



International
Centre for Ethnic
Studies

Factors affecting women's labour force participation in Sri Lanka's Eastern Province

Policy Brief

Key findings

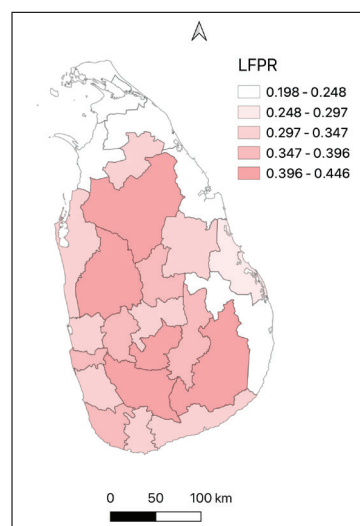
- Poverty and economic necessity are main drivers of women's Labour Force Participation (LFP) in the East. Women heading their household and women who have to support unemployed family members are more likely to seek work. Women from financially well-off households are less likely to participate.
- Opportunities also drive women to the labour market. For example, women with good human capital endowments such as good health, higher education, and livelihood skills, and access to assets such as land and crops are more likely to participate in the labour force.
- Opportunities have a greater positive effect on the LFP among Buddhist and Hindu women;
- Gender norms seem to play a bigger role in shaping the LFP decision among Muslim women. For example, the childcare responsibilities and the presence of adult women in the households tend to discourage Muslim women from participating in the labour force.
- Child care responsibilities are not a significant determinant of women's LFP. However, if women with small children enter the labour force, they are more likely to be unemployed than women without small children.
- The effects of the war continue to impact on women's LFP. Displacement during the war tends to draw women to the labour market, but having lost a job due to the war seems to discourage women from seeking work now.

- The effects of the war continue to impact on women's LFP. Displacement during the war tends to draw women to the labour market, but having lost a job due to the war seems to discourage women from seeking work now.
- In urban areas, if women decide to seek work, they are more likely to find jobs than women from rural areas.

Introduction

Sri Lanka's female labour force participation (LFP; See Box 1 for definition) has remained persistently low and stagnant around 35 per cent, and is conspicuously low in the Northern and Eastern Provinces. These two regional economies also continue to be small and are among the poorest parts of the country. The economy of the Eastern Province contributes less than 6 per cent to the national Gross Domestic Product (GDP). The North only makes up about 4 per cent of the national GDP. Thus, the large capital infusions into the North and East following the end of the armed conflict appear to have failed to produce effective economic outcomes in the two regions.

Figure 1: District-wise female LFPR (2019)



Source: Labour Force Survey 2019

Labour force participation refers to the active engagement in the labour force, either working for pay or looking for work for pay. Thus, the LFP refers to the share of both employed and unemployed individuals of the working age (aged 15 or more in Sri Lanka) as a proportion of all individuals of the working age.

Against this backdrop, in 2015, the International Centre for Ethnic Studies (ICES) carried out a large study in the Northern Province investigating women's labour market outcomes after the war. A second study was then designed to probe into the issue of women's labour force participation in the Eastern Province, and was carried out in 2018-2019. This policy brief presents the findings of the quantitative part of the research study, along with some policy recommendations.

Although the war experience is common to both the Northern and Eastern Provinces, the Eastern Province is in many ways also quite different to the North. The strategic location of the Eastern Province in the world map (specifically, the Trincomalee harbour), its large body of natural resource endowments (including the natural harbour of Trincomalee and beautiful long beaches), and the strong agricultural sector gives the region a greater potential to diversify its economic activities compared to the North. The East also houses the most ethno-religiously diverse population compared to any other part of the country (Box 2).

The east's ethno-religious composition is the most diverse among all provinces; For example, Batticaloa is home to 72 per cent Sri Lankan Tamils, but also 25 per cent of the Sri Lankan Moors. The ethnic composition is even more diverse in Ampara (39 per cent Sinhalese; 17 per cent SL Tamil and 43 per cent SL Moor) and in Trincomalee (27 per cent Sinhalese; 31 per cent SL Tamil and 42 per cent SL Moor) (Source: Census of Population and Housing 2012)

Thus, the Eastern Province is a dynamic, nuanced and complex socio-economic and ethno-religious landscape suited to the study of women's roles as economic agents.

Specifically, this research study sets out to address the following questions:

1. What are the labour market outcomes among women in the Eastern Province?
2. What are the individual, household-level and societal/contextual factors that are associated with women's labour market outcomes in the East?
3. How are these factors similar or different across women from different religious backgrounds?
4. Are armed conflict-induced shocks experienced by women associated with their labour market outcomes?
5. Are the factors that affect women's labour market outcomes also associated with their employment outcomes? How are these factors similar or different?

Methods

The research study consisted of both quantitative and qualitative components. The quantitative portion of the study collected data from 1,000 female respondents from the poorer DS divisions of Ampara, Batticaloa and Trincomalee districts of the Eastern Province. The qualitative research work was informed by a combination of in depth interviews, Focus Group Discussions and Key Person Interviews in the Trincomalee and Batticaloa districts. Data collection took place in the latter part of 2018.

Key findings

Economic necessity is a main driver of women's LFP, and such necessity is more common to women heading their households. Women heading their household are not only more likely to seek work, but they are also more likely to secure gainful employment compared to women from male-headed households. Women are also more likely to seek work when they have to support household members who are unemployed. Understandably, women who have loans in their name are also more likely to participate in the labour market. Moreover, women in the Batticaloa district, the poorest in the region, are also more likely to enter the labour market compared to women from the other two districts. These findings underscore the role economic needs play in women's LFP decision. *On the other hand, household financial affluence tends to preclude*

the need for women to work. For example, women from households that are richer than the average household in the district, from households that have more amenities than others, and use modern devices for cooking are more likely to be economically inactive than the others.

Women's own education, skills and health (human capital endowment) and access to physical assets have a meaningful impact on women's LFP. For example, poor health keeps women away from the labour market. This is particularly concerning given that women are more likely to participate in the labour market at more advanced ages. Women with highest educational attainments are very likely to find paid work. Having participated in a livelihood intervention programme also increases the odds of women taking up paid work. Among physical assets, access to land and crops seems to encourage women to become economically active.

The disempowering effects of the armed conflict continue to have a bearing on women's LFP decision. Women are more likely to work if they have been displaced due to the armed conflict. This is probably because displacement has aggravated women's poverty which in turn drives them to seek work. However, women are less likely to work if they have lost their jobs during the armed conflict. This could be because women who have lost jobs due to the war are discouraged from seeking work. It could also be that women cannot find suitable employment opportunities in the post-war Eastern economy. Another plausible reason is that the armed conflict experience has affected their will to look for and engage in productive work.

The analysis disaggregated by women's religious background suggests that *women's own human capital endowment has a meaningful positive effect on the LFP among Buddhist and Hindu women. In contrast, gender norms appear to play a bigger role in shaping the LFP decision among Muslim women.* Put differently, the cultural values of different communities seem to impact on women's economic participation. For example, the findings suggest that Muslim women who are economically active also tend to experience greater domestic abuse. Moreover, where there are adult women in the household, Muslim women are less likely to become economically active.

These findings suggest that Muslim women tend to be policed a lot more at home than women from Buddhist or Hindu backgrounds. *Women's own internalisation of their place within the household has some negative impact on their decision to join the labour force, but the magnitude of such impact is negligible.*

Although the care burden does not have a significant impact on women's LFP, it limits the opportunities available for women once they are in the labour force. If women with small children decide to join the labour force, they are more likely to be unemployed and less likely to be employed. This is probably because women cannot find work that allows them to balance unpaid care work with the paid work. Moreover, the findings suggest that although women from poorer regions are more likely to participate in the labour market, they are less likely to be gainfully employed. On the other hand, women in urban areas are less likely to seek work, but if they do, they are more likely to find employment than women from rural or peri-urban areas. These results suggest that *poorer and rural regions are not generating sufficient labour market opportunities for women.*

Policy recommendations

Poorer and smaller regional economies need special attention in the macroeconomic development agenda. It is important to understand the ground realities of these economically backward regions through a bottom-up methodology before devising interventions. A useful tool is the Strengths Weaknesses Opportunities and Threats (SWOT) analysis, that is widely used in corporate strategic decision making, but has increasingly been used by development agencies such as the ILO in their livelihood intervention programmes. A detailed study is useful to understand the comparative advantages and resource constraints of each region, which in turn will better inform the kind of interventions that are likely to generate sustainable economic growth and development, and also to strengthen the inclusivity and equity of development initiatives for all communities.

Ancillary educational opportunities, such as vocational training, should be expanded, strengthened, and properly regulated. Such programmes are often better geared towards catering to labour market

requirements, unlike the mainstream education in Sri Lanka. However, it is also important to quality control and update the syllabuses of these vocational training programmes to ensure they keep abreast with evolving labour market requirements, locally and regionally. In addition to focusing on encouraging female participation in these programmes, it is also important to devise programmes that are likely to be more attractive to female students.

The state education curricular should be open to be informed by labour market requirements, specially at the university and tertiary education levels. Highly-sought after professional educational programmes revise their curricular regularly to match industry changes. A similar approach by state universities will be useful in making university degrees and even the Advanced Level curriculum more relevant to the local job market. *Measures to improve computer literacy and the knowledge of English is important for job seekers to explore remote working opportunities, which may be particularly relevant in a post-COVID economic context.* Investing in promoting these skill sets is more likely to generate immediate positive outcomes for women than, working towards transforming gender ideologies which may take very long to produce meaningful results for women. *This is also an effective way of working around gender norms to create labour market opportunities for women.* Transforming gender ideologies is difficult but not impossible, but to be most effective, such an initiative has to begin from primary school education. It is important to objectively look at how the school curricular stereotype gender and reinforce gender norms among young children. *Well planned livelihood intervention programmes with proper consultations with the community, and robust follow up mechanisms, will also be a productive tool in promoting women's livelihood opportunities, particularly for older women.*

Female-Headed Households should be given special consideration when strategies are devised to enhance women's economic empowerment. There is a sizeable body of evidence that supports the idea that women heading their households are more likely to seek work out of economic destitution, tend to be poorer, and are more likely to have less assets than women from male-headed households. Not all FHHs are homogenously

disempowered. Therefore, it is important to unpack the catch-all phrase of 'FHH' to understand what support different types of FHHs need to overcome poverty and to improve their economic empowerment. Therefore, reliable, robust and timely data on FHHs is critical which can be collected by way of a national sample survey, or by adding a schedule to an existing survey.

Finally, *the legacy of the armed conflict cannot be discounted in the development agenda for the East and the North.* The effects of the armed conflict continue to influence women's LFP in a significant way. Thus, the development and livelihood interventions in the former war-affected regions should take account of the lingering effects of the war. These effects are not just economic and financial, but also emotional and psychosocial, and development initiatives should be sensitive to people's full and complete experience of the armed conflict. The (PADHI) framework, a comprehensive tool developed by University of Colombo as a guide to practitioners in planning, designing and implementing psychosocially sensitive development and humanitarian interventions, emphasizes the importance of access to physical, material, and intellectual resources, exercise of self-determination and participation, experience of competence and self-worth, and building social connections as determinants of psychosocial wellbeing. Development practitioners need to be mindful about different power and identity relations at play within individuals and communities when designing and implementing policy that can enhance people's psychosocial wellbeing.

Brief produced by Ranmini Vithanagama. Opinions stated in this brief and the paper it draws from, are those of the author, and do not necessarily reflect the views of the ICES or donors.

The research study that this policy brief draws on can be found on the ICES website at www.ices.lk:

Vithanagama, R. (2020). Factors Associated with Female Labour Force Participation in Sri Lanka's Eastern Province <https://ices.lk/publications/factors-associated-with-female-labour-force-participation-in-sri-lankas-eastern-province/>

Other research papers produced by the project:
Godamunne, N. (2019). Understanding Women's Livelihood Outcomes and Economic Empowerment in the Eastern Province of Sri Lanka <https://ices.lk/publications/understanding-womens-livelihood-outcomes-and-economic-empowerment-in-the-eastern-province-of-sri-lanka/>