

An Inquiry Into Women's Work And Labour Force Participation In Urban Sector Of Sri Lanka

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Abstract: Women in Sri Lanka plays an integral part in the society. Their labour force participation can make several impact to the country's economy at macro level and their households at micro level. Therefore, the main objective of this study is to identify the contributory factors which lead women to enter into the workforce as well as to observe the most influential factor for women to enter into the labour market. A sample survey method was employed to collect data and data from 200 respondents were collected through a structured questionnaire. Both descriptive and econometric analysis were used to obtain the results. The factors which have provided a significant contribution for labour force participation of women were identified from the Binary Logistic Regression. It was identified that, education has made a greater impact on women to enter into the work force and number of dependents has also motivated women to enter into the labour market. Policy implication to operate the labour market activities, development of soft skills and career guidance can thrive women's abilities and confidence over the existing labour market prevail in the country.

Keywords: Labour force participation, labour market, policy implication, soft skills, career guidance

I. INTRODUCTION

In most parts of the world, men tend to participate in the workforce more frequently with compared to women. But, Women's Labour Force Participation (WLFP) makes them to prove that they are also more economically valuable to their families and the society. Furthermore, it contributes to the economic development, empowerment, and gender equality while uplifting the society. Because women perform many substantial amount of unpaid work with in home. If they tend to move to a paid work, this raises their standard of living as a whole. This changing role of the women in economic activities in developing countries is a current important topic to pay attention on.

When it comes to the WLFP in Sri Lanka, it is also similar to other South Asian countries even though Sri Lanka is a predecessor in many human development dimensions and in many aspects of the gender equality in South Asia (World Bank, 2013). Female labour force participation has not changed drastically during last few decades. As per the data of Sri Lanka Labour Force Survey (2018), WLFP is still

revolving around 33.6%, while 74.1% of women are still economically inactive in the labour market. Among the economically active female population, 1.3% is also unemployed in Sri Lanka (Sri Lanka Labour Force Survey, 2018). This means that, majority of the women in Sri Lanka is still out of the labour market and don't have access to the benefits gain from providing labour for a productive economic activity such as wages, pensions and other benefits/incentives gain from employment.

In order to meet global economic challenges and to accelerate the economic growth, Sri Lanka needs a high skilled labour force. The literacy rate of adult females were recorded in Sri Lanka as 90.8% (World Bank, 2018). Therefore, this proves that, if women contributed in the labour force of the country, it would gain many positive results to accelerate the country's economy in the near future.

In Sri Lanka many of the studies have been conducted to identify the issue of low WLFP and reasons behind women to staying at home. Gunathilaka (2013) focused on how labour force participation rate varies among married, unmarried and female heads of households. It was found that, age, education,

access to other income, domestic support and location specific labour market characteristic were affected to the decision of labour force participation of women. In the study of Chowdhury (2013), he also identified that women's decision of working or not working is decided regardless of the wage gain from employment.

Studies have not been conducted to identify the factors which have been affected for the women to engage in a job. Therefore, in order to fill the gap, this study was undertaken to address the problem of how different factors influenced for women to participate in the labour force without staying at home as most women do and as well as to identify which factor influenced them most to engage in the workforce.

II. LITERATURE REVIEW

Employment can make a direct impact on the income distribution, poverty and economic growth of a country. There are numerous problems associated with the employment level of women in developing countries. The neo-classical theory emphasized that, increasing the number of women participated in the labour force heavily make an impact on the behaviour of the women as a result of income and prices. Cross sectional studies have been proved that husband's income and WLFP have inversely related. But time series studies have been showed the opposite results to this. This puzzle was solved by attempting to identify the study the factors behind women to choose work and staying leisurely at home. Therefore, studies of Rene (1975) and Boserup (1970) proved that, women's were more tend to stayed at leisure rather than picking a job to work, where substitution effect is greater than the negative income effect.

The WLFP was studied in a historical perspective from the radical approach. They have showed that, WLFP is strongly correlated with the household budget requirement. According to the demand dimensions, the entering of women into labour force is a household strategy to increase the net income or in other words to maintain the household's real income among poor families.

In spite of several theories behind the labour force participation, empirical studies have been identified key factors behind the WLFP. Age, Marital Status, educational level, household size, wages, husband's income, husband's employment were some of the factors that have been identified from the attempts made to identify the factors that affected for the WLFP studies in developing countries (Standing and Sheehan, 1978).

The results of the study of effects of demographic and socio economic variables to labour force participation in Pakistan by Shah et al. (1976) shows that the labour force participation is negatively related with the nuclear families. Additionally, study indicated that there is a direct relationship between WLFP and the marital status as well as, dependency ration and the literacy ratio have made a positive impact on the labour force participation. Further, identified that, modernization variables seem to be favorably affect to WLFP. Favourable attitudes over fertility control have made an indirect influence over WLFP.

Samarakoon and Mayadunne (2018) found out from their quantitative analysis that, the largest share of women who staying at home are those who dropped out from the schools at the upper secondary level of education. In the poorest income category, the share of women staying at home was low and women were among the level of tertiary education tend to be less non-participated in labour force as the availability of employment opportunities with expected level of remuneration. Irrespective of the education factor, being married and availability of enough household income were significant factors for women to stay at home.

Fosu (1999), identified that, the willingness of married women to participate in the labour force was to enhance the standard of their living. This was an important finding as it, underscore the welfare rationale for the WLFP. In a study of Kapur (1974), found out the reasons for women to engage in economic activities. It was not because of an economic necessity but for the economic independence, intellectual realization to fulfill some of their sociological needs.

Unemployment rates were higher among women because the opportunity cost on job search were lower for women and the discrimination in many parts of the world lead to the lower job offering rate for them. As a result of that, WLFP was relatively low with compared to men (Addison, 1993). Naqvi and Shahnaz (2002) have studied the effects of demographic, socio-economic factors and human capital factors on WLFP based on the cross sectional data of Integrated Household Survey (1988-1999) from age group of 15-49 years. From the probit and multinomial logit model, they have found that, marital status, primary education, number of children in the family, female head households are inversely related with the women participation in the labour force.

Mackellar and Bird (1997) noted that, labour force and demographic factors have a close relationship and therefore, it should be studied together. They identified that, labour force participation is increasing with the ageing of population. The labour force participation is very low among the age group of below 15 years and to the 60 plus of age labour force participation is substantial in countries with low incomes.

Mincer (1962) explored that wife's demand for leisure is not influenced by income of the family from his study of identification of relationship between WLFP and working hours. The probability of lifetime wealth and WLFP measures were inversely related. Moreover number of children in the family were significantly influenced to the WLFP.

Education of female, wealth status, religion, region, location, parent's education, husband's education, marital status and number of children were the independent variables selected for the study of WLFP and found that, education made the women to participate in the workforce and abridge the ration of the women who are non-participated in the workforce from the results of the multinomial logit model (Bbhaale and Mpuga, 2011, Sajid et al, 2011). Lee et al (2008) investigated the relationship between marital status and the WLFP and found out that, low labour force participation among married women were explained by the demand side factors and high labour force participation was explained by the supply side factors.

Therefore, the major emphasize of this study to identify the factors which affected for women to enter into the labour

market and additionally, to examine which factor has highly influenced in this regard.

CONCEPTUAL FRAMEWORK

The conceptual framework for the study was designed to easily identify the independent variables and the dependent variable of the phenomenon being studied.

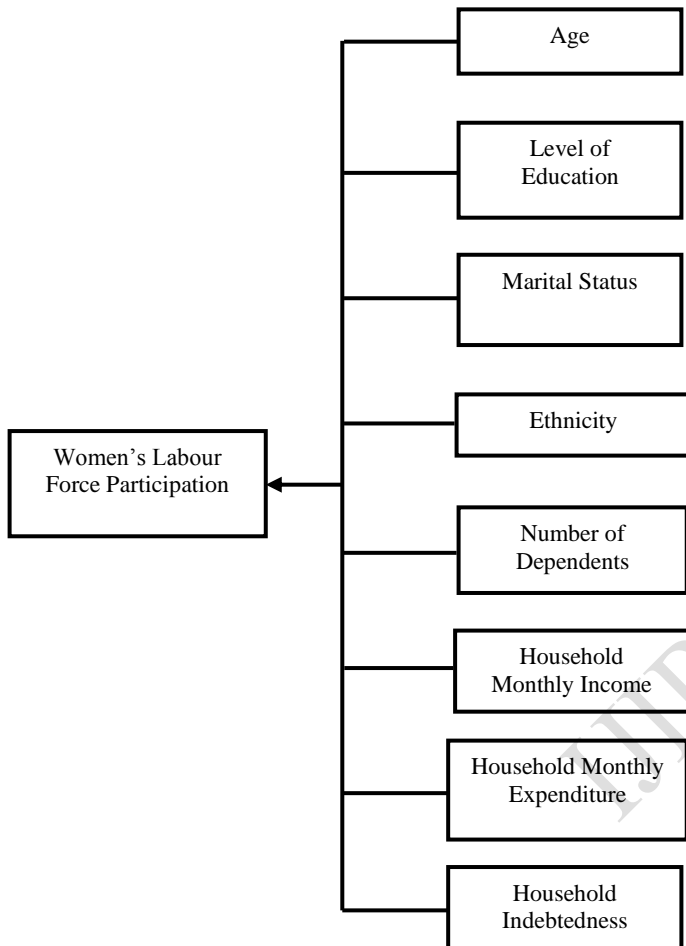


Figure 3.1-Conceptual Framework

The independent variables which were used in this study was identified based on the literature review and from social observations. The data was collected from the respondents who were of age 15 years to 54 years. The level of education of respondents were consists with categories such as primary education, Up to O/Ls, Up to A/Ls and Tertiary education. The data of married, unmarried, divorced, widowed and separated women were considered for this study. Number of dependents were investigated under the categories of disable population, students, children and senior citizens. Moreover, there are four main ethnic groups in Sri Lanka namely, Sinhala, Tamil, Muslim and Christian. Therefore, all four considered when collecting data from the respondents. Household monthly income included wages, income from non-agricultural activities, other cash income and income by chance/adhoc gain. Household expenditure included expenditure made on both food and non-food. The household indebtedness included households' lending from different

sources such as banks, leasing companies, money lenders and credit cards.

III. METHODOLOGY

Sri Lanka's total economically active female population as a percentage is 34.9% (Sri Lanka Labour Force Survey, 2018). The population for this study was Sri Lanka and Western Province was selected purposively as highest employment rate was recorded from the Western Province. From the Western Province highest economically active female population was recorded in the Colombo District (Sri Lanka Labour Force Survey, 2018). Even though, it was identified that, lowest share for WLFP is from the urban sector as a whole, due to the nature of households, Western Province and Colombo District recorded the highest WLFP in Sri Lanka (Sri Lanka Labour Force Survey, 2018). As well as, Colombo is the commercial capital of Sri Lanka and is one of the most urbanized districts in the country. Therefore, the sample has been selected from the Maharagama Divisional Secretariat in the Colombo District following the judgmental sampling technique. Because, Maharagama is a town which possesses access to many facilities like, supermarkets, department stores, clothing, food and beverages etc.

Data for the study was collected from Depanama Grama Niladhari division and Wattegedara Grama Niladhari division, as they have recorded the highest population in the Maharagama Divisional Secretariat (Resource Profile, 2017). 100 households were selected from each division through the Random Sampling Technique. The sample included both the women who were employed and unemployed.

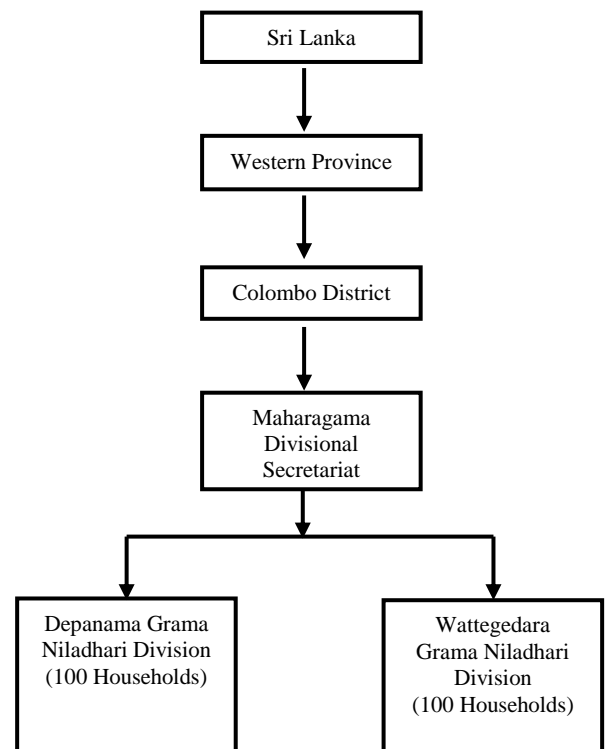


Figure 4.1: Sample Design

To gather data for the study both primary and secondary data collection methods were applied. Primary data was collected through a structured questionnaire. The data of the research was analyzed using descriptive statistic methods and by using econometric analysis tools. In order to identify the most influential factor to the WLFP a Binary Logistic Regression was conducted.

Model Estimation:

$$WLFP = \ln \left[\frac{P_i}{1 - P_i} \right] = \beta_0 + \beta_1 \text{Age} + \beta_2 \text{Level of Education} + \beta_3 \text{Marital Status} + \beta_4 \text{Ethnicity} + \beta_5 \text{No: of Dependents} + \beta_6 \text{Household Monthly Income} + \beta_7 \text{Household Monthly Expenditure} + \beta_8 \text{Household Indebtedness} + \varepsilon$$

IV. RESULTS AND DISCUSSION

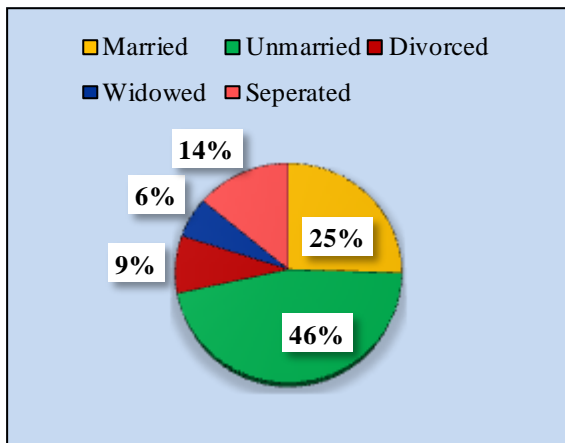


Figure 5.1: Marital Status of the Respondents

The figure 5.1, represents the Marital Status of the respondents. From the data collected, majority of women were unmarried and it was 46% as a percentage. Only 6% of women were widowed and rest were belong to the married, divorced and separated categories i.e. 25%, 9% and 14% respectively. The gap between the married and unmarried respondents were 21% as a percentage.

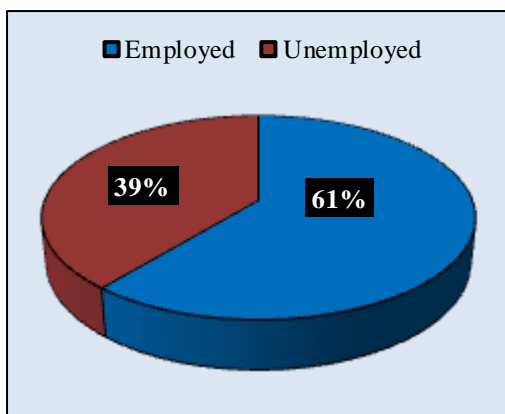


Figure 5.2-Labour Force Participation Analysis

The data represented in figure 5.2 on Labour Force Participation of women were collected from both employed and unemployed women in Depanama and Wattededara

Grama Niladari divisions. Survey results identified that, 39% of women were unemployed while only 61% from the women faced for the survey were engaged in economic activities and earned benefits for themselves from the work they did.

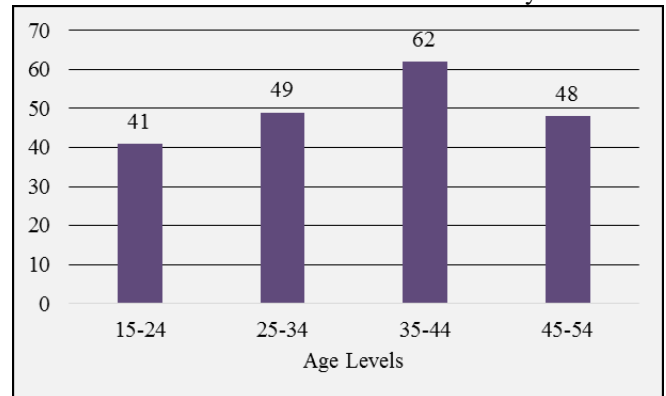


Figure 5.3-Age Analysis of the Respondents

As seen in figure 5.3, majority of the respondents were belong to the age level of between 35-44 years. It was 62 respondents as a number. As seen in the graph, there were no significant changes in the age of the sample between different age groups. The lowest number of respondents were belong to the ages, between 15-24 and it was 41 respondents as a whole.

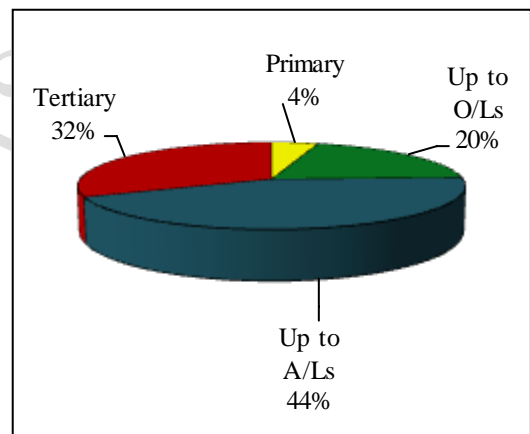


Figure 5.4: Educational Level of the Respondents

The level of education of respondents were another important factor affecting to the WLFP as identified from the literature. Therefore, results that were identified from the sample survey was included in figure 5.4. It has been clearly identified that, most of the women in the sample were educated only up to A/L examination and they have been represented as 44% among the sample observed. Only 32% have been entered into the tertiary education and obtained higher educational qualifications from several institutions. The percentage of women who have studied up to primary level represented only 4% in the sample. As a whole, we can have a positive attitude towards women's educational level based on the data collected, as majority of women's have achieved the secondary level education.

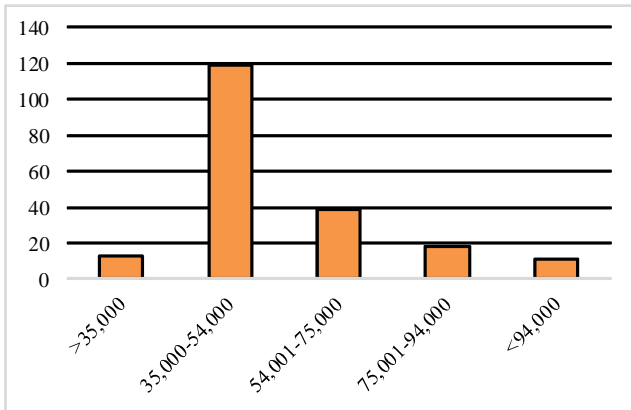


Figure 5.5: Household Monthly Income Analysis

In order to study the household monthly income, the researcher has identified five income categories as identified from figure 5.5. It was noted that, only a lower share of households earn a monthly income which is more than Rs. 94,000 in the sample. As shown from the graph, most of the households earn an income of between Rs. 35,000 to 54,000. From the 200 households, it was represented as, 119 households who earned an income of Rs. 35,000 to 54,000 in each month. 39 households were in the category of earning an income between Rs. 54,001 to 75,000 per month. From the results identified, majority of the households were not spending higher living standards based on their monthly income analysis.

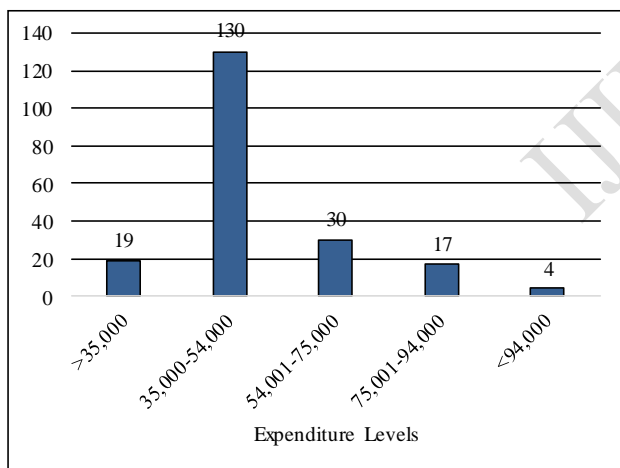


Figure 5.6: Household Monthly Expenditure Analysis

Same as household monthly income, household monthly expenditure was also, categorized under five sections. From the results, it was observed that, majority of the highest share from the respondents spent between Rs. 35,000-54,000. With that, it was proved that, most of the household's in the same income range spend their whole income to fulfill their consumption needs and they were less tend to make savings from the income they earned during the whole month. As per the results, only four households were spent more than Rs.94,000 to fulfill the consumption needs monthly. Therefore, in the category of income earning, more than Rs. 94,000 were can be seen as a group who were encouraged to save their income rather than spending the whole income.

	B	Wald	df	Sig.
Education	.620	7.965	1	.005
No Dependents	.160	2.228	1	.013
Monthly Income	-.346	5.068	1	.034
Monthly_Exp	-.223	3.611	1	.004
Constant	4.668	10.992	1	.001

Table 5.1: Estimated Regression Model

Even though all the identified factors for WLFP were included to the model, only some of them were established a statistically significant relationship with the WLFP. The coefficient of education was significant at 5% confidence level and it exerted a positive relationship with the WLFP. That means, when the level of education among women increases, the WLFP would also increases. As per the results on number of dependents in the household, when one dependent in the family goes up WLFP would also increases and as a value it was represented as 0.160. If monthly income of the household is higher, women were more tend to stay at home rather than engage in an economic activity. When it comes to the household monthly expenditure it shows an inverse relationship with WLFP. Most of the factors statistically significant at 5% confidence level represented a theoretically compatible relationship over WLFP. The coefficients of other factors included to the model were neither theoretically nor statistically significant over WLFP. Additionally, it should be noted that, data that were generated based on the survey will not be consistent all the time it will differ from time to time.

V. CONCLUSION

The sample survey results showed that, there were only few number of females that have never been entered into the labour force. Many women participated to the survey were engaged in productive economic activities for a particular period of time and earned several benefits from the work that they have been engaged in. But after some period of time they have left the job due to various reasons. Some of the reasons that have been identified were, marriage, having children, looking after of disabled members in the family or elderly members, poor health conditions of the respondents, poor working conditions in the working place and difficulties faced in the working environment in different organizations. Even though, some women have exit from the labour market there were several reasons that have motivated women to enter into the labour market irrespective of their age. They were, their educational level, social status, children's' education, needs of the ill health family members, benefits arise from the work place such as incentives and retirement benefits. As the data revealed from the survey, economic factors were not the only reason behind women to enter into the labour force. Moreover, social, cultural and labour market conditions were also affected to the WLFP.

Quick responses over labour market conditions and policy formulation to direct the labour market operations can enhance

the WLFP into a greater extent. Further, development of soft skills and diversification in training also lead to improve the quantity of WLFP even more and development of career guidance can also play a major role in this regard.

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