



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 second quarter 2008 was done in April, May and June in year 2008. Even though it was planned to conduct the survey in Northern and Eastern provinces, the survey was not conducted fully due to the prevailing uncertain conditions in districts of Northern province. In second quarter 2008 the survey was conducted in the Eastern province, hence this bulletin consist with summery statistics 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- Second Quarter 2008

Sector	Economically active population					
	Total	%	Male	%	Female	%
Total	7506155	100.0	4870550	64.9	2635605	35.1
Urban	824742	100.0	537295	65.1	287448	34.9
Rural	6681413	100.0	4333256	64.9	2348157	35.1

* Excluding Northern & Eastern provinces

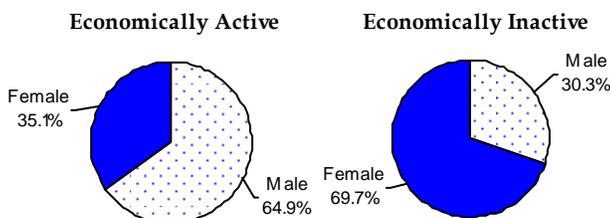
Table 2: Economically Inactive population by sex and sector- Second Quarter 2008

Sector	Economically inactive population					
	Total	%	Male	%	Female	%
Total	7634832	100	2316271	30.3	5318561	69.7
Urban	964876.7	100	298135	30.9	666741	69.1
Rural	6669955	100	2018136	30.3	4651820	69.7

* Excluding Northern & Eastern provinces

The survey results revealed that (Table 1), the estimated economically active population (or labour force) was about 7.5 million in second quarter 2008. Of which 64.9 percent were males and 35.1 percent were females. Of the economically inactive population 30.3 percent were males and 69.7 percent were females (Table 2) .

Figure 1 : Distribution of Economically active/Inactive population



* Excluding Northern & Eastern provinces

Table 3: Labour Force Participation Rate by sex & year

Year	Labour force participation rate		
	Total	Male	Female
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

* Excluding Northern & Eastern provinces

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 second quarter 2008 is about 68 percent and it is 33 percent for females. It is important to note that, male participation to the labour force is much higher than as that of females.

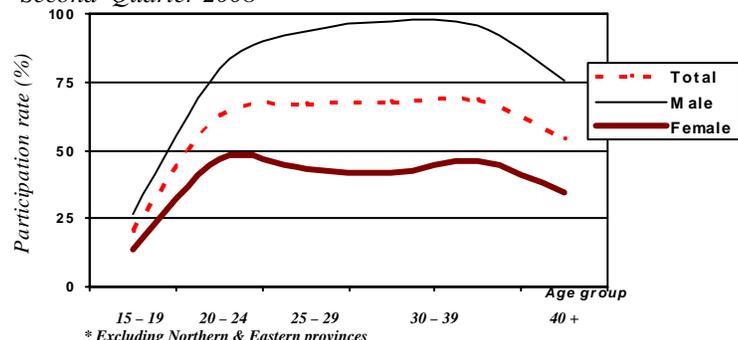
Table 4 : Labour Force Participation Rate by age group & by sex - Second Quarter 2008

Age group	Sex		
	Total	Male	Female
Total	49.6	67.8	33.1
15 - 19	19.9	26.4	13.7
20 - 24	62.4	80.0	46.9
25 - 29	67.0	93.4	42.9
30 - 39	68.0	96.4	44.1
40+	53.7	75.5	34.7

* Excluding Northern & Eastern provinces

Table 4 provides the labour force participation rates by sex and age group. Males in the age group of (30 - 39) yrs shows the highest labour force participation rate (96.4%), for females the highest participation rate (46.9%) is reported from the (20 - 24) yrs age group.

Figure 2 : Labour Force Participation Rate by age group & sex - Second 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, (Second quarter 2007 – Second Quarter 2008)

Year	Major industry group			
	Total	Agriculture	Industries	Services
April-May-June 2 nd Qtr - 2007	6879916 (100.0)	2078797 (30.2)	1850588 (26.9)	2950531 (42.9)
July-Aug-Sept. 3 rd Qtr - 2007	7102425 (100.0)	2129201 (30.0)	1920033 (27.0)	3053191 (43.0)
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)

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

** Excluding Northern & Eastern provinces*

Agriculture

1. Agriculture (A)
2. Forestry and Fishery (B)

Industries

1. Manufacturing (D)
2. Construction (F)
3. Mining & Quarrying (C)
4. Electricity, Gas and Water supply (E)

Services

1. Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods (G)
2. Hotels and Restaurants (H)
3. Transport, Storage and Communication (I)
4. Financial Intermediation and Real Estate, Renting and Business Activities (J,K)
5. Public Administration and Defence, Compulsory Social Security (L)
6. Education (M)
7. Health and Social work (N)
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 second quarter 2007 to second quarter 2008.

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

The total number of employed persons in Sri Lanka is estimated as about 7.1 million in second quarter 2008. Of which, about 42.6 percent engaged in services sector employment.

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

Employment Status	Total		Sector			
			Agriculture		Non Agriculture	
	No.	%	No.	%	No.	%
Total	7106439	100.0	2140712	30.1	4965727	69.9
Employee	4001728	100.0	677215	16.9	3324513	83.1
Public	1085277	100.0	157026	14.5	928250	85.5
Private	2916451	100.0	520189	17.8	2396263	82.2
Employer	217989	100.0	31528	14.5	186462	85.5
Own account worker	2145810	100.0	961144	44.8	1184666	55.2

** Excluding Northern & Eastern provinces*

Table 6 shows that, about 83.0 percent of total paid employees are engaged in non-agricultural sector activities, while this percentage is only 17.0 percent for the agriculture sector. Further, 82 percent of private sector paid employees are involved in non-agricultural activities, while this share is 18 percent regarding the agricultural activities.

It is important to see that, 64 percent of unpaid family workers are in the agriculture sector, and the balance, 36 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 – Second Quarter 2008

Major industry group	Total	Sex	
		Male	Female
Total	100.0	66.0	34.0
Agriculture	100.0	61.8	38.2
Industry	100.0	66.3	33.7
Services	100.0	68.9	31.1

** Excluding Northern & Eastern provinces*

It is very clear that, about 69 percent of services sector employment are males.

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

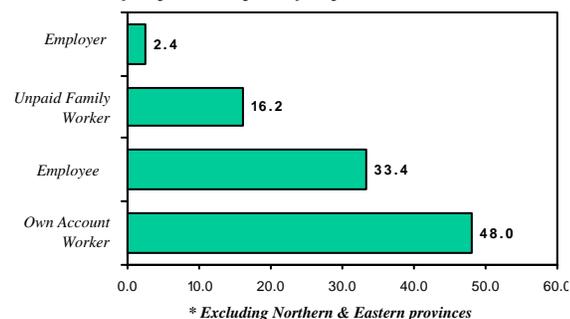
Sector	Total	Agriculture	Non-agriculture
Total	100.0	100.0	100.0
Formal	41.7	18.3	51.7
Informal	58.3	81.7	48.3

** Excluding Northern & Eastern provinces*

It is also important to see that, the employed population according to the formal and informal sector classification. 58.3 percent of the total employment is in the informal sector. 82 percent of the agriculture sector employment is in informal sector, while it is about 48 percent for non agriculture sector.

Further, 48.0 percent of those employed in the informal sector are own account workers, while 33 percent of them are paid employees. (Figure 3).

Figure 3 : Distribution of informal sector employment by Employment status



Underemployment ⁽¹⁾

Table 9 : Underemployment rate by sex – Second Quarter 2008

Rate	Sex		Economic sector		Total
	Male	Female	Agriculture	Non - agriculture	
Underemployment rate	3.4	4.5	5.2	3.2	3.8

** Excluding Northern & Eastern provinces*

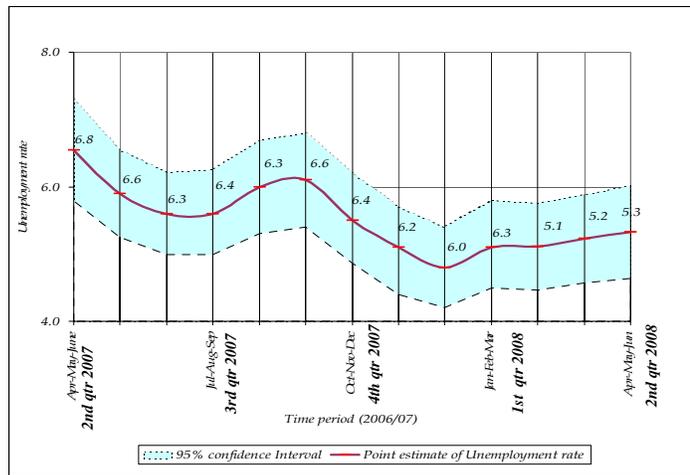
Table 9 reveals that, underemployment rate is higher for females than males. And also it is higher in the agriculture sector than as that of in non-agriculture sector.

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 it's 95% confidence intervals (2007 Apr -Jun./2008 Apr -Jun)



* Excluding Northern & Eastern provinces

The number of unemployed persons is estimated as about 400,000 during the second quarter 2008.

The unemployment rate for the second quarter 2008 is reported as 5.3 percent.

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 Second Quarter 2008

Level of Education	Unemployment rate		
	Total	Male	Female
Total	5.3	3.6	8.4
Below G.C.E. (O/L)	3.7	3.2	4.9
G.C.E. (O/L)	7.6	5.1	12.3
G.C.E. (A/L) & above	9.1	4.0	14.2

* Excluding Northern & Eastern provinces

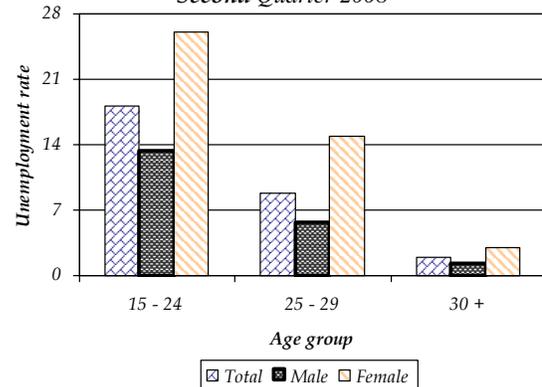


Table 11: Unemployment rate by age group and sex - Second Quarter 2008

Age group	Total	Sex	
		Male	Female
Total	5.3	3.6	8.4
15 - 24	18.2	13.4	26.0
25 - 29	8.8	5.7	14.9
30 +	1.9	1.3	3.0

* Excluding Northern & Eastern provinces

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



* Excluding Northern & Eastern provinces

As can be seen from table 11, the unemployment rate reported for females is 8.4 percent and 3.6 percent for males. Youth unemployment rate (15 - 24 yrs) reported for second quarter 2008 is 18.2. Highest unemployment rate is reported from age group (15 - 24 yrs), for both males (13.4) females (26.0). Female youth unemployment rate is twice higher than that of males, in the same age groups. It is clear for all age groups, the unemployment is severe among females than that of males..

Survey results reveals that, the highest unemployment rate is reported from the G.C.E(A/L) and above group which is about 9.1 percent. That is 4.0 percent and 14.2 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).

Table 12: Literacy rate by sex & sector

Sex & sector	2 nd quarter 2007	2 nd quarter 2008
Total	91.0	92.1
Male	92.6	93.3
Female	89.5	91.0
Urban	93.0	94.5
Rural	91.6	92.5
Estate	73.8	79.6

* Excluding Northern & Eastern provinces

Literacy ⁽³⁾

Table 12 shows that, during the second quarter of 2008, the literacy rate is about 92.1. The survey reports that male literacy rate (93.3) is higher than that of females' (91.0). Further, the survey results reveal that literacy level of estate sector (79.6) is relatively lower than the urban (94.5) and rural (92.5) 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 Second quarter)

	Year											2008 Q2#
	2000*	2001*	2002*	2003*	2004*	2005*	2006*	2007*	2008Q1*	2007 Q2*	2008Q2*	
Labour force participation rate												
<i>by sex</i>												
Both sexes	50.3	48.8	50.3	49.7	49.6	49.3	51.2	49.8	49.8	49.0	49.6	49.0
Male	67.2	66.2	67.9	67.5	67.2	67.3	68.1	67.8	67.3	66.5	67.8	67.6
Female	33.9	31.9	33.6	32.6	33.0	32.6	35.7	33.4	34.2	32.7	33.1	32.1
<i>by residential sector</i>												
Total	50.3	48.8	50.3	49.7	49.6	49.3	51.2	49.8	49.8	49.0	49.6	49.0
Urban	44.9	44.2	46.0	45.1	45.6	46.2	45.3	45.0	45.9	45.0	46.1	45.9
Rural	51.2	49.6	50.9	50.3	50.3	49.7	52.1	50.4	50.3	49.5	50.0	49.4
Unemployment rate												
<i>by sex</i>												
Both sexes	7.6	7.9	8.8	8.1	8.1	7.2	6.5	6.0	5.1	6.5	5.3	5.5
Male	5.8	6.2	6.6	6.0	6.0	5.3	4.7	4.3	3.3	4.6	3.6	3.8
Female	11.1	11.5	12.9	12.3	12.1	10.7	9.7	9.0	8.2	10.3	8.4	8.6
<i>by selected age groups(yr)</i>												
20 - 29	17.4	18.4	20.1	19.1	18.6	16.0	15.9	15.0	13.4	16.2	13.0	13.3
20 - 24	23.0	24.4	27.0	25.8	25.2	22.4	21.0	21.1	18.4	22.3	17.4	17.2
25 - 29	10.9	11.3	11.6	11.4	11.1	9.4	11.0	9.4	8.7	10.1	8.8	9.5
<i>by selected educational levels</i>												
G.C.E.(A/L) & above												
Both sexes	14.9	15.3	16.8	16.0	15.7	12.2	11.6	11.8	11.0	13.0	9.1	9.5
Male	8.8	10.1	10.8	10.1	9.6	7.9	6.9	6.6	6.9	7.1	4.0	4.5
Female	21.5	21.5	23.0	22.4	22.5	17.1	16.8	17.5	15.6	19.1	14.2	14.6
Employed population												
<i>by sex</i>												
Both sexes	6310247	6235588	6519415	6609466	6704006	6788119	7105322	7041874	7148318	6879916	7106439	7563981
Male	4241546	4248877	4395164	4496136	4512082	4546397	4610643	4653067	4653378	4594227	4693465	5051817
Female	2068701	1986711	2124250	2113330	2191924	2241722	2494679	2388807	2494940	2285689	2412974	2512164
<i>by industry (percentage)</i>												
Total	6310247	6235588	6519415	6609466	6704006	6788119	7105322	7041874	7148318	6879916	7106439	7563981
%	(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	2059293	2287268	2202098	2272031	2078797	2140712	2264792
%	(36.0)	(32.6)	(34.5)	(33.6)	(33.0)	(30.3)	(32.2)	(31.3)	(31.8)	(30.2)	(30.1)	(29.9)
Industry	1490795	1491408	1459194	1539035	1663383	1787274	1889953	1873857	1890286	1850588	1935656	2068786
%	(23.6)	(23.9)	(22.4)	(23.3)	(24.8)	(26.3)	(26.6)	(26.6)	(26.4)	(26.9)	(27.2)	(27.4)
Services	2545299	2710837	2812619	2846740	2825341	2941552	2928101	2965919	2986000	2950531	3030071	3230403
%	(40.3)	(43.5)	(43.1)	(43.1)	(42.1)	(43.3)	(41.2)	(42.1)	(41.8)	(42.9)	(42.6)	(42.7)
<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	4.9	6.7	6.5	4.1	8.4	11.4	11.1
1 - 9	1.9	1.5	1.5	1.8	1.7	1.6	1.9	1.5	1.9	1.5	3.0	2.9
10 - 39	32.7	28.2	32.0	32.9	28.4	27.9	28.6	28.3	31.1	29.3	30.1	29.8
40+	58.2	66.1	60.9	58.0	64.7	65.7	62.8	63.7	62.9	60.7	55.5	56.3

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

* Excluding Northern & Eastern provinces

Including Eastern 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 Second quarter)

	Year											
	2000	2001	2002	2003*	2004**	2005***	2006 #	2007#	2008Q1#	2008Q1*	2008Q2#	2008 Q2*
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	49.8	49.1	49.6	49.0
Male	67.2	66.2	67.9	67.2	66.7	67.1	68.1	67.8	67.3	66.9	67.8	67.6
Female	33.9	31.9	33.6	31.4	31.5	30.9	35.7	33.4	34.2	33.0	33.1	32.1
<i>by residential sector</i>												
Total	50.3	48.8	50.3	48.9	48.6	48.3	51.2	49.8	49.8	49.1	49.6	49.0
Urban	44.9	44.2	46.0	44.4	44.9	45.5	45.3	45.0	45.9	45.6	46.1	45.9
Rural	51.2	49.6	50.9	49.6	49.2	48.7	52.1	50.4	50.3	49.6	50.0	49.4
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	5.1	5.3	5.5
Male	5.8	6.2	6.6	6.0	6.0	5.5	4.7	4.3	3.3	3.2	3.6	3.8
Female	11.1	11.5	12.9	13.2	12.8	11.9	9.7	9.0	8.2	8.6	8.4	8.6
<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	13.4	13.0	13.3
20 - 24	23.0	24.4	27.0	26.4	25.9	24.6	21.0	21.1	18.4	18.4	17.4	17.2
25 - 29	10.9	11.3	11.6	11.4	11.4	9.5	11.0	9.4	8.7	8.7	8.8	9.5
<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	11.0	11.1	9.1	9.5
Male	8.8	10.1	10.8	10.4	10.5	8.9	6.9	6.6	6.9	6.9	4.0	4.5
Female	21.5	21.5	23.0	23.3	23.8	19.1	16.8	17.5	15.6	15.8	14.2	14.6
Employed population												
<i>by sex</i>												
Both sexes	6310247	6235588	6519415	7012755	7440226	7518007	7105322	7041874	7148318	7581163	7106439	7563981
Male	4241546	4248877	4395164	4833483	5087861	5134765	4610643	4653067	4653378	5004644	4693465	5051817
Female	2068701	1986711	2124250	2179272	2352365	2383241	2494679	2388807	2494940	2576519	2412974	2512164
<i>by industry (percentage)</i>												
Total	6310247	6235588	6519415	7012755	7394029	7518007	7105322	7041874	7148318	7581163	7106439	7563981
%	(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	2272031	2410307	2140712	2264792
%	(36.0)	(32.6)	(34.5)	(34.0)	(33.5)	(30.7)	(32.2)	(31.3)	(31.8)	(31.8)	(30.1)	(29.9)
Industry	1490795	1491408	1459194	1611493	1781447	1928014	1889953	1873857	1890286	1989655	1935656	2068786
%	(23.6)	(23.9)	(22.4)	(23.0)	(24.1)	(25.6)	(26.6)	(26.6)	(26.4)	(26.2)	(27.2)	(27.4)
Services	2545299	2710837	2812619	3016866	3137857	3283954	2928101	2965919	2986000	3181201	3030071	3230403
%	(40.3)	(43.5)	(43.1)	(43.0)	(42.4)	(43.7)	(41.2)	(42.1)	(41.8)	(42.0)	(42.6)	(42.7)
<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	7.5	5.2	4.7	6.7	6.5	4.1	4.0	11.4	11.1
1 - 9	1.9	1.5	1.5	1.8	1.6	1.5	1.9	1.5	1.9	1.8	3.0	2.9
10 - 39	32.7	28.2	32.0	32.6	28.7	27.6	28.6	28.3	31.1	30.7	30.1	29.8
40+	58.2	66.1	60.9	58.1	64.5	66.2	62.8	63.7	62.9	63.6	55.5	56.3

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

* Excluding Northern province ***All the districts are included

** Excluding Mullativu & Kilinochchi districts # Excluding Northern & Eastern provinces

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