**Introduction:** Sri Lanka Labour Force Survey has been conducted covering all the 25 districts in Sri Lanka in the second quarter of 2004, for the first time since 1990 and the national estimates given for the second quarter 2004 are based on all 25 districts. In the interpretation of results, one need to be cautious about the domain of coverage of the survey, in the respective time period. The domain of coverage of the survey for different time periods are as given below.

- 2002 and before - All the districts excluding Northern & Eastern provinces
- 2003 - All the districts excluding Northern province
- 2004 (First quarter) - All the districts excluding Vavuniya, Mullaitivu and Kilinochchi districts
- 2004 (Second quarter) - All 25 districts are covered.

**Labour force participation rate**

The economically active population in the second quarter 2004 is 8037799. Of this number 5405750 are males & 2632049 are females.

**Table 1: Labour force participation rate by sex**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>48.2</td>
<td>64.3</td>
<td>31.1</td>
</tr>
<tr>
<td>1993</td>
<td>49.1</td>
<td>65.3</td>
<td>33.1</td>
</tr>
<tr>
<td>1994</td>
<td>48.7</td>
<td>65.4</td>
<td>32.0</td>
</tr>
<tr>
<td>1995</td>
<td>47.9</td>
<td>64.4</td>
<td>31.7</td>
</tr>
<tr>
<td>1996</td>
<td>48.7</td>
<td>65.9</td>
<td>31.6</td>
</tr>
<tr>
<td>1997</td>
<td>48.7</td>
<td>65.7</td>
<td>32.0</td>
</tr>
<tr>
<td>1998</td>
<td>51.7</td>
<td>67.5</td>
<td>36.4</td>
</tr>
<tr>
<td>1999</td>
<td>50.7</td>
<td>67.7</td>
<td>34.1</td>
</tr>
<tr>
<td>2000</td>
<td>50.3</td>
<td>67.2</td>
<td>33.9</td>
</tr>
<tr>
<td>2001</td>
<td>48.8</td>
<td>66.2</td>
<td>31.9</td>
</tr>
<tr>
<td>2002</td>
<td>51.7</td>
<td>67.9</td>
<td>35.9</td>
</tr>
<tr>
<td>2003*</td>
<td>48.9</td>
<td>67.2</td>
<td>31.4</td>
</tr>
<tr>
<td>2004Q1**</td>
<td>49.0</td>
<td>67.4</td>
<td>31.4</td>
</tr>
<tr>
<td>2004 Q2 ***</td>
<td>48.6</td>
<td>67.7</td>
<td>30.8</td>
</tr>
</tbody>
</table>

* Excluding Northern province  
**Excluding Vavuniya, Mullaitivu and Kilinochchi districts  
*** All the districts are included  
(Previous 2003, estimates excluded both Northern & Eastern provinces)

- No marked change can be seen in labour force participation rate over the years.

**Table 2: Labour force participation rate by age & sex - second quarter 2004**

<table>
<thead>
<tr>
<th>Age group(yr.)</th>
<th>Total</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>48.6</td>
<td>44.8</td>
<td>49.3</td>
</tr>
<tr>
<td>15 - 19</td>
<td>24.2</td>
<td>25.7</td>
<td>24.0</td>
</tr>
<tr>
<td>20 - 24</td>
<td>62.9</td>
<td>54.7</td>
<td>64.6</td>
</tr>
<tr>
<td>25 - 29</td>
<td>67.4</td>
<td>62.3</td>
<td>68.5</td>
</tr>
<tr>
<td>30 - 39</td>
<td>68.3</td>
<td>65.5</td>
<td>68.8</td>
</tr>
<tr>
<td>40+</td>
<td>51.8</td>
<td>44.2</td>
<td>53.1</td>
</tr>
</tbody>
</table>

**Distribution of labour force by age group is almost same between males & females except in 20 - 24 yrs. age group. Proportion of males in that age group is 14 percent while proportion for females is 18.4 percent.**

- Labour force participation rate in the rural sector is relatively higher than the urban sector for all age groups except in 15 - 19 yrs. age group.
Unemployment Rate

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

Overall unemployment rate was 9.0 percent in the second quarter 2004. Male and female unemployment rates in the second quarter 2004 are 6.6 percent and 14.0 percent respectively.

Table 3: Trend of unemployment rate over time by sex

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>14.6</td>
<td>10.7</td>
<td>22.2</td>
</tr>
<tr>
<td>1993</td>
<td>13.8</td>
<td>9.7</td>
<td>21.7</td>
</tr>
<tr>
<td>1994</td>
<td>13.1</td>
<td>9.7</td>
<td>20.1</td>
</tr>
<tr>
<td>1995</td>
<td>12.3</td>
<td>9.0</td>
<td>18.7</td>
</tr>
<tr>
<td>1996</td>
<td>11.3</td>
<td>8.2</td>
<td>17.7</td>
</tr>
<tr>
<td>1997</td>
<td>10.5</td>
<td>7.7</td>
<td>16.1</td>
</tr>
<tr>
<td>1998</td>
<td>9.2</td>
<td>6.5</td>
<td>14.0</td>
</tr>
<tr>
<td>1999</td>
<td>8.9</td>
<td>6.7</td>
<td>13.0</td>
</tr>
<tr>
<td>2000</td>
<td>7.6</td>
<td>5.8</td>
<td>11.1</td>
</tr>
<tr>
<td>2001</td>
<td>7.9</td>
<td>6.2</td>
<td>11.5</td>
</tr>
<tr>
<td>2002</td>
<td>8.8</td>
<td>6.6</td>
<td>12.9</td>
</tr>
<tr>
<td>2003</td>
<td>8.4</td>
<td>6.0</td>
<td>13.2</td>
</tr>
<tr>
<td>2004 Q1**</td>
<td>8.1</td>
<td>6.2</td>
<td>12.2</td>
</tr>
<tr>
<td>2004 Q2 ***</td>
<td>9.0</td>
<td>6.6</td>
<td>14.0</td>
</tr>
</tbody>
</table>

* Excluding Northern province  
** Excluding Vavuniya, Mulathivu and Kilinochchi districts  
*** All the districts are included  
(Before 2003, estimates excluded both Northern & Eastern provinces)

- At all island level female unemployment rate is 14.0. It is relatively high compared with the previous quarter and the increase in the overall unemployment rate is mainly attributed to the increase in the female unemployment rate.

Table 4: Unemployment rate by level of education & residential sector - second quarter 2004

<table>
<thead>
<tr>
<th>Sex</th>
<th>Level of education</th>
<th>Total</th>
<th>Below Gr. 5</th>
<th>GCE(O/L) &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>9.0</td>
<td>2.3</td>
<td>8.0</td>
</tr>
<tr>
<td>Urban</td>
<td></td>
<td>12.2</td>
<td>3.2</td>
<td>12.2</td>
</tr>
<tr>
<td>Rural</td>
<td></td>
<td>8.5</td>
<td>2.2</td>
<td>7.3</td>
</tr>
</tbody>
</table>

- The unemployment rate reported for of G.C.E(A.L) & above qualified persons is 19 percent.

- The overall unemployment rate of rural sector is relatively lower than the corresponding rate of urban sector.
Unemployed Population

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

Unemployed population is estimated to be 724180 in the second quarter 2004. Of this number 356669 are males and 367512 are females.

**Figure 4: Percentage distribution of unemployed population by age & sex - second quarter 2004**

<table>
<thead>
<tr>
<th>Age Group (yrs)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 - 19</td>
<td>42.5</td>
<td>24.1</td>
</tr>
<tr>
<td>20 - 24</td>
<td>14.3</td>
<td>17.8</td>
</tr>
<tr>
<td>25 - 29</td>
<td>10.7</td>
<td>3.9</td>
</tr>
<tr>
<td>30 - 39</td>
<td>8.2</td>
<td>13.4</td>
</tr>
<tr>
<td>40 +</td>
<td>3.5</td>
<td>18.3</td>
</tr>
</tbody>
</table>

- Percentage of unemployed males in the age groups 15 – 19 yrs and 40 yrs & above is higher than the unemployed females in the same age group.

**Figure 5: Percentage of G.C.E.(A/L) & above qualified unemployed persons from year 2000**

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>19.5</td>
</tr>
<tr>
<td>2002</td>
<td>19.6</td>
</tr>
<tr>
<td>2003</td>
<td>19.5</td>
</tr>
<tr>
<td>2004 Q2</td>
<td>19.3</td>
</tr>
</tbody>
</table>

- It is observed that the proportion of the G.C.E.(A/L) & above qualified unemployed females has increased from 2001 to 2004 second quarter. But the corresponding proportion of the males has declined in the second quarter of 2004.

**Figure 6: Distribution of unemployed persons with technical & vocational training by sex - second quarter 2004**

- The total no of unemployed persons who are reported to have had a technical / vocational training is 19,743 in the second quarter of 2004.

- Of this number 55 percent are females and 45 percent are males.
Total estimated employed population is 7313647 in the second quarter 2004. Of this number 5049101 are males and 2264546 are females.

Table 5: Percentage Distribution of employed population by industry – second quarter 2004

<table>
<thead>
<tr>
<th>Industry group</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Agriculture Forestry and Fishery (A,B)</td>
<td>35.7</td>
<td>33.5</td>
<td>40.4</td>
</tr>
<tr>
<td>Manufacturing (D)</td>
<td>16.9</td>
<td>13.1</td>
<td>25.4</td>
</tr>
<tr>
<td>Wholesale and Retail Trade, Repair of</td>
<td>12.0</td>
<td>14.0</td>
<td>7.5</td>
</tr>
<tr>
<td>Personal and Household Goods (G)</td>
<td>2.6</td>
<td>2.7</td>
<td>2.5</td>
</tr>
<tr>
<td>Financial Intermediation and Real Estate,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renting and Business Activities (J,K)</td>
<td>6.9</td>
<td>7.3</td>
<td>6.0</td>
</tr>
<tr>
<td>Public Administration and Defence,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compulsory Social Security(L)</td>
<td>3.3</td>
<td>2.0</td>
<td>6.4</td>
</tr>
<tr>
<td>Education (M)</td>
<td>22.5</td>
<td>27.3</td>
<td>11.8</td>
</tr>
<tr>
<td>*Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Other : Construction (F), Hotel and Restaurants (H), Transport and Storage and Communication (I), Health and social work (N), Other community, Social and personal Service activities(O) , Private Households with Employed Persons (P), Miscellaneous Labour work Other (C.E.Q), Mining & Quarrying (C) , Electricity, Gas and Water supply (E), Extra Territorial Organization & bodies (Q), Industries not adequately described

• Proportion of males engaged in trade sector is 14.0 percent while the corresponding proportion for females is 7.5 percent.

• About 6.4 percent of females worked in education sector while proportion of males in this sector is only 2.0 percent.

Note: The tabulation groups based on ISIC (Rev.3) are indicated as A,B,C,…..Q. Due to the limitations on reliability (based on CV), some of these groups have been combined.

Table 7 : Percentage distribution of employed population by major industrial sectors and employment status - second quarter 2004.

<table>
<thead>
<tr>
<th>Employment status</th>
<th>Industry group</th>
<th>Total</th>
<th>Employee</th>
<th>Employer</th>
<th>Own account</th>
<th>Unpaid family worker</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>100.0</td>
<td>59.4</td>
<td>3.3</td>
<td>28.7</td>
<td>8.5</td>
</tr>
<tr>
<td></td>
<td>Agriculture</td>
<td>100.0</td>
<td>40.4</td>
<td>1.8</td>
<td>40.0</td>
<td>17.8</td>
</tr>
<tr>
<td></td>
<td>Non agriculture</td>
<td>100.0</td>
<td>70.0</td>
<td>5.1</td>
<td>22.6</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Note: It is to be noted here that these occupation groups are based on ISCO - 88, but they are not necessarily the major groups of ISCO - 88 classification.

• More than 50 percent of employed persons in rural sector are agriculture and elementary occupation related workers.

• About 45 percent of employed persons in urban sector fall in to proprietors, sales & service workers and craft & related groups taken together.

• About 58 percent of employed persons in Agricultural sector are Own account workers & unpaid family workers categories taken together.

• 70 percent of persons in non agricultural sector are employees.