Sri Lanka Labour Force Statistics Quarterly Bulletin

Sri Lanka Labour Force Survey 2nd Quarter - 2020

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Department of Census and Statistics

Ministry of Finance

Highlights

- *Labour force participation rate is 50.2% for the Second Quarter of 2020.*
- *Unemployment rate for the survey period is 5.4%.*

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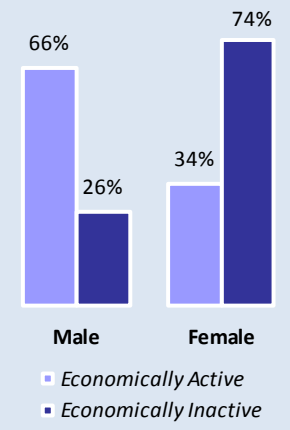


***Figure 1** : Distribution of Economically active/Inactive population- Second quarter - 2020*

Sri Lanka Labour Force Survey (LFS) is designed to measure the levels and trends of employment, unemployment and labour force in Sri Lanka. LFS has been conducted quarterly, since the first quarter of 1990.

This bulletin contains labour force, employment and unemployment statistics for the first quarter 2020 based on the data collected in April, May and June in 2020 covering the whole country.

Labour Force

This is the currently economically active population. Which is the number of persons (age 15 years & above) who are employed or unemployed during the reference one week period.

Labour force participation rate (LFPR)

Labour force population expressed as a percentage of the population, age 15 years and over, defined as LFPR.

Labour Force ....

(Economically Active Population)

Table 1 : Economically active population by gender and sector – Second Quarter 2020

Sector	Economically active population					
	Total	%	Male	%	Female	%
Sri Lanka	8,435,358	100.0	5,595,969	66.3	2,839,390	33.7
Urban	1,322,083	100.0	922,110	69.7	399,973	30.3
Rural	6,715,330	100.0	4,442,612	66.2	2,272,718	33.8
Estate	397,945	100.0	231,246	58.1	166,699	41.9

According to the Table 1, the estimated economically active population is about 8.4 million in the second quarter 2020. Of which 66.3 percent are males and 33.7 percent are females. The economically inactive population is about 8.4 million. Out of the economically inactive population 26.4 percent are males and 73.6 percent are females.

Table 2 : Economically inactive population by gender and sector – Second Quarter 2020

Sector	Economically inactive population					
	Total	%	Male	%	Female	%
Sri Lanka	8,357,687	100.0	2,203,747	26.4	6,153,940	73.6
Urban	1,524,749	100.0	409,822	26.9	1,114,928	73.1
Rural	6,509,287	100.0	1,695,793	26.1	4,813,494	73.9
Estate	323,651	100.0	98,132	30.3	225,519	69.7

Table 3 : LFPR by gender and year - All Island

Year	Total	Male	Female
2015	53.8	74.7	35.9
2016	54.1	75.1	36.0
2017	54.1	74.5	36.6
2018	51.8	73.0	33.6
2019	52.3	73.0	34.5
2018 Q2	51.1	72.5	32.5
2019 Q2	52.6	73.4	34.6
2020 Q1	51.0	72.4	32.5
2020 Q2	50.2	71.7	31.6

Table 3 provides the information on LFPRs since year 2015. Referring the Table 3, it is important to note that, male participation to the labour force is always higher than that of female.

Table 4 : LFPR by age group and gender - Second Quarter 2020

Age group (Years)	Total	Male	Female
Sri Lanka	50.2	71.7	31.6
15 - 19	11.8	17.5	6.0
20 - 24	49.4	65.8	35.2
25 - 29	65.2	87.5	44.4
30 - 34	68.8	95.7	45.2
35 - 39	64.6	95.2	40.6
40 - 44	69.1	96.2	44.5
45 - 49	68.5	93.1	45.4
50 - 54	64.2	93.6	39.7
55 - 59	58.9	83.1	37.1
60+	29.8	48.3	15.3

Considering the Table 4, the distribution of LFPR by age group and by gender depicts high male participation compared to female in all age groups. The highest participation rate for male is reported from age group 40—44 years (96.2%), while that for female is reported from 45—49 age group (45.4%).

Definition of 'Employed'

Persons, who worked at least one hour during the reference period, as paid employees, employers, own account workers or contributing family workers are said to be employed. This also includes persons with a job but not at work during the reference period .

Reference Period :

Previous week of the survey week

The Employment Rate

The proportion of employed population to the total labour force.

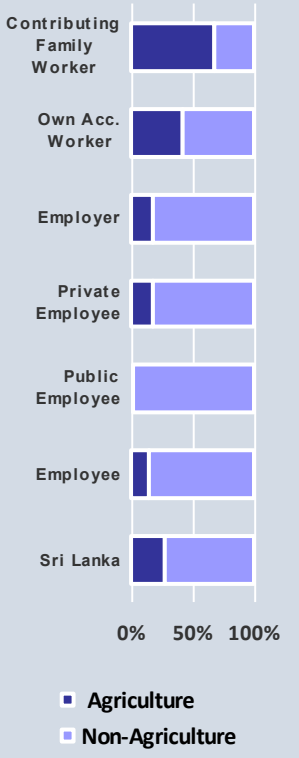


***Figure 2** : Distribution of employed population by employment status and Agriculture/ Non-Agriculture sector - Second quarter 2020*

Employment ...

Table 5 : Distribution of Employed population by main industry (Second quarter 2019 – Second quarter 2020

Quarter	Sri Lanka	Major Industry Group		
		Agriculture	Industries	Services
2019 Q2 (No.)	8,203,018	1,990,892	2,319,047	3,893,079
(%)	100.0	24.3	28.3	47.5
2019 Q3 (No.)	8,155,341	2,062,790	2,205,072	3,887,479
(%)	100.0	25.3	27.0	47.7
2019 Q4 (No.)	8,181,442	2,215,128	2,196,895	3,769,420
(%)	100.0	27.1	26.9	46.1
2020 Q1 (No.)	8,020,446	2,127,212	2,174,148	3,719,086
(%)	100.0	26.5	27.1	46.4
2020 Q2 (No.)	7,977,000	2,159,609	2,146,862	3,670,528
(%)	100.0	27.1	26.9	46.0

Table 5 shows the percentage distribution of employed population by main industry from second quarter 2019 to second quarter 2020. During second quarter of 2020, the total number of employed persons in Sri Lanka is estimated as about 8.0 million. Of which, about 46.0 percent engaged in Service sector, 27.1 percent in Agriculture sector and 26.9 percent in Industry sector. In the second quarter of 2020, there is an increase in employment in the agriculture sector compared to the second quarter of 2019 by 168,717.

Main industry categories and sub sectors

Agriculture

1. Agriculture Forestry and Fishery (A)

Industries

1. Mining & Quarrying (B)
2. Manufacturing (C)
3. Construction, Electricity, gas, steam and air conditioning supply, Water supply, sewerage, waste management and remediation activities (D, E,F)

Services

1. Wholesale and retail trade, repair of motor vehicles and motor cycles (G)
2. Transportation and storage (H)
3. Accommodation and food services activities (I)
4. Information and communication (J)
5. Financial and insurance activities (K)
6. Professional, scientific and technical activities (M)
7. Administrative and support service activities (N)
8. Public administration and defense compulsory social security (O)
9. Education (P)
10. Human health and social work activities (Q)
11. Other service activities (S)
12. Activities of households as employers; undifferentiated goods and services - producing activities of households for own use (T)
13. Real estate activities (L) Arts, entertainment and recreation (R) Activities of extra territorial organizations & bodies (U)

Table 6 : Distribution of employed population by employment status in Agriculture and Non-Agriculture sectors – Second quarter 2020

Employment Status	Sri Lanka		Sector			
			Agriculture		Non-Agriculture	
	No.	%	No.	%	No.	%
Sri Lanka	7,977,000	100.0	2,159,609	27.1	5,817,390	72.9
Employee	4,625,621	100.0	638,839	13.8	3,986,783	86.2
Public	1,180,450	100.0	27,323	2.3	1,153,127	97.7
Private	3,445,171	100.0	611,516	17.7	2,833,655	82.3
Employer	181,637	100.0	33,534	18.5	148,103	81.5
Own Account Worker	2,612,729	100.0	1,110,657	42.5	1,502,072	57.5
Contributing Family Worker	557,012	100.0	376,580	67.6	180,432	32.4

These figures are to be treated with caution as the corresponding CV (Coefficient of variation) values are high.

Majority of the workforce are private sector employees followed by own account workers (Table 6) .

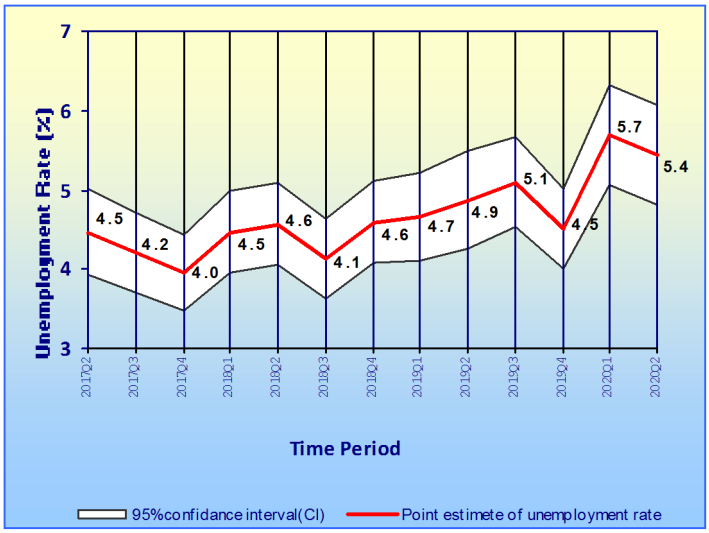
Table 7 : Percentage distribution of Employed population by main industry & gender – Second quarter 2020

Major Industry Group	Sri Lanka	Gender	
		Male	Female
Sri Lanka	100.0	100.0	100.0
Agriculture	27.1	26.4	28.4
Industry	26.9	27.0	26.7
Services	46.0	46.5	44.9

Table 7 depicts the percentage distribution of male and female employed population by main industry sectors. Highest employment share is in service sector and this is true for both male & female, while the lowest shares are for industry sector. Among employed females 28.4 percent is in agriculture sector while this share is 26.4 percent for males.

Unemployment ...

Figure 3 : Unemployment rates and it's 95% confidence intervals (2017Q2 - 2020Q2)



[1]**Sampling error :** When a sample, rather than the entire population, is surveyed, estimates differ from the true values of population they represent. This difference, or sampling error, occurs by chance, and its variability is measured by the sampling error of the estimate.

For more details, please refer the explanatory note given under the labour force link in the DCS website; www.statistics.gov.lk

The number of unemployed persons is estimated as 458,359 during the second quarter 2020. The unemployment rate for the second quarter 2020 is 5.4 percent.

As shown in Figure 3, it is very important to note that, when the changes in unemployment rate is explained the corresponding sampling errors[1] and the confidence limits need to considered.

Table 8: Number of Unemployed and Unemployment rate by age group and gender – Second quarter 2020

Age group (Years)		Unemployment Rate (%)		
	Sri Lanka	Sri Lanka	Gender	
	Number		Male	Female
Sri Lanka	458,359	5.4	4.1	8.2
15—24	255,156	27.7	24.1	34.4
25—29	89,292	11.0	6.6	19.1
Over 30	113,911	1.7	1.1	2.9

As can be seen from Table 8, overall unemployment rate reported for female is 8.2 percent and it is 4.1 percent for male. Youth unemployment rate (age 15 – 24 years) corresponding to the second quarter 2020 is 27.7 percent and that is the highest reported unemployment rate among all age groups. Further the unemployment rates for males and females are 24.1 and 34.4 percent respectively for age group 15—24.

The survey results further reveals that the unemployment among females is higher than that of males, in all age groups. Youth and female unemployment contribute more to the overall unemployment of the country.

Table 9 : Number of Unemployed and Unemployment rate by level of education – Second quarter 2020

Level of Education		Unemployment Rate (%)		
	Sri Lanka	Sri Lanka	Gender	
	Number		Male	Female
Sri Lanka	458,359	5.4	4.1	8.2
Below GCE O/L	157,259	3.2	2.9	3.8
GCE O/L	107,905	6.9	5.5	9.7
GCE A/L & above	193,195	10.0	6.3	14.2

The highest unemployment rate is reported from the G.C.E (A/L) and above group which is about 10.0 percent. Corresponding percentages are 6.3 percent and 14.2 percent for males and females respectively. Female unemployment rates are higher than those of males in all levels of education.

Survey results further shows that the problem of unemployment is more acute in the case of educated females than educated males, which was observed consistently over the results of previous survey rounds as well.

Definition of 'Unemployed'

Persons available and/or looking for work, and who did not work and taken steps to find a job during last four weeks and ready to accept a job given a work opportunity within next two weeks are said to be unemployed.

The Unemployment Rate

The proportion of unemployed population to the total labour force.

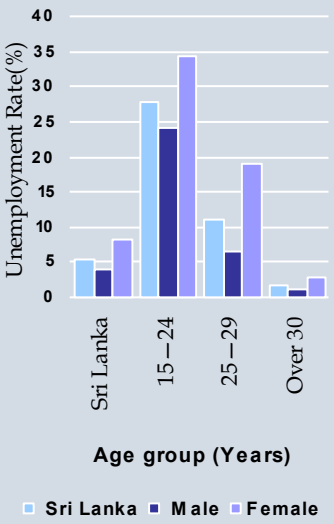


***Figure 4** : Unemployment rate by age group and gender – Second quarter 2020*

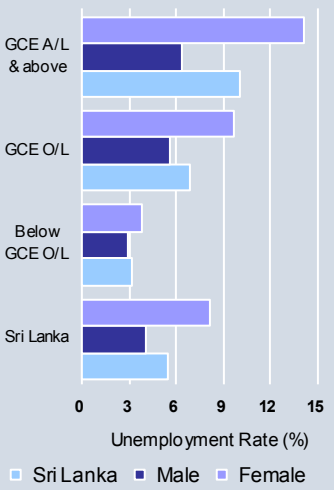


***Figure 5** : Unemployment rate by level of education and gender– Second quarter 2020*

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Vision of the DCS

"To be the leader in the region in producing timely statistical information to achieve the country's development goals."

Mission of the DCS

"Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilizing the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalized environment."

Selected Labour Force Indicators ...

Indicator	Year								
	2015	2016	2017	2018	2019	2018Q2	2019Q2	2020Q1	2020Q2
Labour force participation rate									
By Gender									
Total	53.8	53.8	54.1	51.8	52.3	51.1	52.6	51.0	50.2
Male	74.7	75.1	74.5	73.0	73.0	72.5	73.4	72.4	71.7
Female	35.9	35.9	36.6	33.6	34.5	32.5	34.6	32.5	31.6
By residential sector									
Total	53.8	53.8	54.1	51.8	52.3	51.1	52.6	51.0	50.2
Urban	48.6	49.8	50.5	49.6	50.2	48.7	51.9	47.1	46.4
Rural	54.8	54.6	54.8	52.3	52.7	51.6	52.7	51.7	51.0
Unemployment Rate									
By Gender									
Total	4.7	4.4	4.2	4.4	4.8	4.6	4.9	5.7	5.4
Male	3.0	2.9	2.9	3.0	3.3	3.1	3.4	3.7	4.1
Female	7.6	7.0	6.5	7.1	7.4	7.4	7.5	9.6	8.2
By selected age Group (Year)									
20 – 29	14.2	14.2	13.5	15.0	15.3	15.6	15.1	18.8	18.2
20 – 24	19.7	19.9	17.8	20.1	20.3	20.9	17.8	26.1	26.5
25 – 29	9.4	9.2	9.5	10.4	11.0	10.8	12.6	11.6	11.0
By selected educational level									
GCE A/L and above									
Total	9.2	8.3	8.1	9.1	8.5	8.9	9.5	10.1	10.0
Male	4.7	4.7	5.0	5.1	5.0	5.0	5.1	5.5	6.3
Female	13.5	11.9	11.3	13.2	11.9	12.7	14.0	14.7	14.2
Employed population									
By Gender									
Total	7,830,976	7,947,683	8,208,179	8,015,166	8,180,693	7,970,154	8,203,018	8,020,446	7,977,000
Male	5,097,798	5,149,948	5,279,158	5,300,310	5,368,896	5,336,164	5,384,357	5,381,218	5,369,119
Female	2,733,178	2,797,735	2,929,021	2,714,855	2,811,796	2,633,989	2,818,661	2,639,227	2,607,881
By industry (Percentage)									
Total	7,830,976	7,947,683	8,208,179	8,015,166	8,180,693	7,970,154	8,203,018	8,020,446	7,977,000
%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture	2,244,547	2,153,874	2,140,185	2,043,698	2,071,940	1,927,886	1,990,892	2,127,212	2,159,609
%	28.7	27.1	26.1	25.5	25.3	24.2	24.3	26.5	27.1
Industry	2,018,171	2,097,503	2,331,494	2,239,262	2,258,421	2,190,168	2,319,047	2,174,148	2,146,862
%	25.8	26.4	28.4	27.9	27.6	27.5	28.3	27.1	26.9
Services	3,568,259	3,696,306	3,736,500	3,732,206	3,850,332	3,852,099	3,893,079	3,719,086	3,670,528
%	45.6	46.5	45.5	46.6	47.1	48.3	47.5	46.4	46.0
By no. of hours worked per week (percentage)									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
0#	5.5	4.4	4.7	5.6	6.4	8.9	9.6	12.7	31.5
1 – 9	1.7	1.5	1.7	1.7	1.7	2.0	2.0	2.3	2.5
10 – 39	27.2	26.2	26.1	25.7	26.8	26.6	25.8	27.7	25.5
40 & above	65.7	67.9	67.5	66.9	65.1	62.5	62.6	57.2	40.6

 # has a job but not at work during the reference week

Note : Working age population considered as (age 15 & over population)

The number of people who have responded as not willing to accept a job or does not hope to initiate of self-employment within next two weeks has increased due to high impact of COVID-19 pandemic in the second quarter than the first quarter in 2020.