

Factors Affecting the Female Labor Force in Sri Lanka

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Department of Manpower and Employment

The economy of a country is a sociological process in which all sections of society contribute to the economy. The contribution of men and women to this process is equally important

In ancient Sri Lanka, women made a significant contribution to the domestic economy as well as to the economic process of the country in terms of economy. There is ample evidence that women have contributed to domestic work as well as agriculture. But the role of women in the country's economy is not adequately considered.

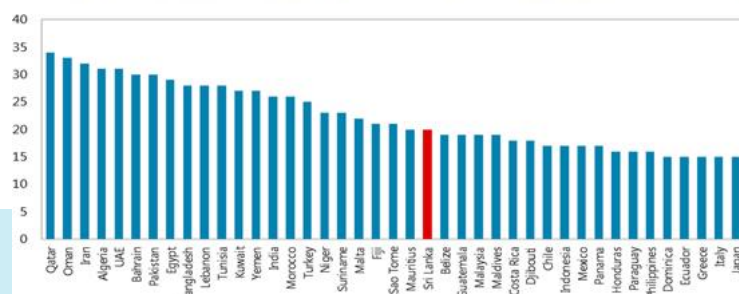
However, in ancient texts it is mentioned that women labor contributed to industries such as pottery, cotton, as well as animal husbandry. In addition, history tells of women weaving garlands as a profession.

It must be said that even in a patriarchal social system, women have made immense contributions to the family-centered economic process and Sri Lankan women have been equally respected.

Female Labor Force Participation (FLFP) is also an important social indicator of current economic growth indicators. If the contribution of women to the labor force is minimized in any way, it will cause a significant loss to the GDP. An IMF Staff Country Report (IMF Staff Country Report 2018) estimates that the low female labor force

contribution rate (FLFP Rate) will result in a loss of nearly 20% to the Sri Lankan economy. (Figure 1)

GDP Losses Due to Economic Gender Gaps in Select Countries (as a % of GDP)



Source : IMF Report

In Sri Lanka, the contribution of women in the labor force had decreased from 41% in 2010 to 36% in 2016. By the end of 2019, the contribution of the male party to the labor force was over 75%, parallel to 33.55%.

There are several reasons for the low participation of women in the labor force in Sri Lanka;

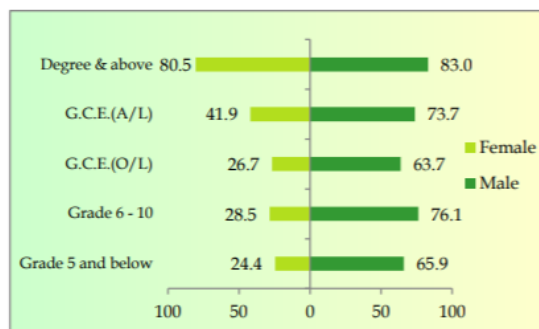
Before starting a job, a woman should consider the income status of her household. Often, a significant reduction in a woman's workforce is observed if the family's economic status is good and / or they have children under the age of five. In addition, a woman has to play the role of a mother, wife, or guardian to provide care for elderly parents at home or for a disabled family member.

In these roles, they perform unpaid, but invaluable care for their family members, as confirmed by a recent study by the International Labor

Organization (ILO) (Factors Affecting Women's Labor Force Participation in Sri Lanka - 2016). It has been pointed out that sociocultural norms and cognition affect the access of job opportunities, especially for Sri Lankan women.

In addition, the level of education also affects the participation of the female workforce in a number of ways. (Figure 2)

Labor Force Participation rate by gender and level of education - 2020



Source : Department of Census and Statistics

According to the above statistics, women in higher education are more likely to contribute to the labor market. Accordingly, they earn more and are more likely to contribute to the workforce.

In the case of Sri Lanka, IMF study reports suggest that a reduction in the gender gap between men and women could lead to a 16% increase in GDP by 2040. In addition, the labor force will be able to implement systematic national policies by 2065. It has been stated that the contribution of women will be maximized and it will be possible to increase the GDP by 21%.

These are some of the issues that need to be studied in policy making to maximize the contribution of women in the Sri Lankan workforce. One of the most important of these is to develop an affordable childcare system that does not have a significant impact on the home economy, especially if the government is focused on enabling pre-school and day care centers to be affordable.

It would be appropriate to provide credit facilities to the private sector for the maintenance and upkeep of pre-schools and day care centers at a reasonable rate and to study the situation in countries such as Canada and the United Kingdom which are currently adopting a successful methodology in this regard.

Public transport is another area that has a strong impact on the female labor force. Women workers focus on both safety and convenience when using the means of transportation and urgent action must be taken in this regard. At present this is being implemented successfully in the garment factories in Sri Lanka but overall it is not at a satisfactory level.

Although the public sector pays equally to both men and women when it comes to paying for labor, the overall picture of the country is different.

(Figure 3)

Mean & Median monthly gross salary by gender - 2020

Measurement	Monthly earners (wage/salary) (Rs.)			Daily earners (wage/salary) (Rs.)		
	Total	Male	Female	Total	Male	Female
Mean	39,798	43,532	34,414	22,542	24,814	13,952
Median	35,000	35,000	30,000	20,000	22,500	12,800

Source : Department of Census and Statistics

Accordingly, I observe that the time has come to make certain amendments to the labor laws and regulations. In making such amendments, it is appropriate to focus on providing a flexible daily service period for women. Given the shortage of staff, quality of service, etc., overall, providing flexible working hours would not be an additional cost to an organization.

In addition, one of the major challenges facing Sri Lanka is the rapid growth of

the aging population. As a result, it is predicted that the workforce will shrink rapidly from 2030 onwards. Prior to the onset of this demographic transition period, arrangements must be made to incorporate women's contributions into local production.

Having considered all these factors, I would like to conclude by pointing to a point which we should not further ignore. It is time to think twice about the fact that the labor contribution of a Sri Lankan woman living in a home and family-centric social ecosystem to meet all the needs of her family members, including nutrition, is not included in the country's GDP.

