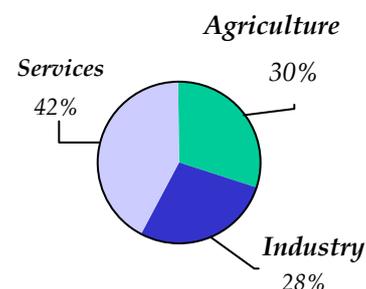


Employment and Unemployment Situation in Sri Lanka
3rd Quarter 2006
(Sri Lanka Labour Force Survey)

Figure 1 : Distribution of Employed Population by main Industry- 3rd Quarter - 2006



Employment

• The total number of employed persons in Sri Lanka is estimated as about 7 million in the 3rd Quarter 2006.

• Of this total employed population, 42% was reported as Services sector employment.

• 28% belongs to the Industry sector

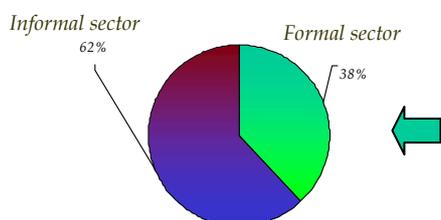
• 30% were engaged in the Agriculture sector.

Table 1 : Distribution of Employed Population by main Industry- 3rd Quarter 2006

Year 2006	Agriculture	Industry	Services
Jan-Feb-March	2347886 (33%)	1853595 (26%)	2934786 (41%)
Feb-March-April	2343842 (33%)	1796745 (25%)	3007526 (42%)
March-Apr-May	2399029 (34%)	1806914 (25%)	2926363 (41%)
April-May-June	2319676 (33%)	1795515 (26%)	2906828 (41%)
May-June-July	2266637 (32%)	1899272 (27%)	2894568 (41%)
June-July-August	2127823 (30%)	1905125 (27%)	2986727 (43%)
July-Aug-Sept	2122239 (30%)	2017518 (28%)	2972225 (42%)

There is no statistical significant differences between these employment figures reported in 2006, when sampling error is considered.

Distribution of Informal Sector employment : 2006 (Jan-Sep)



Unemployment

- The number of unemployed persons is estimated as about 500,000.
- The unemployment rate for this period is reported as 6.4%.
- The unemployment rate reported for females is 9.8%, and 4.6% for males.
- However, the unemployment rate among the youth (age 20-24 yrs) is still high and it was reported as 21.5%.
- Unemployment among the educated youth (G.C.E. A/L and above) is 11.3%

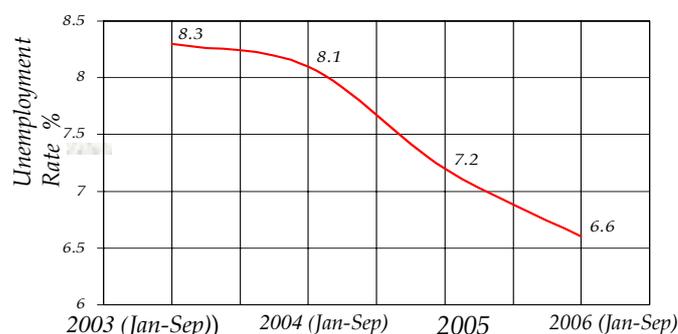
Table 2 : Unemployment Rates : 2006 (Jan-Sep)

Year 2006	Unemployment Rate (%)
Jan-Feb-March	6.8
Feb-March-April	6.6
March-Apr-May	6.3
April-May-June	6.4
May-June-July	6.3
June-July-August	6.6
July-Aug-Sept	6.4

• There is no statistical significant differences between these unemployment rates reported in 2006, when sampling error is considered.

• However, the declining trend of unemployment has continued, and there is a significant decrease of unemployment rates in 2006 when compared with the unemployment rates for 2003, 2004 and 2005.

Figure 2 : Unemployment Rates (2003-2006) (Jan-Sep)



Informal Sector employment by Agriculture/ Non-agriculture sectors (Jan-Sep) 2006

Sri Lanka - employment

Informal sector -62% Formal sector - 38%

Agriculture sector employment

Informal sector - 84% Formal sector -16%

Non-Agriculture sector employment

Informal sector -51% Formal sector - 49%

(Note : Northern and Eastern provinces are not covered)