

Survey on Exploring the Fluctuation of Employees in Private Sector Establishments

Several drastic shock have been occurred the Sri Lankan economy such as Covid – 19, Fuel Limitation and earlier Eastar Attack. The main objective of this survey is to identify private sector employment fluctuation in time period of 2021 / 2022. Economy may have been affected differently and adversely. This online survey has been structured to study effect to the private sector establishments in the dimension of the employment. The sample size was 2299 private sector establishments.

Exhibit 1. No. of Employees Worked – As at 2021.12.31 & 2022.06.01 vs Sector Engaged

No. of Employee Category	Field_Engaged								
	Agriculture			Industry			Services		
	As at 2021.12.31	As at 2022.06.01	% Change	As at 2021.12.31	As at 2022.06.01	% Change	As at 2021.12.31	As at 2022.06.01	% Change
Below 10	193	196	1.55	782	865	10.61	565	600	6.19
Between 11 - 50	28	27	-3.57	281	214	-23.84	185	158	-14.59
Between 51 - 200	23	22	-4.35	123	106	-13.82	34	27	-20.59
Between 201 - 300	1	0	-100	10	16	60	4	2	-50
300+	4	4	0	57	52	-8.77	9	10	11.1

Source : Survey Data, 2022

Expanded 

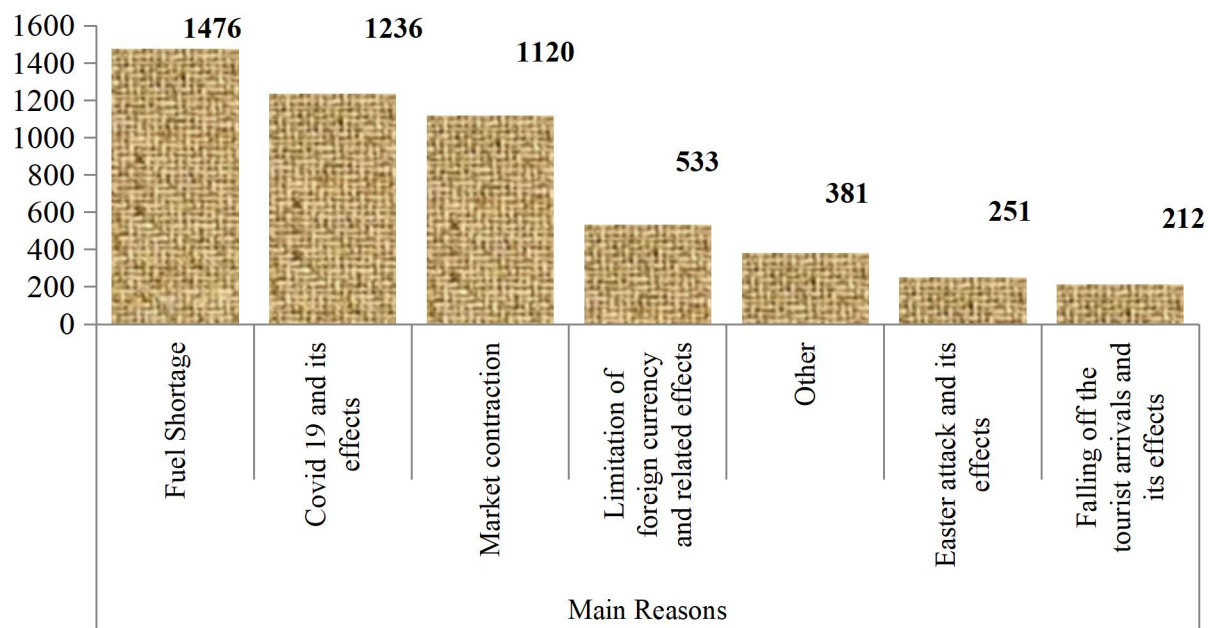
Dropped 

Not Changed 

As denoted in exhibit 1, Micro Enterprises in all sectors has been expanded. Industry sector has mostly expanded. It is apparent that Small Enterprises in all sectors has been dropped. Medium Enterprises in all sectors has been dropped in establishments between 51 and 200 no. of employees. Medium Enterprises in Industry sectors has been expanded and Agriculture sector has been dropped in establishments between 201 and 300 no. of employees. And, Large scale Enterprises in Service

Sector has been dropped in establishments between 201 and 300 no. of employees. Large scale enterprises in Industry sector has been dropped in establishments 300+ no. of employees. And Large scale enterprises in Service Sector have been expanded in establishments 300+ no. of employees. Large scale enterprises in Agriculture sector have not been changed in establishments 300+ no. of employees.

Exhibit 2. Main Reasons Headed for Fluctuation of Employees (No. of Establishments)



Source : Survey Data, 2022

Exhibit 3 Main Reasons for Fluctuation of Employees

	Responses		Percent of Cases
	Count	Percent	
Easter attack and its effects	251	4.8%	11.0%
Covid 19 and its effects	1236	23.7%	54.0%
Falling off the tourist arrivals and its effects	212	4.1%	9.3%
Limitation of foreign currency and related effects	533	10.2%	23.3%
Fuel shortage	1476	28.3%	64.5%
Market contraction	1120	21.5%	48.9%
Other	381	7.3%	16.6%
Total	5209	100.0%	227.5%

Source : Survey Data, 2022

As per the exhibit 3 overall, there were 2299 respondents in the study. The Count column of the spreadsheet shows the number of respondents who mentioned the respective type of reasons for

fluctuation of employees. Thus, only unique responses were counted and, each respondent can only be counted once in this column. Hence, it can be concluded that Fuel shortage was the most influenced reason for fluctuation of employees, mentioned either as the first, second, or third favorite by 2299 respondents, Covid 19 pandemic and its effects was the second most influenced reason for fluctuation employees in the establishments (1236). Market contraction was the third most influenced reason.

Highlights

Micro Enterprises in all sectors has been expanded. It is apparent that Small Enterprises in all sectors has been dropped. Medium Enterprises in all sectors has been dropped in establishments between 51 and 200 no. of employees. Medium Enterprises in Industry sectors has been expanded and Agriculture sector has been dropped in establishments between 201 and 300 no. of employees. And, Large scale Enterprises in Service Sector has been dropped in establishments between 201 and 300 no. of employees. Large scale enterprises in Industry sector has been dropped in establishments 300+ no. of employees. And Large scale enterprises in Service Sector have been expanded in establishments 300+ no. of employees. Large scale enterprises in Agriculture sector have not been changed in establishments 300+ no. of employees.

Thereby, employees of Executive – Casual, semiskilled permanent, semiskilled casual and unskilled permanent job categories have been dropped, whilst rest of job categories have not been paraded the significant drop of employees. Fuel shortage has mainly influenced on fluctuation of private sector employment. And it has effected upon Agriculture, Industry and Services sectors simultaneously and almost the same magnitude. Further, unjustifiable price hike of raw materials, shortage of raw materials and power cut are the main “Other” reasons for fluctuation of employees. And, covid 19 & it’s effect and market contraction were the secondly and thirdly influenced factors respectively upon employment fluctuation.

Recommendations

- It is recommended to establish a grant scheme (Same as EPF) for all establishments to absorb unexpected shocks as experienced so far. The mechanism should be initiated with the ministerial power and legalize the fund by official coverage. The share need to pay for the fund should be based on the scale of the establishments. Grace period should be supported up to the resilient of the establishments over the depression.

- It is recommended to launch an online registration platform to establishment for their employees. Updated employee data repository helps to identify the effect of unexpected shocks, trends and forecasting of labour market.
- It is recommended to promote Multiple Job Holders (Persons who work more than one job in the same period) and Secondary Job Holders (Persons who have engaged in a secondary activity other than the main activity) and ultimately shrink the magnitude of unexpected unemployment and stands for Sustainable Labor Market on the same scope.