



Department of Census and Statistics



Ministry of
Finance, Economic
Stabilization and
National Policies

ANNUAL SURVEY OF TRADE & SERVICES 2019

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2019

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DEPARTMENT OF CENSUS AND STATISTICS

MINISTRY OF FINANCE, ECONOMIC STABILIZATION AND NATIONAL POLICIES

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Preface

The Annual Survey of Trade and Services - 2019 is the fourth in the series of surveys on the services sector of Sri Lanka conducted by the Department of Census and Statistics. As the Sri Lankan economy which was predominantly dominated by agricultural activities transformed towards a diverse mix of more trade and other services over the past few decades, there was a growing demand for data on these emerging sectors from a wide range of users including planners, policy makers and researchers. Therefore the Department of Census and Statistics (DCS) as the key government agency responsible for providing official statistics for Sri Lanka conducted an Economic Census in 2013/14 for the first time replacing the Census of Industries and Census of Agriculture. Economic Census 2013/14 was a milestone in producing economic statistics as detailed data on trade and other services were collected for the first time. Wholesale, retail trade and a broad array of services activities were included for data collection and statistical indicators on services sector were made available for planning and policy making.

Considering the need for indicators on the services sector to monitor its performance, the Department of Census and Statistics planned to conduct a survey on trade and other services annually. The Annual Survey of Trade & Services - 2019 covers privately owned establishments within the country's territory and key government owned enterprises. Sampling frame for the survey was the list of establishments prepared at the Economic Census 2013/14.

This report presents important indicators on the nature, structure and the performance of trade and almost all the other services sectors of the economy. I hope this report will avail you of vital information for evidence based decision making and for other data requirements.

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Battaramulla
29.07.2022

Acknowledgement

The task of conducting a survey on services sector becomes difficult given the vastness of the sector, its heterogeneous nature as well as fast-changing composition with the frequently emerging new services and the exit of obsolete ones. Thus planning and conducting a survey on services sector including designing of an appropriate survey methodology was a real challenge for the Department of Census and Statistics when the survey was started in 2016.

Necessary guidance and encouragement were given by the Director General Mr. P.M.P. Anura Kumara for the planning and execution of this survey which was carried out under the supervision of Mrs.U.Maheswaran, Director, Industry and Services Division of the department.

This report on trade and services sector is the result of the collective effort of the team assigned with the task of compiling statistics on trade and services sector of the Industry and Services Division. Contributions made by following officers are acknowledged with gratitude.

- Mr. H.R.S.L.Ranatunga, Deputy Director, for guidance and contribution in the editing process.
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- Mr. J.S.N.P.Dharmawardhana, Senior Statistician, in selecting the sample for the surveys on Trade and Services.
- Ms. W.M.C.N.K.Wijayapala and Ms. K.A.S.P.Kodikara, Statisticians, in final data editing, analyzing and report writing.
- Mr. U.Amarawansa and Mr. A.Jayathilaka, Statisticians, in assisting data editing.
- Mr. R.M.P.Dharmapriya, ICT Assistant, in preparing the data entry programme.
- Ms. A.N.N.Arambewela and Ms. M.F.F.Janeera, ICT Assistants, in preparing the report as per the new guidelines developed for departmental publications.
- All the district statisticians and statistical officers/ statistical assistants who contributed in collecting data from establishments and all the officers of the industries and services division in collecting data in the Western Province.
- The following officers who were engaged in manual editing, coding, data entry and analysis of data pertaining to the specific sections assigned to them.

Mr. A.L.Reeza-Statistical Officer

Ms. A.J.Kodithuwakku-Statistical Officer

Mr. T.V.P.Shyaminda-Statistical Officer

Ms. S.S.Opanayaka-Statistical Officer

Ms. W.T.K.T.P.Kularathna-Statistical Officer

Ms. H.L.T.P.Fernando-Statistical Officer

Ms. S.Madoluwa-Development Officer

Mr. P.A.Priyantha-Development officer

Ms. U.H.Elpiya-Development Officer

Ms. N.G.Sahabandu-Development officer

The following officers who were instrumental in supporting the execution of the survey.

Mr. C.A.S.De Silva-KKS

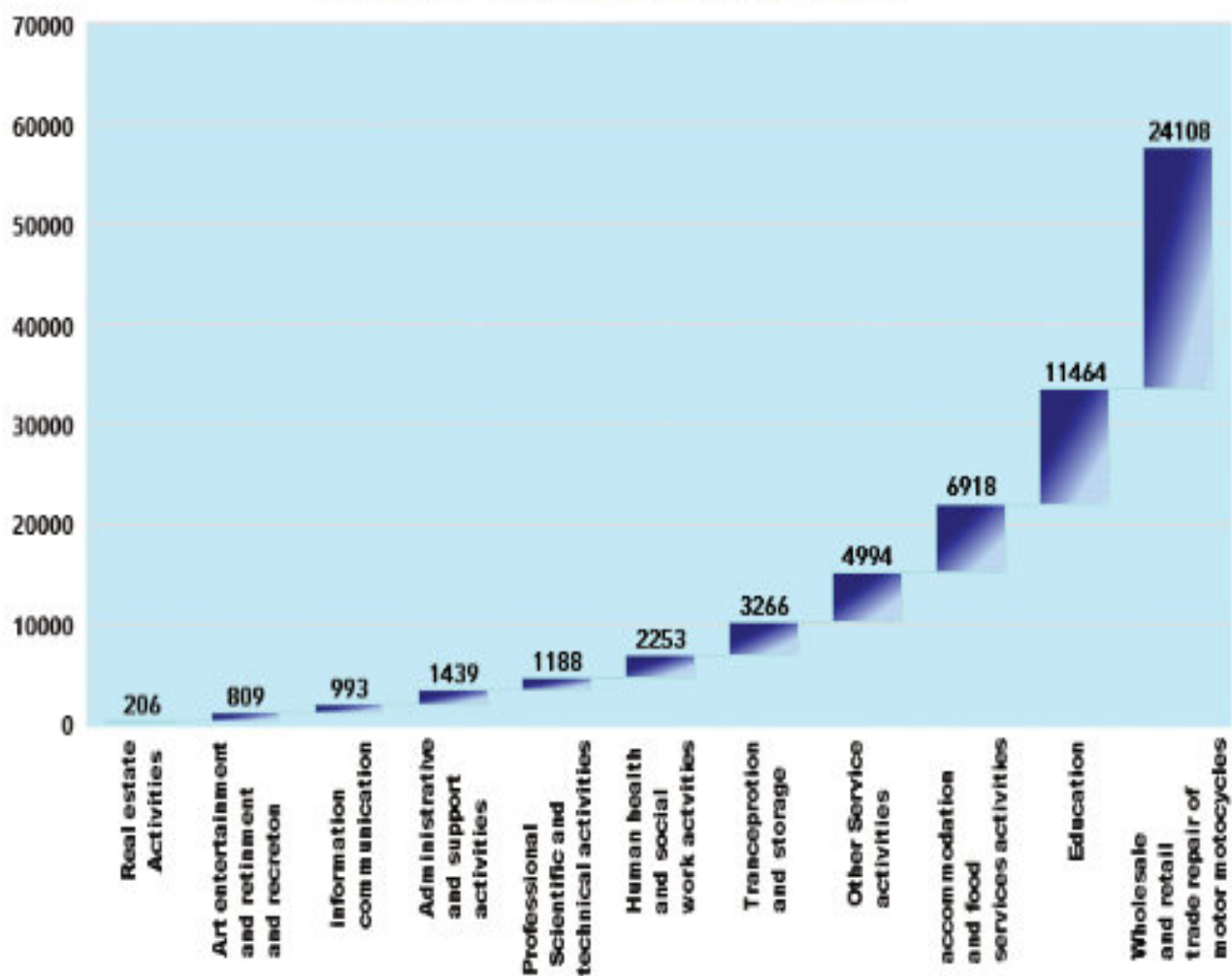
Mr. S.P.K.Jayalath-KKS

The contribution made by the printing division of the Department of Census and statistics in printing this report is also acknowledged with gratitude. Finally, the continued support extended by the private sector establishments without which this report would not have been possible is very much appreciated.

Key Indicators on Trade and Services sector of Sri Lanka - 2018

No	Indicator	Unit	Total	Trade	Services
1	Number of establishments	Number	57,639	24,108	33,531
2	Number of persons engaged	Number	1,164,415	299,821	864,594
3	Salaries and Wages	Rs.Mn	648,926	160,955	487,971
4	Output	Rs.Mn	3,178,009	1,112,279	2,065,730
5	Intermediate consumption	Rs.Mn	1,166,394	279,110	887,284
6	Value added	Rs.Mn	2,011,615	833,169	1,178,446
7	Average annual salary per person engaged	Rs.	557,298	536,836	564,393
8	Annual output per person engaged	Rs.	2,729,276	3,709,811	2,389,249
9	Annual value added per person engaged	Rs.	1,727,576	2,778,890	1,363,005

Number Of Establishment by Section



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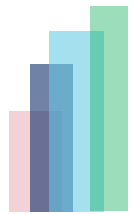
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Chapter 1

Introduction

1.1 BACKGROUND

Economic Census is an integrated programme of data collection and compilation that provides comprehensive information on the structure and functioning of a country's economy. In Sri Lanka the agriculture and industry sectors of the economy were covered by the Census of Agriculture and Census of Industry over the past six decades, usually conducted in every ten years. Though the rising of services sector in the country was realized no comprehensive statistics were available for planning or decision making of this sector. Planners and policy makers were insisting statistical measures on this sector. The Economic census 2013/14 was the first ever attempt to bring out comprehensive information on trade and a variety of other services activities carried out within Sri Lankan territory.

Trade and other services provide vital support to the economy more specifically to industry through provision of raw materials, financial, logistic and communication facilities etc. Increased trade and the widespread availability of services may boost economic growth by improving the performance of other industries. Thus, continuous information on services sector is essential to monitor the performance of the economy. Hence the Department of Census and Statistics decided to continue the Annual Survey of Trade and Services which was initially conducted in 2016 based on the register of establishments obtained at the economic census 2013/14 with improvements to the survey every year.

1.2 OBJECTIVES

The objectives of the Annual Survey of Trade & Services are,

- Computation of key indicators on trade and services sector.
- Updating the register of trade and services establishments.
- Identification of changes in the structure of trade and services sector.
- Providing estimates to national accounts.

1.3 SCOPE AND COVERAGE

Economic activities

Sri Lanka Standard Industry Classification (SLSIC), which is fully aligned with International Standard Industry Classification (ISIC) - revision IV, is used to classify economic activities under the survey. Accordingly, following sections of the ISIC are basically included in the survey with certain limitations specified in the succeeding paragraph.



G	Wholesale and retail trade; repair of motor vehicles and motorcycles
H	Transportation and storage
I	Accommodation and food service activities
J	Information and communication
L	Real estate activities
M	Professional, scientific and technical activities (excluding division 70)
N	Administrative and support service activities
P	Education
Q	Human health and social work activities
R	Art, entertainment and recreation
S	Other service activities

All the economic activities included under the above sections of the SLSIC except the under mentioned activities were covered in the survey.

- Financial, Insurance and other financial related activities (a separate survey is conducted annually)
- Construction activities (a separate survey is conducted annually)
- Households engaged in transport services or renting vehicles deploying less than 3 light vehicles, such as vans, cars etc. and households engaged in operating or hiring three wheelers
- Teachers engaged in individual tutoring by visiting houses
- Informal house-based tutoring classes which have less than 20 students
- The traders who don't have a permanent store but change the place of selling from day to day throughout the week. Ex: Sellers at weekly fair
- The households which provide accommodation for less than 5 boarders
- The households that have rented less than 3 rooms, houses, annexes or other buildings for businesses etc. But if the floor area of the rented building exceeds 5000 sq. ft., the activity is included in the sampling frame
- The activities of extraterritorial organizations classified under Section U of the SLSIC (such as embassies, international organizations etc.)

- The real estate sector doesn't include the own-occupied housing services
- The economic activities classified under Section T (activities of households as employers, undifferentiated goods and services producing activities of households for own use etc.)

Public and private sectors

All the privately owned establishments engaged in services related economic activities within the country's economic territory and key government agencies were included in the survey. The government owned enterprises included were Sri Lanka transport board (SLTB), Sri Lanka railways, Sri Lanka air lines, Airport and aviation services (Sri Lanka) limited, Sri Lanka ports authority, Sri Lanka postal department, Sri Lanka broadcasting corporation (SLBC), Sri Lanka Rupavahini corporation, Independent television network (ITN), Sri Lanka telecom (SLT) and National museum.

Persons engaged

The trade sector (wholesale, retail trade and repair of motor vehicles and motor cycles) covers only the establishments with **four** or more persons engaged, whereas all other sub sectors cover entities with **five** or more persons engaged



Chapter 2

Methodology

The statistical unit of the survey is basically an establishment. However enterprises were allowed to provide aggregated enterprise level data in case a particular enterprise was not in a position to breakdown its data to establishment level. Therefore the geographical disaggregation of the information is not possible, as the establishments of each of such enterprises may be scattered across different geographical areas. The major business activity from which the highest earnings are recorded is considered as the main business activity and all the other minor activities are considered as ancillary activities.

2.1 THE QUESTIONNAIRE

Data is canvassed via two different questionnaires, i.e., one for the Trade sector and the other for the Service sector, considering the inherent differences in the nature of the two business activities. In both questionnaires the questions were grouped under several major sections to gather data such as Identification information, Employment, Compensation of employees, Expenditure incurred on intermediate consumption items and other items, Inventory /stocks, Income /receipts earned from main business and ancillary activities and information of Fixed Assets etc.

In line with the guidelines provided in the SNA 2008, the Gross output of the Service sector and the Trade Sector are compiled in 2 different ways as follows:

- The gross output of the service activities is the total charge for the service rendered, commission income or the revenue earned from the service activity (other than the financial activities and trade activities).
- The gross output of the trade activities is the trade margin, which is calculated by deducting the value of items purchased for resale after adjusting their stocks from the sales revenue.
- The gross output of the motor vehicle repair and maintenance activities, which is included under trade sector, is compiled similar to the computation of output of service activities, not the trade margins.

As a business establishment may engaged in number of ancillary business activities in addition to its main business, the aggregate gross outputs of all such activities should be added to the gross output of the main business activity to arrive at the Gross output of the entire establishment. Further, the royalty income, rental income, own account capital formation and the earnings from other activities included within the production boundary of SNA 2008 are also added together to compile the total gross output

Data on the following were collected in order to calculate the intermediate consumption of the trade and services sector.

- Payments incurred on management, accounting, auditing, legal and other professional services
- Payments for education and training, minor repairs and maintenance work, security services, work performed on subcontract and commission basis by other enterprises etc.
- Cost of electricity, fuel, energy and water
- Rental or payments incurred for buildings and machinery or lease of machinery and equipment
- Transportation and installation charges
- Cost of printing, stationary and journals etc.
- Cost of business travels
- Bank charges
- Payments incurred for advertising and promotion, registration fees, royalties etc.
- Cost of disposal and treatment of waste products
- Expenses incurred on research and development and environmental protection
- Value of raw materials, packing and other materials consumed
- Expenditure incurred on communication
- Other expenses incurred that are stated as intermediate consumptions in the SNA 2008

Book value at the beginning of the year, Gross additions during the year, own account fixed assets and depreciation were canvassed under the two major components of fixed assets namely, tangible fixed assets and intangible fixed assets. Under the tangible fixed assets data of the following components were collected

- Land and land improvement
- Buildings and other constructions
- Transport equipment
- Computer equipment
- Plant and machinery
- Furniture & other office equipment etc.



In addition, data on capital work in progress, other tangible assets, and intellectual property products, value of the computer software and data base and value of other intangible assets were also collected.

Entertainment, literary or artistic originals, non-produced intangible fixed assets like good will, trade mark were collected under the intangible fixed assets.

Employment data were collected gender wise with a view to support policy formulation as female employment is considered as a key indicator in formulating policies to improve female participation in economic development. Data on compensation of employees were collected for all employees irrespective of gender disaggregation as it is not available in the annual reports of the establishments. However such data were collected for local and foreign nationals separately.

2.2 DATA COLLECTION

Collecting timely and accurate data from establishments is very tedious and time consuming. Unlike household surveys, it is very challenging and difficult to ensure a higher response rate for establishment surveys. The questionnaires are initially posted to the selected establishments and only the default establishments are approached by the field officers of the DCS. Annual reports (financial reports) of the listed companies are also used to capture data required to estimate statistics.

2.3 REFERENCE PERIOD

Reference period of the survey was the calendar year 2018 (i.e. 1st of January to 31st of December). In case the establishments face difficulties in providing data for calendar year, date relevant to the financial year, starting from the 1st of April of the reference year until 31st of March of the next year, is also accepted.

Otherwise estimates for the calendar year were accepted.

2.4 SURVEY DESIGN AND SAMPLING TECHNIQUE

Considering the share of contribution to the total output and practical difficulties in covering the entire population, the establishments with 4 or more persons engaged in trade activities and those with 5 or more persons engaged in other services were considered as the sample

frame to select the sample for the survey. The Stratified sampling was applied by dividing above said selected frame into 2 strata, viz, the establishments with the number of persons engaged below 50, and the other with 50 or more, where the latter category was fully enumerated while the preceding stratum was covered via a representative sample.

A number of 1,325 establishments were included for complete enumeration and 3,680 establishments were selected to represent the rest of the establishments.

Stratified random sampling technique was further adopted to the stratum of establishments with persons engaged below 50, to ensure that the selected sample covers all the SLSIC 3 digit categories and all the geographical boundaries, ie. districts, covering the entire country.

(a) Determination of weights Theoretical Background

The final weight for kth respondent in the stratum h, w_{hk} , is a composite of the base weight; w_{1hk} , the non-response adjustment; w_{2hk} and the factor to compensate for coverage errors; w_{3hk} such that,

$$w_{hk} = w_{1hk} \times w_{2hk} \times w_{3hk} \quad (1)$$

Base weight (w_{1hk})

The base weight is the reciprocal of the probability of selection of each unit. Therefore, it requires an adjustment factor to be incorporated in the weight. To illustrate, if N_h is the population size for stratum h and n_h is the corresponding sample size,

Then the base weight,

$$w_{1hk} = \frac{N_h}{n_h}$$



Non-response weight (w_{2hk})

The non-response weight is the ratio of the sample size to the total respondents. The establishments that were considered as non-respondents are those who refused to participate in the survey.

Non-response weight

$$w_{2hk} = \frac{n_h^*}{n_h}$$

Here n_h^* is the number of responded establishments in h^{th} stratum.

Sampling Frame Error weight (w_{3hk})

The followings are the influencing factors on frame errors

- Establishments that cannot be located
- Establishments, which were closed (they should not be included in the sampling frame)
- Establishments, which are out-of-scope (the ISIC classification was not specified correctly)
- Establishments, which were duplicates and mergers.

If given the stratum h ,

q_{1h} - Proportion of establishments with frame problems
(proportion of those that should not be included in the frame)

q_{2h} - Proportion of establishments that were missed in the frame
(those that should be listed but were not included)

Then the true population size of stratum h ; N'_h should be,

$$N'_h = N_h \times (1 - q_{1h} + q_{2h})$$

Hence the frame adjustment weight; w_{3hk} is,

$$w_{3hk} = (1 - q_{1h} + q_{2h})$$

(b) Estimation

Estimates for each of the strata described above could be derived separately.

From (1), $w_{hk} = w_{1hk} \times w_{2hk} \times w_{3hk}$

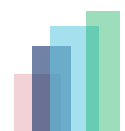
The estimate for a total in stratum h is given by,

$$\hat{y}_h = \sum_{k=1}^{n_h} w_{hk} y_{hk}$$

Where, $k = 1, 2, 3, \dots, n_h$

n_h = Number of units in stratum h

y_{ijk} = Observed value of considered variable for k^{th} unit in stratum h



Chapter 3

Concepts and Definitions



The concepts and definitions used in the Annual Survey of Trade and Services 2019 were broadly in accordance with the United Nations recommendations.

3.1 STATISTICAL UNIT

Statistical unit is an establishment which is defined as an enterprise, or part of an enterprise, which is situated in a single location and in which only a single productive activity is carried out or in which the principal productive activity accounts for most of the value added.

In the analysis, the ideal definition of the establishment was followed. Data collected at enterprise level was disaggregated into establishment level using the proportion of output. Ancillary units such as warehouses, garages, etc. were treated as part of the main establishments.

3.2 OUTPUT AND VALUE ADDED

International statistical bodies provide standards for output and productivity measurement. In particular, the United Nation's Statistics Division's Fundamental Principles of Official Statistics provides the basic framework for official statistics in member countries. The Division also produces the Handbook of Statistical Organization and the System of National Accounts.

DCS seeks to use international best practices to continuously improve its statistics. It generally develops its standards and classifications in line with international norms. For example, localizing International Standard Industrial Classifications (ISIC) revision IV as SLSIC, Sri Lanka Standard Industry Classification, to implement the recommendations of the 2008 review of the UN's System of National Accounts.

The value of output corresponds to the sum of the value of all goods or services that are actually produced within an establishment and become available for use outside that establishment, plus any goods and goods and services produced for own final use. The value of output at basic prices is calculated as follows

gross output=Value of sale/turnover/shipment of goods produced by establishment
 + Value of sale/turnover/shipments of all goods and services purchased for resale in the same condition as received
 – Purchases of goods and services for resale in the same condition as received
 + Commissions and fees from selling goods and services on account of others
 + Receipts for industrial work done or industrial services rendered to others
 + Other revenues
 + Value of own account fixed assets
 + change in work in progress
 + change in inventories of finished goods
 + change in inventories of goods purchased for resale in the same condition as received

Gross value added, is defined as the value of output less the value of intermediate consumption, where value of output is measured at basic price, and the intermediate consumption at purchaser's price.

Purchasers' prices are the amounts paid by the purchasers, excluding the deductible part of value added type taxes, and it is in short the actual costs to the users.

Basic prices are prices before taxes on products/services (such as VAT, Excise Duty, NBT etc.) are added and subsidies on products/services are subtracted, and it is in short the amount retained by the producers.



3.3 FIXED CAPITAL ASSETS

The book value of fixed assets at the beginning of the year, value of gross additions during the year, value of own account fixed assets and depreciation of all assets with productive life of one year or more, owned by the establishment (i.e. land, buildings & other constructions, plant & machinery, transport equipment, computer equipment, furniture & other official equipment and intangible fixed assets) have been collected. Leased or rented assets have not been included.

(a) Book value at the beginning of the year

This refers to the original cost of the item less its accumulated depreciation to that point, less assets retired and sold up to the beginning of the year.

(b) Gross additions to fixed assets during the year

This is defined as the total of the costs of new and second hand fixed assets acquired during the year and alterations, renovations and improvements purchased, less the value of sales of used fixed assets.

Valuation of fixed assets acquired from others was to be at the delivered price plus cost of installation and any necessary fees and taxes.

3.4 EMPLOYMENT AND EARNINGS

Number of persons engaged in the establishments was collected under different employment categories. Data on salaries and wages of the employed was also collected.

(a) Number of persons engaged

This is defined as the total number of persons who work in or for the establishment. It includes working proprietors, active partners, contributing family workers, administrators, managers, technical and supervisory staff, clerical and related services workers and all other employees.

Working proprietors and active partners

All individual proprietors and partners who are actively engaged in the work of the establishment have been included here

Contributing family workers:

This includes all persons living in the household of the owners and working in the establishment, without a regular pay, for at least one third of the normal working time of the establishment and non-household members who work without payment.

(a) Salaries and Wages

Salaries and wages includes all remunerations paid (in cash or in kind) to the employees during the calendar year 2018 or the Financial Year 2018/19.

It includes,

- Gross salaries and wages
- Employer's contribution for social security funds
- Other benefits in cash paid by employer
- Other benefits in kind provided by employer





Chapter 4

Major Findings

Major findings of the Annual Survey of Trade and Services - 2019 are presented in this chapter. Tables with comprehensive information are included in chapter 5. When comparing data related to the sections of Transport & storage, Information & communication and Arts, entertainment & recreation with previous years, it should

be noted that the data for 2019 includes information on some key government agencies as well. Also SLSIC divisions of 70 and 72 in Professional, scientific and technical activities section were not included in data analysis due to low response rates.

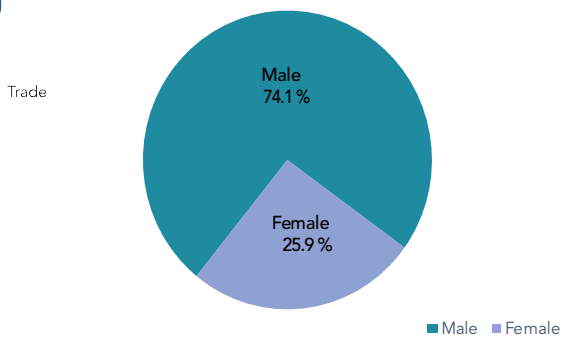
All the tabulations and graphs were prepared based on the data collected in the Annual Survey of Trade and Services - 2019

Table 4.1: Number of establishments and persons engaged by economic sector – 2018

Economic sector	Establishments		Persons engaged	
	Number	%	Number	%
Total	57,639	100.0	1,164,415	100.0
Trade	24,108	41.8	299,821	25.7
Services	33,531	58.2	864,594	74.3

Table 4.1 indicates that the total number of small, medium and large scale privately owned establishments including some government agencies are 57,639, of which more than 40% are engaged in trade. It also reveals that 1,164,415 persons are engaged in these services and trade activities with a majority of them (74.3%) in service sector and the balance 25.7% in trade activities

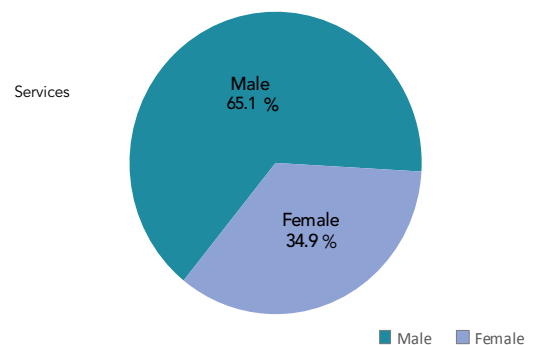
Figure 4.1
Gender composition of persons engaged in Trade sector - 2018



Source: Department of Census and Statistics, Sri Lanka



Figure 4.1
Gender composition of persons engaged in Services Sector -2018



Source: Department of Census and Statistics, Sri Lanka



Figure 4.1 reveals the gender composition of persons engaged in the services sector and it depicts that almost three fourth of the persons engaged (74.1%) in the trade

sector are males. More female participation is observed (34.9 %) in the services sector when compared with trade sector (25.9%).

Table 4.2: Key indicators by economic sector - 2018

Economic Sector	Output (Rs.Mn)	Intermediate consumption (Rs.Mn)	Value added (Rs.Mn)	Value added (%)
Total	3,178,009	1,166,394	2,011,615	100.0
Trade	1,112,279	279,110	833,169	41.4
Services	2,065,730	887,284	1,178,446	58.6

Key economic indicators on trade and services are shown in Table 4.2. The total output of the trade and services sector is 3,178 Billions Rupees and the value added of this sector is 2,101 Billion Rupees. The contribution of trade sector to the total value addition is lower than the services sector.

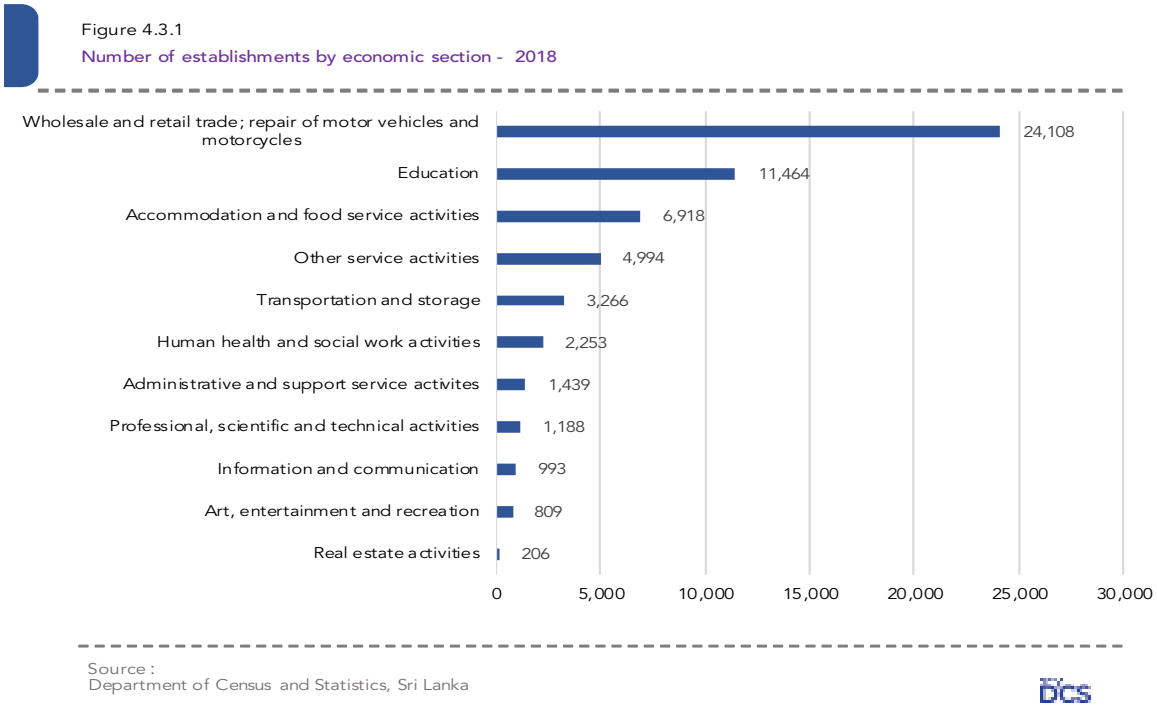
The output and value added of trade sector are 1,112 Billion Rupees and 833 Billion Rupees respectively. All other services records an output of 2,065 Billion Rupees and the value added is around 1,178 Billion Rupees.

Table 4.3: Number of establishments and persons engaged by economic section - 2018

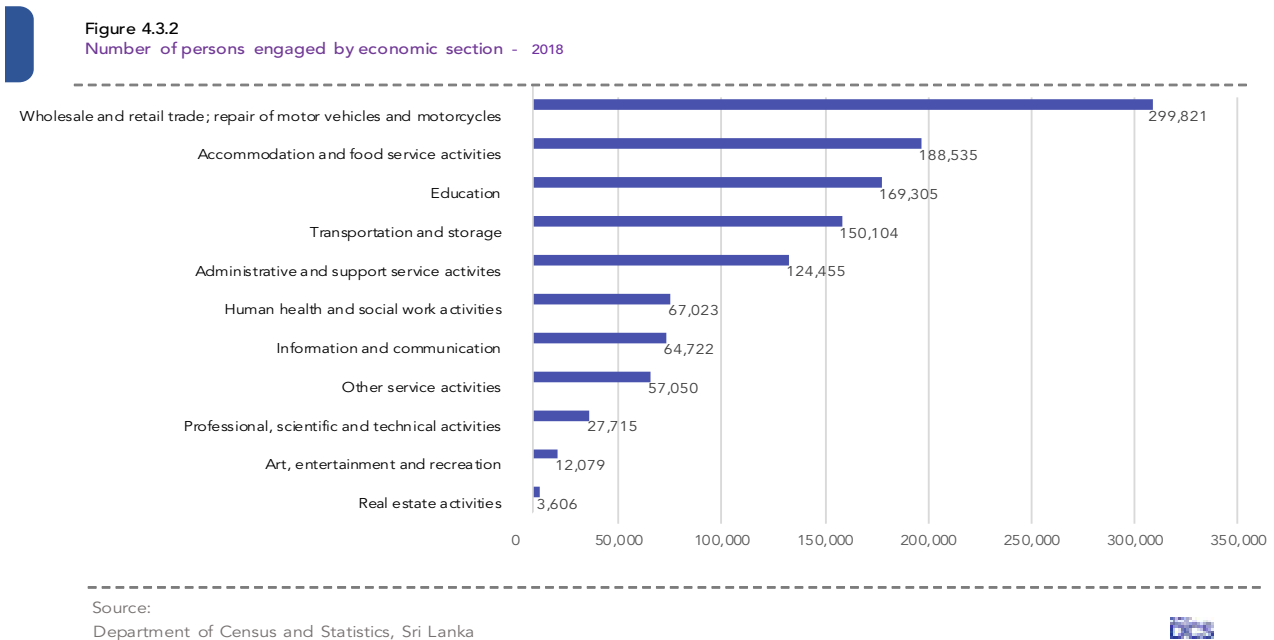
Economic section	Establishments		Persons engaged	
	Number	%	Number	%
Total	57,639	100.0	1,164,415	100.0
Wholesale and retail trade; repair of motor vehicles and motorcycle	24,108	41.8	299,821	25.7
Transportation and storage	3,266	5.7	150,104	12.9
Accommodation and food service activities	6,918	12.0	188,535	16.2
Information and communication	993	1.7	64,722	5.6
Real estate activities	206	0.4	3,606	0.3
Professional, scientific and technical activities	1,188	2.1	27,715	2.4
Administrative and support service activities	1,439	2.5	124,455	10.7
Education	11,464	19.9	169,305	14.5
Human health and social work activities	2,253	3.9	67,023	5.8
Art, entertainment and recreation	809	1.4	12,079	1.0
Other service activities	4,994	8.7	57,050	4.9

As indicated in table 4.3, majority of establishments are engaged in wholesale and retail trade (41.8 %) followed by education (19.9 %) and accommodation & food services activities (12.0 %). Figure 4.3 reveals that the same sections has the highest number of persons engaged as

well. These three sections alone account for 73.7 % of total establishments and 56.4% of persons engaged in the services sector of Srilanka excluding the micro sector.

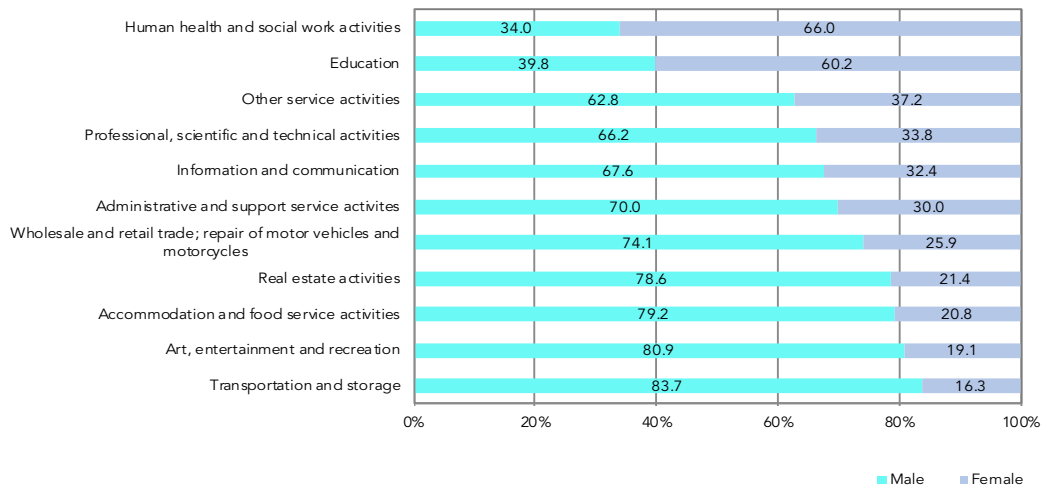


Although the number of establishments in administrative and support services activities (1,439) is low when compared to other service activities, it has employed comparatively higher number of persons (124,455).



Out of all the economic sections, the least number of establishments and persons engaged are reported in real estate section

Figure 4.4:
Gender composition of persons engaged by economic section – 2018



Source:
Department of Census and Statistics, Sri Lanka



Female labour force participation in Sri Lanka are reportedly low and it is a major issue that need to be addressed effectively to enhance economic development of the country. However, Human health & social work activities section demonstrated a higher female participation than that of males. Next to it, the Education sector also witnessed a higher female employee participation (60.2%) than males, whereas the third highest female employee participation of 37.2% is evidenced by the Other service activities which included activities of business, employers and business membership organisations ; activities of trade unions and activities of political organizations ;

activities of religious organizations such as buddhist temples,churches ,mosques, hindu temples and other religious organizations etc. It also includes repair of personal and household goods and services activities such as washing, dry cleaning, hair dressing, beauty treatment , funeral services and all other personal services.

Lowest female participation is reported in Transportation and storage activities with only 16.3 percent. Accommodation and Food Services section, which is directly related to the tourism industry has employed only 20.8% of females out of the total employment of the section.

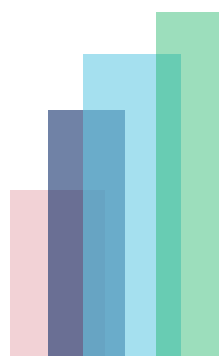


Table 4.4: Salaries and wages by economic section – 2018

Economic section	Annual salary per year (Rs.Mn)	Average annual salary per person (Rs.)	Salary variances
Total	648,925.8	557,298	1.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	160,954.6	536,835	1.0
Transportation and storage	126,052.5	839,766	1.5
Accommodation and food service activities	84,085.6	445,995	0.8
Information and communication	111,486.0	1,722,539	3.1
Real estate activities	2,429.7	673,876	1.2
Professional, scientific and technical activities	15,851.4	571,941	1.0
Administrative and support service activities	43,106.6	346,364	0.6
Education	56,528.5	333,885	0.6
Human health and social work activities	30,871.7	460,616	0.8
Art, entertainment and recreation	4,371.3	361,890	0.6
Other service activities	13,187.7	231,161	0.4

Salary variances are computed as multiples of overall average salary.

The average annual remuneration of a person in the information and communication section is 3.1 times higher than the per capita average annual remuneration of the total services sector. High levels of remunerations are also reported in the transport and storage section, which is 1.5

times higher than the average of the services sector. Other service activities which include religious activities, activities of membership organizations and all types of personal and household services reported the lowest remuneration rate which is 40% of the per capita annual average remuneration of the total services sector.

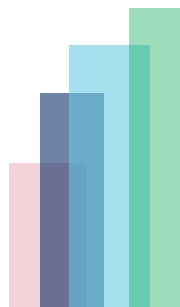
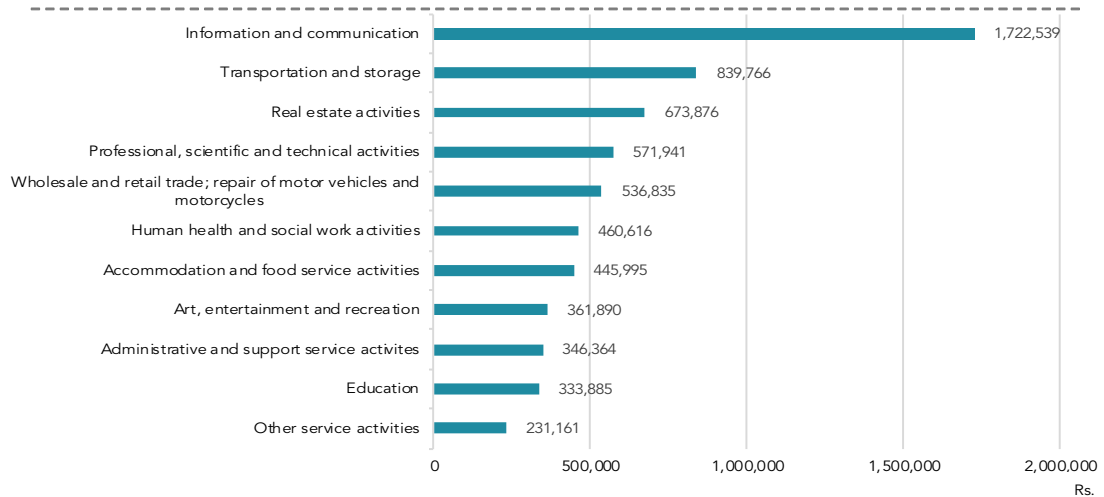


Figure 4.5:
Annual average remuneration per person by economic section - 2018



Source:
Department of Census and Statistics, Sri Lanka



Annual remuneration per person is an important indicator that could reveal crucial information on labour market together with labour demand. Also it can be utilized in formulating policies on technical education and vocational training. The average annual remuneration per person engaged for different economic activities is shown in figure 4.5. Information and communication activities reported the highest average annual remuneration per person (Rs. 1,722,539) followed by Transportation and storage activities (Rs. 839,766) and Real estate activities (Rs.673,876). The most salient feature shown in the table is that the average annual remuneration per

person paid by the Information and communication section is more than twice of the remuneration paid by its second largest counterpart which is Transport & storage. It could be further observed that 4 economic sections namely: "Art, entertainment and recreation", "Administrative and support service activities", "Education" and "other service activities", to have paid lower remunerations to their employees, that is below the threshold of Rs. 400,000/= per person per annum. It has to be noted that the average annual remuneration per person in activities related to professional, scientific and technical services reported almost equal value to that of trade sector .

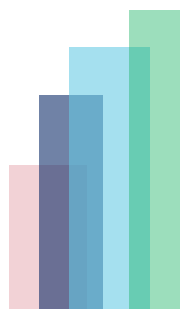
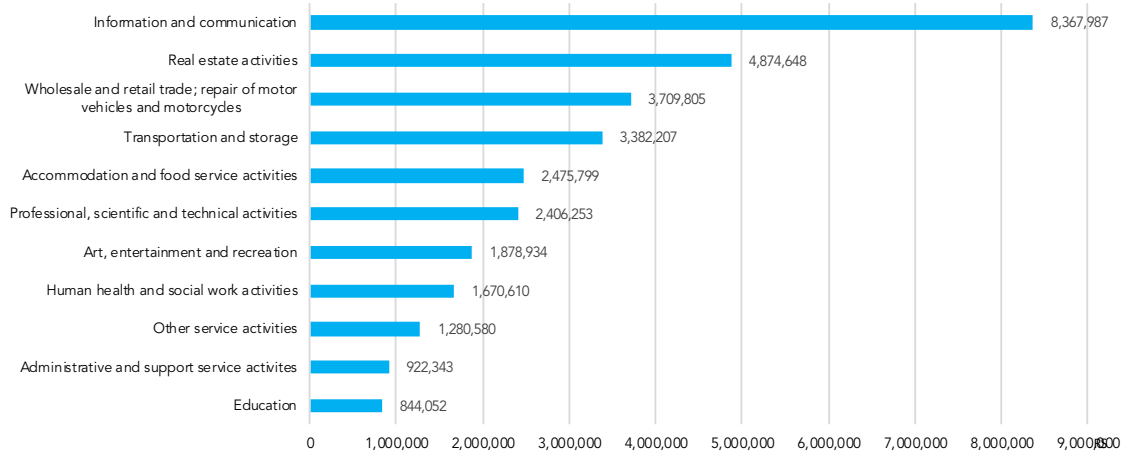


Figure 4.6
Annual output per person by economic section - 2018



Source :
Department of Census and Statistics, Sri Lanka



Output per person engaged is an indicator which reveals the labour productivity of an industry. According to figure 4.6 the Information and communication section stands very significant to the rest of the economic activities in terms of output per person, i.e. over 8.3 million rupees per annum. Similar pattern could be observed (as depicted in figure 4.5) in the same economic section in terms of the average annual remuneration per person, that is over 1.7 million rupees per annum. The second largest economic section in terms of the annual output per person is the "Real estate activities" contributing an output per person of around 4.9

million Rupees, which is approximately 58 percent of the value of Information and communication section. The Wholesale and retail trade; repair of motor vehicles and motorcycles and the Transport and storage activities are in 3rd and 4th rank in labour productivity. When considering the sector as a whole, the "Administrative and support service activities" and The "Education" are found to be the least productive economic sections with annual output of less than Rs.1 million per person. It is also noteworthy that these sections also reported lower annual average remunerations per person.

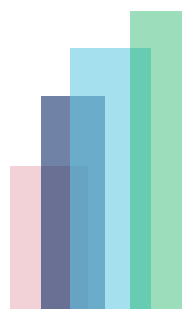
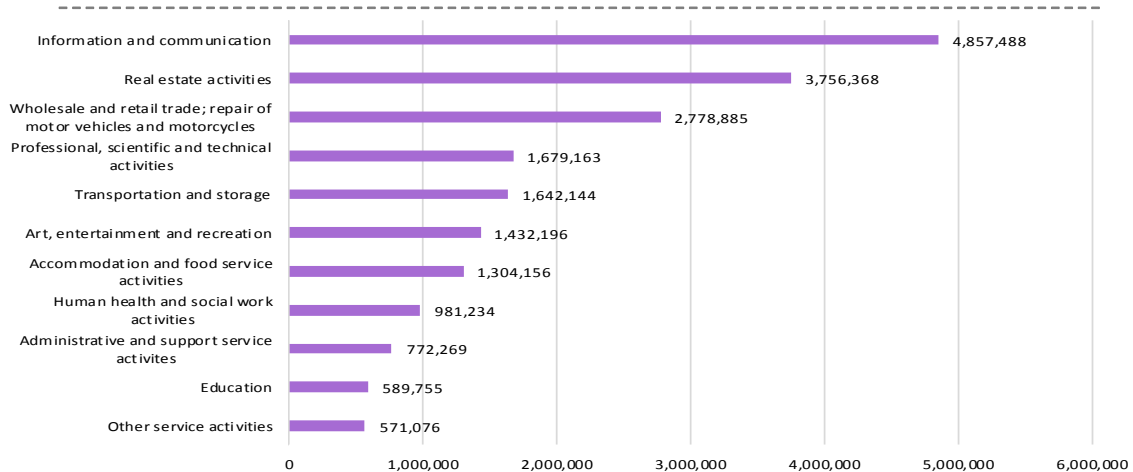


Figure 4.7
Annual value added per person by economic section - 2018

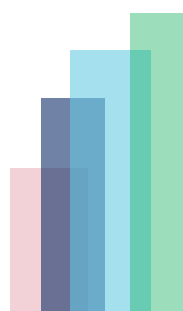


Source:
Department of Census and Statistics, Sri Lanka



Value added per persons engaged is also an indicator which suggests an indication on labour productivity and the efficiency of an industry. Figure 4.7 shows the annual value added per person by economic section. Information and communication activities are reported to be at the top when ranking this indicator. The annual value added per person engaged in this activity is Rs. 4,857,488. The same economic section reported the highest annual average remuneration per person as well as the highest annual output per person, whereas the "Education" and the "Other service activities" sections reported the lowest values for this indicator. A comparison among the three indicators of "annual

salary per person", "annual output per person" and "annual value added per person" reveals that the economic sections of "education", "administrative and support service activities" and "other service activities" reported lowest values for all three indicators. The report further suggests that the "Information and communication section" has the enormous potential to grow as a one of the prominent economic activities in the country, if the IT infrastructure and the IT capacity in the education system is properly developed, towards overall economic development via. a knowledge based economy



5. Statistical Tables

Table 5.1: Principal indicators of trade and services activities by economic section - 2018

Economic Section	No. of Establishments	Person engaged (No.)	Salaries & Wages (Rs.)	Value of output (Rs.)	Value of Intermediate consumption (Rs.)	Value added (Rs.)
Total	57,639	1,164,415	648,925,810,676	3,178,009,502,757	1,166,394,266,606	2,011,615,236,151
Wholesale and retail trade; repair of motor vehicles and motorcycles	24,108	299,821	160,954,638,429	1,112,279,102,718	279,109,661,438	833,169,441,280
Transportation and storage	3,266	150,104	126,052,528,802	507,683,848,735	261,190,902,294	246,492,946,441
Accommodation and food service activities	6,918	188,535	84,085,604,629	466,774,639,111	220,895,559,589	245,879,079,522
Information and communication	993	64,722	111,486,027,067	541,592,311,499	227,206,298,884	314,386,012,615
Real estate activities	206	3,606	2,429,728,904	17,576,029,152	4,032,070,216	13,543,958,936
Professional, scientific and technical activities	1,188	27,715	15,851,434,172	66,689,655,530	20,151,391,330	46,538,264,199
Administrative and support service activities	1,439	124,455	43,106,610,477	114,789,953,443+	18,677,370,952	96,112,582,491
Education	11,464	169,305	56,528,508,604	142,902,288,324	43,053,825,372	99,848,462,952
Human health and social work activities	2,253	67,023	30,871,690,134	111,968,785,310	46,203,868,199	65,764,917,111
Art, entertainment and recreation	809	12,079	4,371,337,907	22,695,982,681	5,396,227,092	17,299,755,589
Other service activities	4,994	57,050	13,187,701,551	73,056,906,255	40,477,091,240	32,579,815,015

Table 5.2: Principal indicators of trade and services activities by economic division - 2018

Economic Section	Economic division	No. of Establishments	Person engaged (No.)	Salaries & Wages (Rs.)	Value of output (Rs.)	Value of Intermediate consumption (Rs.)	Value added (Rs.)
Wholesale and retail trade; repair of motor vehicles and motorcycles	45 Wholesale and retail trade and repair of motor vehicles and motor cycles-	4,550	59,568	48,932,769,788	260,203,017,695	78,855,410,607	181,347,607,088
	46 Wholesale trade except of motor vehicle and motor cycles	5,638	91,652	58,613,354,144	446,210,447,651	83,686,647,780	362,523,799,871
	47 Retail trade except of motor Vehicles and motorcycles	13,920	148,601	53,408,514,495	405,865,637,372	116,567,603,051	289,298,034,321
	Total	24,108	299,821	160,954,638,429	1,112,279,102,718	279,109,661,438	833,169,441,280
Transportation and storage	49 Land transport and transport via pipelines	2,334	74,127	45,309,809,522	154,557,554,224	59,282,989,891	95,274,564,333
	50 Water transport	57	1,241	649,293,082	10,472,791,470	1,257,355,501	9,215,435,969
	51 Air transport	7	8,022	27,055,114,998	184,139,999,119	156,006,381,448	28,133,617,671
	52 Warehousing and support activities for transportation	723	37,085	39,235,212,086	136,126,457,888	41,035,116,553	95,091,341,336
	53 Postal and courier activities	145	29,627	13,803,099,114	22,387,046,034	3,609,058,901	18,777,987,132
	Total	3,266	150,104	126,052,528,802	507,683,848,735	261,190,902,294	246,492,946,441
Accommodation and food service activities	55 Accommodation	2,406	125,152	62,775,503,271	342,481,392,870	162,456,117,602	180,025,275,268
	56 Food and beverage service activities	4,512	63,383	21,310,101,358	124,293,246,241	58,439,441,987	65,853,804,254
	Total	6,918	188,535	84,085,604,629	466,774,639,111	220,895,559,589	245,879,079,522

Table 5.2: Principal indicators of trade and services activities by economic division - 2018

Economic Section	Economic division	No. of Establishments	Person engaged (No.)	Salaries & Wages (Rs.)	Value of output (Rs.)	Value of Intermediate consumption (Rs.)	Value added (Rs.)
	58 Publishing Activities	99	2,517	887,183,202	7,227,930,031	5,076,251,854	2,151,678,177
	59 Motion picture, video and television programmed production, sound recording, and music publishing activities	244	2,473	1,075,958,649	5,996,419,030	2,214,074,354	3,782,344,676
Information and communication	60 Programming and broadcasting activities	75	7,428	7,210,185,998	27,954,643,220	10,857,624,458	17,097,018,762
	61 Telecommunication	255	23,474	34,942,282,011	313,354,885,989	157,994,382,341	155,360,503,649
	62 Computer programming consultancy and related activities	208	23,532	64,946,463,165	176,821,463,197	48,152,321,298	128,669,141,899
	63 Information service activities	112	5,298	2,423,954,042	10,236,970,032	2,911,644,579	7,325,325,453
	Total	993	64,722	111,486,027,067	541,592,311,499	227,206,298,884	314,386,012,615
Real estate activities	68 Real estate activities	206	3,606	2,429,728,904	17,576,029,152	4,032,070,216	13,543,958,936
	Total	206	3,606	2,429,728,904	17,576,029,152	4,032,070,216	13,543,958,936

Table 5.2: Principal indicators of trade and services activities by economic division - 2018

Economic Section	Economic division	No. of Establishments	Person engaged (No.)	Salaries & Wages (Rs.)	Value of output (Rs.)	Value of Intermediate consumption (Rs.)	Value added (Rs.)
Professional, scientific and technical activities	69 Legal and accounting activities	354	9,071	5,311,361,682	17,203,457,776	3,481,225,772	13,722,232,004
	71 Architectural and engineering activities, technical testing and analysis	320	4,771	2,459,084,522	13,186,772,076	4,333,416,616	8,853,355,460
	73 Advertising and market research	209	8,165	5,461,836,342	28,196,793,906	9,355,898,439	18,840,895,467
	74 Other professional, scientific and technical activities	274	5,113	2,354,135,438	7,267,239,380	2,772,593,418	4,494,645,962
	75 Veterinary activities	31	595	265,016,188	835,392,391	208,257,085	627,135,306
	Total	1,188	27,715	15,851,434,172	66,689,655,529	20,151,391,330	46,538,264,199
Administrative and support service activities	77 Rental and leasing activities	199	1,587	484,582,925	5,003,602,780	2,117,523,318	2,886,079,462
	78 Employment activities	385	25,341	7,788,111,288	22,747,288,953	2,656,893,240	20,090,395,713
	79 Travel agency, tour operator, reservation service and related activities	291	8,419	4,257,846,425	40,765,744,747	6,594,113,627	34,171,631,120
	80 Security and investigation activities	236	66,161	23,867,790,318	30,660,636,339	2,044,826,083	28,615,810,256
	81 Services to building and landscape activities	170	18,042	4,181,497,765	6,319,601,447	1,486,979,836	4,832,621,611
	82 Office administrative, office support and other business support activities	158	4,905	2,526,781,756	9,293,079,177	3,777,034,848	5,516,044,329
	Total	1,439	124,455	43,106,610,477	114,789,953,443	18,677,370,952	96,112,582,491

Table 5.2: Principal indicators of trade and services activities by economic division - 2018

Economic	Economic division	No.of Establishments	Person engaged (No.)	Salaries & Wages (Rs.)	Value of output (Rs.)	Value of Intermediate consumption (Rs.)	Value added (Rs.)
Education	85 Education	11,464	169,305	56,528,508,604	142,902,288,324	43,053,825,372	99,848,462,952
	Total	11,464	169,305	56,528,508,604	142,902,288,324	43,053,825,372	99,848,462,952
Human health and social work activities	86 Human health activities	1,445	52,586	26,021,402,806	100,017,967,672	40,937,173,088	59,080,794,584
	87 Residential care activities	442	7,435	2,741,378,975	7,128,697,192	3,243,595,260	3,885,101,932
	88 Social work activities without accommodation	366	7,002	2,108,908,353	4,822,120,446	2,023,099,851	2,799,020,595
	Total	2,253	67,023	30,871,690,134	111,968,785,310	46,203,868,199	65,764,917,111
Art, entertainment and recreation	90 Creative, arts and entertainment activities	227	2,304	443,030,834	1,029,125,004	294,380,109	734,744,895
	91 Libraries, archives, museums and other cultural activities	66	758	273,693,940	631,044,460	223,896,380	407,148,080
	92 Gambling and betting activities	285	3,845	1,228,588,503	12,516,319,340	3,150,531,058	9,365,788,282
	93 Sports activities and amusement and recreation activities	231	5,172	2,426,024,630	8,519,493,877	1,727,419,545	6,792,074,332
	Total	809	12,079	4,371,337,907	22,695,982,681	5,396,227,092	17,299,755,589
Other service activities	94 Activities of membership organizations	4,144	47,431	9,410,618,654	55,506,448,034	34,752,177,505	20,754,270,529
	95 Repair of computers and personal and household goods	279	3,247	1,496,318,762	9,889,308,907	2,997,168,674	6,892,140,233
	96 Other personal service activities	571	6,372	2,280,764,135	7,661,149,314	2,727,745,061	4,933,404,253
	Total	4,994	57,050	13,187,701,551	73,056,906,255	40,477,091,240	32,579,815,015




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