

(J) EMPLOYMENT AND LABOUR RELATIONS**1. Introduction**

Data on employment and unemployment in Sri Lanka have not been collected on a regular basis other than from sample surveys undertaken at infrequent intervals. Although comprehensive statistics would be available from the 1971 census this data have not yet been released. However, according to the survey on labour force participation rates undertaken by the Central Bank in 1973 the labour force, consisting of employed and unemployed persons, was 44.8 per cent of the sampled population. In this survey housewives were treated as employed persons. If housewives are excluded from this category the labour force constitutes 34.4 per cent of the sample. The latter may be compared with the estimated labour force participation rate of 33.6 per cent derived from the Socio-Economic Survey of Ceylon, 1969/70.

According to the labour force participation survey 17.4 per cent of the labour force (excluding the housewives) was unemployed. When the sample estimates are blown up for the mid-year population of 1973 the employed and unemployed are estimated at 3,757,000 and 793,000 respectively.

On a monthly basis, the only available figures on unemployment are those of the number of registrants at the employment exchanges in the island. As these unemployment figures are incomplete the Central Bank has endeavoured to supplement this data by conducting an annual inquiry into employment in the public sector. The Bank has also obtained information on employees registered under Employees Provident Fund (E. P. F.). The latest available E. P. F. data are for the year 1972. Data on employment had also been obtained from a number of other provident funds which are outside the E. P. F. scheme and are referred to as Approved Private Provident Funds (A. P. P. F.). The employees in these funds include the staff of some of the large corporations and institutions such as Ceylon Transport Board and the Ceylon Electricity Board.

In 1973, there were 238 strikes in the private sector of which 215 were in the plantations and 23 in other employments. In addition on the 18th December, 1973 the plantation workers came out on a three day token strike, but the strike continued until 28th December, 1973. The number of workers involved in the strike and the number of man-days lost have not yet been computed.

2. Number placed in the employment by Employment Exchanges

The annual figures of the number of persons placed in employment by employment exchanges from 1961 to 1973 are given in table II (J) 1. The total number of persons placed in employment by the employment exchanges in 1973 was 2,622. For all categories of workers the numbers placed in employment in 1973 were 20.4 per cent less than in the previous year.

TABLE II (J) 1

The number of persons placed in employment and its relative importance to total registrants in each category

Year	Technical & Clerical		Skilled		Semi-skilled		Unskilled		Total	
	No. placed	Percent of total registrants in the category	No. placed	Percent of total registrants in the category	No. placed	Percent of total registrants in the category	No. placed	Percent of total registrants in the category	No. placed	Percent of total Registrants in the category
1961	1,259	4.6	631	3.5	964	2.8	2,794	3.9	5,648	3.7
1962	1,263	3.7	468	2.7	809	2.3	2,315	3.5	4,857	3.2
1963	1,322	3.7	502	3.0	836	2.3	2,466	3.9	5,129	3.4
1964	1,722	4.4	535	3.2	945	2.5	3,599	5.5	6,801	4.3
1965	1,495	2.7	846	4.2	1,035	2.1	3,753	5.0	7,129	3.6
1966	1,056	1.6	740	3.4	917	1.5	4,089	4.5	6,802	2.9
1967	1,018	1.4	588	2.5	712	1.1	1,936	2.1	4,254	1.7
1968	680	0.9	780	3.1	794	1.1	2,696	2.6	4,950	1.8
1969	865	1.0	710	2.3	800	0.9	2,908	2.1	5,283	1.5
1970	526	0.5	584	1.5	428	0.4	1,287	0.7	2,825	0.7
1971	640	0.6	778	1.8	462	0.5	1,701	0.9	3,581	0.8
1972	612	0.7	529	1.2	656	0.6	1,496	0.7	3,293	0.7
1973*	561	0.6	385	0.9	413	0.4	1,350	0.6	2,622	0.6

* Provisional

Source: Department of Labour.

3. Employment in the Public Sector

The response to the annual survey conducted by the Central Bank on employment in semi-government institutions (public corporations, universities, research institutes, statutory boards, etc.) and government service, for the year 1973, was unsatisfactory. About 18 semi-government institutions did not respond and employment in these institutions had to be estimated. Figures for those government departments which did not respond to the inquiry were obtained from the Estimates of Government Revenue and Expenditure for 1973, which gave the approved cadre, but not necessarily the numbers in actual employment.

The employees are classified according to categories and status (permanent, temporary and casual). The categories considered were:

1. Administrative, technical and professional officers of staff rank;
2. Subordinate employees;
3. Minor employees;
4. School teachers (in the case of government departments);
5. Others.

(a) Government Departments

The estimates of employment in government departments for the years 1972 and 1973 are given by the table II (J) 2.

In 1973 the total number of employees in government departments had increased by 8.0 per cent. The increase in the number of employees in the subordinate grades was the highest recorded and exceeded the figure for 1972 by 11.4 per cent. Employees in the administrative grades, minor employees and school teachers increased by 10.3, 7.1 and 5.8 per cent, respectively, in 1973.

In 1973, about 60 per cent of the total number of employees in government departments were in the subordinate and minor grades. Of the total number of employees 28 per cent were government school teachers while officers in staff rank were 3.4 per cent.

The percentage of permanent employees in government departments decreased from 88.1 per cent in 1972 to 86.8 per cent in 1973, while the number of temporary employees increased from 5.9 to 6.1 per cent. Casual employees increased from 5.9 to 7.1 per cent in the course of the year.

TABLE II (J) 2
Employment Statistics—Government Departments*

Occupational Category	Status and Number Employed								Percentage change over 1972
	Permanent		Temporary		Casual		Total		
	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	
1. Administrative, Technical and Professional Officers of Staff Rank ..	10,983	11,917	725	1,019	21	—	11,729	12,936	+ 10.3
2. Subordinate Employees ..	109,632	118,850	2,502	3,580	1,866	4,570	114,000	127,000	+ 11.4
3. Minor Employees ..	58,250	61,322	16,483	17,337	17,994	20,668	92,727	99,327	+ 7.1
4. School Teachers ..	100,836	106,674	—	—	—	—	100,836	106,674	+ 5.8
5. Others ..	28,961	30,075	936	1,031	1,053	1,344	30,950	32,450	+ 4.8
Total ..	308,662	328,838	20,646	22,967	20,934	26,582	350,242	378,387	+ 8.0

Source: Central Bank of Ceylon.

* Notes:

1. (i) Legislative officers and government administrators.
(ii) Managers, chairman and other staff grade officers.
(iii) Scientists, technicians and engineers, doctors, professors and lecturers, accountants, valuers.
2. (i) Clerical grades.
(ii) Shroffs.
(iii) Stenographers, typists and cypher operators.
(iv) Telephonists and office-machine operators.
(v) Translators
(vi) Extension inspectors and investigating officers.
(vii) Police and gramasevakas.
(viii) Storekeepers.
3. (i) Messengers.
(ii) Karyala karya sahayakas.
(iii) Attendants and orderlies.
(iv) Drivers (motor cars, lorries etc.).
(v) Unskilled workers.
(vi) Semi-skilled workers.
(vii) Skilled workers.
4. (i) Principals, vice-principals, headmasters and assistant headmasters.
(ii) Professionally qualified such as trained teachers, certified teachers, and english certified teachers.
(iii) Graduates, inter-arts.
(iv) Non-professionally qualified, part-time and casual teachers and trainee teachers and pupil teachers.

(b) Semi-Government Institutions

The estimates of employment in semi-government institutions are given below in the table II (J) 3.

TABLE II (J) - 3
Employment Statistics--Semi-Government Institutions*

	Status and Number Employed								Percentage Change Over 1972
	Permanent		Temporary		Casual		Total		
	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	31st Dec. 1972	31st Dec. 1973	
1. Administrative, Technical & Professional Officers of Staff Rank ..	14,033	14,900	571	690	184	260	14,788	15,850	+ 7.2
2. Subordinate Employees ..	28,217	31,361	642	677	476	659	29,335	32,697	+ 11.5
3. Minor Employees ...	83,216	87,029	9,564	9,470	19,048	22,459	111,828	118,958	+ 6.4
4. Others ..	43,510	41,599	708	449	1,127	1,055	45,345	43,103	- 4.9
Total ..	168,976	174,889	11,485	11,286	20,835	24,433	201,296	210,608	+ 4.6

Source: Central Bank of Ceylon.

Notes

1. (i.) Legislative officers and government administrators.
(ii.) Manager, chairman and other staff grade officers.
(iii.) Scientists, technicians and engineers, doctors, professors and lecturers, accountants, valuers.
2. (i.) Clerical grades.
(ii.) Shroffs.
(iii.) Stenographers, typists and cypher operators.
(iv.) Telephonists and office-machine operators.
(v.) Translators.
(vi.) Extension inspectors and investigating officers.
(vii.) Police and gramasevakas.
(viii.) Storekeepers.
3. (i.) Messengers.
(ii.) Karayala karya sahayakas.
(iii.) Attendants and orderlies.
(iv.) Drivers (motor car, lorries etc.).
(v.) Unskilled workers.
(vi.) Semi-skilled workers.
(vii.) Skilled workers.

* Public corporations, universities, boards, etc.

The rate of absorption of new entrants in semi-government institutions declined in 1973, the rate fell in 1972 from 13.1 per cent of the total number in employment to 4.6 per cent in 1973. This decline in the percentage increase in the number of employees occurred in all the categories except in the category of subordinate employees. In the latter category the increase was 11.5 per cent. In 1973 the number of employees in staff rank and minor grades increased by 7.2 and 6.4 per cent, respectively, while the corresponding figures for 1972 were 16.0 and 20.5 per cent respectively.

Of the total number of employees in semi-government institutions about 84 per cent were in the permanent cadre while casual and temporary workers accounted for about 10 and 5 per cent respectively.

4. (a) Employees registered under the Employees' Provident Fund

The latest available figures of the number of employments and the number of employees registered under the E. P. F. are for the year 1972.

In 1972 a total of 38,485 employments contributed to the E. P. F. as compared to 34,460 in 1971; an increase of 12 per cent. The employees registered with the E. P. F. have been classified according to the main industrial categories in table II (J) 4, for the years 1968 to 1972.

TABLE II (J) 4
Employees registered under Employees' Provident Fund

Industry	Number registered at end of year				
	1968	1969	1970	1971	1972
1. Plantation Agriculture ..	1,246,138	1,220,989	1,253,979	1,284,265	1,316,336
2. Non-Plantation Agriculture ..	4,743	6,415	5,100	7,455	13,093
3. Mining and Quarrying ..	2,968	3,351	3,035	3,839	6,975
4. Manufacturing ..	174,187	206,194	222,955	264,007	293,238
5. Construction ..	24,890	19,745	21,462	22,224	23,423
6. Trade and Transport ..	176,502	186,733	198,196	236,530	268,426
7. Services ..	99,452	105,794	115,161	125,086	136,746
8. Unclassified* ..	11,388	4,719	8,557	13,813	16,161
Total	1,740,268	1,753,940	1,828,445	1,957,239	2,074,398

Source: Central Bank of Ceylon

* Includes errors and omissions

Note: 1. Figures include employees who have vacated employment and yet continue to have credit balances with the Employees' Provident Fund.

2. The classification of an establishment into an industrial category in some cases was based on incomplete information and as such could be incorrect.

TABLE II (J) 5

Number of employees registered under the E.P.F. according to District and Industry for 1972

District	End of year figures																				
	Colombo	Kegalle	Matsara	Ratnapura	Kandy	Nuwara Eliya	Kalutara	Jaffna	Puttalam and Chilaw	Kurunegala	Badulla	Galle	Vavuniya	Matale	Anurachhapura	Hambantota	Trincomalee	Batticaloa	Polonnaruwa	Mannar	Total
Industry																					
1. Plantation																					
Agriculture ..	31,107	108,386	111,452	189,542	265,379	155,438	83,183	262	20,104	48,189	151,689	108,109	—	42,818	—	06	130	537	05	—	1,316,336
2. Non-Plantation																					
Agriculture ..	7,285	52	356	660	130	13	244	85	181	23	257	2,307	70	129	317	639	31	162	87	65	13,093
3. Mining and Quarrying ..	5,114	601	—	04	10	—	71	—	196	857	13	10	—	99	—	—	—	—	—	—	6,975
4. Manufacturing	202,495	3,362	4,686	1,498	8,195	1,156	9,833	5,992	17,119	13,287	2,334	9,043	202	3,135	716	647	746	6,863	984	945	293,238
5. Construction	12,869	344	105	381	5,271	245	312	739	299	360	1,274	223	20	219	18	21	129	141	442	11	23,423
6. Trade and Transport	157,212	8,602	4,904	6,250	17,212	6,656	9,730	7,897	4,047	10,635	10,565	4,796	1,102	2,740	3,151	2,222	3,218	4,488	2,379	620	268,426
7. Services	81,729	2,129	2,500	2,587	7,699	2,005	3,403	2,594	1,122	3,482	3,354	11,964	316	2,327	1,793	778	3,576	2,630	543	215	136,746
8. Unclassified	8,585	180	3,211	138	286	137	315	325	937	369	69	534	05	205	10	02	16	656	97	84	16,161
Total	506,396	123,656	127,214	201,060	304,182	165,650	107,091	17,894	44,005	77,202	169,555	136,986	1,715	51,672	6,005	4,315	7,846	15,477	4,537	1,940	2,074,398

Note: (a) Figures relate to the number of employees registered under the E.P.F.

Source: Central Bank of Ceylon.

(b) Figures are provisional.

(i) Figures include employees who have vacated employment and yet continue to have credit balances with the E.P.F.

(ii) They do not include employment in trades having approved private provident funds.

(iii) The classification of an establishment into an industrial category in some cases was based on incomplete information and as such could be incorrect.

The total number of employees registered under the E. P. F. rose from 1,957,239 in 1971 to 2,074,398 in 1972 or by 6.0 per cent. The largest increase was in mining and quarrying (82 per cent). The increases in non-plantation agriculture, trade and transport and manufacturing were 76, 14 and 11 per cent, respectively. Of the total number of registrants in 1972, 64 per cent were in agriculture, 14 per cent in manufacturing and 13 per cent in trade and transport.

The distribution of employees registered under the E. P. F. according to industry and district, as at the end of 1972, is given in table II (J) 5.

The number of employees registered under the E. P. F. as an index of the level of employment in the establishments covered by the Fund, in all likelihood, is too high. The reported figures include among the employed those who are no longer employed but continue to have an account with the Fund. In view of this a better index would be the number of employees who have made at least one contribution to the Fund in the course of the year. The E. P. F. refers to the latter figure as the number of active accounts.

Table II (J) 6 gives the number of active accounts with the E. P. F. during the year.

TABLE II (J) 6

**Active Accounts with the Employees' Provident
Fund during the year**

Industry	No. of active accounts		Percentage Change 1972/71
	1971	1972	
1. Plantation Agriculture ..	605,996	578,448	- 4.6
2. Non-Plantation Agriculture ..	4,316	8,146	+ 88.7
3. Mining & Quarrying ..	2,437	5,346	+ 119.4
4. Manufacturing ..	134,282	126,266	- 6.0
5. Construction ..	3,248	2,872	- 11.6
6. Trade and Transport ..	113,563	118,098	+ 4.0
7. Services ..	57,411	61,144	+ 6.5
8. Unclassified* ..	7,733	6,555	- 15.2
Total ..	928,986	906,875	- 2.4

Source: Central Bank of Ceylon.

* Includes errors and omissions

In 1972 the gap between the number of registrants and the number of active accounts was as much as 1,167,523. About 1,070,000 of the difference is estimated to be due to

- (a) errant employers evading contributions
- (b) some registrants being unemployed throughout the year, although the number falling into this category cannot be estimated.

While the number of registrants shows an increase of 6 per cent in 1972, there was a decline of 2 per cent in the number of active accounts. This decline has been mainly due to the reduced number of active accounts in plantation agriculture; construction and manufacturing also declined during the year. Both indices indicate considerable expansion in employment in mining and quarrying as well as in non-plantation agriculture.

4. (b) Employees in Approved Private Provident Funds (A. P. P. F.)

The response to a questionnaire sent by the Central Bank to these funds to furnish data on the number of members in the funds and their broad job classifications was very satisfactory. The industry-wise classification of employees registered under A. P. P. F. is given by the following table.

TABLE II (J) 7

Number of members in Approved Private Provident Funds

Industry	1972.	1973	Percentage Change 1973/72
1. Plantation Agriculture ..	11,668	11,283	- 3.3
2. Non-Plantation Agriculture ..	67	83	+ 23.9
3. Mining & Quarrying ..	94	102	+ 8.5
4. Manufacturing ..	22,336	23,783	+ 6.5
5. Construction ..	2,845	2,840	- 0.2
6. Trade and Transport ..	62,483	63,394	+ 1.5
7. Services ..	29,570	31,694	+ 7.2
8. Unclassified ..	1,356	912	- 3.3
Total	130,419	134,091	+ 2.8

Sources: Central Bank of Ceylon.

In 1973, the number of employees in A. P. P. F. had increased by 2.8 per cent. The largest increase during the year was in non-plantation agriculture (23.9 per cent). There were substantial increases in mining & quarrying (8.5 per cent), services (7.2 per cent) and manufacturing (6.5 per cent). However, the number of employees in plantation agriculture decreased by 3.3 per cent. The directions of change in employment in different industries were similar to those shown by E. P. F. data.

5. Registrants for Employment.

The number of registrants at employment exchanges for employment or better employment at the end of 1973 was 470,491 compared with 445,422 at the end of the previous year. In 1973, the number of registrants for technical and clerical employment decreased whilst in respect of all other categories the numbers increased. The same trend was observed for the year 1972 as well.

TABLE II (J) 8

Number of registrants for employment or better employment
according to registers maintained at the
Employment Exchanges in the Island

		End of Period Figures				
		Technical & Clerical	Skilled	Semi-skilled	Unskilled	Total
1971	December	96,310	42,655	99,520	198,915	437,400
1972	March	91,530	42,890	100,393	204,461	439,274
	June	91,223	42,949	99,861	201,199	435,232
	September	91,114	43,378	100,374	206,943	441,809
	December	89,170	43,234	101,554	211,464	445,422
1973	March	85,847	43,017	104,003	216,281	449,148
	June	86,585	43,342	105,271	221,213	456,411
	September	85,828	43,676	105,978	227,220	462,702
	December	86,408	43,756	107,379	232,948	470,491

Source: Department of Labour.

6. Labour Relations

The data for 1973 on the number of strikes, the number of workers involved and the number of man-days lost in the private sector are given by the table II (J) 9. As already mentioned the figures do not include data on the token strike in the plantation sector in December 1973.

In 1973, the number of strikes in the plantation sector was 215 as compared with 165 in 1972; an increase of 30 per cent. The number of workers involved increased from 52,832 in 1972 to 89,393 in 1973. The increase in the number of man-days lost during the year was 86,500. Among other employments the number of workers on strike and the number of man-days lost increased by 2,058 and 5,371 respectively.

In 1973, as in the previous year, the demand for wage increases, as causes for strikes were less important than the demands for improvements in general working conditions. Nearly 61 per cent of the work stoppages were on account of demands for better working arrangements and disputes with junior staff. Food matters accounted for 17 per cent while loss of employment accounted for 14 per cent of the total number of strikes in 1973.

TABLE II (J) 9
 Strikes in Private Sector Trades

Year	Plantations			Other Employments		
	No. of Strikes	Workers Involved	Man-days lost	No. of Strikes	Workers Involved	Man-days lost
1961 ..	90	29,223	317,866	39	38,013	170,372
1962 ..	138	42,569	193,792	50	25,730	801,882
1963 ..	174	62,511	359,905	58	29,819	479,678
1964 ..	201	68,009	611,060	103	21,409	274,623
1965 ..	175	70,929	482,259	55	10,085	89,952
1966 ..	132	138,259	4,117,264	32	4,592	34,351
1967 ..	194	74,968	414,636	36	14,883	284,709
1968 ..	171	65,909	722,690	26	11,308	265,726
1969 ..	146	56,861	406,150	43	6,317	58,015
1970 ..	254	125,530	1,030,310	86	23,488	281,253
1971 ..	125	50,847	273,531	32	39,955	239,760
1972 ..	165	52,832	273,717	22	2,205	25,181
1973* ..	215	89,393	360,217	23	4,263	30,552

Source: Department of Labour.

* Provisional, does not include figures in major strike in plantation sector in December, 1973.