



Sri Lanka Labour Force Survey was designed to measure the levels and trends of employment, unemployment and labour force in Sri Lanka. This survey is being conducted quarterly, since the first quarter of 1990.

The field work of the survey for the fourth quarter 2008 was done in October, November and December in year 2008. Even though it was planned to conduct the survey in Northern province, the survey was not conducted fully due to the prevailing uncertain conditions in districts of Northern province. In fourth quarter 2008 the survey was conducted also in the Eastern province, hence this bulletin consists of summary statistics computed by including Eastern province in table 'Selected Labour Force Indicators' (page 4).

(Please log on to the DCS website (www.statistics.gov.lk) for detailed tables.)

Labour force participation rate

Labour Force: Number of persons who were employed or unemployed during the reference week

Labour force participation rate: Labour force expressed as a percentage of population age 10 yr. & over

Table 1: Economically active population by sex and sector- Fourth Quarter 2008

Sector	Economically active population					
	Total	%	Male	%	Female	%
Total	7650137	100.0	4818369	63.0	2831768	37.0
Urban	730283	100.0	486955	66.7	243328.2	33.3
Rural	6919854	100.0	4331415	62.6	2588440	37.4

* Excluding Northern & Eastern provinces

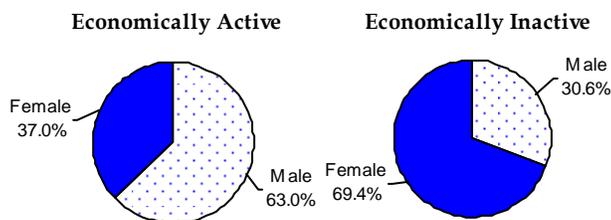
Table 2: Economically Inactive population by sex and sector- Fourth Quarter 2008

Sector	Economically inactive population					
	Total	%	Male	%	Female	%
Total	7562289	100.0	2314053	30.6	5248236	69.4
Urban	841468	100.0	248261	29.5	593207	70.5
Rural	6720820	100.0	2065792	30.7	4655029	69.3

* Excluding Northern & Eastern provinces

The survey results revealed that (Table 1), the estimated economically active population (or labour force) is about 7.6 million in third quarter 2008. Of which 63.0 percent are males and 37.0 percent are females. Of the economically inactive population 30.6 percent are males and 69.4 percent are females (Table 2).

Figure 1 : Distribution of Economically active/Inactive population



* Excluding Northern & Eastern provinces

Table 3: Labour Force Participation Rate by sex & year

2000	50.3	67.2	33.9
2001	48.8	66.2	31.9
2002	50.3	67.9	33.6
2003	49.7	67.5	32.6
2004	49.6	67.2	33.0
2005	49.3	67.3	32.6
2006	51.2	68.1	35.7
2007	49.8	67.8	33.4
2008 Q1	49.8	67.3	34.2
2008 Q2	49.6	67.8	33.1
2008 Q3	51.1	69.1	34.9
2008 Q4	50.3	67.6	35.0

Table 3 provides the information on labour force participation rates since year 2000. As can be seen from this table, male participation rate for the fourth quarter 2008 is about 67.6 percent and it is 35.0 percent for females. It is important to note that, male participation to the labour force is as twice as that of females.

* Excluding Northern & Eastern provinces

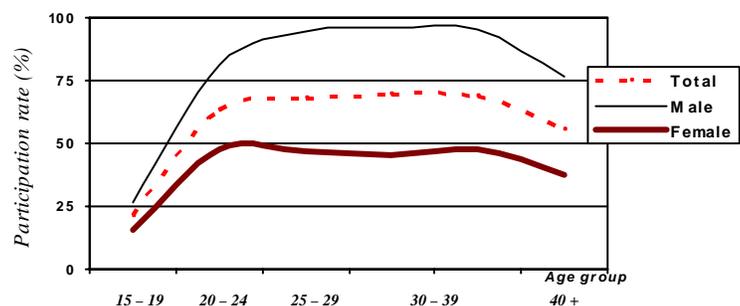
Table 4 : Labour Force Participation Rate by age group & by sex - Fourth Quarter 2008

Age group	Sex		
	Total	Male	Female
Total	50.3	67.6	35.0
15 - 19	20.7	26.5	15.4
20 - 24	63.0	81.2	47.3
25 - 29	68.1	94.9	46.5
30 - 39	69.0	95.5	46.5
40+	55.6	76.3	37.6

* Excluding Northern & Eastern provinces

Table 4 provides the labour force participation rates by sex and age group. Highest male participation rate (95.5) is reported from (30 - 39) age group while female highest participation rate (47.3) reported from age group (20-24).

Figure 2 : Labour Force Participation Rate by age group & sex - Fourth Quarter 2008



* Excluding Northern & Eastern provinces

Employment

Employed: Persons who are engaged in some kind of work for pay or profit or family gain during the reference week.

Table 5 : Distribution of Employed population by main industry, (Fourth quarter 2007 – Fourth Quarter 2008)

Year	Major industry group			
	Total	Agriculture	Industries	Services
Oct-Nov-Dec 4 th Qtr - 2007	7176679 (100.0)	2366192 (33.0)	1835126 (25.6)	2975360 (41.5)
Jan-Feb-Mar 1 st Qtr - 2008	7148318 (100.0)	2272031 (31.8)	1890286 (26.4)	2986000 (41.8)
April-May-June 2 nd Qtr - 2008	7106439 (100.0)	2140712 (30.1)	1935656 (27.2)	3030071 (42.6)
July-Aug-Sept. 3 rd Qtr - 2008	7192034 (100.0)	2494966 (34.7)	1878184 (26.1)	2818883 (39.2)
Oct-Nov-Dec 4 th Qtr - 2008	7252034 (100.0)	2469949 (34.1)	1847888 (25.5)	2934196 (40.5)

Note: The tabulation groups based on ISIC (Rev.3) are indicated as A,B,C.....Q..

** Excluding Northern & Eastern provinces*

Agriculture	Services
1. Agriculture (A)	1. Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods (G)
2. Forestry and Fishery (B)	2. Hotels and Restaurants (H)
	3. Transport, Storage and Communication (I)
Industries	4. Financial Intermediation and Real Estate, Renting and Business Activities (J,K)
1. Manufacturing (D)	5. Public Administration and Defence, Compulsory Social Security (L)
2. Construction (F)	6. Education (M)
3. Mining & Quarrying (C)	7. Health and Social work (N)
4. Electricity, Gas and Water supply (E)	8. Other Community, Social and Personal Service Activities (O)
	9. Private Households with Employed Persons (P)
	10. Miscellaneous Labour work
	11. Extra Territorial Organizations & bodies (Q)
	12. Industries not adequately described

Table 5 shows the percentage distribution of employed population by main industry from fourth quarter 2007 to fourth quarter 2008. The total number of employed persons in Sri Lanka is estimated as about 7.2 million in fourth quarter 2008. Of which, about 40.5 percent engaged in services sector employment, and 34.1% in agriculture sector.

When the distribution of employment between fourth quarter 2007 to fourth quarter 2008 is compared agriculture sector shows a marked increase in its relative importance, and for the service sector it is the opposite.

Table 6 : Percentage distribution of employed population by employment status and Agriculture/ non- agriculture sector - Fourth quarter 2008.

Employment Status	Total		Sector			
	No.	%	Agriculture		Non Agriculture	
			No.	%	No.	%
Total	7252034	100.0	2469949	34.1	4782084	65.9
Employee	4103837	100.0	725874	17.7	3377963	82.3
Public	1065622	100.0	146756	13.8	918866	86.2
Private	3038215	100.0	579118	19.1	2459097	80.9
Employer	218383	100.0	47257	21.6	171127	78.4
Own account worker	2105467	100.0	1107423	52.6	998044	47.4
Unpaid family worker	824346	100.0	589396	71.5	234950	28.5

** Excluding Northern & Eastern provinces*

Table 6 shows that, about 82.3 percent of total paid employees are engaged in non-agricultural sector activities, while this percentage is only 17.7 percent for the agriculture sector. Further, about 80.9 percent of private sector paid employees are involved in non-agricultural activities, while this share is 19.1 percent regarding the agricultural activities.

It is important to see that, about 71.5 percent of unpaid family workers are in the agriculture sector, and the balance, 28.5 percent are in the non-agriculture sector.

Note (1): Please see the explanatory note under 'labour force' link in the DCS web site www.statistics.gov.lk for detailed concepts & definitions.

Table 7 : Distribution of Employed population by main industry & by sex - Fourth Quarter 2008

Major industry group	Total	Sex	
		Male	Female
Total	100.0	63.9	36.1
Agriculture	100.0	58.8	41.2
Industry	100.0	62.8	37.21
Services	100.0	68.9	31.1

** Excluding Northern & Eastern provinces*

It is seen in the above table that, about 68.9 percent of services sector employment are males.

Table 8 : "Informal sector" employment by Agriculture/ Non-agriculture sector - Fourth Quarter 2008

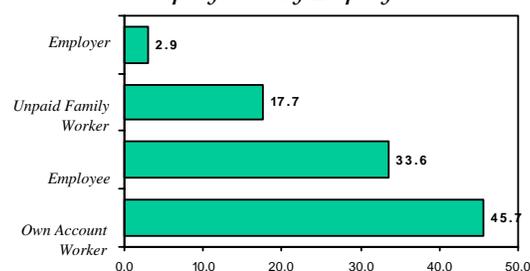
Sector	Total	Agriculture	Non-agriculture
Total	100.0	100.0	100.0
Formal	34.1	14.6	47.0
Informal	65.9	85.4	53.0

** Excluding Northern & Eastern provinces*

It is also important to see the distribution of the employed population according to the formal and informal sector classification. Table 8 shows that, 65.9 percent of the total employment is in the informal sector. Further 85.4 percent of the agriculture sector employment is in informal sector, while it is about 53 percent for non agriculture sector.

Further, 45.7 percent of those employed in the informal sector are own account workers, while 33.6 percent of them are paid employees. (Figure 3).

Figure 3 : Percentage Distribution of informal sector employment by Employment status



** Excluding Northern & Eastern provinces*

Underemployment (1)

Table 9 : Underemployment rate by sex - Fourth Quarter 2008

Rate	Sex		Economic sector		Total
	Male	Female	Agriculture	Non - agriculture	
Underemployment rate	4.3	6.7	7.1	4.1	5.1

** Excluding Northern & Eastern provinces*

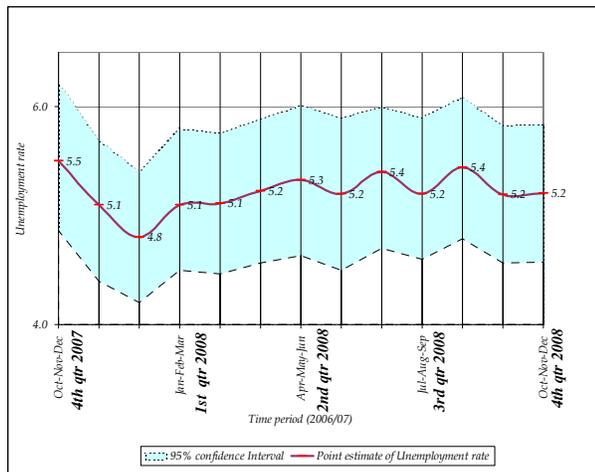
Table 9 reveals that, underemployment rate is higher for females than males. And also it is higher in the agriculture sector than as that of in non-agriculture sector.

Unemployment

Unemployment Rate : The number of unemployed persons as a percentage of the labour force

Unemployed : Persons who are seeking and available for work, but had no employment during the reference period

Figure 4 : Unemployment rates and its 95% confidence intervals (2007 Oct. -Dec./2008 Oct. - Dec.)



* Excluding Northern & Eastern provinces

The number of unemployed persons is estimated as about 398,000 during the fourth quarter 2008.

The unemployment rate for the fourth quarter 2008 is reported as 5.2 percent (Excluding Northern & Eastern provinces).

As seen in figure 4, it is very important to note that, there is no statistically significant difference between the unemployment rates reported in different time periods of 2007/2008, when *sampling error*⁽²⁾ is considered.

Table 10 : Unemployment rate by level of education Fourth Quarter 2008

Level of Education	Unemployment rate		
	Total	Male	Female
Total	5.2	3.8	7.7
Below G.C.E. (O/L)	3.8	3.4	4.5
G.C.E. (O/L)	7.6	4.2	13.3
G.C.E. (A/L) & above	8.9	5.3	12.6

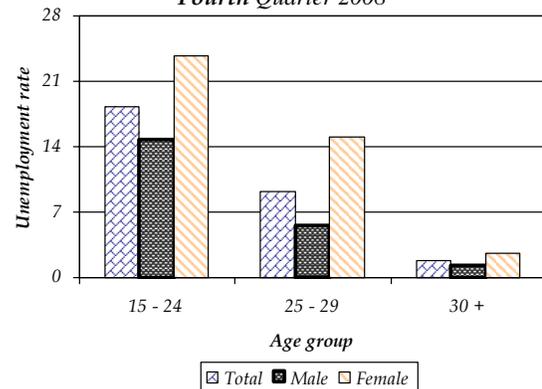
* Excluding Northern & Eastern provinces

Table 11: Unemployment rate by age group and sex - Fourth Quarter 2008

Age group	Total	Sex	
		Male	Female
Total	5.2	3.8	7.7
15 - 24	18.3	14.8	23.7
25 - 29	9.2	5.6	15.1
30 +	1.8	1.3	2.6

* Excluding Northern & Eastern provinces

Figure 5 : Unemployment rate by age group and sex - Fourth Quarter 2008



* Excluding Northern & Eastern provinces

As can be seen from table 11, the unemployment rate reported for females is 7.7 percent and 3.8 percent for males. Youth unemployment rate (15 - 24 yrs) reported for fourth quarter 2008 is 18.3. Highest unemployment rates is reported from age group (15 - 24 yrs), for both males (14.8) and females (23.7). Further the survey results reveal that the unemployment is severe among females than that of males, in all age groups.

The highest unemployment rate is reported from the G.C.E(A/L) and above group which is about 8.9 percent. That is 5.3 percent and 12.6 percent for males and females respectively. This shows that the problem of unemployment is more acute in the case of educated females than educated males (Table 10).

Literacy ⁽³⁾

Table 12: Literacy rate by sex & sector

Sex & sector	4 th quarter 2007	4 th quarter 2008
Total	91.0	91.4
Male	92.1	92.5
Female	90.0	90.5
Urban	93.4	93.0
Rural	91.9	92.1
Estate	67.8	75.4

* Excluding Northern & Eastern provinces

Table 12 shows that, during the fourth quarter of 2008, the literacy rate is about 91.4, and also the male literacy rate (92.5) is higher than that of females (90.5). Further, the survey results reveal that literacy level of estate sector (75.4) is relatively lower than urban (93.0) and rural (92.1) sectors.

⁽²⁾ Sampling error :

When a sample, rather than the entire population, is surveyed, estimates differ from the true population values they represent. This difference, or sampling error, occurs by chance, and its variability is measured by the standard error of the estimate. **For more details, please refer the explanatory note on the labour force link in the DCS website.**

⁽³⁾ Please see the explanatory note under 'labour force' link in the DCS web site www.statistics.gov.lk for detailed concepts & definitions.

Selected Labour Force indicators
(2000 - 2008 Fourth quarter)

	Year											
	2000*	2001*	2002*	2003*	2004*	2007*	2008Q1*	2008Q2*	*2008Q3	*2007Q4	*2008 Q4	#2008Q4
Labour force participation rate												
<i>by sex</i>												
Both sexes	50.3	48.8	50.3	49.7	49.6	49.8	49.8	49.6	51.1	50.1	50.3	49.7
Male	67.2	66.2	67.9	67.5	67.2	67.8	67.3	67.8	69.1	68.2	67.6	67.5
Female	33.9	31.9	33.6	32.6	33.0	33.4	34.2	33.1	34.9	33.7	35.0	34.0
<i>by residential sector</i>												
Total	50.3	48.8	50.3	49.7	49.6	49.8	49.8	49.6	51.1	50.1	50.3	49.7
Urban	44.9	44.2	46.0	45.1	45.6	45.0	45.9	46.1	46.6	45.0	46.5	46.7
Rural	51.2	49.6	50.9	50.3	50.3	50.4	50.3	50.0	51.7	50.9	50.7	50.1
Unemployment rate												
<i>by sex</i>												
Both sexes	7.6	7.9	8.8	8.1	8.1	6.0	5.1	5.3	5.2	5.5	5.2	5.4
Male	5.8	6.2	6.6	6.0	6.0	4.3	3.3	3.6	3.8	4.2	3.8	3.9
Female	11.1	11.5	12.9	12.3	12.1	9.0	8.2	8.4	7.8	8.0	7.7	8.0
<i>by selected age groups(yr)</i>												
20 - 29	17.4	18.4	20.1	19.1	18.6	15.0	13.4	13.0	14.1	14.8	13.4	13.9
20 - 24	23.0	24.4	27.0	25.8	25.2	21.1	18.4	17.4	18.0	17.6	18.1	18.6
25 - 29	10.9	11.3	11.6	11.4	11.1	9.4	8.7	8.8	9.3	12.3	9.2	9.6
<i>by selected educational levels</i>												
G.C.E.(A/L) & above												
Both sexes	14.9	15.3	16.8	16.0	15.7	11.8	11.0	9.1	10.4	11.3	8.9	9.6
Male	8.8	10.1	10.8	10.1	9.6	6.6	6.9	4.0	6.1	6.6	5.3	5.9
Female	21.5	21.5	23.0	22.4	22.5	17.5	15.6	14.2	15.2	17.0	12.6	13.3
Employed population												
<i>by sex</i>												
Both sexes	6310247	6235588	6519415	6609466	6704006	7041874	7148318	7106439	7192034	7176679	7252034	7712942.69
Male	4241546	4248877	4395164	4496136	4512082	4653067	4653378	4693465	4669346	4715651	4636921	4982424.97
Female	2068701	1986711	2124250	2113330	2191924	2388807	2494940	2412974	2522687	2461027	2615113	2730517.72
<i>by industry (percentage)</i>												
Total	6310247	6235588	6519415	6609466	6704006	7041874	7148318	7106439	7192034	7176679	7252034	7712942.69
%	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Agriculture	2274153	2033343	2247602	2223691	2215282	2202098	2272031	2140712	2494966	2366192	2469949	2617909.92
%	(36.0)	(32.6)	(34.5)	(33.6)	(33.0)	(31.3)	(31.8)	(30.1)	(34.7)	(33.0)	(34.1)	(33.9)
Industry	1490795	1491408	1459194	1539035	1663383	1873857	1890286	1935656	1878184	1835126	1847888	1960543.71
%	(23.6)	(23.9)	(22.4)	(23.3)	(24.8)	(26.6)	(26.4)	(27.2)	(26.1)	(25.6)	(25.5)	(25.4)
Services	2545299	2710837	2812619	2846740	2825341	2965919	2986000	3030071	2818883	2975360	2934196	3134489.06
%	(40.3)	(43.5)	(43.1)	(43.1)	(42.1)	(42.1)	(41.8)	(42.6)	(39.2)	(41.5)	(40.5)	(40.6)
<i>by no. of hours worked per week (percentage)</i>												
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
0 •	7.2	4.3	5.6	7.3	5.3	6.5	4.1	11.4	6.7	6.2	7.3	7.2
1 - 9	1.9	1.5	1.5	1.8	1.7	1.5	1.9	3.0	1.8	1.7	2.3	2.3
10 - 39	32.7	28.2	32.0	32.9	28.4	28.3	31.1	30.1	26.6	28.7	29.1	28.8
40+	58.2	66.1	60.9	58.0	64.7	63.7	62.9	55.5	64.8	63.4	61.3	61.7

• Has a job but not at work during the reference week

* Excluding Northern & Eastern provinces

Excluding Northern province

Note: However it is to be noted that the difference between corresponding figures in any given two quarters may not necessarily be statistically significant.

Selected Labour Force indicators (2000 - 2008 Forth quarter)

	Year											
	2000	2001	2002	2003*	2004**	2005***	2006 #	2007#	2008Q1*	2008 Q2*	2008Q3*	2008Q4*
Labour force participation rate												
<i>by sex</i>												
Both sexes	50.3	48.8	50.3	48.9	48.6	48.3	51.2	49.8	49.1	49.0	50.3	49.7
Male	67.2	66.2	67.9	67.2	66.7	67.1	68.1	67.8	66.9	67.6	69	67.5
Female	33.9	31.9	33.6	31.4	31.5	30.9	35.7	33.4	33.0	32.1	33.5	34.0
<i>by residential sector</i>												
Total	50.3	48.8	50.3	48.9	48.6	48.3	51.2	49.8	49.1	49.0	50.3	49.7
Urban	44.9	44.2	46.0	44.4	44.9	45.5	45.3	45.0	45.6	45.9	45.4	46.7
Rural	51.2	49.6	50.9	49.6	49.2	48.7	52.1	50.4	49.6	49.4	51	50.1
Unemployment rate												
<i>by sex</i>												
Both sexes	7.6	7.9	8.8	8.4	8.3	7.7	6.5	6.0	5.1	5.5	5.5	5.4
Male	5.8	6.2	6.6	6.0	6.0	5.5	4.7	4.3	3.2	3.8	3.9	3.9
Female	11.1	11.5	12.9	13.2	12.8	11.9	9.7	9.0	8.6	8.6	8.4	8.0
<i>by selected age groups(yr)</i>												
20 - 29	17.4	18.4	20.1	19.4	19.2	17.2	15.9	15.0	13.4	13.3	14	13.9
20 - 24	23.0	24.4	27.0	26.4	25.9	24.6	21.0	21.1	18.4	17.2	18.2	18.6
25 - 29	10.9	11.3	11.6	11.4	11.4	9.5	11.0	9.4	8.7	9.5	10.2	9.6
<i>by selected educational levels</i>												
G.C.E.(A/L) & above												
Both sexes	14.9	15.3	16.8	16.5	16.8	13.8	11.6	11.8	11.1	9.5	11.8	9.6
Male	8.8	10.1	10.8	10.4	10.5	8.9	6.9	6.6	6.9	4.5	6.9	5.9
Female	21.5	21.5	23.0	23.3	23.8	19.1	16.8	17.5	15.8	14.6	17.4	13.3
Employed population												
<i>by sex</i>												
Both sexes	6310247	6235588	6519415	7012755	7440226	7518007	7105322	7041874	7581163	7563981	7735132	7712942
Male	4241546	4248877	4395164	4833483	5087861	5134765	4610643	4653067	5004644	5051817	5094909	4982425
Female	2068701	1986711	2124250	2179272	2352365	2383241	2494679	2388807	2576519	2512164	2640222	2730518
<i>by industry (percentage)</i>												
Total	6310247	6235588	6519415	7012755	7394029	7518007	7105322	7041874	7581163	7563981	7735132	7712943
%	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Agriculture	2274153	2033343	2247602	2384397	2474725	2306039	2287268	2202098	2410307	2264792	2665917	2617910
%	36.0	32.6	34.5	34.0	33.5	30.7	32.2	31.3	31.8	29.9	34.5	33.9
Industry	1490795	1491408	1459194	1611493	1781447	1928014	1889953	1873857	1989655	2068786	2000537	1960544
%	23.6	23.9	22.4	23.0	24.1	25.6	26.6	26.6	26.2	27.4	25.9	25.4
Services	2545299	2710837	2812619	3016866	3137857	3283954	2928101	2965919	3181201	3230403	3068678	3134489
%	40.3	43.5	43.1	43.0	42.4	43.7	41.2	42.1	42.0	42.7	39.7	40.6
<i>by no. of hours worked per week (percentage)</i>												
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100.0
0•	7.2	4.3	5.6	7.5	5.2	4.7	6.7	6.5	4.0	11.1	6.7	7.2
1 - 9	1.9	1.5	1.5	1.8	1.6	1.5	1.9	1.5	1.8	2.9	1.7	2.3
10 - 39	32.7	28.2	32.0	32.6	28.7	27.6	28.6	28.3	30.7	29.8	26.6	28.8
40+	58.2	66.1	60.9	58.1	64.5	66.2	62.8	63.7	63.6	56.3	65	61.7

* Excluding Northern province

***All the districts are included

** Excluding Mullativu & Kilinochchi districts

Excluding Northern & Eastern provinces

(Before 2003, estimates excluded both Northern & Eastern provinces)

• Has a job but not at work during the reference week

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