) and field visits in June 2025, offers critical

insights into the vulnerabilities of low-income households. Before her husband fell ill, the family lived comfortably on a steady income. His sudden paralysis wiped out that income and forced Kalai to step into the role of provider. She found work at a local garment factory as a tailor, earning between LKR 1,500 and 3,000 per day, with occasional highs of up to LKR 6,000. While this offered relief, it was never enough to cover both daily household needs and the debts accumulated from medical expenses.

Her mother's role became vital, as she took care of the children so that Kalai could continue working. Meanwhile, relatives and coworkers often stepped in with small but crucial financial support when funds ran out, which became an important safety net in times of need.

The chart Figure 1 shows Kalai's weekly inflows over six months, revealing highly irregular income that ranges from LKR 1,000 to LKR 7,000 per week. Some weeks record no earnings at all, reflecting the uncertainty of her work and livelihood. To bridge income gaps, she frequently takes informal loans at close intervals, particularly when her earnings are low or absent, primarily to smooth consumption and cover immediate needs. The national poverty line of Sri Lanka, as per the DCS¹, during this period stood at approximately LKR 16,000 per individual per month. Compared to this benchmark, Kalai's household income for a family of five falls significantly below the poverty line.

Figure 1 below depicts a sample of Kalai's weekly inflows during the research period.

¹ [Department of Census and Statistics](#)

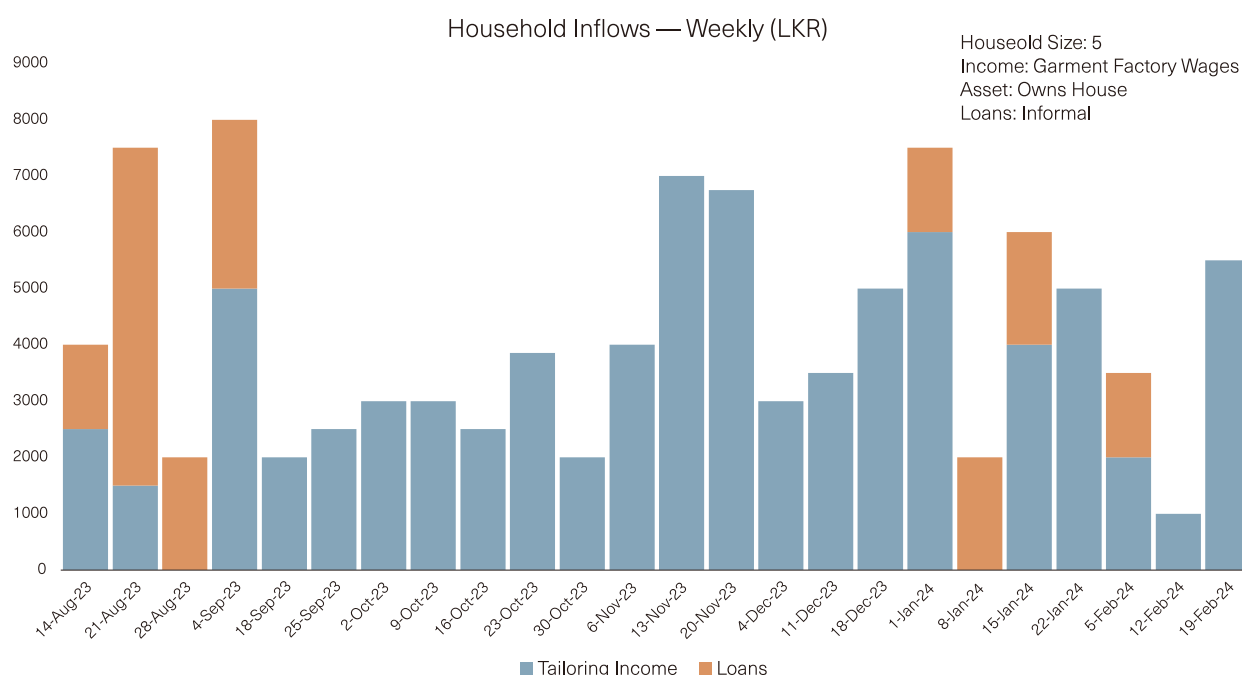


Figure 1

Expenditures

A closer look at Kalai's expenditure patterns (Figure 2) reveals that survival dictates her household spending. Food dominates the budget, accounting for nearly 79% of total expenses and consuming almost all of her tailoring income. Utilities take up another 15%, but these payments often come as lump sums of LKR 3,000 to 4,000, which is overwhelming for her modest earnings. Education, although accounting for only about 4% of spending, at times requires significant sacrifices; yet Kalai consistently prioritises her children's schooling. Spending on other needs is minimal. What stands out most in her budget is not just the scarcity of resources, but the complete absence of expenditure on clothing, underscoring how difficult it is to meet even the most basic of needs for her growing children. She also shares that there are days she sacrifices her meals so that her children can eat three meals a day.

Debt weighs heavily on her finances. Deductions for a medical loan taken out for her late husband, along with a workplace loan to cover his funeral

costs, steadily eat away at her wages, tightening an already fragile budget.

One source of relief is that the family lives in their own home, sparing them the additional burden of rent. They also benefit from Sri Lanka's Aswesuma welfare scheme, which provides vital cash subsidies to low-income households like hers.

Despite these hardships, Kalai hopes to buy a sewing machine and start a tailoring business from home, which would provide her with better flexibility. For now, her current debt obligations prevent her from making this investment. She also hopes that once her daughter completes her secondary school in 2027 and begins working, the family's burden will finally ease, giving her the possibility to stabilise her income and pursue her long-held dream of running a home-based tailoring shop.

Figure 2 below illustrates the weekly trends in overall cash flow during the research period.

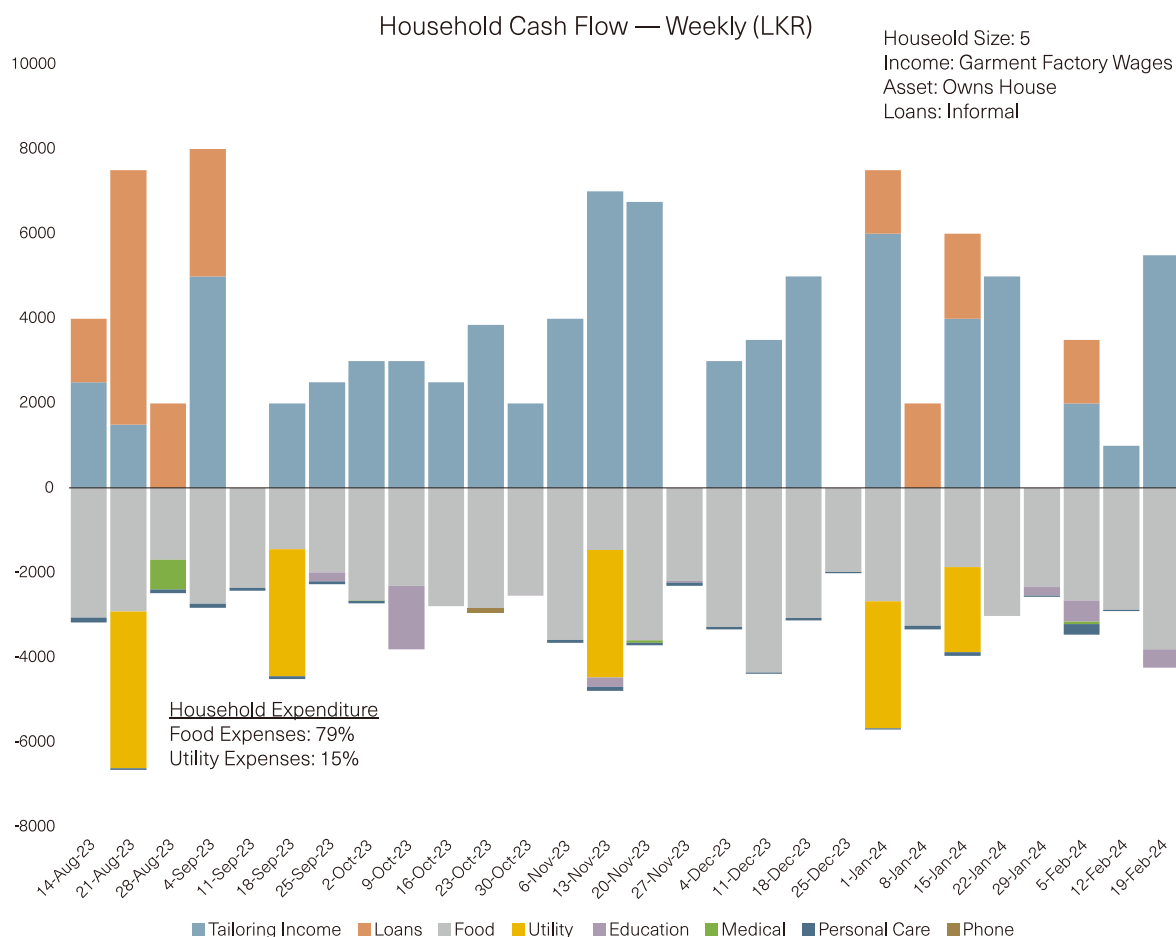


Figure 2

Conclusion

Kalai's story is a powerful reminder of how quickly vulnerable households, even those once relatively stable, can be pushed deeper into poverty by sudden illness, job loss, or prolonged medical expenses. Nearly 80% of her income is spent on food, yet it remains insufficient, while most of the remaining income goes toward utilities and debt repayments. She constantly makes trade-offs to meet basic needs. The sacrifices on food and the complete absence of spending on clothing reflect not choice, but necessity. The irony is striking: she stitches clothes for others but cannot afford clothing for herself or her children. With no supplemental income, she often relies on informal loans to cover immediate needs. Her income remains far below the poverty line, exposing the

fragile reality of low-income households struggling to survive amid income shocks.

Kalai's journey highlights the importance of raising awareness and expanding access to women's vocational education and skill development to generate supplemental income, an outcome already observed in other regions, to foster sustainable livelihoods. Strengthening social protection programs for widows and families experiencing health or income shocks, and providing targeted asset support such as subsidised sewing machines, could make a tangible difference. With the right interventions, households like Kalai's can shift from a cycle of survival and sacrifice to building a stable and resilient future.