



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 2006 was done in April and May 2006. However, in 2006, even though we planned to conduct the labour force survey in Northern and Eastern provinces, the survey was not started in January as scheduled. But, we were able to start the survey work there in February. However, due to the prevailing situation in the country, there were some delays of completing survey work in Northern & Eastern provinces on scheduled time. Therefore, the national level estimates based on the data collected in the second quarter does not cover the Northern & Eastern provinces. However, 2005 Labour force survey covered all 25 districts in the island, and therefore, for the comparison purposes, data presented in this report for previous years is based on the domain which exclude Northern and Eastern provinces. Further, some selected labour force key indicators are provided for the same domains which excludes Northern and Eastern provinces.

### 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 2006**

Sector	Household population (10 years & over)		Economically active population				
	Total	%	Male	%	Female	%	
Total	14779182	7549361	100.0	4809554	63.7	2739807	36.3
Urban	1931627	871052	100.0	605211	69.5	265841	30.5
Rural	12847555	6678309	100.0	4204343	63.0	2473966	37.0

**Table 2: Inactive population by sex and sector- Second Quarter 2006**

Sector	Household population (10 years & over)		Not in labour force				
	Total	%	Male	%	Female	%	
Total	14779182	7229821	100.0	2226470	30.8	5003351	69.2
Urban	1931627	1060574	100.0	306252	28.9	754322	71.1
Rural	12847555	6169247	100.0	1920218	31.1	4249029	68.9

**Table 3: Labour Force Participation Rate by sex**

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
2006Q1	51.7	69.3	35.5
2006Q2	51.1	68.4	35.4

Table 3 provides the information on labour force participation rates since year 2000. As can be seen from this table, male participation rate is now fluctuating around 68 percent. The female participation rate fluctuates around 35 percent.

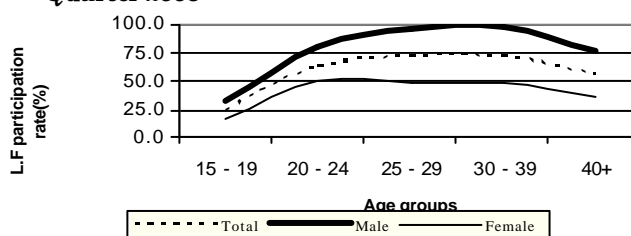
The survey results revealed that, the estimated total working age population was 14779182 persons in 2006 second quarter, of which 7549361(51.0%) were economically active. Of the total estimated economically active population, 64 percent were males and 36 percent were females while of the economically inactive population, 31 percent were males and 69 percent were females.

**Table 4: Labour Force Participation Rate by sex- Second Quarter 2006**

Age group	Sex		
	Total	Male	Female
Total	51.1	68.4	35.4
15 - 19	23.8	31.0	15.9
20 - 24	63.6	79.1	50.0
25 - 29	70.0	95.7	47.4
30 - 39	71.1	97.5	48.1
40+	54.7	75.9	36.1

Table 4 provides the labour force participation rates by sex and age groups. Males in age group of (30 - 39) yrs shows the highest labour force participation rate (97.5%), while females in the age group of (20 - 24) yrs shows the highest participation rate (50 %) among females.

**Figure 1: Labour Force Participation Rate by sex- Second Quarter 2006**



## Employment

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

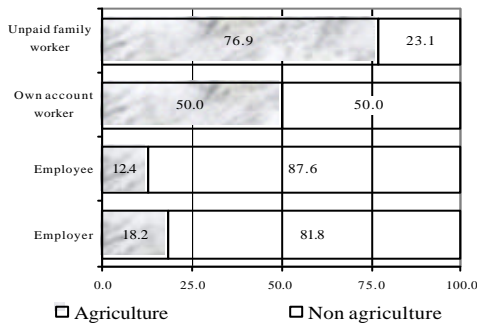
The estimated employed population is reported as 7073844 during the second quarter 2006. Of this 4572623 were males and 2501221 were females.

**Table 5: Percentage distribution of currently Employed persons by employment status and major industrial sector - Second Quarter 2006**

Employment Status	Major Industrial Sector					
	Total		Agriculture		Non agriculture	
	Number	%	Number	%	Number	%
Total	7073844	100.0	2423036	34.3	4650809	65.7
Employee	3915618	100.0	714105	18.2	3201513	81.8
Employer	213307	100.0	26489	12.4	186818	87.6
Own account worker	2161808	100.0	1080119	50.0	1081689	50.0
Unpaid family worker	783111	100.0	602323	76.9	180788	23.1

Table 5 shows the percentage distribution by employment status between agricultural and non agricultural sectors. Of the total estimated employees, 66 percent were engaged in the non agricultural work while the balance of 34 percent were engaged in agricultural work.

**Figure 2 : Currently Employed persons by employment status and major industrial sector - Second Quarter 2006**



It confirms that, nearly 77 percent of unpaid family workers are involved in the agriculture sector activities, while the remaining 23 percent of them are in non agricultural sector.

**Table 8: Percentage of Employed population with education level of G.C.E.(A/L) and above by sex-1990-2006 second Quarter**

Year	Sex		
	Total	Male	Female
1990	7.0	5.9	9.3
1991	7.9	7.5	8.8
1992	8.7	7.4	11.9
1993	9.5	7.7	13.5
1994	8.8	7.2	12.6
1995	10.3	8.4	14.3
1996	10.3	8.4	14.7
1997	10.5	8.7	14.4
1998	11.0	9.2	14.3
1999	10.9	9.0	15.0
2000	11.9	9.8	16.1
2001	13.5	11.4	18.0
2002	14.0	11.4	19.4
2003	13.7	11.2	19.0
2004	14.6	12.2	19.6
2005	16.0	13.2	21.7
2006 1st Q	13.8	12.3	16.7
2006 2nd Q	13.4	11.3	17.2

**Table 6: Currently Employed persons by major industry groups by sector - Second Quarter 2006**

Sector	Total		Major industry groups					
			Agriculture		Industry		Services	
	No.	%	No.	%	No.	%	No.	%
Total	7073844	100.0	2423036	34.3	1791226	25.3	2859583	40.4
Urban	815273	100.0	33513	4.1	216448	26.5	565313	69.3
Rural	6258571	100.0	2389523	38.2	1574778	25.2	2294270	36.7

**Table 7: Currently Employed persons by major industry groups by sex - Second Quarter 2006**

Sex	Total		Major industry groups					
			Agriculture		Industry		Services	
	No.	%	No.	%	No.	%	No.	%
Total	7073844	100.0	2423036	34.3	1791226	25.3	2859583	40.4
Male	4572623	100.0	1427732	31.2	1158848	25.3	1986043	43.4
Female	2501221	100.0	995304	39.8	632378	25.3	873540	34.9

As can be seen from table 7, the percentage share of female employed who are in the agricultural industry is higher than that of males comprising 40 percent of the total female employment.

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

### Agriculture

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

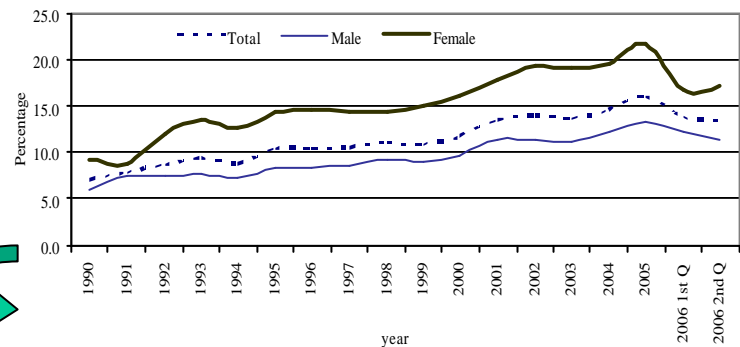
### Industries

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

### Services

1. Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods
2. Hotels and Restaurants
3. Transport, Storage and Communication
4. Financial Intermediation and Real Estate, Renting and Business Activities
5. Public Administration and Defence, Compulsory Social Security
6. Education
7. Health and Social work
8. Other Community, Social and Personal Service Activities
9. Private Households with Employed Persons
10. Miscellaneous Labour work
11. Extra Territorial Organizations & bodies
12. Industries not adequately described

**Figure 3: Percentage of Employed population with education level of G.C.E.(A/L) and above by sex, 1990-2006 second Quarter**



A marked increase in the proportion of educated females (G.C.E. (A/L) and above) among the employed can be observed during the period from 1990-2005. The increase is from 9.3 percent in 1990 to 21.7 percent in 2005. However, there is a decrease in this percentage in 2006.

## Unemployment

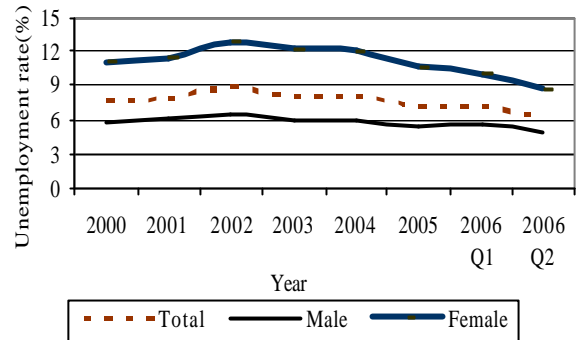
**Unemployment Rate :** The number of unemployed persons as a percentage of the labour force

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

**Table 8: Unemployment rate by year & sex**

Year	Unemployment rate		
	Total	Male	Female
2000	7.6	5.8	11.1
2001	7.9	6.2	11.5
2002	8.8	6.6	12.9
2003	8.1	6.0	12.3
2004	8.1	6.0	12.1
2005	7.2	5.3	10.7
2006 Q1	7.2	5.5	10.1
2006 Q2	6.3	4.9	8.7

**Figure 3 Unemployment rate by year & sex**



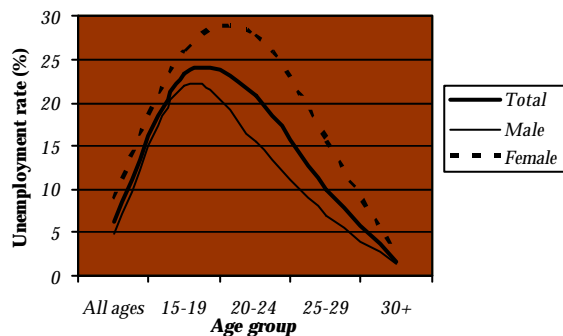
The unemployment rate for the second quarter 2006 is reported as 6.3 percent and it is clear that, the declining trend of unemployment has continued in the 2<sup>nd</sup> quarter 2006 as well.

**Table 9: Percentage distribution of unemployed and employed population by level of education - Second Quarter 2006**

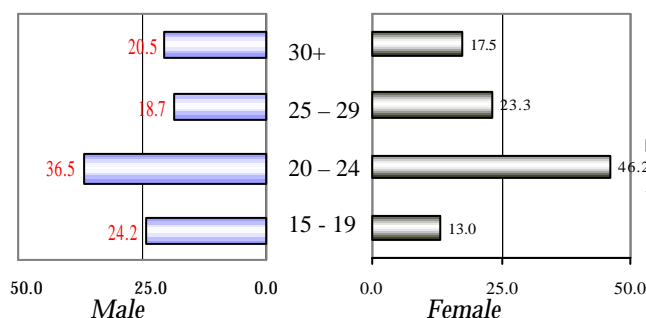
Sex & Sector	Level of education			
	Total	Below G.C.E.(O/L)	G.C.E.(O/L)	G.C.E.(A/L) & above
Total employed	100.0	69.8	16.9	13.4
Male	100.0	72.3	16.4	11.3
Female	100.0	65.1	17.7	17.2
Total unemployed	100.0	47.7	28.8	23.5
Male	100.0	56.2	27.8	15.9
Female	100.0	39.2	29.7	31.1

Table 9 shows that as a proportion, the educational attainment of the unemployed is higher when compared to the employed. Only 30.3 percent of the employed persons have achieved the level of education of G.C.E. (O/L) or above compared to 52.3 percent of the unemployed persons.

Of the unemployed females, about 60.8 percent have an educational qualification of G.C.E.(O/L) or above, compared to a proportion of 43.7 percent unemployed males having the same level of education.



**Figure 5: Percentage distribution of unemployed population by age and sex- Second Quarter 2006**



**Table 10: Unemployment rate by age group and Sex - Second Quarter 2006**

Age group	Sex		
	Total	Male	Female
All Island	6.3	4.9	8.7
15 - 19	23.3	22.0	26.0
20 - 24	20.6	15.5	27.8
25 - 29	10.1	7.0	15.7
30+	1.7	1.4	2.3

Even though overall unemployment rate is low, unemployment rates are relatively high among the age groups of 15 - 19 years and 20 - 29 years.

Nearly 40 percent of the unemployed population belongs to the age group of 20-24 years. Of the total unemployed females, 46 percent belongs to the age range of 20-24 years. The corresponding proportion for males is 36 percent.

**Selected Labour Force indicators (Excluding Northern & Eastern provinces)**  
( 1996 - 2006 First quarter)

	Year									
	1996	1998	2000	2001	2002	2003	2004	2005	2006 Q1	2006 Q2
<b>Labour force participation rate</b>										
<i>by sex</i>										
Both sexes	48.6	51.7	50.3	48.8	50.3	49.7	49.6	49.3	51.7	51.1
Male	65.9	67.5	67.2	66.2	67.9	67.5	67.2	67.3	69.3	68.4
Female	31.6	36.4	33.9	31.9	33.6	32.6	33.0	32.6	35.5	35.4
<i>by residential sector</i>										
Total	48.6	51.7	50.3	48.8	50.3	49.7	49.6	49.3	51.7	51.1
Urban	44.4	45.2	44.9	44.2	46.0	45.1	45.6	46.2	46.3	45.1
Rural	49.5	52.7	51.2	49.6	50.9	50.3	50.3	49.7	52.5	52.0
<b>Unemployment rate</b>										
<i>by sex</i>										
Both sexes	11.3	9.2	7.6	7.9	8.8	8.1	8.1	7.2	7.2	6.3
Male	8.2	6.5	5.8	6.2	6.6	6.0	6.0	5.3	5.5	4.9
Female	17.7	14.0	11.1	11.5	12.9	12.3	12.1	10.7	10.1	8.7
<i>by selected age groups(yr)</i>										
20 - 29	22.0	19.3	17.4	18.4	20.1	19.1	18.6	16.0	16.8	15.3
20 - 24	29.1	25.4	23.0	24.4	27.0	25.8	25.2	22.4	22.4	20.6
25 - 29	14.4	12.4	10.9	11.3	11.6	11.4	11.1	9.4	11.3	10.1
<i>by selected educational levels</i>										
G.C.E.(A/L) & above										
Both sexes	19.0	17.5	14.9	15.3	16.8	16.0	15.7	12.2	12.1	10.6
Male	10.1	9.4	8.8	10.1	10.8	10.1	9.6	7.9	6.8	6.8
Female	28.3	25.8	21.5	21.5	23.0	22.4	22.5	17.1	18.6	14.7
<b>Employed population</b>										
<i>by sex</i>										
Both sexes	5536216	6049388	6310247	6235588	6519415	6609466	6704006	6788119	7081435	7073844
Male	3856411	4004621	4241546	4248877	4395164	4496136.1	4512082	4546397	4634156	4572623
Female	1679805	2044767	2068701	1986711	2124250	2113329.8	2191924	2241722	2447279	2501221
<i>by industry (percentage)</i>										
Total	5536216	6049388	6310247	6235588	6519415	6609465.8	6704006	6788119	7081435	7073844
%	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Agriculture	2071764	2378572	2274153	2033343	2247602	2223690.7	2215282.3	2059293	2346321	2423036
%	(37.4)	(39.3)	(36.0)	(32.6)	(34.5)	(33.6)	(33.0)	(30.3)	(33.1)	(34.3)
Industry	1217977	1325735	1490795	1491408	1459194	1539035	1663382.8	1787274	1862896	1791226
%	(22.0)	(21.9)	(23.6)	(23.9)	(22.4)	(23.3)	(24.8)	(26.3)	(26.3)	(25.3)
Services	2246475	2345081	2545299	2710837	2812619	2846740.1	2825340.8	2941552	2872217	2859583
%	(40.6)	(38.8)	(40.3)	(43.5)	(43.1)	(43.1)	(42.1)	(43.3)	(40.6)	(40.4)
<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
0*	4.9	5.3	7.2	4.3	5.6	7.3	5.3	4.9	4.5	9.6
1 - 9	1.8	2.3	1.9	1.5	1.5	1.8	1.7	1.6	2.6	2.0
10 - 39	32.0	32.9	32.7	28.2	32.0	32.9	28.4	27.9	30.8	28.1
40+	61.3	59.6	58.2	66.1	60.9	58.0	64.7	65.7	62.1	60.3

\* Has a job but not at work during the reference week

**Selected Labour Force indicators**  
( 1996 - 2006 First quarter)

	Year									
	1996	1998	2000	2001	2002	2003*	2004**	2005***	2006 Q1#	2006 Q2#
<b>Labour force participation rate</b>										
<i>by sex</i>										
Both sexes	48.6	51.7	50.3	48.8	50.3	48.9	48.6	48.3	51.7	51.1
Male	65.9	67.5	67.2	66.2	67.9	67.2	66.7	67.1	69.3	68.4
Female	31.6	36.4	33.9	31.9	33.6	31.4	31.5	30.9	35.5	35.4
<i>by residential sector</i>										
Total	48.6	51.7	50.3	48.8	50.3	48.9	48.6	48.3	51.7	51.1
Urban	44.4	45.2	44.9	44.2	46.0	44.4	44.9	45.5	46.3	45.1
Rural	49.5	52.7	51.2	49.6	50.9	49.6	49.2	48.7	52.5	52.0
<b>Unemployment rate</b>										
<i>by sex</i>										
Both sexes	11.3	9.2	7.6	7.9	8.8	8.4	8.3	7.7	7.2	6.3
Male	8.2	6.5	5.8	6.2	6.6	6.0	6.0	5.5	5.5	4.9
Female	17.7	14.0	11.1	11.5	12.9	13.2	12.8	11.9	10.1	8.7
<i>by selected age groups(yr)</i>										
20 - 29	22.0	19.3	17.4	18.4	20.1	19.4	19.2	17.2	16.8	15.3
20 - 24	29.1	25.4	23.0	24.4	27.0	26.4	25.9	24.6	22.4	20.6
25 - 29	14.4	12.4	10.9	11.3	11.6	11.4	11.4	9.5	11.3	10.1
<i>by selected educational levels</i>										
G.C.E.(A/L) & above										
Both sexes	19.0	17.5	14.9	15.3	16.8	16.5	16.8	13.8	12.1	10.6
Male	10.1	9.4	8.8	10.1	10.8	10.4	10.5	8.9	6.8	6.8
Female	28.3	25.8	21.5	21.5	23.0	23.3	23.8	19.1	18.6	14.7
<b>Employed population</b>										
<i>by sex</i>										
Both sexes	5536216	6049388	6310247	6235588	6519415	7012755	7440226	7518007	7081435	7073844
Male	3856411	4004621	4241546	4248877	4395164	4833483	5087861	5134765	4634156	4572623
Female	1679805	2044767	2068701	1986711	2124250	2179272	2352365	2383241	2447279	2501221
<i>by industry (percentage)</i>										
Total	5536216	6049388	6310247	6235588	6519415	7012755	7394029	7518007	7081435	7073844
%	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Agriculture	2071764	2378572	2274153	2033343	2247602	2384397	2474725	2306039	2346321	2423036
%	(37.4)	(39.3)	(36.0)	(32.6)	(34.5)	(34.0)	(33.5)	(30.7)	(33.1)	(34.3)
Industry	1217977	1325735	1490795	1491408	1459194	1611493	1781447	1928014	1862896	1791226
%	(22.0)	(21.9)	(23.6)	(23.9)	(22.4)	(23.0)	(24.1)	(25.6)	(26.3)	(25.3)
Services	2246475	2345081	2545299	2710837	2812619	3016866	3137857	3283954	2872217	2859583
%	(40.6)	38.8)	(40.3)	(43.5)	(43.1)	(43.0)	(42.4)	(43.7)	(40.6)	(40.4)
<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
0•	4.9	5.3	7.2	4.3	5.6	7.5	5.2	4.7	4.5	9.6
1 - 9	1.8	2.3	1.9	1.5	1.5	1.8	1.6	1.5	2.6	2.0
10 - 39	32.0	32.9	32.7	28.2	32.0	32.6	28.7	27.6	30.8	28.1
40+	61.3	59.6	58.2	66.1	60.9	58.1	64.5	66.2	62.1	60.3

• 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)