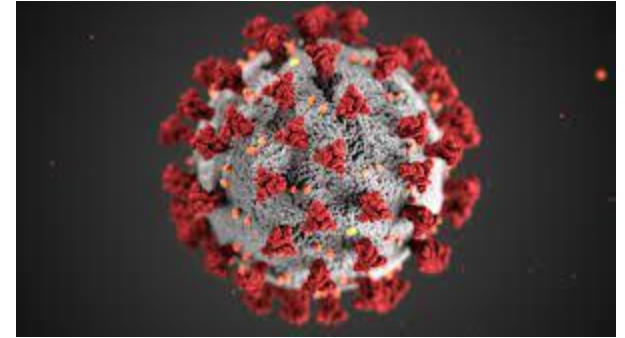


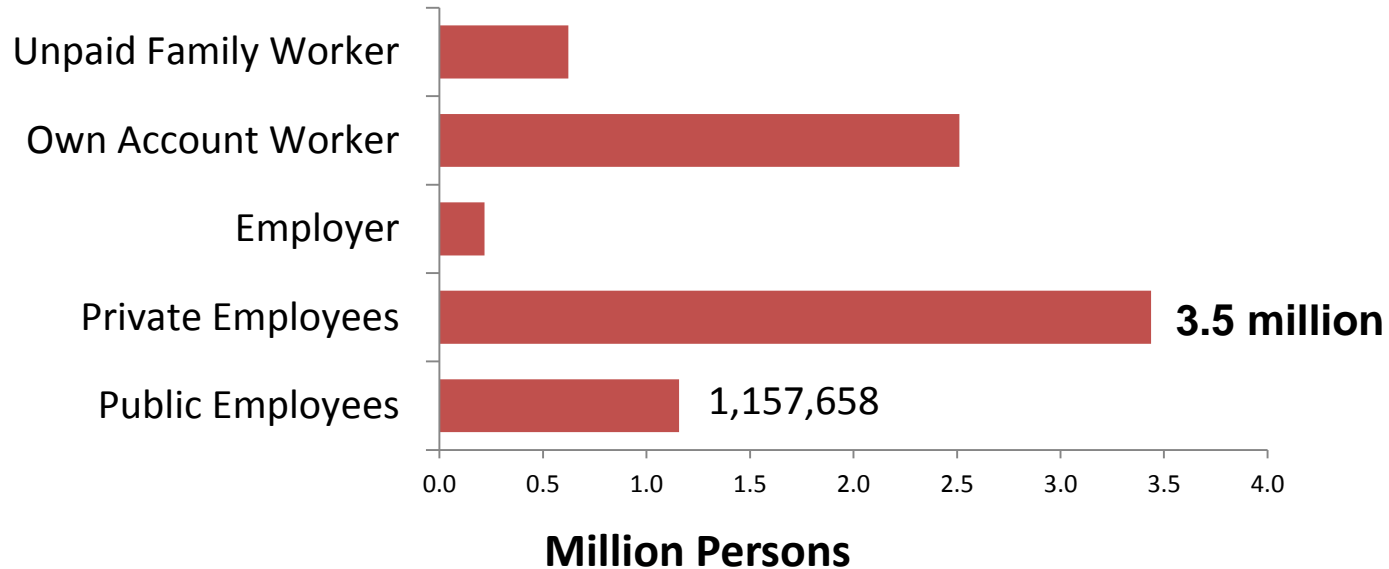
# Threatened Livelihoods Amidst the Lockdown



COVID-19 brought the economies to a halt and broken livelihoods to a desperate future. It necessitates lot of interventions and planning until the economy reaches its normalcy to maintain the minimum welfare and safety of the people. Information plays a pivotal role and some important statistics generated by the public agencies in Sri Lanka are presented to show the impact of breakdown of livelihoods after the lockdown.

*22<sup>nd</sup> April 2020*

# Structure of Employment – 2016



When the structure of the employment is considered private employee that constitute the highest employment in the country is estimated as 3.5 million persons according to the latest labour survey of the department of census and statistics.

Nearly 3 million persons are self employed as either employer or own account worker or contributory family worker in agriculture, industry and service sectors.

About 1.158 million employees are in the public sector.

## Agriculture sector occupies 25 % of the employed.

Agriculture	2 million	Employees	27%	551,798
		Employers	2 %	40,874
		Own account workers	52%	1,062,723
		Family workers	19%	388,303
				2,043,698

Of that skilled agricultural workers accounts to 17.1% of the employed.  
Most employees are estate workers and own account workers and family workers are in the farming sector.

## Industrial sector occupies 28 % of the employed.

Industry	2.23 million	Employees	77 %	1,724,232
		Employers	3 %	67,178
		Own account workers	18 %	403,067
		Family workers	2 %	44,785
				2,239,262

916,168 persons are engaged in formal industrial establishments as employees and employers

The number of employed in wearing **apparel industries** are **394,566**

Informal industrial sector occupies 505,700 persons as own account workers, employees and family workers

Informal workers and family workers accounts to about 400,000. This represents most labourer jobs/ elementary occupations not attached to any formal or informal establishment

## Service sector occupies 47 % of the employed.

Service	3.7 million	Employees	64%	2,387,492
		Employers	3%	113,086
		Own account workers	30%	1,119,662
		family workers	3%	111,966
				3,732,206

Of the 1.15 million public sector employees, most of them are occupied in the service sector .

Informal service sector occupies 1.41 million persons and of that trade occupies more than 50 %.

Around **350,000 three wheelers** are used for hiring activities as a self-employment in this sector.

**Skilled Agricultural, Forestry and Fishery workers and those employed in elementary occupation/primary jobs constitute 39.5 % of the employed.**

Skilled Agricultural, Forestry and Fishery workers	17.1 %	1,370,593
Elementary occupations	22.4%	1,795,397

**The persons employed in agriculture sector and the primary occupations in informal industry and service sector are the group in the bottom strata of the economy. They represent the poor and the lower middle class.**

According to the 2016 HIES, 3.1 percent of population did not have access to Rs. 16,700 per month per household.

Study done based on 2012/13 HIES, it was found the poor population represents the following occupational groups

- Nearly 50% are engaged in primary jobs/elementary occupations

- 14 % Household heads are agricultural labourer

- Estate workers

The ultra poor group who are in the category of global poor represented the following occupational groups

- More than 60% are engaged in primary jobs

- 17% of household heads are agricultural labourer

- 20% are Skilled agricultural workers

- 6 % of household heads are paddy farmers

# Who Represent the poor and the lower middle Class ?

2012/13 HIES

## Global Poor



■ Urban

■ Rural

■ Estate

More than 60% are engaged in primary jobs  
17% of household heads are agricultural labourer

20% are Skilled agricultural workers

6 % of household heads are paddy farmers

## Local Poor

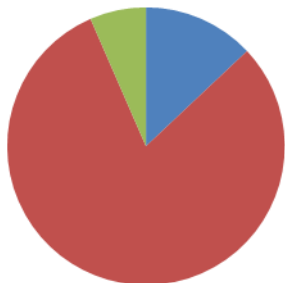


Nearly 50% are engaged in primary jobs

14 % Household heads are agricultural labourer

Estate workers

## Lower Middle Class



More than 50% of income earners in the household are engaged in primary jobs and are skilled agricultural workers

11% government employees

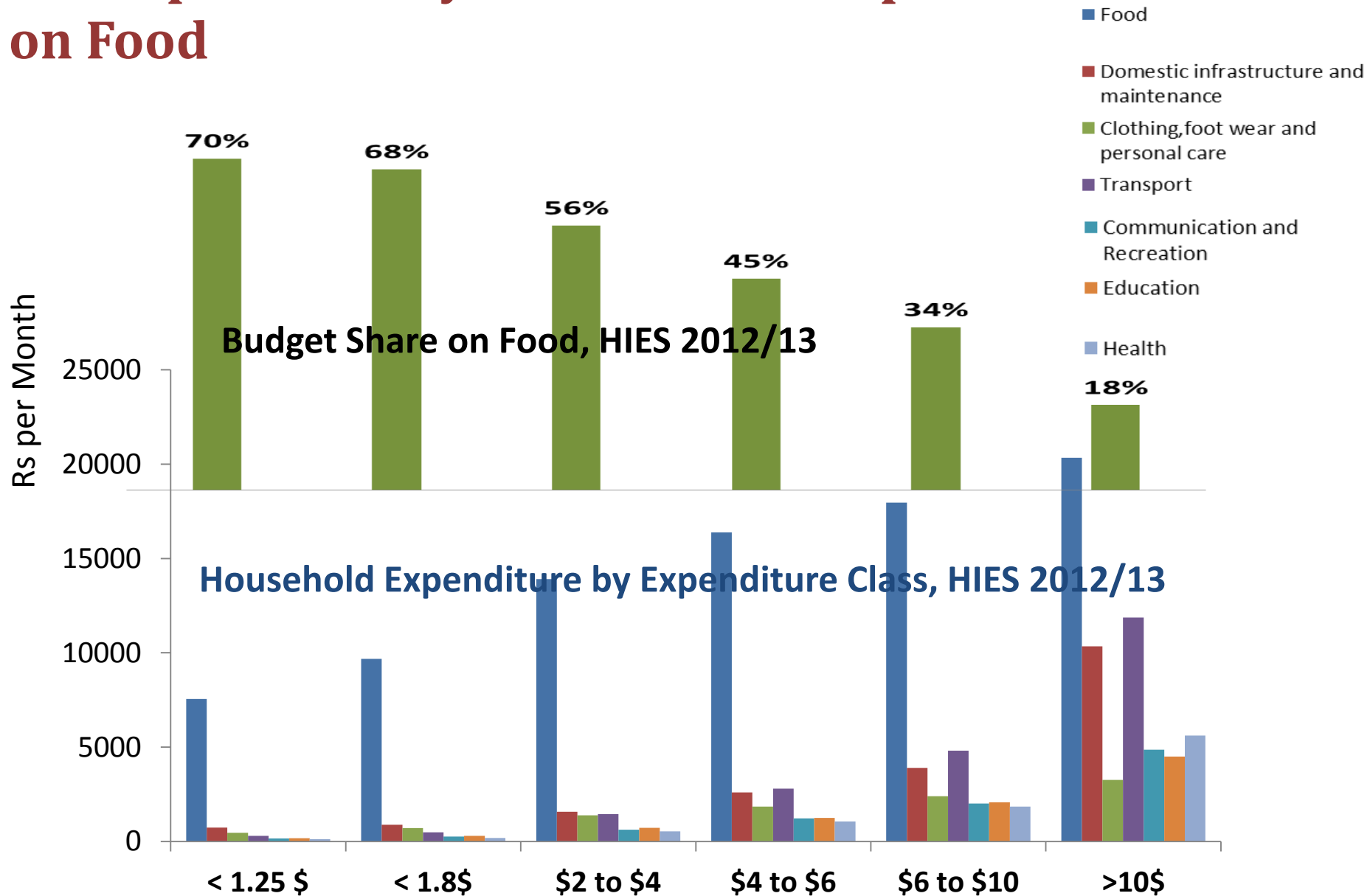
Of that 40% are School Teachers



## Percentage of Population in Different Classes

<b>Class</b>		<b>Population</b>
Less than global poverty	< 1.25 \$	<b>1.65%</b>
Less than local poverty	< 1.8\$	<b>8.50%</b>
Less than < \$2	< \$2	<b>12.40%</b>
Lower Middle Class	\$2 to \$4	<b>42.30%</b>
Middle Class	\$4 to \$6	<b>21.85%</b>
Upper Middle Class	\$6 to \$10	<b>14.95%</b>
Global Middle Class and above	>10\$	<b>8.50%</b>

# Poor spend nearly 70 % of their expenditure on Food



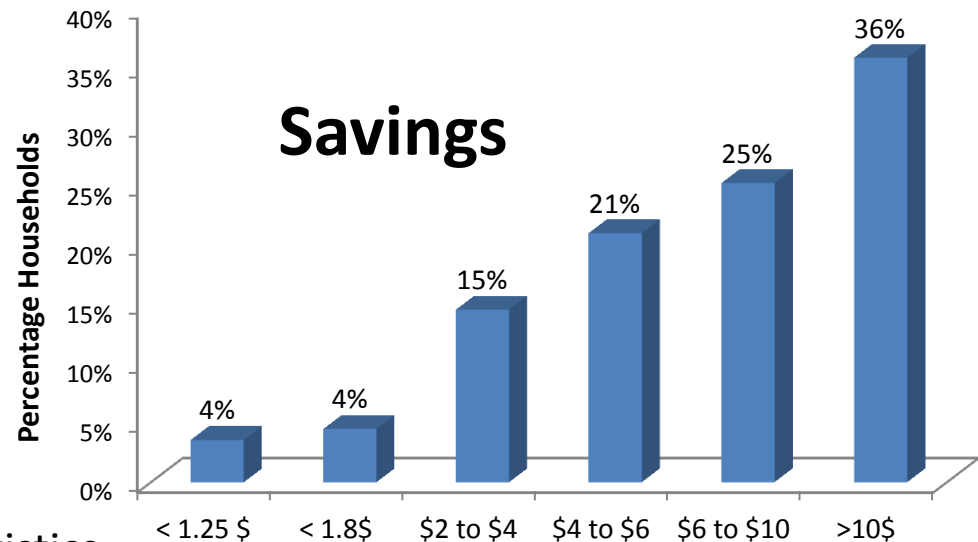
Source: Department of Census and Statistics

## Some poor households had been excluded from welfare programs according to 2012/13 HIES

### *Samurdi* Recipients

Global poverty	42%
Local poverty	37%
Lower middle class	16%

## Less than 5% poor households had savings, 2012/13 HIES



Source: Department of Census and Statistics

**More than 8% households receiving foreign remittance according the 2012/13 survey**

**In 2017, foreign employees had remitted 7,164 US \$ million.**

**Middle East employees and EU employees together accounts to 70% of the remittance.**

Source: Department of Census and Statistics and Central Bank of Sri Lanka

## **Information for Interventions**

- **Various agencies have developed information systems**
- **Some are in digital platforms**
- **Various intervention mechanisms are already in place**

**In order to target the interventions, these resources must be diligently used**

**One of the immediate concerns of farmers is to sell their harvest since the usual supply chains have been broken.**

**In order to develop alternative delivery mechanisms to substitute the already broken food supply chains , government can make use the existing information systems developed by department agriculture, Hector Kobbekaduwe agrarian Research and Training Institute and other agencies.**

**Already the department has digital information of all paddy farmers and a digital platform to receive information from the Agriculture Instructor level. HARTI has mapped almost the entire supply channels of rice and vegetables.**

**The financial support from international agencies like FAO/WFP should be requested.**



**Wasanthi Wickramasinghe**  
**Gamani Corea Foundation**