KILM – SRI LANKA
2022
(KEY INDICATORS OF THE LABOUR MARKET)

DEPARTMENT OF LABOUR
MINISTRY OF LABOUR AND FOREIGN EMPLOYMENT

KEY INDICATORS OF THE LABOUR MARKET

The Key Indicators of Labour Market (KILM) are very important in measuring the status of a country's labour market. 17 KILM indicators have been introduced by the ILO in the ninth edition of the Key Indicators of the Labour Market (KILM) manual. These KILM indicators mainly measure the state of the labour force, employment, unemployment, underemployment, education levels, wage and compensation costs, labour productivity and poverty, which are effervescent factors in a healthy labour market. This report discusses the current statistical trends of 10 KILM indicators for Sri Lanka at several levels of disaggregation and with the comparison of world scenario.

STATISTICS DIVISION, DEPARTMENT OF LABOUR, MINISTRY OF LABOUR

AND FOREIGN AFFAIRS

KEY INDICATORS OF THE LABOUR MARKET (KILM),
NINTH EDITION

KILM 1. Labour force participation rate

KILM 2. Employment -to-population   ratio

KILM 3. Status in employment

KILM 4. Employment by sector

KILM 5. Employment by occupation

KILM 6. Part-time workers

KILM 7. Hours of work

KILM 8. Employment in the informal economy

KILM 9. Unemployment

KILM 10. Youth unemployment

KILM 11. Long-term unemployment

KILM 12. Time-related underemployment

KILM 13. Persons outside the labour force

KILM 14. Educational attainment and illiteracy

KILM 15. Wages and compensation costs

KILM 16. Labour productivity

KILM 17. Poverty, income distribution,
employment by economic class and
working poverty

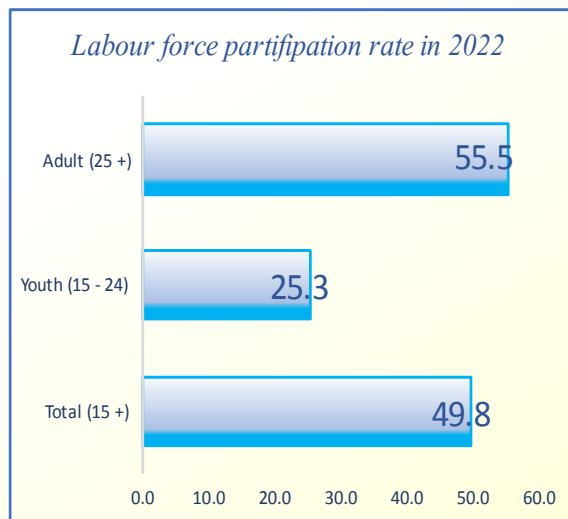# KILM 1: LABOUR FORCE PARTICIPATION RATE-2022
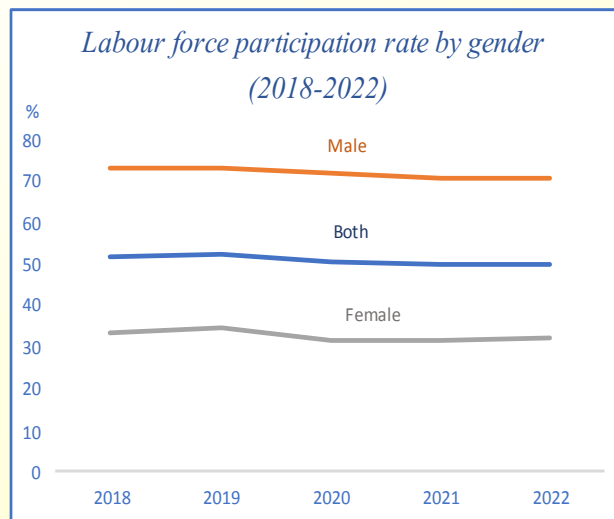
LABOUR FORCE PARTICIPATION RATE IS THE PROPORTION OF THE ECONOMICALLY ACTIVE POPULATION AGED 15 AND ABOVE.

One third of Sri Lanka's youth population does not belong to the labour force.

$$\frac{The\ number\ of\ persons\ in\ the\ labour\ force}{Working\ age\ population} \times 100$$

DISAGGREGATION

Labour force partifipation rate in 2022

Adult (25 +)	55.5
Youth (15 - 24)	25.3
Total (15 +)	49.8

(0.0 – 60.0)

TREND

Labour force participation rate by gender (2018-2022)

Male, Both, Female (2018–2022)

COMPARISON

Labour force participation rate in Southern Asia Countries

Nepal, Afghanistan, Sri Lanka, India, Pakistan, Bangladesh, world, Bhutan, Maldives

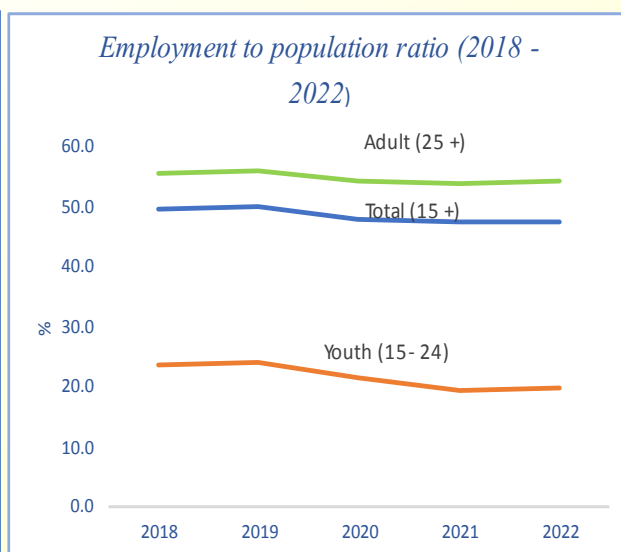# KILM 2: EMPLOYMENT TO POPULATION RATIO-2022

THE EMPLOYMENT TO POPULATION RATIO IS DEFINED AS THE PROPORTION OF A COUNTRY'S WORKING -AGE POPULATION THAT IS EMPLOYED.

$$\frac{Employed \quad Population}{Working \quad age \quad population} \times 100$$

About 78% of the male population above 25 years is employed.

DISAGGREGATION

Employment to population ratio 2022

	Value
Female – Adult (25+)	33.7
Female – Youth (15-24)	13.1
Female – Total (15+)	30.0
Male – Adult (25+)	78.2
Male – Youth (15-24)	26.5
Male – Total (15+)	67.9
Total – Adult (25+)	54.0
Total – Youth (15-24)	19.6
Total – Total (15+)	47.5

■ Adult (25 +)   ■ Youth (15 - 24)   ■ Total (15 +)

TREND

Employment to population ratio (2018 - 2022)

Adult (25 +)
Total (15 +)
Youth (15- 24)

% (y-axis): 0.0, 10.0, 20.0, 30.0, 40.0, 50.0, 60.0
Years: 2018, 2019, 2020, 2021, 2022

COMPARISON

Employment to population ratio in Southern Asia Countries

y-axis: 0.0, 10.0, 20.0, 30.0, 40.0, 50.0, 60.0, 70.0

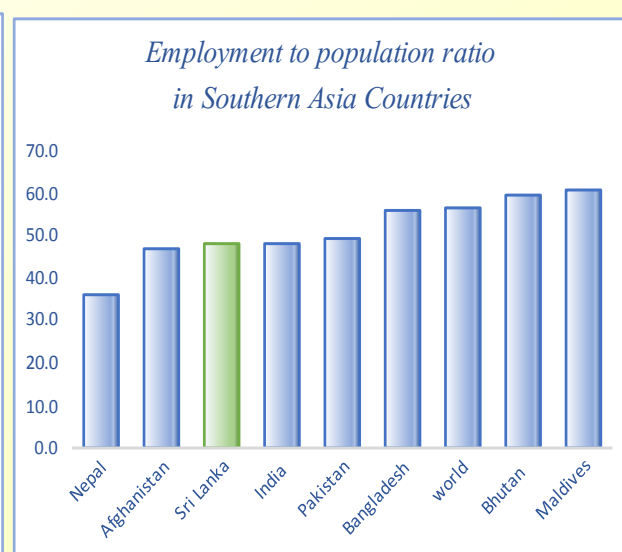Countries: Nepal, Afghanistan, Sri Lanka, India, Pakistan, Bangladesh, world, Bhutan, Maldives

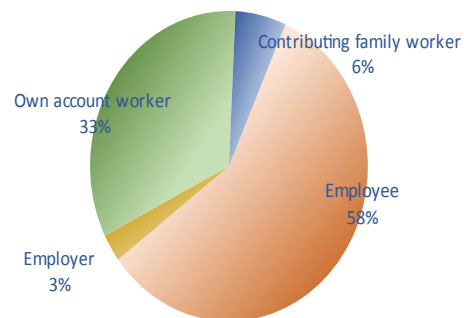# KILM 3: STATUS IN EMPLOYMENT- 2022

ACCORDING TO THE EMPLOYMENT STATUS, THE EMPLOYED POPULATION CAN BE CLASSIFIED INTO FOUR CATEGORIES AS EMPLOYEES, EMPLOYERS, OWN ACCOUNT WORKERS, AND CONTRIBUTING FAMILY WORKERS.

Employment Status

- *Employee*
- *Employer*
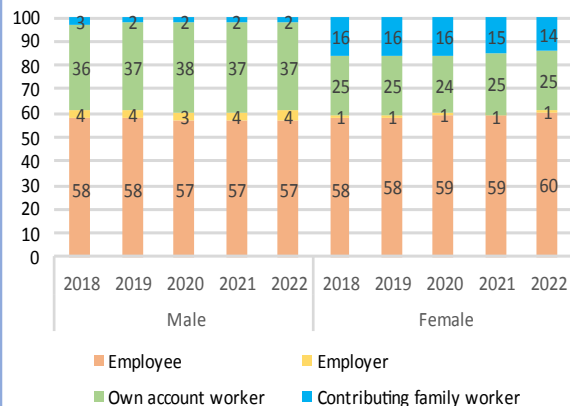- *Own account worker*
- *Contributing family worker*

DISAGGREGATION

*Employed population by employment status in 2022*

Contributing family worker 6%

Own account worker 33%

Employer 3%

Employee 58%

TREND

Employed population by employment status (2018-2022)

Male					Female				
2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
3	2	2	2	2	16	16	16	15	14
36	37	38	37	37	25	25	24	25	25
4	4	3	4	4	1	1	1	1	1
58	58	57	57	57	58	58	59	59	60

- Employee
- Employer
- Own account worker
- Contributing family worker

COMPARISON

Employed population by employees and seld-employed (%)

Nepal, Afghanistan, Sri Lanka, India, Pakistan, Bangladesh

- employees
- self- employed
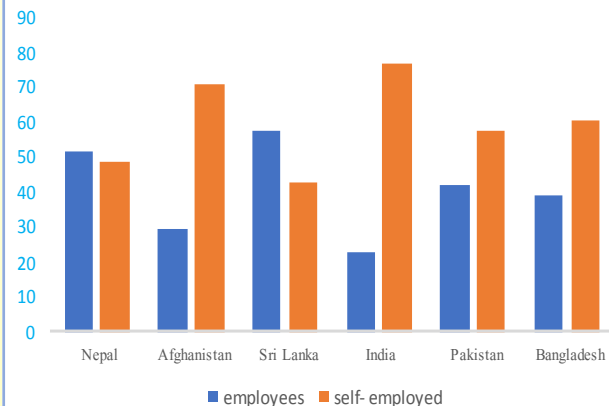
KILM 4: EMPLOYMENT BY MAJOR ECONOMIC SECTOR- 2022

THE INDICATOR FOR EMPLOYMENT BY SECTOR DIVIDES EMPLOYMENT INTO THREE BROAD GROUPINGS OF ECONOMIC ACTIVITY: AGRICULTURE, INDUSTRY, AND SERVICES.

$$\frac{Number\ of\ employed\ persons\ in\ a\ given\ sector}{Total\ employed\ population} x100$$
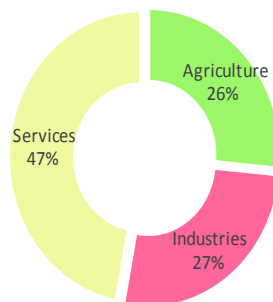
Apart from the Bhutan and Afghanistan, the highest number of employees in Southern Asia countries are employed in the service sector.
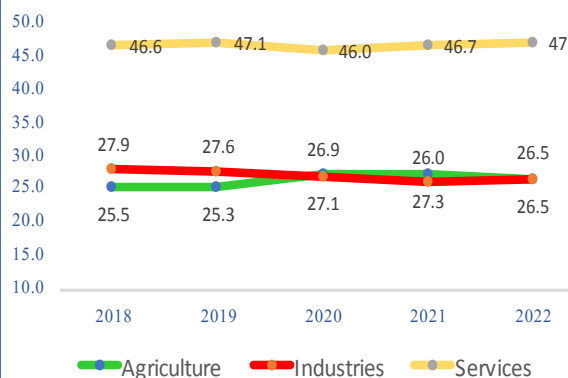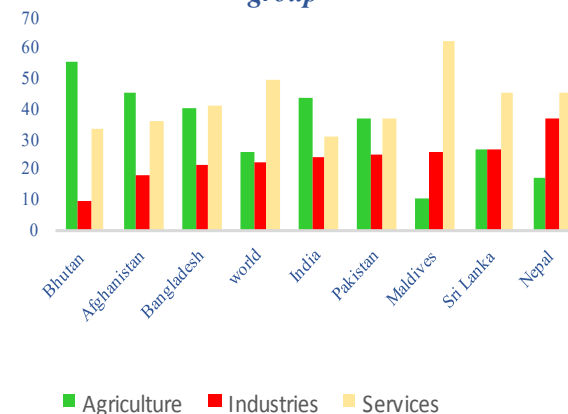

DISAGGREGATION

Employed Population by Major Economic Group -2022

- Agriculture 26%
- Industries 27%
- Services 47%

TREND

Employed population by major economic group 2018-2022

Services: 46.6 (2018), 47.1 (2019), 46.0 (2020), 46.7 (2021), 47 (2022)

Industries: 27.9 (2018), 27.6 (2019), 26.9 (2020), 26.0 (2021), 26.5 (2022)

Agriculture: 25.5 (2018), 25.3 (2019), 27.1 (2020), 27.3 (2021), 26.5 (2022)

● Agriculture ● Industries ● Services

COMPARISON

Employed population by major economic group

■ Agriculture ■ Industries ■ Services

(Bhutan, Afghanistan, Bangladesh, world, India, Pakistan, Maldives, Sri Lanka, Nepal)

KILM 5 : EMPLOYMENT BY OCCUPATION- 2022

OCCUPATIONS CLASSIFIED ACCORDING TO MAJOR GROUPS AS DEFINED IN THE INTERNATIONAL STANDARD CLASSIFICATION OF OCCUPATIONS,THE MOST RECENT VERSION (ISCO– 88).
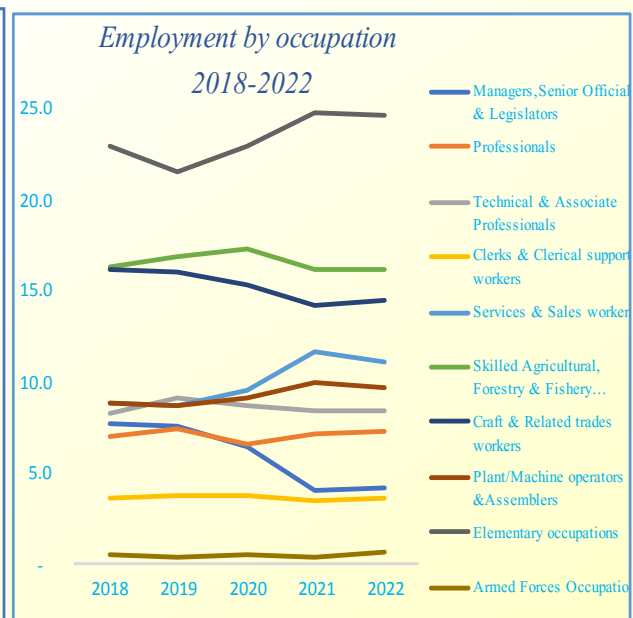
$$\frac{\textit{Number of employed persons in a given occupation category}}{\textit{Total employed population}} \times 100$$

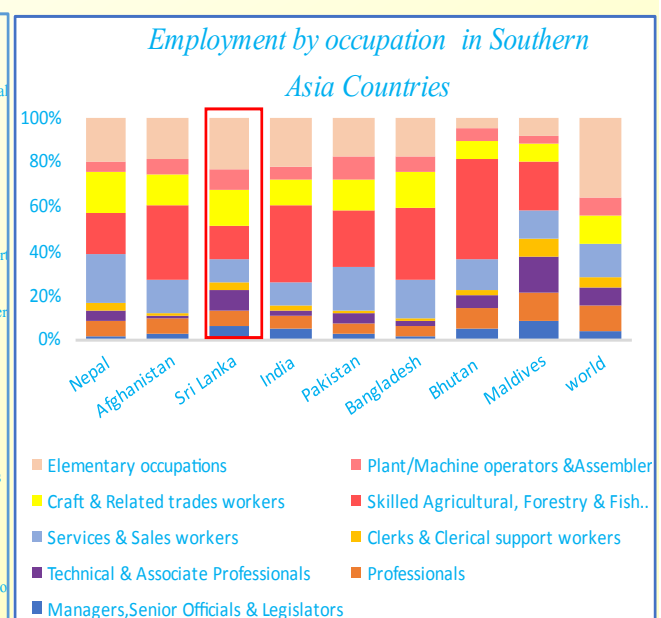**The largest number of workers in Sri Lanka were engaged in elementary occupations.**

DISAGGREGATION

Employment by Occupation 2022

TREND

Employment by occupation 2018-2022

COMPARISON

Employment by occupation in Southern Asia Countries
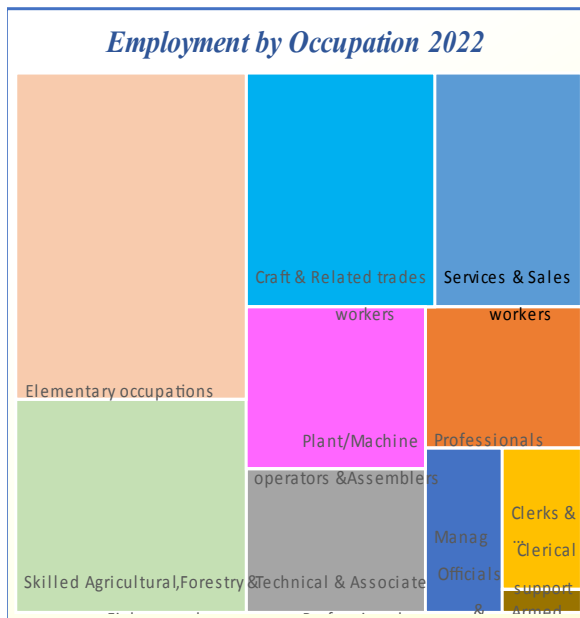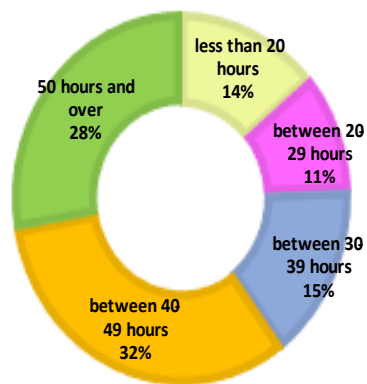
KILM 7: HOURS OF WORK - 2022

THE NUMBER OF HOURS WORKED
HAS AN IMPACT ON THE HEALTH AND
WELL-BEING OF WORKERS AS WELL AS
ON LEVELS OF PRODUCTIVITY AND
LABOUR COSTS OF ESTABLISHMENTS.

Hours categories

- *less than 20 hours*
- *between 20-29 hours*
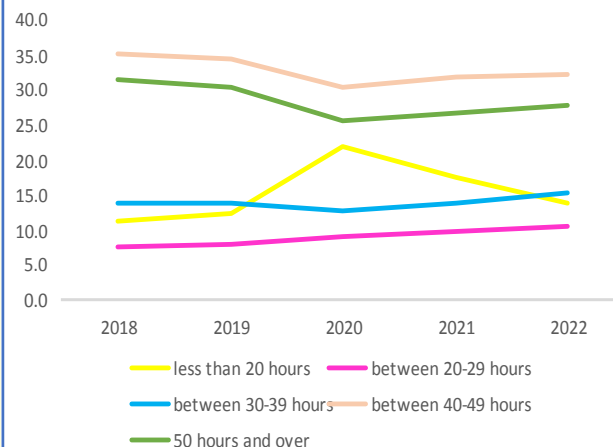- *between 30-39 hours*
- *between 40-49 hours*
- *50 hours and over*

32% of employees in Sri Lanka work 40-49 hours per week

DISAGGREGATION	TREND	COMPARISON

Hours of work in 2022

- less than 20 hours 14%
- between 20 29 hours 11%
- between 30 39 hours 15%
- between 40 49 hours 32%
- 50 hours and over 28%

Hours of work (2018-2022)

Legend:
- less than 20 hours
- between 20-29 hours
- between 30-39 hours
- between 40-49 hours
- 50 hours and over

Years: 2018, 2019, 2020, 2021, 2022

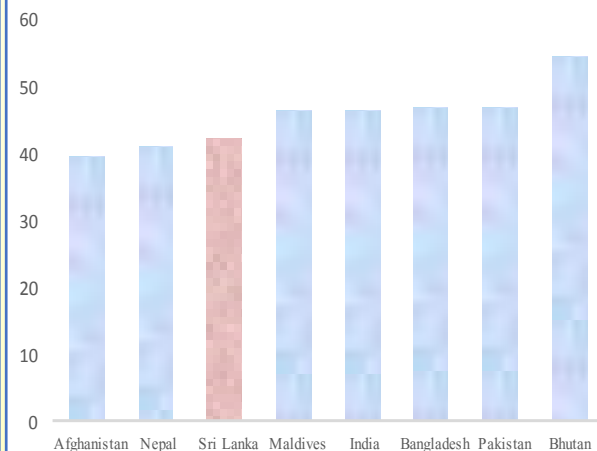### Hours of work in Southern Asia Countries

Countries: Afghanistan, Nepal, Sri Lanka, Maldives, India, Bangladesh, Pakistan, Bhutan

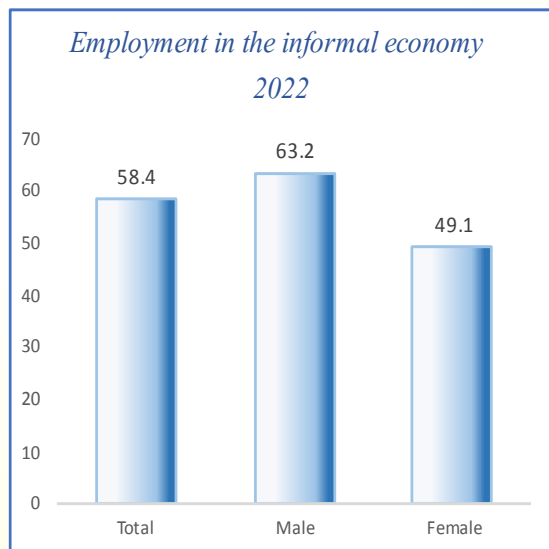# KILM 8: EMPLOYMENT IN THE INFORMAL ECONOMY- 2022

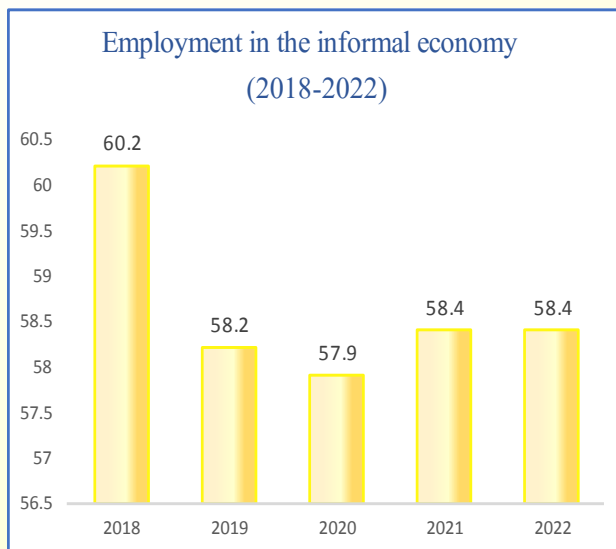**63% of male employees are engaged in informal employments**

THIS INDICATOR IS A MEASURE OF EMPLOYMENT IN THE INFORMAL ECONOMY AS A PERCENTAGE OF TOTAL NON-AGRICULTURAL EMPLOYMENT.

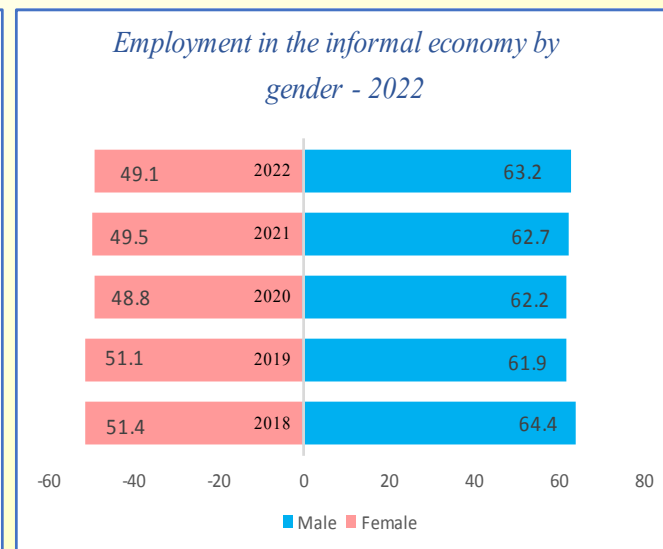$$\frac{Informal\ employment\ in\ the\ non\ agricultural\ sector}{Total\ non\ agricultural\ employment} X\ 100$$

DISAGGREGATION	TREND	COMPARISON

Employment in the informal economy 2022

- Total: 58.4
- Male: 63.2
- Female: 49.1

Employment in the informal economy (2018-2022)

- 2018: 60.2
- 2019: 58.2
- 2020: 57.9
- 2021: 58.4
- 2022: 58.4

Employment in the informal economy by gender - 2022

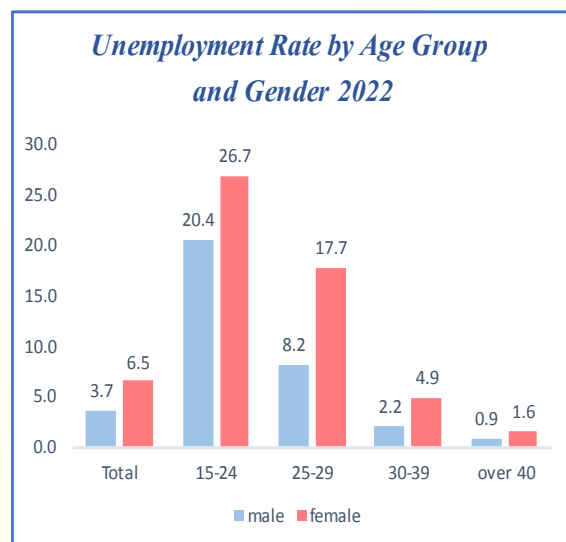| Year	Female	Male
2022	49.1	63.2
2021	49.5	62.7
2020	48.8	62.2
2019	51.1	61.9
2018	51.4	64.4

■ Male ■ Female
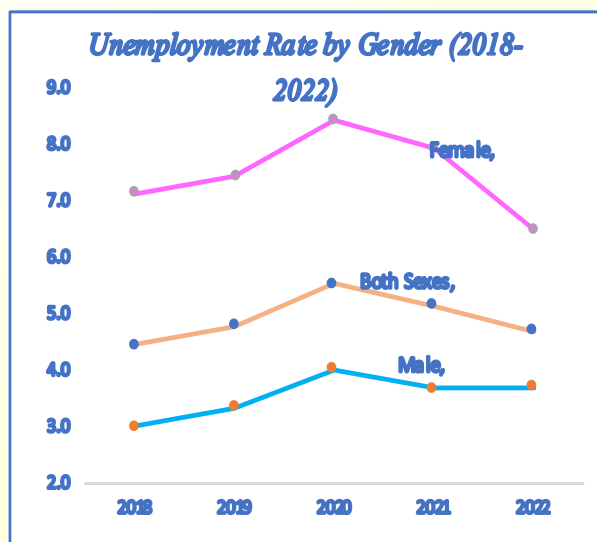
KILM 9: UNEMPLOYMENT RATE- 2022

THE UNEMPLOYMENT RATE IS PROBABLY THE BEST-KNOWN LABOUR MARKET MEASURE. IT IS BELIEVED TO REFLECT THE LACK OF EMPLOYMENT AT NATIONAL LEVELS TO THE GREATEST AND MOST MEANINGFUL EXTENT.

$$\frac{\text{Number of unemployed persons in the working age population}}{\text{Total number of persons in the labour force}} \times 100$$

Unemployment is highest among the youth population

DISAGGREGATION

Unemployment Rate by Age Group and Gender 2022

Age Group	male	female
Total	3.7	6.5
15-24	20.4	26.7
25-29	8.2	17.7
30-39	2.2	4.9
over 40	0.9	1.6

TREND

Unemployment Rate by Gender (2018-2022)

Female, Both Sexes, Male,

COMPARISON

Unemployment rate in Southern Asia Countries

Maldives, India, Afghanistan, world, Bangladesh, Bhutan, Sri Lanka, Pakistan, Nepal

Total Male Female
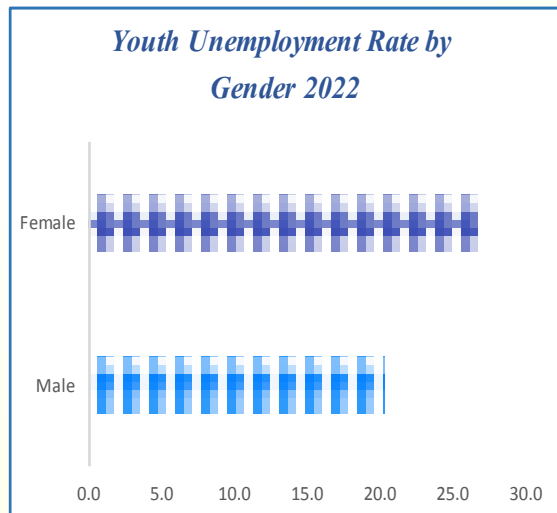
KILM 10: YOUTH UNEMPLOYMENT RATE 2022

THE YOUTH UNEMPLOYMENT RATE IS WIDELY VIEWED AS AN IMPORTANT POLICY ISSUE FOR MANY COUNTRIES, REGARDLESS OF THEIR STAGE OF DEVELOPMENT. FOR THE PURPOSE OF THIS INDICATOR, THE TERM" YOUTH" COVERS PERSONS AGED 15 TO 24 YEARS .
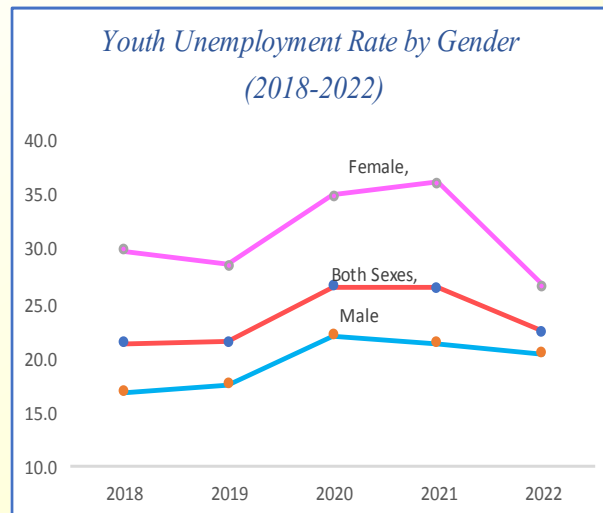
$$\frac{Youth\ unemployed\ population}{youth\ labour\ force} \times 100$$

Among the South Asian countries, Sri Lanka has the highest youth unemployment

DISAGGREGATION	TREND	COMPARISON

Youth Unemployment Rate by Gender 2022

Youth Unemployment Rate by Gender (2018-2022)

Youth unemployment rate by gender in Southern Asia Countries
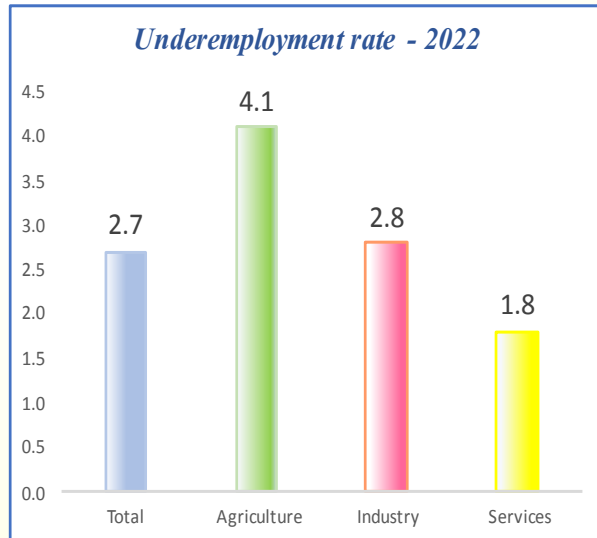
KILM 12: UNDEREMPLOYMENT RATE- 2022

The highest underemployment is reported in the agriculture sector
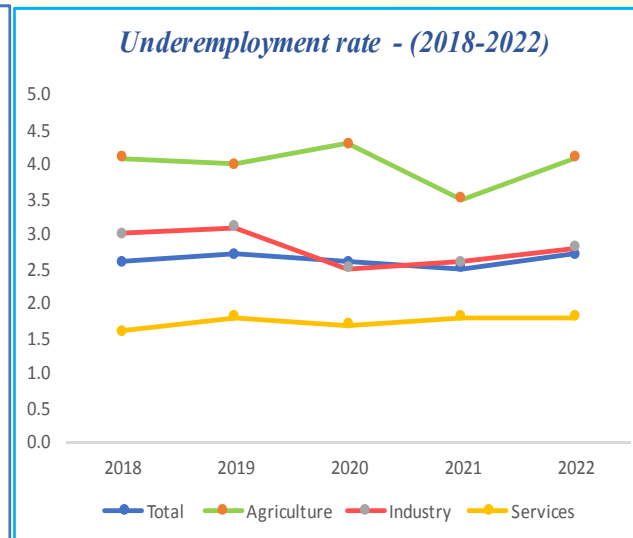
UNDEREMPLOYMENT IS EMPLOYMENT IN WHICH AN INDIVIDUAL WORKS FEWER HOURS THAN IS NECESSARY FOR A FULL-TIME JOB IN THEIR CHOSEN FIELD

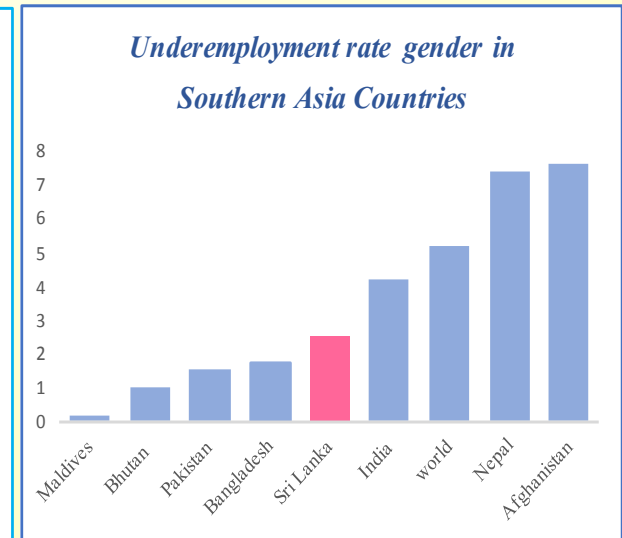$$\frac{number\ of\ underemployed\ individuals}{total\ number\ of\ workers\ in\ a\ labor\ force} \times 100$$

DISAGGREGATION

Underemployment rate - 2022

Total: 2.7
Agriculture: 4.1
Industry: 2.8
Services: 1.8

TREND

Underemployment rate - (2018-2022)

Total · Agriculture · Industry · Services

COMPARISON

Underemployment rate gender in Southern Asia Countries

Maldives, Bhutan, Pakistan, Bangladesh, Sri Lanka, India, world, Nepal, Afghanistan

KILM 13: PERSONS OUTSIDE THE LABOUR FORCE- 2022

THE INACTIVITY RATE IS DEFINED AS THE PERCENTAGE OF THE POPULATION THAT IS NEITHER WORKING NOR SEEKING WORK (THAT IS , NOT IN THE LABOUR FORCE).

$$\frac{Inactive\ population}{Working\ age\ population} X100$$

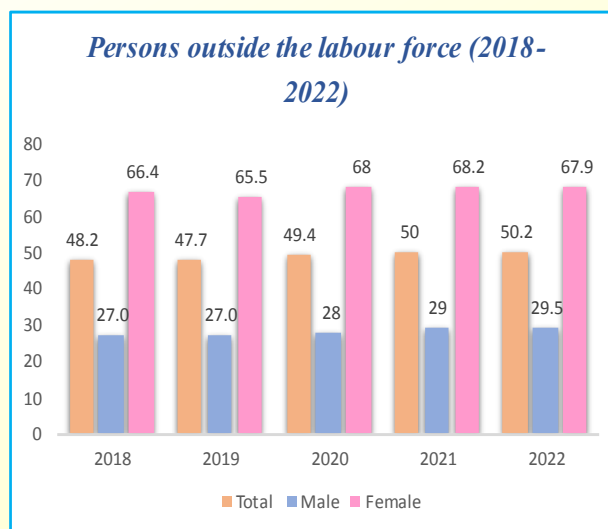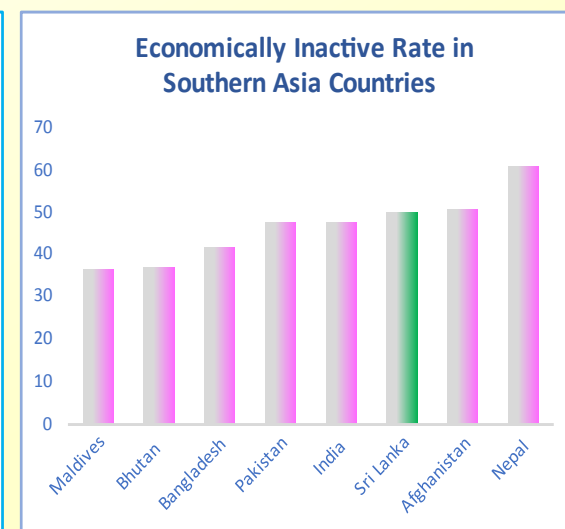**Most of the population above 60 years and below 24 years are economically inactive**

DISAGGREGATION

TREND

COMPARISON

Persons outside the labour force 2022

Legend: 15 - 24 yers, 25 - 34 yers, 35 -54 yers, 55 - 64 yers, 65 & above

Total: 74.7, 33.2, 31.8, 47.0, 78.3
Male: 66.8, 7.4, 4.6, 23.2, 63.7
Female: 82.1, 55.3, 55.0, 67.7, 89.4

Persons outside the labour force (2018-2022)

Year	Total	Male	Female
2018	48.2	27.0	66.4
2019	47.7	27.0	65.5
2020	49.4	28	68
2021	50	29	68.2
2022	50.2	29.5	67.9

Economically Inactive Rate in Southern Asia Countries

Maldives, Bhutan, Bangladesh, Pakistan, India, Sri Lanka, Afghanistan, Nepal

REFERENCECS

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02   Key Indicators of the Labour Market Ninth Edition
https://www.ilo.org/wcmsp5/groups/public/---dgreports/---_stat/documents/
publication/wcms_498929.

03   Sri Lanka Labour Force Survey – Annual Report (2022)
http://www.statistics.gov.lk/LabourForce/StaticalInformation/AnnualReports/2022

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https://data.worldbank.org/

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