

INVESTING IN THE DEMOGRAPHIC DIVIDEND: SUCSESSES, CHALLENGES AND WAY FORWARD FOR SRI LANKA



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ACKNOWLEDGEMENTS

This policy brief would not have been possible without the assistance, support and coordination from various individuals and organizations. We highly appreciate their valuable contribution and take this opportunity to thank them all.

We greatly appreciate all the support and assistance given to us By Mr. Alan Sibenaler, Country representative of the United Nations Population Fund of Sri Lanka(UNFPA), Mr. Gamini Wanasekara, Programme manager, United Nations Population Fund of Sri Lanka and Mrs. Lankani Sikurajapathy, Programme Analyst, United Nations Population Fund of Sri Lanka.

A special thank should be extended to all those who participated in Focused Group Discussions and Key Informant Interviews, for dedicating their valuable time and sharing their experiences with us.

We would also like to thank Dr. SamanKelegama, Executive Director, Institute of Policy Studies of Sri Lanka (IPS), for his valuable support extended for the success of this study. Last but not the least, all the support staff members of the IPS, who helped us in various ways are also acknowledged with gratitude.

REAPING THE BENEFITS OF INVESTING IN THE DEMOGRAPHIC DIVIDEND: PROGRESS, CHALLENGES AND WAY FORWARD FOR SRI LANKA

While reflecting back on what has been achieved during past twenty odd years of Sri Lanka's period of the demographic dividend, it is important to understand and to carve out the necessary policy measures to reap the benefits of investments for the next years. If this opportunity is missed out, the policy makers will have to address the consequences of a possible demographic turbulence marked by an increasing dependency and which could depress the country's economic development.

This policy brief explains the results of the investments made during the first phase of Sri Lanka's demographic dividend in several areas: health, education, infrastructure and employment. At the same time, it also stresses the requirement of further investments for youth and women in order to sustain strong economic development. Finally, this paper is suggesting measures for the post-demographic dividend phase in Sri Lanka .

THE STORY SO FAR: MANIFESTATIONS OF THE DEMOGRAPHIC DIVIDEND - FROM TRANSITION TO DEPENDENCY RATIOS

In almost all countries in Southeast Asia, the demographic dividend has had a positive impact on economic growth. Therefore it has been a constantly debated topic among policy makers, researchers and other stakeholders. However, a demographic dividend will not last forever. During this period, the identification of the socio-economic policy instruments that yield the maximum out of the demographic dividend is a priority. At the same time, this is a challenging task for any developing country and Sri Lanka is not an exception.

The demographic dividend is the accelerated economic growth that may result from a decline in a country's mortality and fertility and the subsequent change in the age structure of the population. The age structure transition in any country, after the lapse of a specific period of transitional process, will approach a demographic dividend phase and during that time the country will have a high ratio of population in the working ages, in relation to the dependent age categories, the aged and the children.

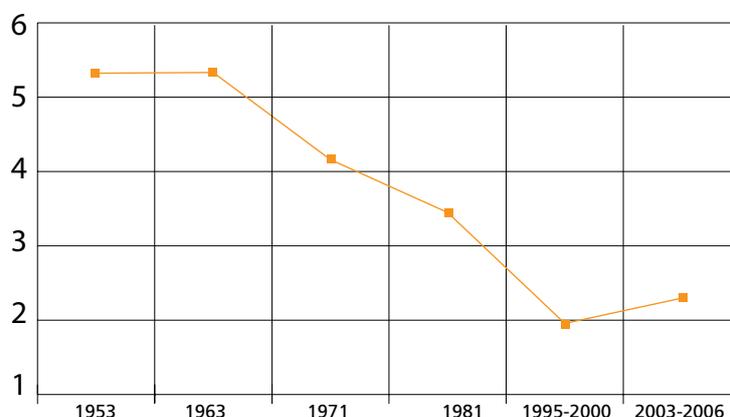
This period is recognized as the “window of opportunity” suitable for an economic take-off, provided that other factors such as political stability, adequate savings and investment, human capital and an IT-based knowledge economy exist.

The main and first manifestation of the demographic dividend is the change in the population structure of a country. Sri Lanka's population has grown over the past decades, from a 2.4 million in 1871 to a 20 million people in 2010. However, this growth has not been uniform, and was among other, result of many government policies and targeted financial investments. In Sri Lanka, population growth rates increased to 2.8 per cent in 1946 - 53 periods, and remained stagnant at the higher level during 1953 - 63. The mortality rate had decreased during that same period, causing the population to grow rapidly. As a consequence policies and programmes to reduce fertility were in place and after 1963, there was a clear decline in the rate of growth of popula-

tion since. At present it stands at about 1 per cent per year.

Sri Lanka's fertility transition began in the 1960s and the Total Fertility Rate (TFR) continued to decline until 2000. The last available data from the Demographic and Health Survey 2006/7¹ shows that the TFR has increased to 2.3 from its previous figure of 1.96 observed in SLDHS 2000 (Figure1). This increase may be temporary but resists its constant decline and there is a possibility of future fluctuations in fertility. So Sri Lanka needs to implement its fertility related policies until TFR shows a steady decline.

Figure1-Total Fertility Rates 1953-2007



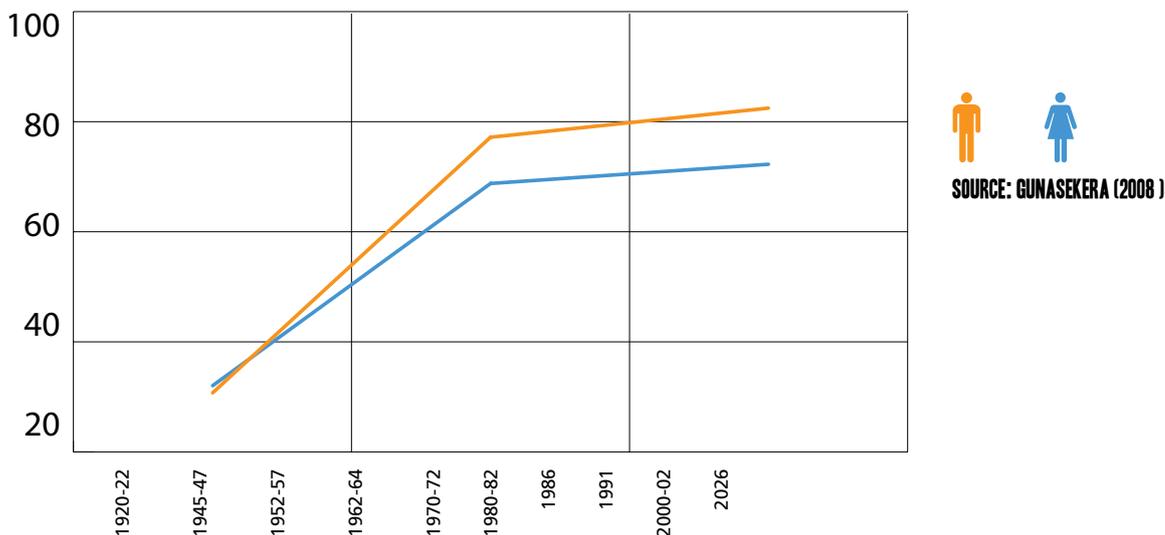
SOURCE: VARIOUS CENSUS AND DHS REPORTS, DEPARTMENT OF CENSUS AND STATISTICS

¹Department of Census and Statistics, 2009, Sri Lanka Demographic and Health Survey 2006-07, Colombo, Sri Lanka: Department of Census and Statistics and Ministry of Health

Mortality in Sri Lanka has declined substantially over the past decades starting from the latter half of the twentieth century. Life expectancy at birth for males and females were 32.7 and 30.7 years, respectively for the 1920-22 period. By 2000-02, those figures have increased to 68.8 years for males and 77.2 years for females. The projected figures show that male life expectancy is expected to reach 72.3 years while female life expectancy will be 82.5 years by 2026 ²

The decline of mortality during the past decades has occurred at all ages and for both sexes. However, the extent and the timing of improvement have varied. Percentage decreases in rates of mortality have been highest for infants and children. Rapidity of improvement has been greater for females especially after 1960s ³

Figure 2- Trend in life expectancy at birth, 1920- 2026, Sri Lanka



Hence the age structure transition in Sri Lanka produced a demographic dividend since 1991 which is conducive for an economic takeoff. During this period, the proportion of the working age population, aged 15 - 59 years, was significantly larger than the dependents⁴(Infographic 01).

Changes in age structure occurred predominantly as a result of the changes in fertility and mortality. Broad age categories of children, labour force and elderly can have major implications for Sri Lanka's socio-economic development. Age structure changes are clearly reflected in the dependency ratios. Dependency ratio shows the number of dependents

in the child (<15 years) and in the old (60 years and over) populations per 100 persons in the working ages. Child age dependency ratio shows the number of children (<15 years) per 100 persons in the working ages while old age dependency ratio shows the number of aged persons (60 years and over) per 100 persons in the working ages

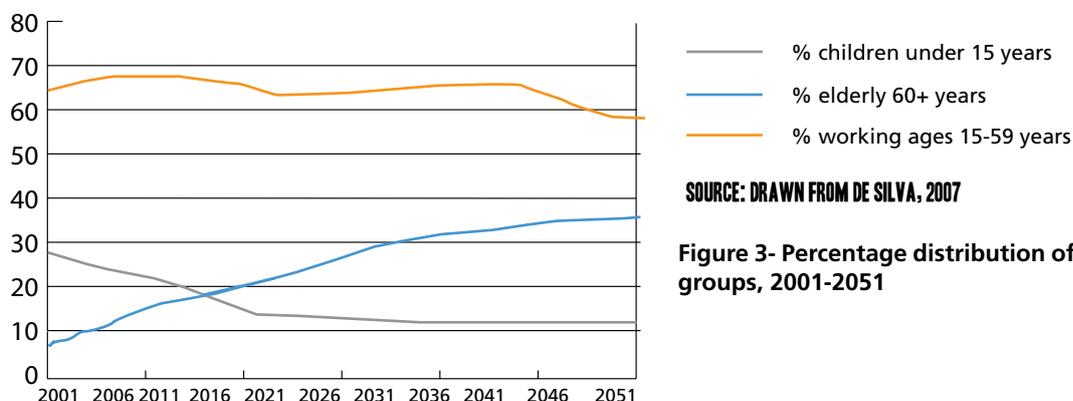


Figure 3- Percentage distribution of board population groups, 2001-2051

²Gunasekera, H.R., 2008, Life Tables for Sri Lanka and Districts, 2000 – 2002, Department of Census & Statistics, Sri Lanka

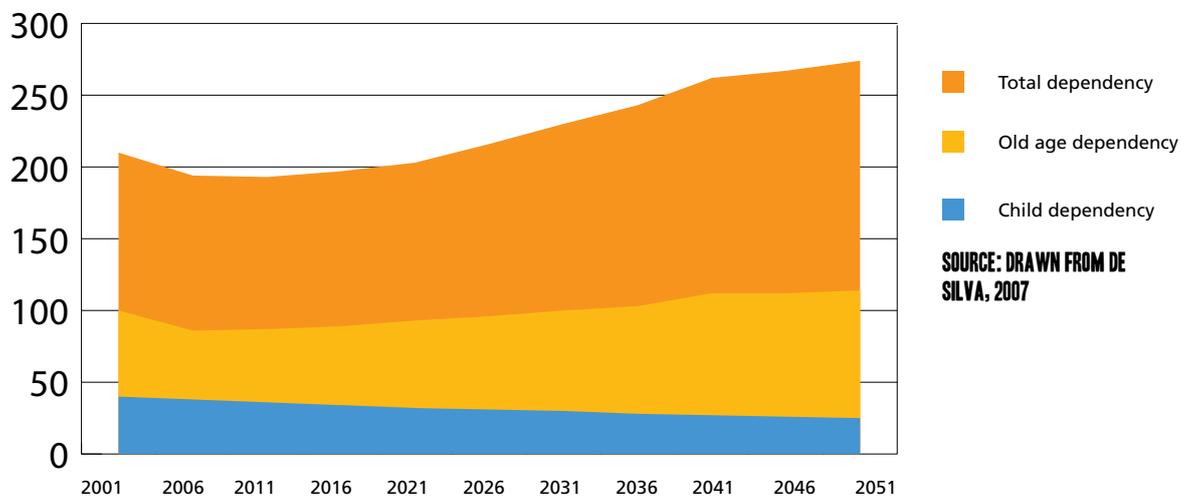
³Dissanayake, Lakshman, 1988, Trends and differentials of mortality change in Sri Lanka, University of Colombo Review, vol. 8, Sri Lanka

⁴De Silva, W, I, 2012, "The Age Structure Transition and the Demographic Dividend: An Opportunity for Rapid Economic Take-off in Sri Lanka", Sri Lanka Journal of Advanced Social Studies, Vol 2, No, 1, pp 3-46.

The proportion of children under 15 years of age is projected to decrease from 25.1 per cent in 2001 to 14.9 per cent in 2051. The proportion of persons whose ages range from 15 to 59 will change gradually, passing from 64.8 per cent

in 2001 to 55.8 per cent in 2051. The proportion of persons aged 60 years or over is 10.2 percent in 2001 but by 2051, it will increase to 29.2 percent⁵.

Figure 4- Dependency ratios 2001-2051



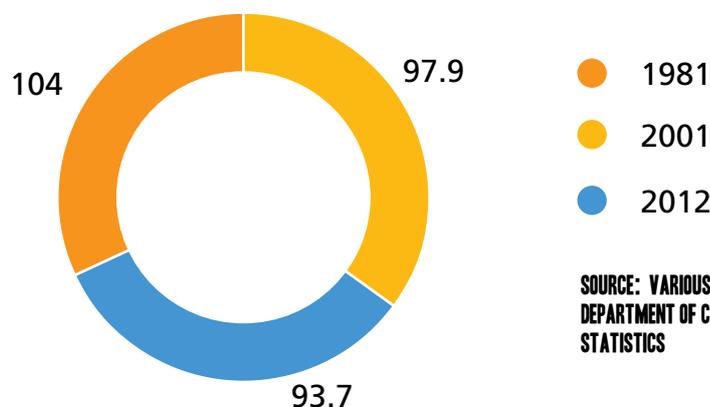
In 2001, the total dependency ratio was 55.0 which means mean that there are 55 dependent persons for every 100 working age persons of which 39 persons were child dependents while 16 were old dependents. Child dependency has declined and old dependency increased during the period 2001 to 2051⁶ (Figure 4). As a result of the rapid growth in old age dependency which out paces the decline in young dependency, total dependency of the population

is expected to grow significantly from mid 2030s.

The numerical size and the proportion of elderly have increased gradually during the past decades. The elderly population of 1.7 million enumerated in 2001 is expected to increase to 3.6 million by 2021, showing that the elderly population will be doubled during the 20-year period⁷.

This suggests the fact that Sri Lanka is approaching its last stage of demographic dividend with a population of dependents on the rise

Changes in the population components are also characterized by sex ratios.



⁵UNFPA, Population Situation Analysis, 2013, Draft

⁶De Silva, W.I., 2007, A population projection of Sri Lanka for the Millennium, 2001, 2101: trends and implications, Institute for Health Policy, Colombo.

In 1981 there are 104 males for every 100 females but it has declined to 98 favouring females in 2001 and further reduced to 94 in 2012. In coming decades sex ratio is expected to decrease further primarily due to the greater improvement in life expectancy relative to the males.

In a changing age structure which yield demographic dividend, youth population, age range from 15-29 plays an important role. They are the base of the working population, and currently approximately 23 per cent of Sri Lanka's population is comprised of youth.

There are also distributional differences of youth population among districts of Sri Lanka. Majority of male and female youth population is represented in Colombo district, followed by Gampaha, Kurunegala and Kandy districts (Infographic 02).

Youth population is relatively low in the estate sector dominated districts such as Matale and Nuwara Eliya ⁸.

It is estimated that the onset of the demographic transition started in 1992 and lasts till 2037. Therefore, this is an opportunity that needs to be used wisely but immediately. While reflecting back on what has been achieved during past 22 years, it is utmost important to understand and carve out the necessary policy measures to reap the benefits of investments during the next few years.

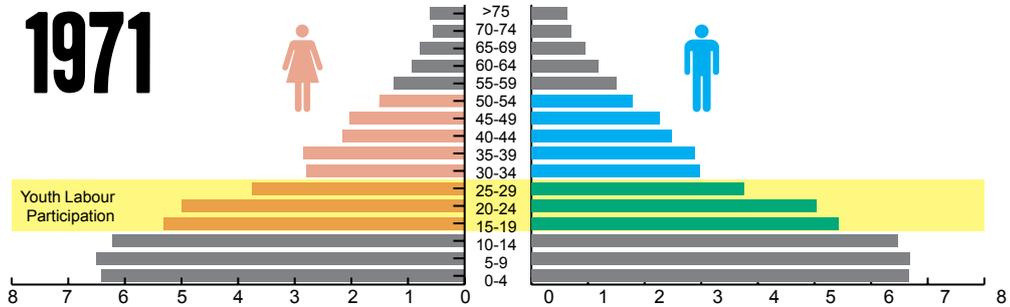
If this opportunity is missed out, the policy makers will have

to address the consequences of demographic turbulence - an increasing dependency, which would depress the economic development; therefore this policy brief explains results of the investments made on the demographic dividend in the areas of health, education, infrastructure and employment. It also stressed the requirement of further investments for youth and women so that higher economic development is possible before the demographic dividend drains out for Sri Lanka and also suggest measures for the post demographic dividend stage.

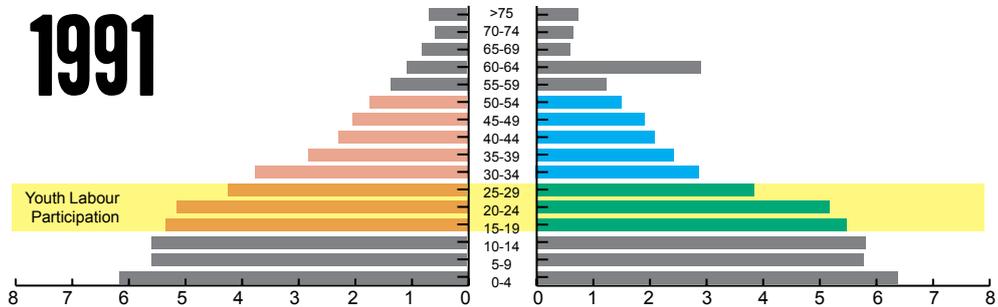
⁸Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

DEMOGRAPHICS AND LABOUR PARTICIPATION

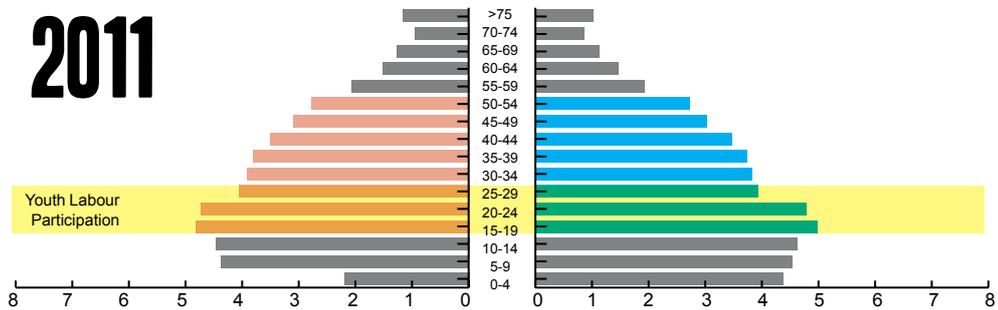
1971



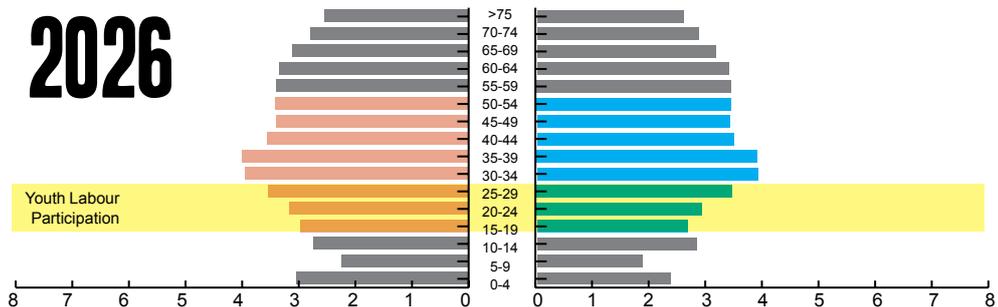
1991



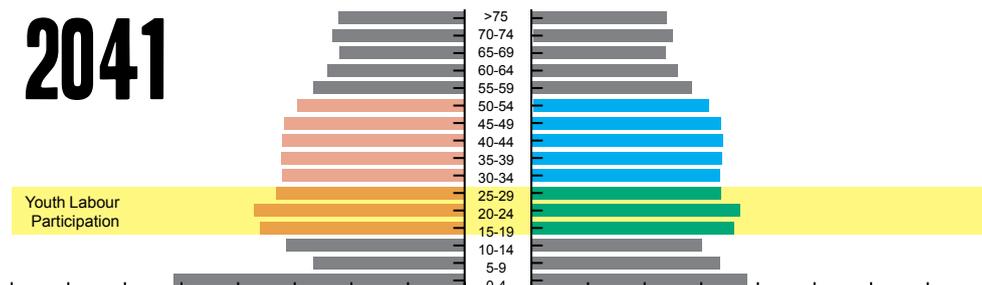
2011



2026



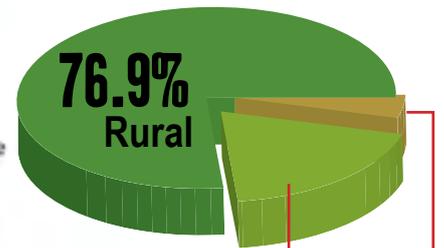
2041



YOUTH POPULATION DISTRIBUTION

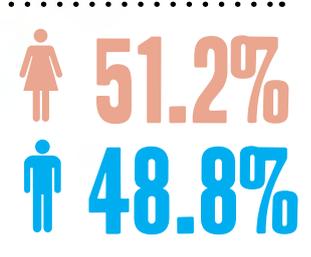
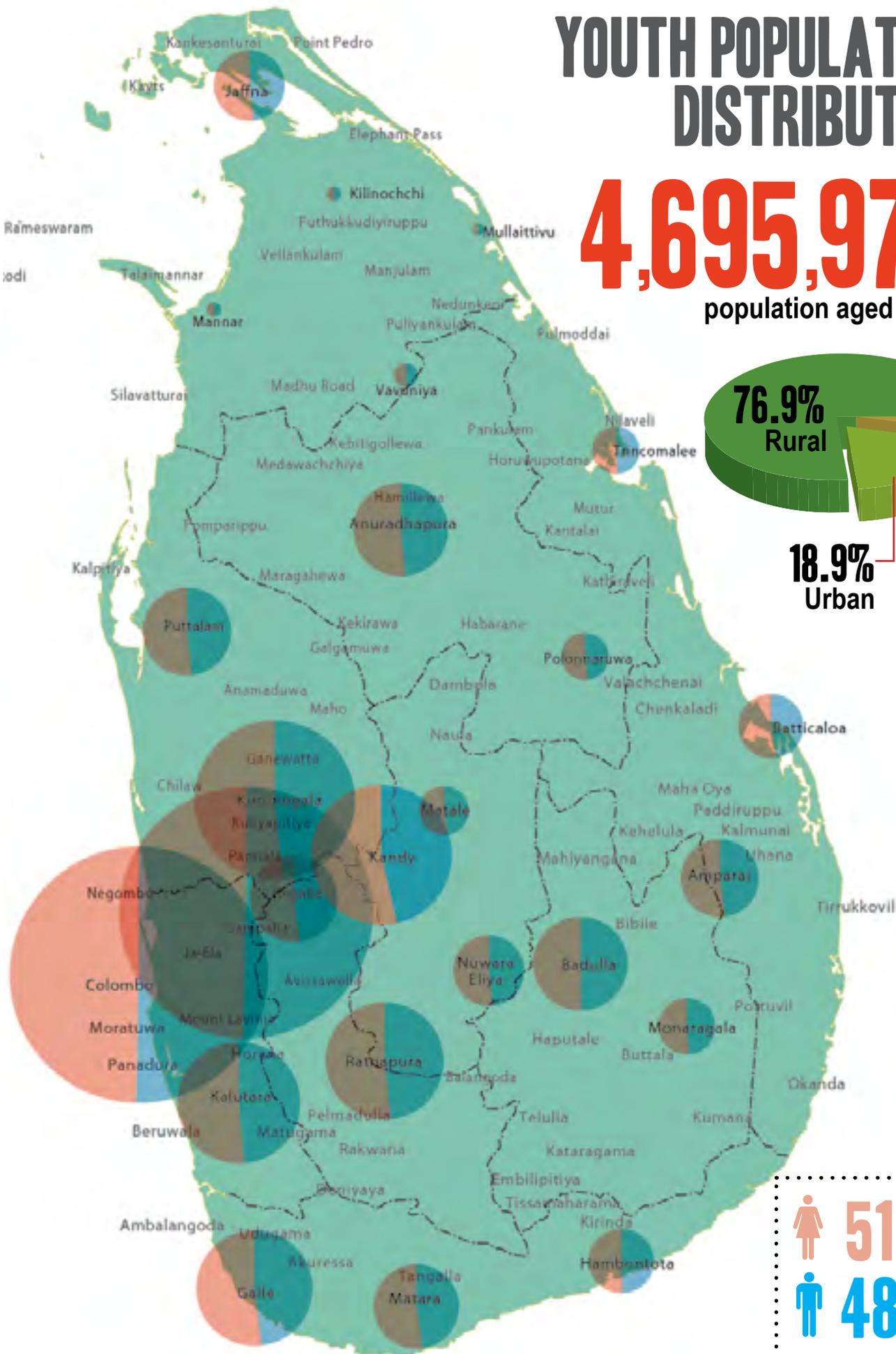
4,695,975

population aged 14-29



18.9%
Urban

4.1%
Estate



FOR SRI LANKA TO CONTINUE TO ACCELERATE ECONOMIC GROWTH, IT NEEDS TO MAINTAIN ITS NOTABLE INVESTMENTS IN REPRODUCTIVE HEALTH

As the demographic transition, during which birth and child death rates are being lowered, has become one of the factors that helps to obtain economic growth for a country, it is crucial to shed light on the causative factors of growth, the composition of population and the consequent changes in the age structures of the current and of future populations. Therefore, every country necessarily should concentrate on the reproductive health of its individuals.

Sustained and increased investments in sexual and reproductive health services promises tremendous benefits to

women, families and societies. In addition to improved health, sexual and reproductive health services contribute to economic growth, societal and gender equity, and democratic governance. Sexual and reproductive health services encompass three main areas: contraceptive services, maternal health services and services related to sexually transmitted infections (STIs), including HIV/AIDS, and other gynecologic and urologic problems.

Sri Lanka, with a free health care system has much to boast in the provision of reproductive health services.

By applying the right policies and making the right investments to increase access to family planning, emergency obstetric care and skilled attendance at birth Sri Lanka has shown that maternal mortality can be reduced in a country even prior to attaining high levels of economic development .

Thus, Sri Lanka now has the lowest maternal mortality rate in South Asia at **38.6 per 100,000 live births (2009-2010)**.

While maintaining these investments and applying the existing policies, several issues under reproductive health needs to be given attention to further capitalize on its positive health outcomes. These include, reducing preventable maternal deaths, addressing the rising levels of teenage pregnancies, providing reproductive health care for women beyond 49 years of age and tacking inequities in access to reproductive health.

When drilling down on maternal deaths, the leading causes are found to be post-partum hemorrhage, abortions, heart diseases and hypertensive disorders, which contribute to over **40 per cent of maternal deaths**. All these are preventable with the right interventions.

What is interesting to note is that **83.1 per cent of maternal deaths** occur in health institutions where the most comprehensive facilities for deliveries are available, which is often referred to as comprehensive emergency obstetric care as 88 per cent of all births occur in such institutions. Therefore, it is critical that investments are made in human resources and equipment in these health institutions where most deliveries take place. This should be supported by a strong set of policies and guidelines for the management of the leading causes of maternal death.

It is important to note the role played by medical and paramedical health cadres in the provision of reproductive health services at the community level. Continuing to improving the capacities of these cadres, in particular that of public health midwives is crucial for the early detection of

high risk pregnancies and in turn the overall reduction of maternal deaths.

Family planning programmes are widely recognized as one of the most cost-effective health interventions as they are seen to create conditions that enable women to enter the labour force and families to devote more resources to each child, thereby improving family nutrition, education levels and living standards. Family planning plays an important role for a couple or a family to choose the number of children as well as the birth intervals between children. Methods of family planning include the choices by a couple to use a means of contraception in order to prevent an unwanted pregnancy or to delay the fertility cycle. It should be noted that the demographic transition resulting from family planning is not the only advantageous thing from the improved reproductive health, but it looks into some other major aspects such as safe motherhood, avoiding sexually transmitted infections (including HIV/AIDS) which favorably affect the society and the economy as well.

The National Family Planning Programme in Sri Lanka commenced in 1968 with the primary objectives of reducing population growth and in facilitating families to make informed choices about the timing, spacing and number of children, thus enabling couples to manage their fertility. With the implementation of the Reproductive and Population Policy of 1998 as an outcome of Sri Lanka's adoption of the Programme of Action of the International Conference on Population and Development of 1994 and the **National Maternal and Child Health Policy of 2103**, formulated in response the new challenges on the maternal, child and the adolescent health have contributed towards facilitating the demographic dividend.

The trend in Contraceptive Prevalence Rate (CPR) in Sri Lanka over last three decades was a 30per cent increase. Contraceptive prevalence rate has increased from 60.1 in 2007 to 64.4 per cent in 2010. However, unmet need for family planning has declined only from 9.2 in 2007 to 8.0 per cent in 2010. Unmet need of family planning means the pres-

ence of sexually active couple who are not expecting a child in next 2 years and yet not practicing any family planning method. This suggests that there is almost steady level of unmet need of family planning among eligible couples during the period between 2007 and 2011.

The Demographic and Health Surveys (SLDHS) in 2006/2007 revealed that out of 15068 married women 68per cent used contraceptives with 8.9per cent practicing traditional methods and 51.2per cent using modern methods⁹.

However, latest data from family health bureau suggests that the use of both traditional and modern methods have increased to 9.3 per cent and 56 per cent by 2011¹⁰ (infographic 03). While the increase in the use of modern methods is a positive development, the increase in the traditional method is an issue that deserves careful considerations. The use of contraceptive methods among eligible families in that Asian region stands at 66per cent¹¹. The world average stands at 63 per cent¹². Therefore, Sri Lanka is at a satisfactory level compared to Asian averages, however, this figure can be further improved, hence investments are quite necessary. For example contraceptive method use among Latin American countries stands at 73 per cent .

Such stagnation becomes a serious policy concern because unmet need of family planning is often recognized as an attribute factor of maternal mortality. District variations in unmet need of family planning are also noted. Therefore, addressing these is essential to maximize on the demographic bonus.

While recognizing that unmet for family planning is low, it is interesting to note that abortions, which are illegal, except to save a woman's life, continues to be a leading cause of maternal deaths, thereby, highlighting a continuing gap in family planning. Anecdotal evidence suggests that an estimate of 700-1,000 abortions occur per day around the country. Recent research suggests that longer the duration since completion of desired family size, the more vulnerable women are to induced abortions as couples tend to reply on traditional methods of family planning. Fear of side effects is found to be the main reason for avoiding modern methods of contraception at the time of conception while experiencing side effects is the main reason for discontinuing a contraceptive method. This suggests that strategies to change the behaviors of couples in seeking modern methods of family planning are needed.

Teenage pregnancies are known to be associated with adverse health outcomes during pregnancy and childbirth, hindering young girls in reaching their full potential

Teenage pregnancies are becoming an issue for concern in Sri Lanka, with 6.4 percent of the total pregnancies registered during 2006/2007 being in this age group with vast district variations.

A combination of factors hinders the decline in teenage pregnancies in these districts. These include, a high level of unmet need for family planning due to myths about practicing family planning, lack of accessibility to reproductive health services, non-use of any family planning methods due to lack of knowledge and opposition from 'spouse', opting not to seek the services of public health midwives and social, cultural and economic issues. In addressing this, targeted interventions for identified risk groups are needed. These include, families with low socio-economic background, lower educational level of parents, mother working abroad and other unsatisfactory family environments such as heavy alcohol usage of the father leading to domestic violence, severe economic difficulties at home and teenagers living with relatives other than their own parents. Other key interventions include, providing comprehensive sexuality education in schools, improving the role of public health midwife to include counseling and provision of reproductive health services to adolescent girls, improving access to contraceptives through government service delivery points and social marketing of contraceptives. The concept of reproductive health is not limited to women

in childbearing age. It recognizes that women, beyond the childbearing period still have important health needs related to their reproductive system.

The number of women over 50 years of age was 2.6 million in 2012. This is expected to rise to 4.4 million by 2036, an increase of 69 per cent . At the same time women are living longer and outnumber men by 51.5 per cent (598,921). This is mainly due to the free reproductive health care package provided to women during their reproductive years. This means that Sri Lankan women will live 30 years beyond their fertile age, for which appropriate reproductive health care is required. To ensure the wellbeing of women beyond 49 years, interventions should begin as women reach 35 years of age.

Women face a number of life threatening diseases beyond their reproductive years as shown by the table below. The magnitude of this increases as the population of women over 50 year age increases. This will have not only have an impact on the quality of life of women but the society and the the economy as a whole.

¹⁰Department of Census and Statistics and Ministry of Health, 2009, Sri Lanka Demographic and Health Survey 2006-2007. Department of Census and Statistics and Ministry of Health.

¹¹Family Health Bureau, 2011, "Family Health Programme: Annual Report", Government of Sri Lanka, Ministry of Health
Eric E. Seiber, Jane T. Bertrand and Tara M.Sullivan, 2007, "Changes in Contraceptive Method Mix In Developing Countries", International Family Planning Perspectives, Vol 33, No3, pp 117-123.

¹²United Nations, 2009, 'World contraceptive use: 2009', Department of Economic and Social Affairs- Population Divisions.

Deaths from Reproductive Organ Malignancies for Women 50-70+ Years

Type of infection	Total	50-69 years	70+ years
Breast cancers	352	225	30
Cervical cancers	129	73	30
cancers			

SOURCE: MINISTRY OF HEALTH, 2012

A concept was introduced in 1996 in Sri Lanka to provide services for cancers in reproductive organs (reproductive organ malignancies) as a part of the reproductive health concept promoted by the International Conference on Population

and Development in 1994. This has been operationalised in Sri Lanka through the Well Women's Clinics programme to detect breast and cervical cancers of women reaching 35 years of age.

With more women in the population and living longer interventions are needed to ensure that the economic potential of the women in this age group is not missed out .

There are governmental and non- governmental institutions established in Sri Lanka aiming at implementation of family health programmes to induce people to maintain a better family planning, and one as such is Family Health Bureau which is the central organization of the Ministry of Health playing a responsible role in caring child health and family planning programmes within the country.

The country's decentralized field health system delivers contraceptives to clients. A Medical Officer of Health (MOH) area is the smallest level in field health system. There are 280 MOH areas, in the country at present. Field health services are delivered by a team of health workers and public health midwives (PHM) are the grass root level health workers delivering family planning services. A single PHM

is responsible to provide services for a population of 3000-5000 residents. PHM pays home visits to eligible families distributing oral contraceptive pills and condoms. Though, the family planning service delivery network in Sri Lanka is cited as one of the best in the south Asian region, among the regional countries Sri Lanka is estimated as one of the countries with high proportions (15-21 per cent) of who rely on traditional methods¹³. Therefore, again, more investments are called for promoting modern contraceptive methods (Infographic 03).

There is also evidence that maternal deaths as a complication of illegal abortion to get rid of unplanned pregnancies are a problem in Sri Lanka.

Of the maternal deaths in 2005, 39 per cent were due to unplanned pregnancies¹⁴. Septic abortions have been placed as the fourth leading cause for maternal deaths in 2005¹⁵.

The high use of traditional contraceptives with high failure rates and evidence of adverse consequences of resultant unplanned pregnancies also shows the gap in use of modern contraceptive among women in Sri Lanka. According to the DHS survey 2006-2007, 6.4 per cent of adolescent women (age 15-19 years) have begun child bearing – are already mothers or are pregnant with their first child (infographic 04). Looking across sectors, nearly 10 per cent of adolescent girls in the estate sector have begun child bearing; whereas child malnutrition and low weight births were also highest in this region, compared to urban and rural sectors.

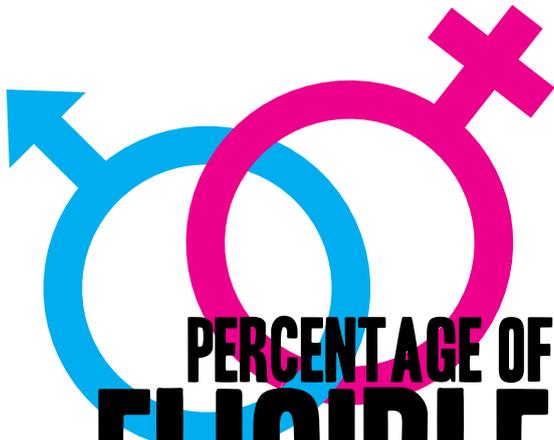
Family planning is significantly affected by the use of cigarettes and alcohol. According to the spot survey carried out by ADIC in 2012, 33 per cent of respondents were current

users of tobacco, while 35.6 per cent were users of alcohol. According to the responses, the highest prevalence of tobacco and alcohol use was from the age category of those aged 25-39 years. Out of those aged 15-24 years, a majority current smokers and alcohol users reported that the main reasons for use of substances were to be social with friends (infographic 4). These substances greatly impair mental abilities and the physical skills of youth, and enhance the long run risk of developing cancers, lung diseases, ulcers, heart disease, and liver diseases. Further, the use of substances is a contributing factor to accidents, suicides, violence, and sexual abuse, among young people which could easily cripple a success of a family planning programme among youth groups.

¹³Hettiarachchi, J and Gunawardana, N, S, 2011, "Factors Related to Choice Modern Vs Traditional Contraceptive Among Women in Rural Sri Lanka", Sri Lanka Journal of Obstetrics and Gynecology, Vol 33, PP 20-25.

¹⁴Ministry of Health and Family Health Bureau, 2008, "Overview of maternal mortality in Sri Lanka 2001 – 2005, Sri Lanka: Ministry of Health.

¹⁵Ministry of Health and Family Health Bureau, 2009, "Annual Report on Family Health, Sri Lanka", Sri Lanka: Ministry of health.

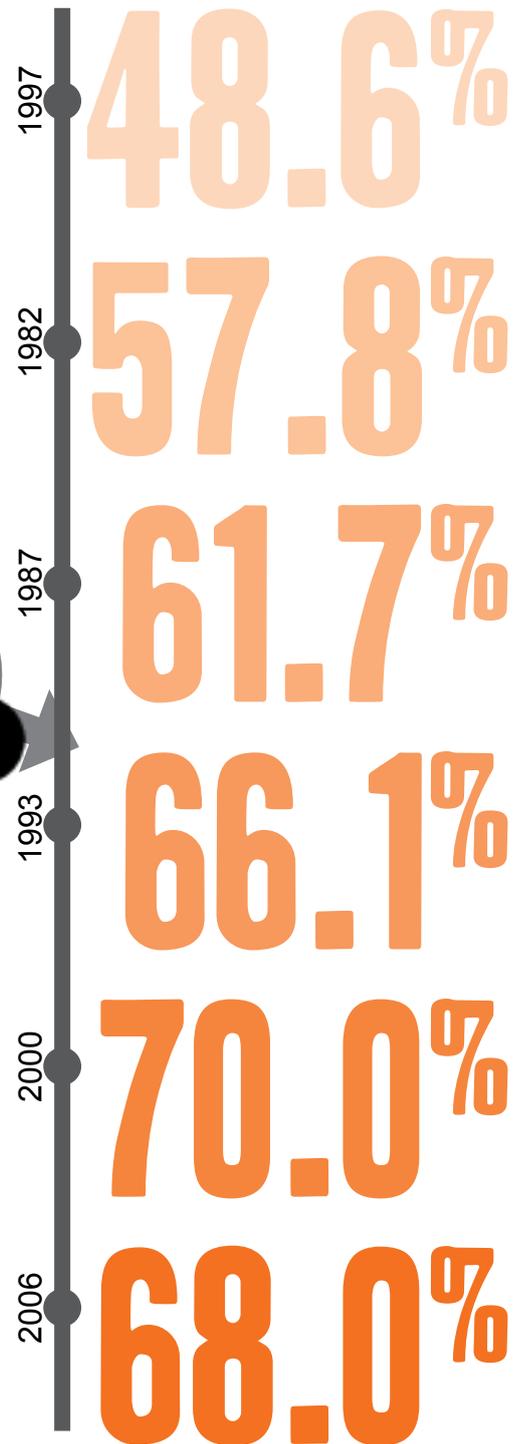
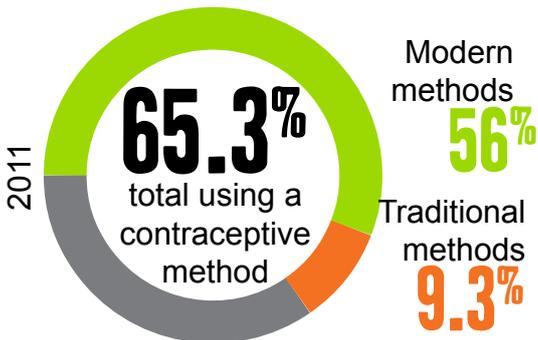
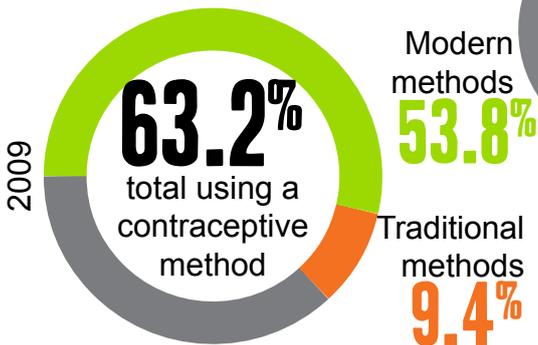
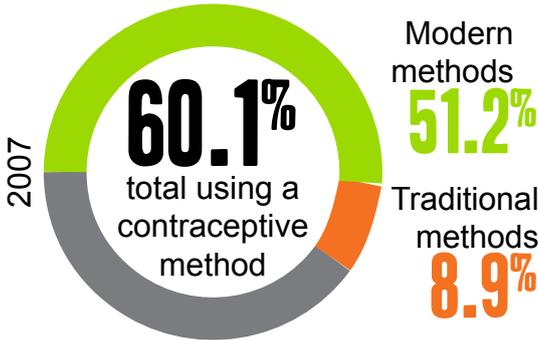


PERCENTAGE OF ELIGIBLE FAMILIES USING A CONTRACEPTIVE METHOD

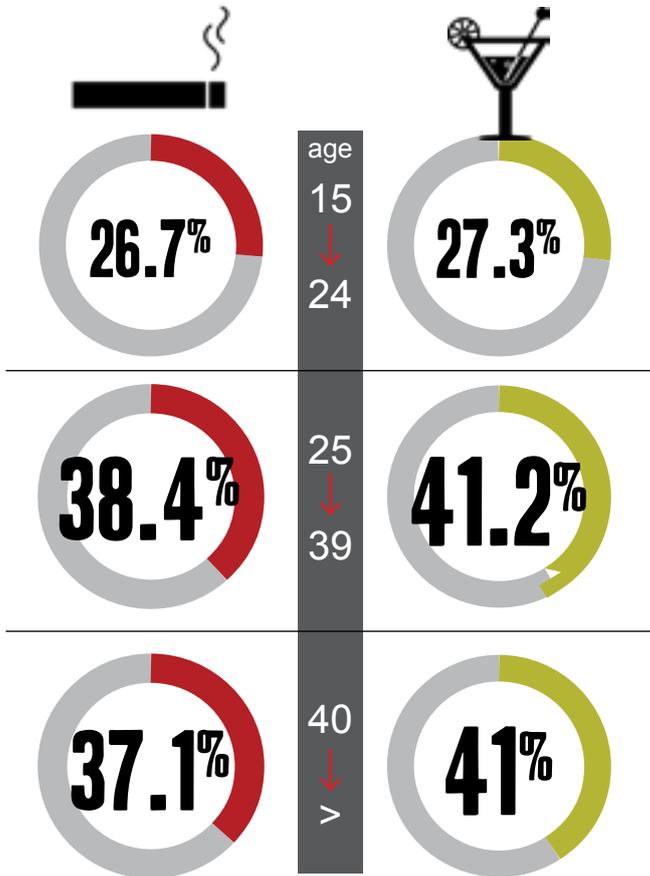
TRENDS IN CONTRACEPTIVE PREVALENCE RATE

There has been a notable reduction in contraceptive acceptance in 20-29 year and 30-39 year age groups after 2005. The contraceptive acceptance of teenage women has shown an improvement from 2006 to 2009.

Over the years, use of modern methods have increased, which is a positive factor. However, at the same time, use of traditional methods have also increased, which is a problem that needs attention



CURRENT USAGE OF TOBACCO & ALCOHOL



6.4%

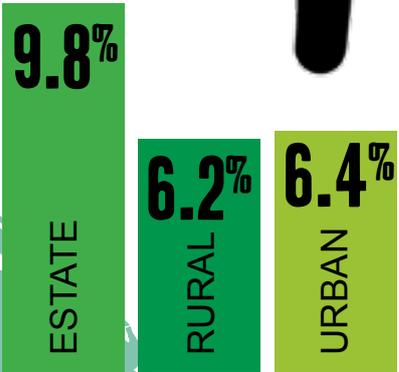
Adolescent women aged 15 to 19 have begun child bearing or were already mothers or are pregnant with their first child.



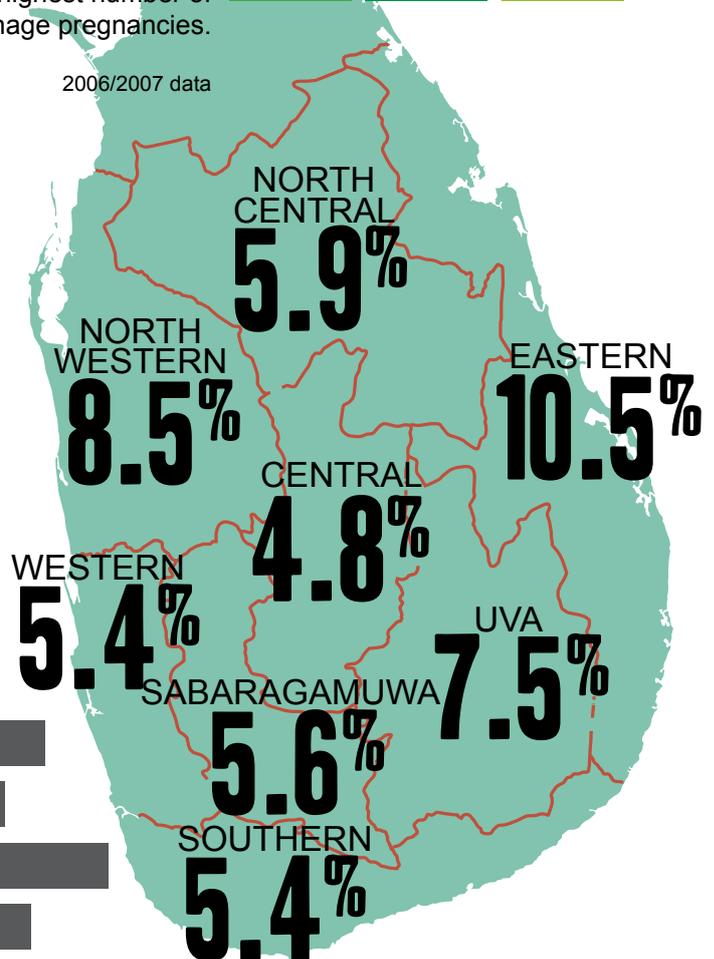
TEENAGE PREGNANCY

Teenage girls in the estate sector are sometimes in unsafe conditions and often suffer sexual abuse at the hands of their own family members.

Across provinces, the Eastern province has the record for the highest number of teenage pregnancies.



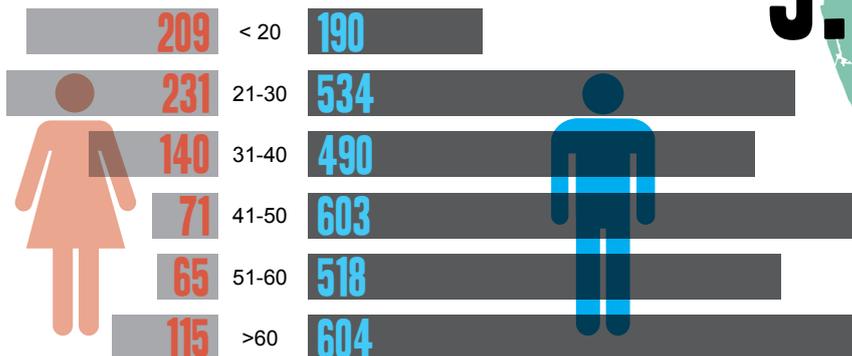
2006/2007 data



DEATHS DUE TO SUICIDE

3770

Deaths due to suicide in 2011. Source: Sri Lanka Police. High rate of suicide and self-harm indicate high levels of psychosocial stress amongst individuals in the community.



ADDITIONAL INVESTMENTS IN HEALTH AND GENDER EQUITY ARE NEEDED FOR SRI LANKA TO OPEN THE WINDOW OF OPPORTUNITY .

Health is the basis for job productivity, the capacity to learn in school, and improves the capability of individuals to grow intellectually, physically, and emotionally. The distribution of health outcomes is an indicator of the inclusiveness of economic growth and the levels and distribution of health outcomes is regarded as a proxy for the concern a government has for all its citizen. **Healthy labor force is an asset for an economy. Healthy labor force means more productive labor force and they create opportunities to gradually break the cycles of both poverty, and hunger, in a sustainable way.**

Given the importance of having a healthy and strong labor force has being regarded as an important area and has been given due priority by Sri Lanka. Most of the key health Indicators (e.g. life expectancy at birth, Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) for Sri Lanka are almost similar to those of advanced economies. Further, Sri Lanka's health system has also attained a good control over many infectious diseases than previously. **It is widely regarded that Sri Lanka has achieved success in many health indicators with a minimum level of resource allocation (i.e. with relatively low spendings on health).**

Sri Lanka's total expenditure on health as percentage of Gross Domestic Product was merely 3.5 percent in 2010, with the global average for standing at almost the same was 9.2 percent.¹⁶ In 2010 Sri Lanka spent 82 US\$ per capita against a global average of 941 US\$.

The available health resources in the country are not uniformly distributed. There is a high concentration of medical facilities, physicians and nurses in metropolitan areas, especially Colombo. Facilities and human resources are scarcer in the districts affected by the former conflict and other poor rural districts. According to the Ministry of Health, by the end of year 2008 there were 647 government health institutes with a total of 67942 patient beds (including Maternity Homes and Central Dispensaries¹⁷). Furthermore, there were 12,479 Medical Officers and 30, 063 Nurses in service in that year. In Sri Lanka on average, a health care unit can be found within 1.4 km and free western type government health care services can be found within 4.8 km from any home.¹⁸ The number of medical officers and nurses per 100,000 of the population increased from 41.1 to 61.7 and from 76 to 148.7 from 2000 to 2008 respectively¹⁹. However, the distributions of government hospitals are not uniform

across the country.

Maternal Health: Sri Lanka has come a long way, and shown a tremendous success in improving maternal health. **Maternal Mortality Ratio has declined from 92 in 1990 to 33.3 in 2010, per 100,000 live births** ²⁰(Infographic 05) The gradual decrease in the MMR reflects the improvement of the health system of the country in many fronts (capacity, delivery, access, quality etc.). **However, continuous attention of the health authorities is needed for further improvements.** In September 2000, Sri Lanka became a signatory to achieve Millennium Development Goals in 2015 with one goal which substantially focused on maternal health (MDG 5). The Maternal and Child Health Bureau, which was established in 1968 and renamed as the Family Health Bureau (FHB) later in 1972, is the focal point for the National Maternal and Child Health, Family Planning, School and Adolescent Health and Women's Health Programmes.

Institutional services for pregnant women are provided through a graded network of 603 hospitals spread throughout the country which have specially identified maternity wards. This comprises 12 Teaching Hospitals, 3 Provincial General Hospitals, 18 District General Hospitals, 64 Base Hospitals and 506 Divisional Hospitals.²¹ FHB reports that of the total births in government institutions only 6.9per cent of births occur in hospitals without specialist services. These institutions are comprised of Base Hospitals that have been upgraded but where a specialist had not been appointed as well as hospitals below this level. Although this percentage is low, it is equivalent to 23873 deliveries annually.

Nutritional status of the young female: Managing and minimizing malnutrition is an important aspect of human life. Poor malnutrition can result in poor work capacity and overall low productivity levels. Women's nutritional status is of utmost important not only because it enhances the productivity level but also it is related to the reproductive role of women. In the Sri Lankan context, children of malnourished mothers are more likely to have a low birth weight. **Despite all the achievements made by Sri Lanka in most health indicators in general, malnutrition remain a health concern for policy makers and it's surprising to observe that nearly one fourth of the female youth in the country is malnourished.** Malnourishment is nearly twice higher for women aged 15-19 age categories than for women in the 20-29 age group (info graphpic 5).

¹⁶World Health Organization, World health Statistics, 2013

¹⁷Ministry of Health, Annual Health Bulletin, 2008

¹⁸Ministry of Health, Annual Health Bulletin, 2008

¹⁹Ministry of Health, Annual Health Bulletin, 2008

²⁰Family Health Bureau (2012), Annual Report on Family Health Sri Lanka 2010, Family Health Bureau, Ministry of Health

²¹Family Health Bureau (2014), National Emergency Obstetric and Neonatal Care Needs Assessment, Country Report, 2012, Family Health Bureau, Ministry of Health, Colombo

Further, 33 percent of the estate sector youth women are malnourished²².

Non Communicable Diseases (NCDs): Statistics indicate that the deaths attributed to Non Communicable Diseases (NCD) like Heart Disease, Stroke and Cancer have increased over the last years .

In 2002, the total deaths reported in Sri Lanka were 145,500 out of which 110,700 (or 77 per cent of total deaths) were due to the NCDs. Cardiovascular disease, cancer, chronic respiratory disease and diabetes are the most common chronic NCDs in Sri Lanka. In 2002, 34 per cent of the total deaths were due to cardiovascular diseases while 13 per cent of them were due to cancer. At present nearly 90 per cent of the country's disease burden is attributed to NCDs²³ and during the past half-century the proportion of deaths due

to circulatory disease (such as heart disease and stroke) has increased from 3 per cent to 24 per cent, while that due to infectious diseases has decreased from 42 percent to 20 percent. More than 14.4 per cent of the population is suffering from a chronic illness or a disability and it is estimated that more than 26.2 percent of the household heads are suffering from chronic illnesses. Mental health: Mental health is a crucial aspect of 'being healthy'²³.

According the most recent available data, Sri Lanka has one of the highest suicide rates (44.6 for males and 16.8 for females per 100 000 persons commit suicides) in the world .

Around 3 per cent of the population suffers from some kind of mental disease in the country. 30 years of prolonged separatist conflict in the country, the destruction caused by tsunami in 2004 and other social issues such as alcoholism and unemployment are some of the underlying reasons for this high prevalence of mental disorders. High incidences of homicides, self-inflicted injuries, and suicides have been recognized as major causes of death among youth²³. High-

er number of suicide cases was reported from both young men and women in the age category of 21-30 in 2011. However the allocation of resources and funding as well as the emphasis given to the mental health has been traditionally low. There were only 81 psychiatrists available to treat 40333 persons with different mental disorders in 2007²¹. Even the available resources are highly concentrated in more urbanized districts.

GENDER EQUITY

Ensuring gender equality matters in many ways to the development process of a country²⁴. It has been estimated that raising female employment levels to that of male levels could have a direct impact on GDP²⁵. A woman's level of empowerment would vary according to other criteria like social class, caste, ethnicity, relative wealth, age, and family

position, therefore these contributory dimensions should be taken into account when analysing gender empowerment, or the lack thereof.²⁶ However, the latest available data and indicators reflect that gender equality in Sri Lanka is not as satisfactory as its achievements in other human development indicators.²⁷

FEMALE LABOR FORCE PARTICIPATION AND WOMEN'S ENTREPRENEURSHIP

The backbone of Sri Lanka's economy is highly depending on women (tea, garments, and remittances). However, from the latter years of the 1990s onwards, the female labour force participation rate is stagnating in the range of 30 to 36 per cent, whereas their male counterparts' labour force participation rate is more than 65 per cent. Only 8.8 per-

cent of the firms in the country have females in their top management and 26.1 per cent of the firms in the country have female participation in their ownership. Therefore more investments are needed so that women participation in labour force is increased. More of this is discussed in the latter part of the policy brief.

²²IPS/UNDP (2012), "Sri Lanka Human Development Report 2012: Bridging Regional Disparities for Human Development", United Nations Development Programme Sri Lanka.

²³Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

²⁴The World Bank, (2011). "World Development Report 2012 Gender Equality and Development," The World Bank, Washington DC

²⁵Aguirre, D., Hoteit L., Rupp C. and Sabbagh K., (2012), "Empowering the Third Billion; Women and the World of Work in 2012", Booz & Company Inc, New York.

²⁶Mosedale S., (2003) "Towards a Framework for Assessing Empowerment," Paper prepared for the international conference, New Directions in Impact Assessment for Development: Methods and Practice, Manchester UK, 24 and 25 November 2003 <http://www.sed.manchester.ac.uk/research/iarc/edais/pdf/Mosedale.pdf> [accessed 29th May 2013]

²⁷IPS/UNDP (2012), "Sri Lanka Human Development Report 2012: Bridging Regional Disparities for Human Development", United Nations Development Programme Sri Lanka.

Female Participation and Representation in Politics and Political Institutions: In the last 60 years since independence, female participation and representation in politics and political institutions has been low in Sri Lanka .

Surprisingly, this is despite Sri Lanka's favorable performance on Human Development Indicators and the national level commitment for equal representation under various conventions and agendas. The proportion of seats held by women in the national Parliament in Sri Lanka is below the global average, as well as most of the other regional figures. The obstacles to women's equal representation in political institutions in Sri Lanka basically operates at three

levels – i.e., at the personal level, at the level of political parties, and at the level of the electorate.²⁸ As noted, this arises because "at a personal level, where fewer women than men self-select themselves for a career in politics due to socio-cultural, economic, and psychological barriers; at the level of political parties, where they are mostly ignored as candidates for elections; and at the level of the electorate, when voters have to vote for candidates".²⁹

PREVALENCE OF VIOLENCE AGAINST WOMEN

Sri Lanka has ratified four major international instruments, which have relevance to rape and other forms of gender based violence. Despite all these commitments and initiatives, the prevalence of violence against women in Sri Lanka is high.³⁰ Rape, domestic violence, sexual harassment, sexual violence, forced prostitution, and trafficking, are the most prevalent types of violence against women claims the Gender Based Violence Forum in Sri Lanka. It is observed that 83 per cent of females in the estate sector are victims of gender based violence; 57 per cent of female garment workers experience sexual harassment at the work place; 11 per cent of returnee migrant women were sexually abused; and 62 per cent of female employees in the industrial sector have experienced unwanted and unwelcome sexual advances at the workplace at some point in their lives.³¹ Exposure to VAW at the work place hinders the productivity of the worker, while also resulting in the discontinuation of the job and her eventual withdrawal from the labour force.

According to a study conducted in four Districts of Sri Lanka, it was revealed that 28.9 per cent of the respondents were at the age of 15 to 19 years in their first perpetration of sexual violence and 60.5 per cent between 20 to 29 years.³² It further reports that 70 per cent of the young men admitted that their primary motive for perpetration in violence was sexual entitlement, while 23.1 per cent reported for fun and boredom and 18.8 per cent for anger or punishment. About 19.8 per cent men in the sample admitted to sexual violence against a partner and 17.9 per cent of women admitted to have been victimized. The WHO Sri Lanka National report on Violence and health (2008), the first national report to be published by the health sector on Gender based violence, analysed available data to understand gender based violence in the local context and the impact of gender based violence³³

²⁸Kodikara, C. (2009). *The Struggle for Equal Political Representation of Women in Sri Lanka*, Colombo: United Nations Development Programme.

²⁹Kodikara, C. (2009). *The Struggle for Equal Political Representation of Women in Sri Lanka*, Colombo: United Nations Development Programme. p 1.

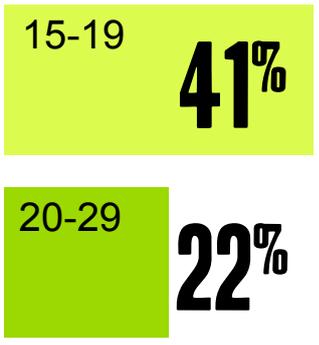
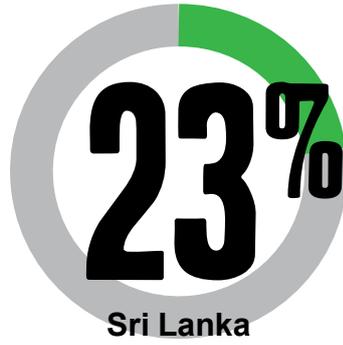
³⁰Madurawala S., (2013), "Broken Promises: The Plight of Women in Sri Lanka and its Economic Costs", *Talking Economics*, 8th March 2013 <http://www.ips.lk/talkingeconomics/2013/03/broken-promises-the-plight-of-women-in-sri-lanka-and-its-economic-costs/> (last accessed on 9th May 2013).

³¹Perera, J., Gunawardane, N. and Jayasuriya, V. (eds.), (2011), *Review of Research Evidence on Gender Based Violence (GBV) in Sri Lanka*, Second Edition, Sri Lanka Medical Association Colombo [<http://whosrilanka.healthrepository.org/bitstream/123456789/434/1/GBV.pdf>] Last accessed on 26th February 2013.

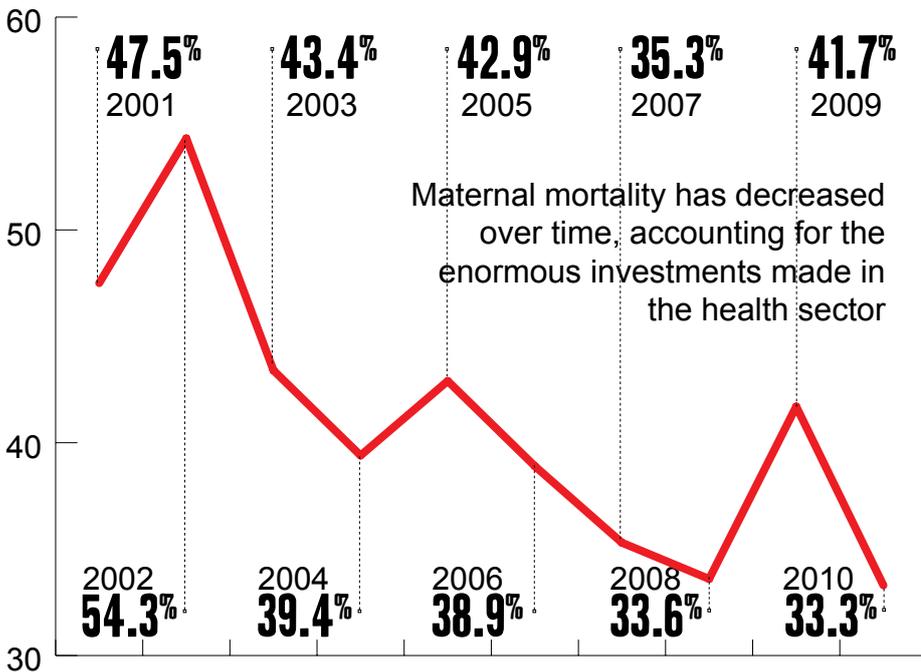
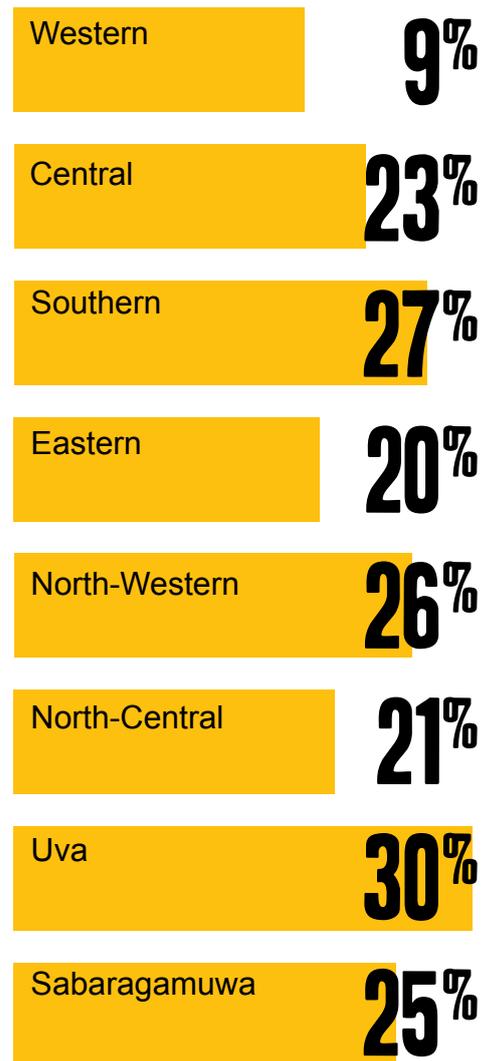
³²De Mel, N., Peiris, P., Gomez, S., (2013), *Broadening gender: Why masculinities matter, Attitudes, Practices and gender-based violence in four districts in Sri Lanka*, Care International Sri Lanka, April 2013

³³Jayasundere, R., 2009, *Understanding Gendered Violence against Women in Sri Lanka*, A background paper for Women Defining Peace, August 2009

MATERNAL MORTALITY RATE ON THE DECLINE



MALNOURISHED FEMALE YOUTH - 2006



INVESTMENTS IN EDUCATION TO HAVE A SKILLED LABOUR FORCE WITH HIGHER ICT LITERACY WILL ENSURE THE BENEFITS OF DEMOGRAPHIC DIVIDEND.

Growth in literacy rate and level of skills get translated in to a growth in productivity in a country's human capital. Growth in productivity thus leads to lessen unemployment and thereby reduce poverty. A productive labour force thus is the growth booster of a country's economy, where most of the other factors that contribute to growth are scarce. In Sri Lanka, the overall literacy rate of 15- 29 year olds was

97.8 per cent, while the literacy rate for males and females were 97.3 and 98.2 per cent respectively³⁴. This shows that Sri Lanka has the potential to develop skills required by the labour market. For this reason, investing in education and vocational training for youth and women is a critical policy measure to better utilize the demographic dividend of Sri Lanka.

Although Sri Lanka's basic education is universalized, eventually education participation levels fall at higher levels of education owing to various reasons³⁵.

The net enrolment rates at the primary (grade 1-5) and junior secondary levels (grade 6-9) are 95 per cent and 93 per cent respectively. Yet only 82 per cent of the students in the appropriate ages are enrolled at the upper secondary level (grade 10-11), and the net enrolment rates were only 39 per cent at the collegiate level (grade 12-13). However, girls have a slightly higher enrolment rate than boys, for example at the upper secondary level, 84 per cent (girls) compared to 80 per cent (boys) and at collegiate level this gap has widened resulting in a disparity of 46 per cent (girls) to 33 per cent (boys) in enrolment rates respectively. The total number of teachers has risen by 3 per cent since 2008. A significant increase in number of teachers in government schools was witnessed from 2007 to 2012. This has resulted in an improvement in the student teacher ratio from 20 in 2007 to 18 in 2012³⁶. Opportunities to participate at higher education levels vary among different population groups. The estate sector projects the highest disparity in access to upper secondary and collegiate education. The enrolment rate of upper secondary education was only 54 per cent in the estate sector while the enrolment rate for upper secondary education ranged from 83 to 87 per cent across the urban and rural sectors of the rest of the country in 2009. Moreover, only 13 per cent of estate sector children were enrolled at a collegiate level, compared to 46 and 40 per cent in urban and rural areas respectively. The performance at both O/L and A/L examinations was also weak in the estate sector. As the highest level of formal education completed, a mere 7 and 9 per cent of estate sector youth

were able to succeed A/L and O/L exams respectively. The reasons for poor performance are poor access to secondary education as well as the poor quality of education. Further, low-skilled employment opportunities available in the estate sector, which do not provide an incentive to develop further skills, often attract the youth in dire distress over their social and economic conditions. Moreover, students in the up-country estate sector get primary education in the estate schools where a majority of schools are primary schools. Hence upon completion of the primary education these students stop schooling due to poor access to secondary schools including poor roads, lack of transport facilities and poverty. For this reason these students are forced to enter into the labour force straight after completing primary education, as there are employment opportunities for the lesser educated youth in the plantation sector. This vicious cycle keeps this community within the estates, without any upward social mobility. On the contrary, the access to secondary schools for low-country estate sector students is much higher, where there are more and better national schools with secondary education.³⁷ Enrolment rates were lowest in the Northern and Eastern provinces, where social and economic developments were curbed over three decades due to the prolonged war. There were many school dropouts, many students who stayed at internally displaced camps and many teachers who abandoned the schools during the war in the war affected provinces. Although special education programmes were conducted at these camps, students have not had a mentality to learn

However, despite these difficulties, the Northern Province was able to secure 72 per cent and 32 per cent upper secondary and collegiate education net enrolment, when compared to the country average for these levels, 82 per cent and 39 per cent respectively.

Good quality formal education is the foundation for further skills development in productive employment. There are two national level examinations providing General Certificates of Education (GCE) at the Ordinary Level (O/L) and at the Advanced Level (A/L), at the end of the senior secondary

cycle and the collegiate education cycle, respectively. These examinations are important determinants to access to higher levels of education, and are pre-requisites for most public sector jobs at the clerical level and above (Infographic 06).

³⁴National Human Development Report, 2012.

³⁵Economic and Social Statistics 2013, Central Bank of Sri Lanka.

³⁶Economic and Social Statistics 2013, Central Bank of Sri Lanka

³⁷Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

The highest level of formal education completed has considerably improved in the younger age bracket, when compared to older age groups .

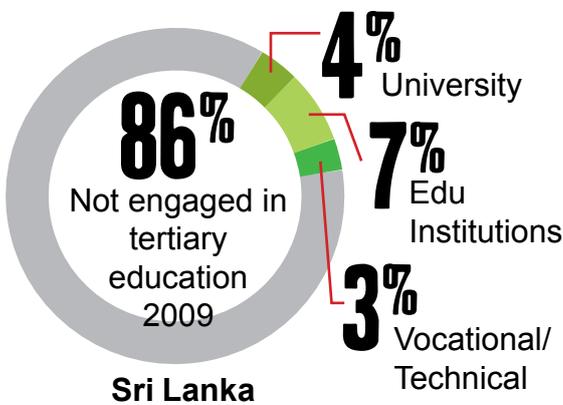
Yet even among youth aged between 20 to 29 years, only 25 per cent have successfully completed the highest level of formal education (i.e. A/Ls), while 21 per cent of the same

age group (20-29) have completed the prior stage to A/Ls (infographic 6).

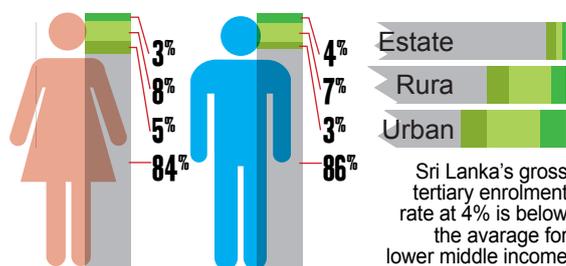
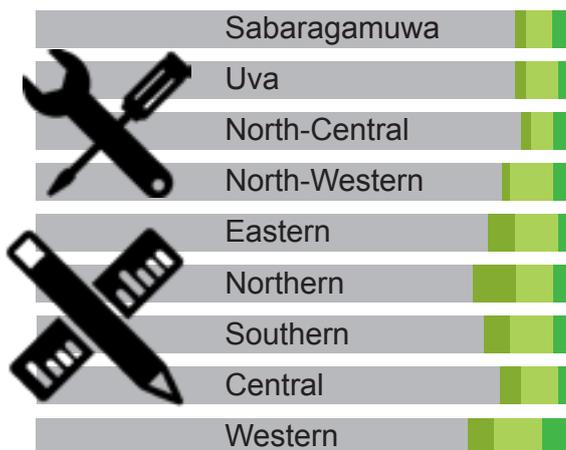


EDUCATION FOR YOUTH

Sri Lanka's basic education is almost universalized, but education participation levels fall at higher levels of education.



TERTIARY ENROLMENT 20-24 YEAR OLDS



Sri Lanka



FORMAL EDUCATION COMPLETED

■ GCE(A/L)
■ GCE(O/L)

Sabarakgamuwa



Uva



North-Central



North-Western



Eastern



Northern



Southern



Central



Western



Estate



Rural



Urban



Female



Male



Among youth aged 20-29 years, only 25% have reached the highest level of formal education (A/Ls), while 21% of the same age group have passed the O/L stage.

At the school level there are limited opportunities to study A/L in science and maths streams. For instance, only 10 per cent of secondary schools in Sri Lanka have facilities to teach science subjects for A/L. Also schools offering science subjects at A/L are not rationally located, where a majority of these schools are located in urban areas with almost 25 per cent of these schools are located in the Western province. Further, there is a greater difficulty in retaining teachers who are appointed at rural schools to teach science and maths subjects. This is mainly due to the lack of incentives for teachers to remain in rural areas where there are transport and logistical challenges when teachers from different

regions, not necessarily from their locality, get appointed to rural schools. These factors create a regional disparity in accessing science education at A/L.

In an era of fast advancing technology, knowledge and skills required by labour markets are constantly evolving as a result of emerging occupations. Higher education and technical training widen the horizon of employment prospects for youth thus fuelling innovation and adjusting to changing technology. One of the major challenges Sri Lanka faces today is the weak responsiveness of the existing education and training systems to the emerging skills requirement.

Sri Lanka's tertiary enrolment rate is considered low where only 4 per cent of 20-24 year olds were enrolled at a national university, while only a 3 per cent of the same age group was enrolled in a Technical Vocational Education and Training (TVET) course (Infographic 07).

Moreover, 7 per cent were enrolled in other educational institutions. Sri Lanka's tertiary enrolment rates are low vis-à-vis enrolment rates of comparable countries in the region. For instance, Sri Lanka's gross tertiary enrolment rate (14 per cent) is below the average of lower middle income countries (19 per cent) and upper middle income countries

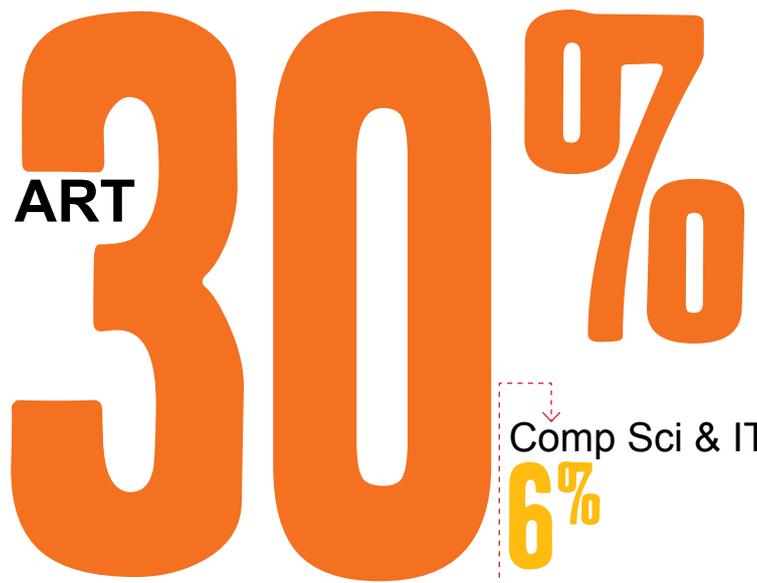
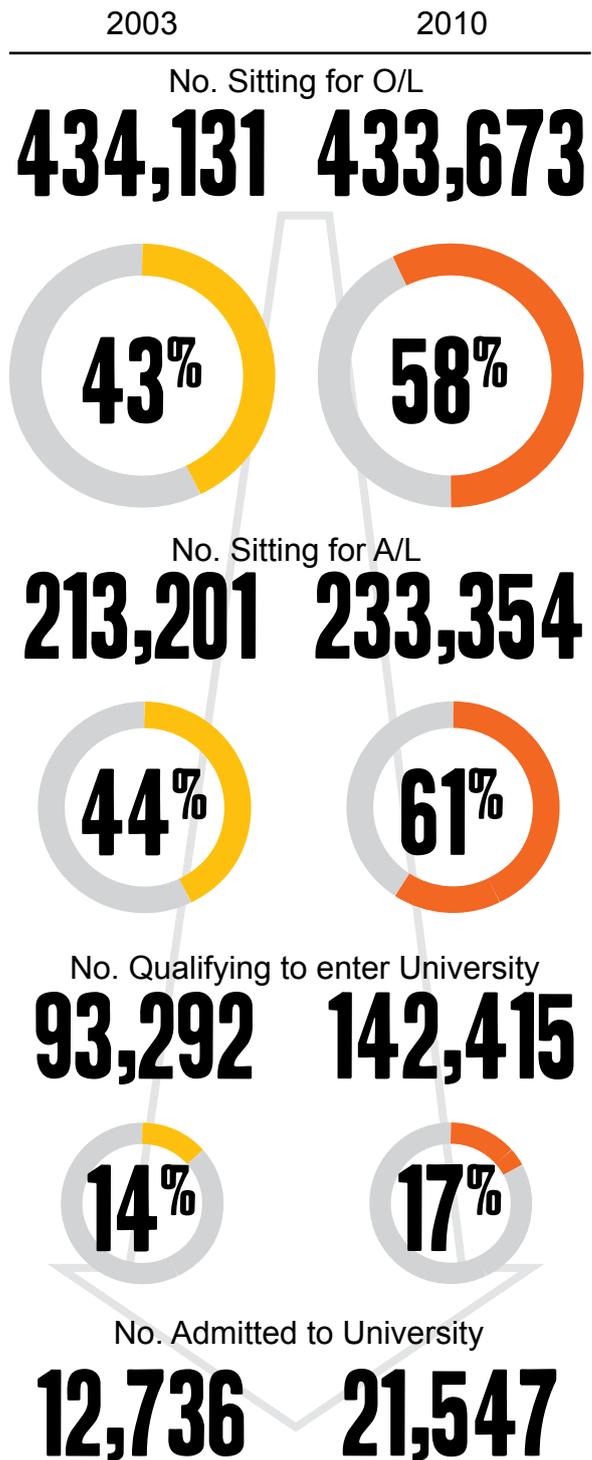
(36 per cent)³⁸. Limited capacity of the state university system is the main reason for the low tertiary enrolment level. Only 17 per cent, on average, out of the total qualified to enter the university get a university admission in state universities.³⁹

³⁸World Bank, World Development Indicators 2013

³⁹Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

NATIONAL EXAMINATION SUCCESS RATE

Each year, about 400,000 students sit for O/L but only 50 to 60% qualify for A/Ls. From that only 4 to 6 percent qualify to enter public universities.



DISTRIBUTION OF UNIVERSITY ADMISSION BY SUBJECT

Science



Mgt & Comm



Engineering



Medicine



Agro



Para-med



Indesonious Med



Law



Archi & QS



VET



Fashion/Transport



Dental



ICT is a powerful tool in attaining educational development. ICT has become an essential part of a youth's life, and it has facilitated their education, social activities, and networking to a great extent.

Currently, computer literacy among Sri Lankans is close to 38 per cent, and a majority of this number is represented by youth .

There are nearly two million internet users in Sri Lanka, representing 14 per cent of the population. Out of this, 1.2 million users access the internet weekly or more often, with the majority being in the 15 to 25 year age group, where internet usage is as high as 26 percent.²³

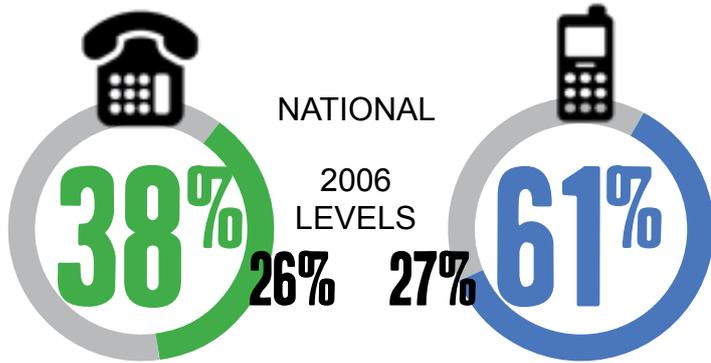
There has been a significant improvement in the use of landline phones, mobile phones and internet among youth throughout the recent past (Infographic 08).

At a national level, by the year 2010, 38 per cent of youth had landline phones as opposed to 26 per cent in 2006. Approximately 43 per cent of youth in the urban sector, 35 per cent of youth in the rural sector, and 50 per cent of youth in estate sector had access to landlines by 2010. Close to 70 per cent of the population has a mobile phone, and ownership is much higher in the youth age group. More or less 46

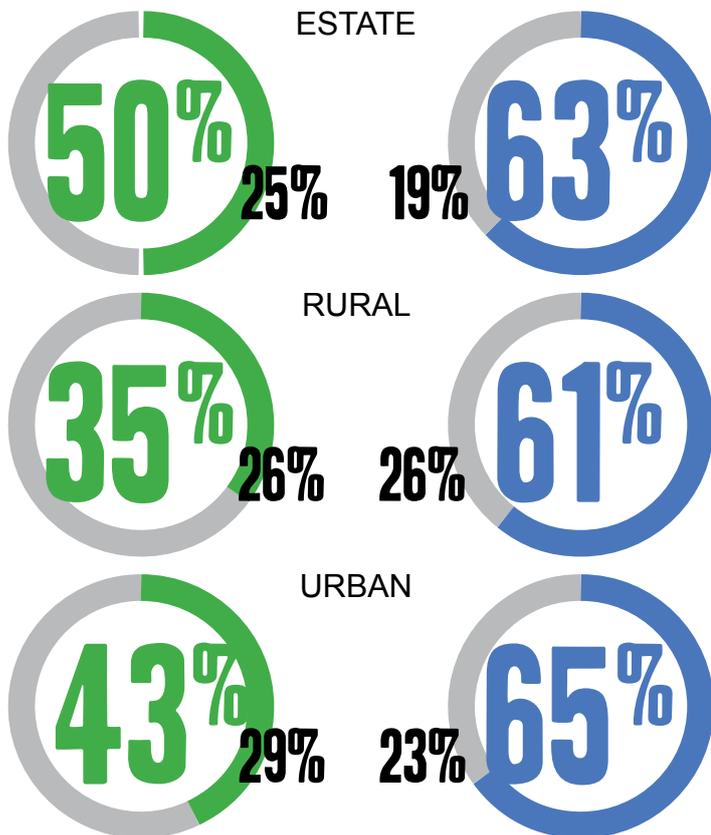
per cent of users access the internet through their mobile phones, and the majority of those belong to the youth age category. In 2006, 27 per cent of youth had mobile phones, and this figure has risen to 61 per cent by 2010. Mobile phone possession among the youth improved in the urban sector to 65 per cent, to 61 per cent in the rural sector, and to 63 per cent in the estate sector by 2010 .

⁴⁰Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

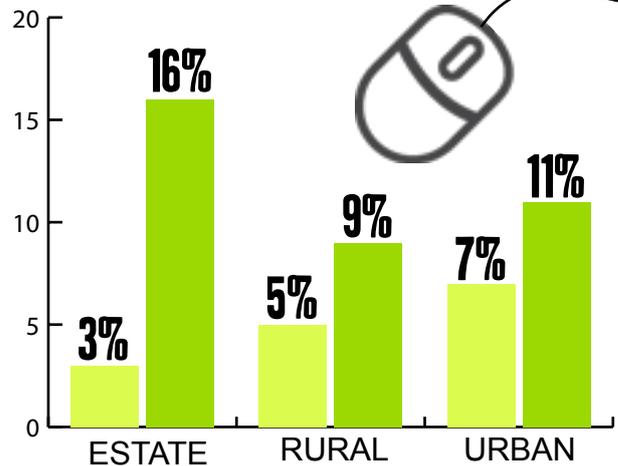
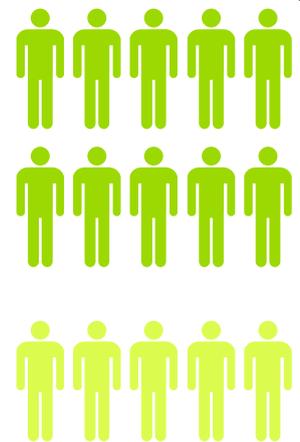
LANDLINE PROVISION & MOBILE POSSESSION BY YOUTH - 2011



Cost per unit and the ease of obtaining a handset and a connection has pushed mobile penetration beyond landline services across all sectors. However, according to officials at Sri Lanka Telecom, landlines are most of the time a signal of the stability of your residence, because generally landlines are issues for permanent structures. Therefore, they conclude that the increase in the landline coverage is an indirect measure of housing conditions. At a national level, by the year 2010, 38% of youth had landlines as opposed to 26% in 2006.



POSSESSION OF DESKTOP COMPUTERS BY YOUTH



INVESTMENTS IN MORE, BETTER AND EQUAL EMPLOYMENT OPPORTUNITIES ARE KEY TO INCREASE LABOUR FORCE PARTICIPATION, REDUCE UNEMPLOYMENT AND POVERTY AMONG WOMEN AND YOUTH

Higher employment opportunities will positively contribute in reducing poverty. This requires more investments in better and equal employment opportunities. Better and equal employment opportunities will ensure working population contributes to the economy more efficiently, reaping the benefits of the demographic dividend. However in Sri Lanka, youth and women labour force participation rates have gone down. The estate sector records the highest decrease, youth and women unemployment is still high and it

has increased in the urban sector and poverty among estate sector youth is higher than other sectors.

The labour force participation rates among youth have declined from 51 per cent in 2006 to 44 per cent in 2010. The youth labour force participation rates in the urban sector declined from 47 per cent to 41 per cent from 2006 to 2010, and the rate declined in the rural sector from 51 per cent to 44 per cent.

The decline of the youth labour force participation rate is higher in the estate sector, where it dropped from 64 per cent to 53 per cent. Female labour force participation rate in Sri Lanka is recorded at 36.2 per cent which is way below compared to male labor force participation rate of 75.5 per cent (Infographic 09).⁴¹

Women labour force participation rate varies among difference age groups between 15-60 years. The minimum is recorded at 10.9 per cent between the age groups of 15-19, and the maximum is recorded at 53.5 per cent between the age groups of 40-44.⁴¹ Sri Lanka's youth unemployment rate

was recorded at 17 per cent during 2006, and was reduced to 15 per cent by 2010. For the same periods, the youth unemployment rate reduced from 13 per cent to 11 per cent in the estate sector, and from 18 per cent to 15 per cent in the rural sector.

However, the youth unemployment rate rose from 12 per cent to 14 per cent in the urban sector. Female unemployment rate in Sri Lanka is recorded at 7 per cent while male unemployment is recorded at 3.3 per cent (Infographic 09)⁴¹.

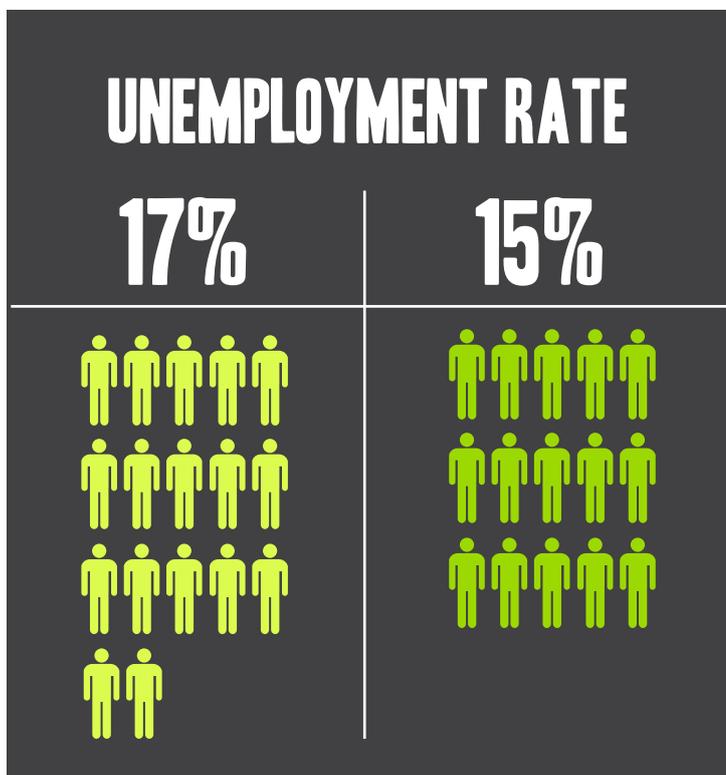
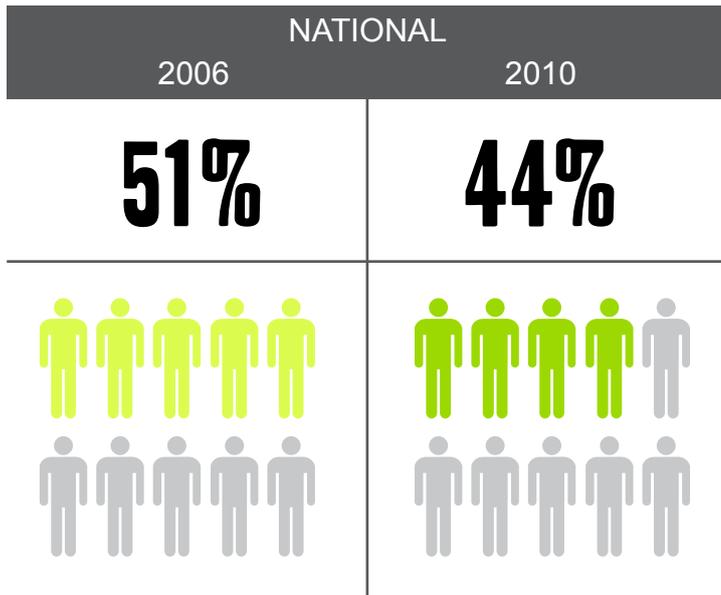
Female unemployment rate is 26.3 per cent between the age group of 15-24, it is 12 per cent between the age group of 25-19, and it is 2.9 per cent for the females above 30 years of age by the first quarter of 2013. At the national level, the share of women in wage employment was only

35 per cent in 2010. From 2006 to 2010 the women's share in wage employment has decreased from 36.5 to 34.3. Only a 1.5 per cent of the total employed females youth were in managerial positions in 2010⁴²

⁴¹Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

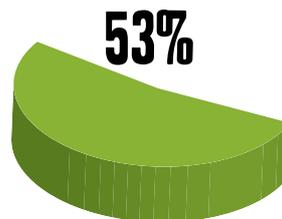
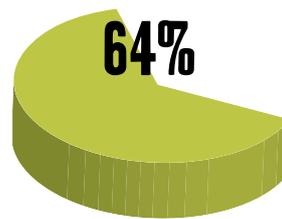
⁴²Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

YOUTH LABOUR FORCE PARTICIPATION BY SECTOR

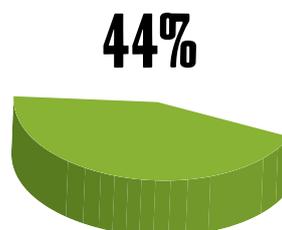
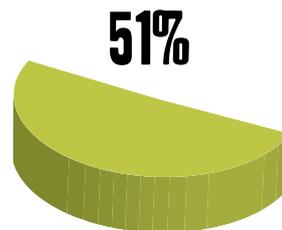


Unemployment is a percentage of the youth labour force participation rate.

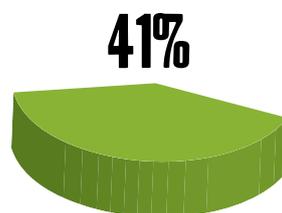
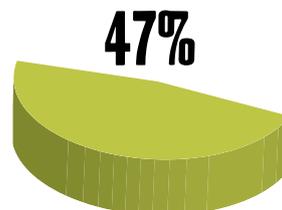
ESTATE



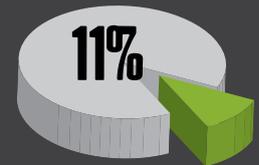
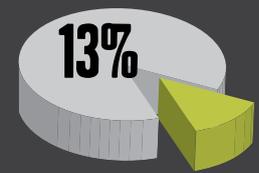
RURAL



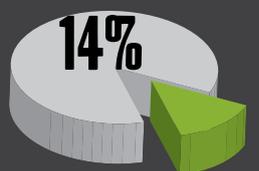
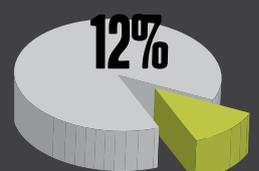
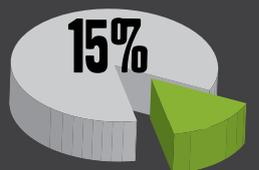
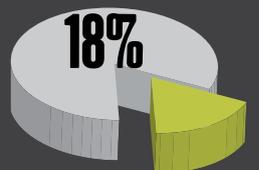
URBAN



UNEMPLOYMENT



Unemployment is a percentage of the youth labour force participation rate.



Approximately 14.6 per cent of Sri Lankan youth were below the poverty line during 2006/07. This figure has reduced down to 8.9 per cent by 2009/10.

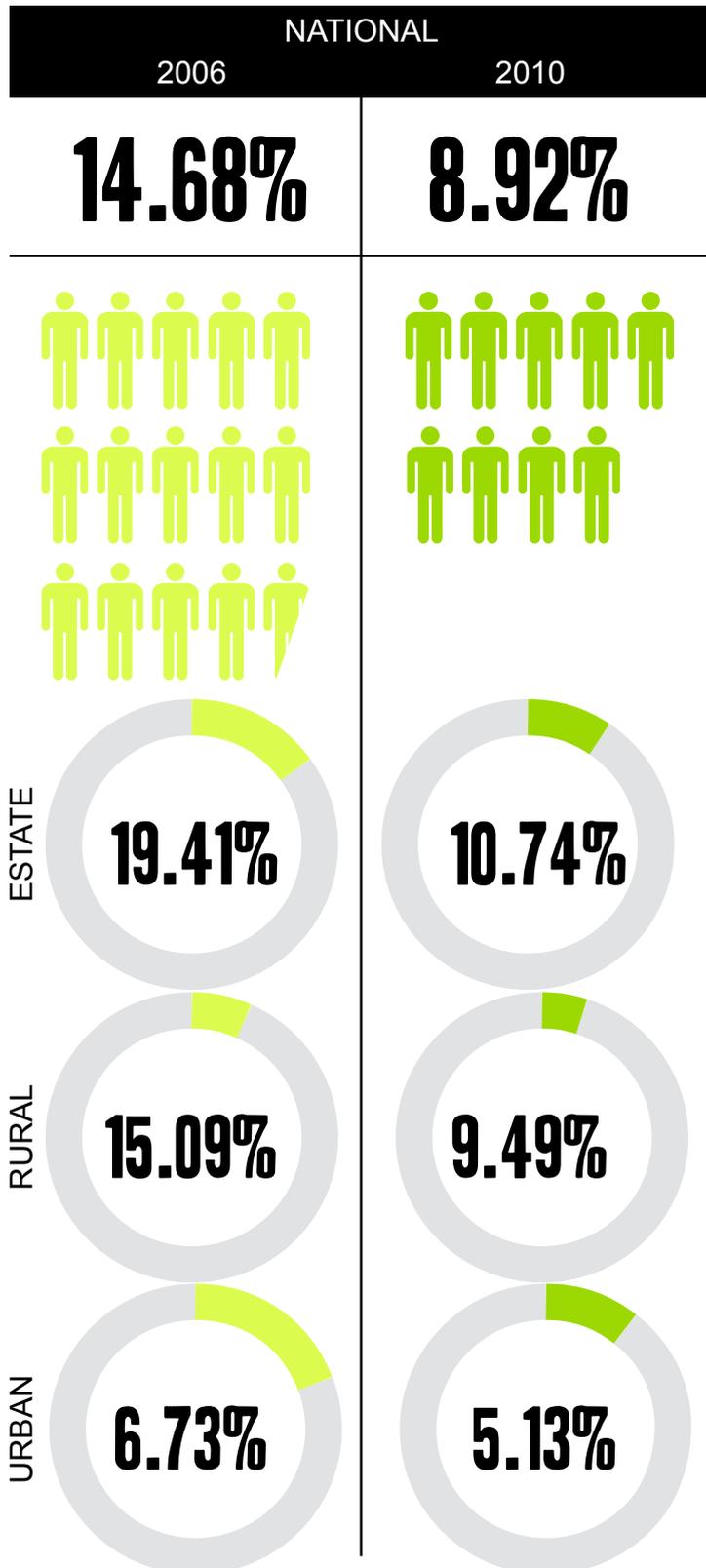
The percentage of youth below the official poverty line in the estate sector was reduced to 10.7 per cent, 9.5 per cent in the rural sector, and 5.1 per cent in the urban sector by 2010 (Infographic 10).

The share of young female entrepreneurs is less than 10 per cent in Sri Lanka which is not a satisfactory situation⁴³

⁴³Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

PERCENTAGE OF YOUTH LIVING BELOW THE OFFICIAL POVERTY LINE

Youth play a significant role in the broad discussion of poverty in Sri Lanka. Studies show that only a small portion of unemployed youth come from most disadvantaged households. Therefore poor youth are less likely to be unemployed. However, poor youth end up attracting low quality jobs with less pay, pushing them into the vicious cycle of poverty.



Labour force participation rate represent the proportion of labour force out of the total population while labour force is represented by both employed and unemployed population. The main reason for the decline in the labour force participation rate among Sri Lanka youth is the decline in the labour force over time. In other words, this explains the demographic change where Sri Lanka is facing the latter stage of its demographic dividend, having less and less youth entering the work force at the age of 15. This decrease is more prominent in the estate sector where on average both male and female youth population in the estate sector has decreased by 5per cent over the time period of 2009 and 2011. This result is lower labour force participation rates among the estate sector youth compared to other sectors. Female labour force participation is generally low in South Asian countries compared to East Asian countries, however, in Sri Lanka low participation is mainly due to the working conditions and the family obligations that Sri Lanka women share. The percentage of women forgoing employment opportunities to family obligations, especially after marriage, is higher in the South Asian region. Some employments require women to work till late and night shifts. Most employments in the NGO/INGOP sector which operates on short term contracts would not guarantee employment after maternity period, which restricts women from taking up such employments⁴⁴.

Labour force participation for women depends much more on the social context than it does for men. Factors that appear to have no effect on male participation in the labour force do affect the level and trend of female employment. For example, other than the standard economic variables such as education, experience, wages and income, many non-economic variables, like marital status and fertility, influence the female labour supply. The social context would

dictate that women are expected to play many roles in their day-to-day lives. Despite being engaged in productive activities (being employed), women also have to engage in reproductive activities, and social activities. This sets a 'triple burden' on women. It creates career related stress for female employees – adversely affecting their productivity, necessitating more time off, restricting their ability to undergo rigorous training locally and overseas, and working overtime. Traditional familial responsibilities of a female, especially as a mother, constrains women in their choice of employment, as do her family's and society's attitudes towards certain types of employment, that keep the job market segregated by gender – with certain jobs being classified as 'masculine' or 'feminine'. Further, costs related to maternity and child care benefits that need to be borne by employers create gender discrimination against females. Work Related Costs (WRC) tend to rise with marriage and children, thus affecting the balance of benefits and costs of being employed^{45 46 47}. The decrease in the unemployment rate, except for the urban sector, is a result of the decrease in the number of "job seekers". This again relates to the fact that labour force in these sectors are decreasing, however at the same time it is also due to the fact that youth in the urban and estates sector are forgoing employment seeking to higher education. Increase in the unemployment in the urban sector is mainly due to the fact of low availability of employment opportunities to cater the demands of the job seekers. However, in Sri Lanka, the highest unemployment rate is found among those with at least a higher secondary education: 5.5 per cent for men and 11.7 per cent for women. This raises the issue of "skills mismatch". This can be explained because either the education system is not producing what the job market requires or either youth are not guided well to attain a suitable education that job market demands.

A shifting of the population from the economically inactive category to the economically active category, due to the entrance of rural sector females and full time students to the labour force would contribute more to increase urban sector unemployment rate among youth .

Poverty in the estate sector is coupled with many factors. In the estate sector, youth are faced with a limited range of employment opportunities. The majority of them are forced to work in the estates for a lower wage which limits their household income. Many youth and women only have a primary employment opportunity without a secondary employment. Additionally, the estate sector youth and women are more exposed to malnutrition which has greatly limited their potential to participate in the labor activities. Furthermore, incidences of teenage pregnancies are prominent in the estate sector and the awareness on sexual reproductive health is limited among the youth and women in the estate sector which affects their long term stable employments. Even though total fertility rates have declined over time in Sri Lanka, the estate sector records the highest (2.6 by 2007) which affects young women from taking part in

economic activity. Married women in estate areas are considerably less likely to use contraception (only 64 per cent) compared to their counterparts in rural sector making them more vulnerable for unwanted pregnancies, limiting their employment opportunities and ultimately binding them to the trap of poverty. The majority of women entrepreneurs in Sri Lanka are in micro-enterprises, they mostly operate in the informal economy, and are mostly concentrated in to the food processing or textile industry. Main constrains faced by young female entrepreneurs in Sri Lanka are; (1) lack of access to finance (2) negative norms and attitudes towards entrepreneurship as a career option (3) limited mobility (4) lack of access to networks (5) over burden of family responsibilities and importantly (6) lack of maternity protection that constraint the business activities during the time of pregnancy and early childhood care.

⁴⁴International Labour Organization, 2006, "Strategic Assessment and Policy Recommendation for a National Action Plan for Youth Employment, Sri Lanka", Global Youth Employment Network (YEN) Secretariat of Sri Lanka

⁴⁵Staermose T. (2009). FCCISL - Key Note Address on Youth and Women Entrepreneurship 30th July 2009, Sri Lanka Retrieved May 30, 2013 from http://www.ilo.org/wcmsp5/groups/public/@asia/@ro-bangkok/@ilo-colombo/documents/statement/wcms_113665.pdf

⁴⁶Vossenbergh S. (2013). Women Entrepreneurship Promotion in Developing Countries: What Explains the Gender Gap in Entrepreneurship and How to Close It? Working Paper No. 2013/08, The Netherlands: Maastricht School of Management.

⁴⁷Sunday Observer (2013), Lack of financial literacy, a drawback for women in SME sector, <http://www.sundayobserver.lk/2013/09/08/fin30.asp> [accessed on 31st October 2013]

REAPING THE BENEFITS OF DEMOGRAPHIC TRANSITION CALLS FOR EQUAL ACCESS TO SAFE HOUSING, DRINKING WATER AND SANITATION FACILITIES FOR WOMEN AND YOUTH OF SRI LANKA

Equal access to safe housing, sanitation and drinking water has a direct relationship to health, education and poverty of the young and women. Sustaining expenditure on infrastructure development is one of the main thrusts of the government policy. The Development Policy Framework of the government clearly specifies the targets for safe drinking water and sanitation facilities. Accordingly, the country aims to achieve 60 percent piped drinking water supply and 70 percent piped sewerage coverage by 2020. This would ensure the access to safe drinking water for all households by 2020. In order to accomplish the said target, the government has gradually increased the annual investment over years in the water supply and sanitation sectors accounting for an accumulated investment of Rs. 142.6 billion during

2007 – 2012. In 2012, Rs. 28.2 billion has been invested in this sector and it was two fold increase compared to Rs. 15.4 billion invested in 2007. This has led to increase the percentage of households with access to safe drinking water from 77 percent in 2007 to 90 percent in 2012⁴⁸. Pipe-borne water coverage in Sri Lanka has reached up to 43 percent of total housing units in 2012. All these investments on water and sanitation facilities will benefit the youth and women of our country.

Youth living in secured sanitary environments at the national level was recorded at 91 per cent in year 2006, and it improved to 92 per cent by 2010

The estate sector recorded a significant improvement in the year 2010, where the percentage of youth in secured housing changed from 77 per cent in 2006, to 85 per cent in 2010 .

Youth occupy both these types of sanitation facilities. Youth in the rural and estate sector recorded a 1 per cent improvement in access to secure sanitation from year 2006 to 2010.

In the urban sector, percentage of youth that have access to secure sanitation facilities have improved from 91 per cent in 2006, to 97 per cent in 2010 .

The national level does not show any significant changes between 2006 and 2010. At the national level, youth access to safe drinking water has improved from 83 per cent in year 2006, to 94 per cent in 2010. Urban, rural and estate sectors also shows improvements in providing access to safe drinking water in the same time period⁴⁹.

The urban and estate sectors show an improvement of 5 per cent each in access to safe drinking water, while the rural sector shows an improvement of 11 per cent from 2006 and 2010 (Infographic 11).

⁴⁸Expenditure Review, Annual Report 2013, Ministry of Finance and Planning of Sri Lanka

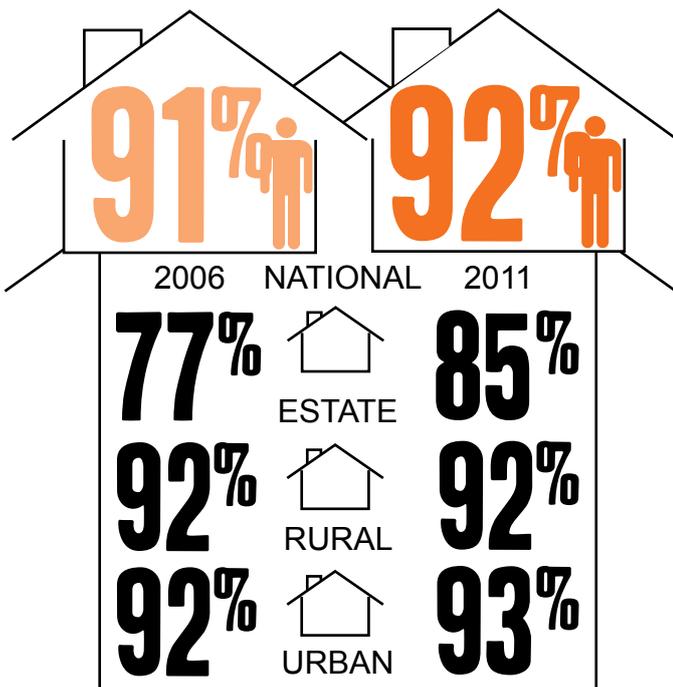
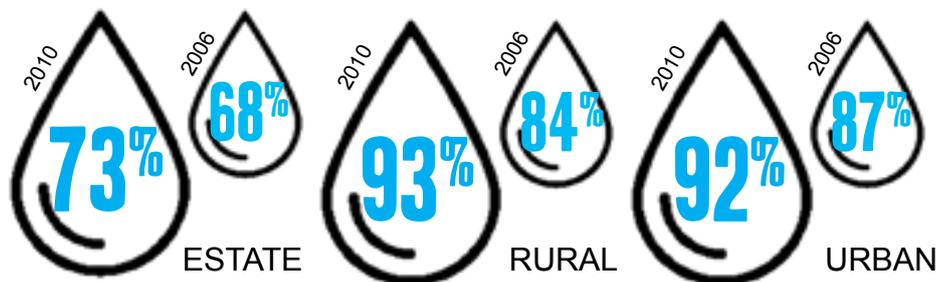
⁴⁹Institute of Policy Studies (IPS), 2014, "Youth and Development: Realizing the Millennium Development Goals (MDGs) For Sri Lankan Youth", Ministry of Youth Affairs and Skills Development, Sri Lanka

YOUTH ACCESS TO SAFE DRINKING WATER



In 2010, up to 94% of Sri Lanka's youth had access to safe drinking water up from 83% in 2006.

Providing safe drinking water to youth has been a priority for the authorities in Sri Lanka. The youth in the estate sector have had the lowest levels of access to safe drinking water. However, steps have been taken by the Water Supply and Drainage Board over the years to rectify these limitations.



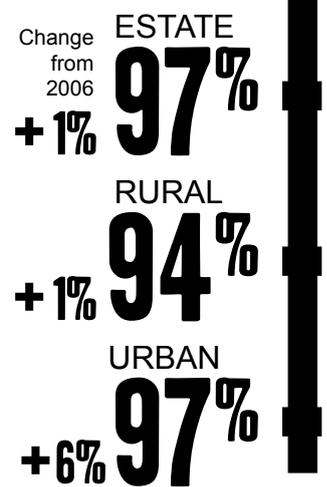
YOUTH LIVING UNDER SECURE HOUSING

Youth live in several different types of housing. These include single houses, flats, annexes, line/row rooms, and slums/shanties. Among these, single houses, flats, and annexes, are considered secured houses, while the rest are considered otherwise. Significant improvement has been made in the estate sector, compared to other sectors.

YOUTH IN SECURED SANITATION



Access to safe sanitation facilities is a major determinant of the health status of a young person. Results suggest that households have been able to provide secure sanitation facilities for a majority of youth. The Water Seal and Pour Flush types of latrines are considered safe sanitation. The Pit type and any other, is considered to be unsafe. Urban sector records the highest improvement compared to other sectors.



Overall, provision of safe housing, safe sanitation and safe drinking water facilities are at a very satisfactory level for youth of Sri Lanka. Interestingly, the highest improvement in secure housing is in the estate sector, whereas the highest improvements in the safe sanitation facilities are in the urban sector and the highest improvements in the safe drinking water facilities are in the rural sector.

A lack of adequate housing, safe drinking water and sanitation not only compromises development, but eventually also constitutes a security threat from myriad social ills that arise from homelessness. A lack of access to adequate housing exposes one to the structural violence of poverty, its severity and associated complexities of despair and deprivation—relative or absolute—which constitute a significant threat to human security. Without access to adequate shelter, the poor live in miserable conditions that compromise their general health and make them more susceptible to diseases. Conversely, the provision of adequate housing protects people from a myriad of vulnerabilities. First, adequate housing protects people against floods and associated stagnant water, breeding mosquitoes and other insects, the key factors in spreading infectious diseases. Overall, good health is instrumental to human security because it enables the full range of human functioning, and which is

referred to as human capital.

Second, the provision of adequate housing mitigates against fires in informal settlements that claim lives in developing countries each year. This is partly because shacks are often constructed of extremely flammable recycled materials. Further, because of the unpredictable nature of arrangements in informal settlements, dwellings may be torched deliberately if certain commissions are not paid to powerful patrons within such settlements. Third is an array of factors associated with an extremely unsanitary environment, which present sudden and hurtful disruptions in people's patterns of daily lives. The realities of living in informal settlements or slums mean ineligibility to access basic public services such as sanitation and electricity. In addition, the reality of life in informal settlements is accompanied by the psychological trauma arising from a lack of perceived improvement of one's situation—often leading to societal breakdown. The provision and access to adequate housing, safe drinking water and sanitation is a catalyst for development and remains one of the primary requirements towards sustainable livelihoods. Adequate shelter forms the foundation of basic needs in addition to food, health, education and paid work—the primary concerns of the security of an average person in the developing world.

POLICY CHALLENGES AND THE WAY FORWARD

We have given over the previous pages an overview of the main economic sectors that warrant special consideration when analyzing the demographic dividend. This analysis of

a more descriptive nature helps us to draw certain conclusions and which would serve as key issues or policy ingredients when managing the demographic dividend.

1. INVESTMENTS IN HEALTH, TARGETING THE YOUNG, THE FEMALE AND AN INCREASINGLY ELDERLY POPULATION ARE ABSOLUTELY NECESSARY

The Lack of resources in primary health care units – the dearth of health personnel and other facilities (i.e., medical equipment and essential drugs) – effects delivery of health care services, especially in rural areas. This suggests that the government should pay more emphasis on strengthening primary health care units, which in turn would avoid creating bottlenecks at the secondary and tertiary health care units.

In addition, a change in behavioral patterns is essential in addressing challenges related to Non-communicable diseases (NCDs). Overall health as well as economic implications of NCDs are large and these could affect the productivity and the earning potentials of the individuals and of the country as a whole. When it comes to youth, awareness on NCD is essential as they tend to ignore the gravity of the seriousness of the NCDs and their implications on their

future. Most youths are prone to NCDs due to inappropriate behavioral patterns (e.g. bad eating habits and lack of physical activities).

Social support is important for women and youth. As the transition from childhood to adulthood is taking place during the adolescent age, youth are inquisitive and tend to experience new things in their lives. Be it health, education or any other aspect of their lives, they expect a certain degree of freedom. However, the chances of being a failure are higher for them due to lack of experience and guidance. Support by the entire society including the government has an important role to play on this regard (e.g. avoiding peer pressure to use alcohol and tobacco, coping with psychological conditions etc.).

2. MORE INVESTMENTS ARE NEEDED TO PREPARE FOR THE RISING AGING POPULATION THEREFORE INVESTMENTS IN HEALTH CARE, PENSION SCHEMES AND HEALTH INSURANCES ARE CALLED FOR.

Sri Lanka in the future will shift from a young aged population to an old aged population lowering the young dependents. The dependency ration of the population will increase beyond 2026, where majority of the dependents will be the aged population. This could become a real burden to the economy of Sri Lanka. The proportion of elderly population in Sri Lanka is higher than in other South Asian countries. In 1996, around 9 per cent of women and 9.1 per cent of men in Sri Lanka's population were 60 years of age and above, which is a relatively large elderly population for a developing country. And it has been now estimated that, the population of Sri Lanka will increase approximately by 9per cent from 20 to 22 million during the period, 2010 to 2041 which ultimately doubles the elderly population indicating an increase of over 100 per cent. Based on the future trends in mortality, fertility and international migration, the proportion of the population aged 60 and over is projected to increase by nearly 36 per cent from 9.2 per cent in 2001 to 12.5 per cent in 2011. By year 2041, about a quarter (24.8 per cent) of the Sri Lankan population will be in the 60 and above age group.⁴ This aging population will result in many socio-economic issues and challenges for Sri Lanka.

An aging population will likely result in a decline in the labour force, reducing labour supply and productivity and at the same time reducing demand for goods and services as they will earn less. Increasing health care costs will place a bigger financial burden on the state and family. Current rate of government tax revenues will not be sufficient enough to meet these demands from aging population. Furthermore, recent economic and social changes such as urbanization and female migration to urban areas for employment have lessened the capacity of females to support the elderly care.

Aging will affect labour supply, productivity, and capital, which determine economic growth. As a result of increasing aging population, savings will decline, resulting in a reduction in investments since less savings create less capital, and eventually a decline in economic growth. Government revenues will be affected by a decreasing number of tax payers. This calls for investment changes in the elderly health care, pension schemes as well as insurance schemes.

Therefore, more investments are needed to look after the needs of the elderly. The government needs to pay more attention to the social security and protection of the elderly through pension schemes, insurance schemes, bank facilities focused on the elderly, and health schemes.

The existing pension schemes are likely not adequate to cover large segment of the workers. Only the government and some segments of the private sector are covered by individualized pension schemes. Therefore, a compulsory pension scheme for elder persons is necessary. Under a univer-

sal identification, elderly should be given a proper identity card, so that they can access health, transportation, banking and other public services more conveniently. Providing health benefits and insurance schemes to elderly, who are prone to NCD's and other health complications needs careful attention and more investments. Early detection and raising awareness among the public about mental health issues including dementia related to old age is also mandatory step and more investments are needed to strengthen the counseling programmes for elders.

3. DESPITE GREAT ACHIEVEMENTS IN MATERNAL AND CHILD HEALTH INDICATORS, CONTINUOUS INVESTMENTS IN REPRODUCTIVE HEALTH AND MORE SPECIFICALLY IN FAMILY PLANNING ARE A MUST.

It is accepted that family planning under reproductive health helps decrease the fertility rate which shows the potential for population change in the country where the average number of children that would be born per woman is considered. Undoubtedly, higher fertility rates always result high expenses on food, health and education for their children giving them an economic value and for women to enter the labor force. Therefore, in order to lower the fertility rate, investment in family planning necessarily has to be more focused for a country to reach its full economic potential. And also, it is an obvious fact that, increased investments in family planning process lead to the demographic dividend with fewer younger dependents, and fewer older dependents, due to the older generations having shorter life expectancies. And this demographic dividend can help facilitate more rapid economic growth and puts less strain on families.

Investments in the family planning have always been a priority in Sri Lanka. Yet, we believe that more needs to be done. The current contraceptive prevalence has to increase for instance. There are regional differences in the use of contraceptive methods and the estate sector youth and women need to be more educated in order to increase the use of different contraceptive methods. The high increase in traditional methods of contraceptive methods is not a desirable situation, hence more and more investments are needed so that youth and women would follow the recommended modern methods which are more efficient and result oriented. In addition, the rate of illegal abortions and teenage pregnancies has to further come down, with more investments to be made in awareness creation and sensitization.

4. INVESTMENTS IN WOMEN MEANS CREATING AN “ENABLING ENVIRONMENT” IN ORDER TO INCREASE WOMEN’S POLITICAL PARTICIPATION AT ALL LEVELS

In Sri Lanka, women’s involvement in terms of political participation levels and their contributions to the country’s growth are not on par with their potential. Removing the barriers that prevent women’s visibility political participation is crucial. In addressing this dilemma, and in the Sri Lankan context, it is a matter of creating an ‘enabling environment’ for women. Strong commitment by the highest level

of political parties is a crucial factor in increasing female political participation. Women on the other hand, have a responsibility to be vigilant and to vote and to elect women who can address their problems and issues effectively. Further, community mobilization along with strong execution of the law and order of the country is essential to deter violence against women.

5. MORE INVESTMENTS ARE NEEDED IN THE EDUCATION OF YOUTH AND YOUNG GIRLS IN ORDER TO FACILITATE A BETTER TRANSITION FROM SCHOOL TO WORK

The need to strengthen a smooth transition from school to work is a must. The existing general education system in Sri Lanka neither offers enough productive skills nor generates a sufficiently productive workforce. This has resulted in a skills mismatch between the demands of the labour market, and the supply of skills of school graduates. Bridging the information gap is the key to align the aspirations of youth with the global demands. There is also an information asymmetry between youth and the labour market. Inadequate information about the types of job opportunities in the labour market, limits the aspirations of youth.

Particular attention should be given to school leavers who do not succeed at their O/L. The government of Sri Lanka with the Ministry of Youth Affairs and Skills Development tries to absorb most of the O/L dropouts through vocational education and training programmes. However, not enough students have adequate awareness of these opportunities presented by the different institutes of vocational education and training. Therefore while investments are needed in bridging the information gap, more funding needs to be allocated in developing absorption capacities of the TVET sector.

6. SRI LANKA NEEDS TO INVEST MORE TO CREATE BETTER AND EQUAL EMPLOYMENT OPPORTUNITIES FOR YOUNG PEOPLE AND FOR WOMEN

In Sri Lanka, employment comes from industry, agriculture and the services sector. The agricultural sector employment has grown to account for 32 per cent of total employment from about 30 per cent before 2008. At this point 26 per cent of total employment is in the industrial sector and 42 per cent is in the services sector. The contraction in the industry sector should be a concern. The agriculture sector employment is not stable and high paid attractive employments are created through the industry sector mostly. Agriculture mostly attracts unskilled labour while the services sector creates fewer opportunities for women. Therefore at the macro level, the industry sector should create more employment opportunities that can be accessed by youth and women. The total investment on Human Resource Development (HRD) increased from Rs. 161 billion in 2007 to Rs.235 billion in 2012, accounted for 3.1 percent of GDP in 2012, however, this needs further commitments – specifically tar-

geting young people and women.

The current low labour force participation by females can be reduced by addressing issues arising due to 'non-economic' factors (i.e., marriage, children, etc.). Research on female labour market issues also suggest that the provision of an allowance to working mothers, in order to cover child care costs (for example, Child Care Benefit (CCB) payment in Australia and Universal Child Care Benefit (UCCB) in Canada) would be beneficial to employees as well as to the economy as a whole, as it would bring down the Work Related Costs of working mothers and, thus, encourage them to remain in employment. Female entrepreneurs must be supported by microfinance interventions where they would profit from their ventures and invest money back to wellbeing of their families.

7. NOT TO BE FORGOTTEN: THE NEED FOR FURTHER INVESTMENTS IN ICT INFRASTRUCTURE, ICT LITERACY, ADEQUATE HOUSING, SAFE DRINKING WATER AND SANITATION FOR YOUNG PEOPLE

Computers, mobile phones, land phones, and ICT, will connect the youth with the global community enabling access and providing them with the ability to process information on a global scale without any limits. However, providing ICT facilities is not enough, youth needs to be guided on how to use them to be globally connect and help develop the economy of Sri Lanka. There are many youth in this country that have used internet, social media to develop new business ideas, and there are many such potential youth in North and East who deserve a second chance. These talents can be harboured from school through youth societies and through government institutions.

Research suggests that more work needs to be done in Sri Lanka to provide adequate housing, safe drinking water and safe sanitation facilities. Still 2.1 per cent of the population lives in slumps/shanty houses and they need to be given adequate housing. Approximately 15 per cent of youth in the estate sector lives under inadequate housing facilities, 3 per cent do not have access to safe sanitation facilities and 27 per cent do not have access to safe drinking water. This has probably contributed to higher percentage of youth poverty in the estate sector. Therefore in order to make estate sector youth more secure and enabling to economic development though improved well-being more investments are called for.

