Demographic Compositions and Employment Issues of Urban Settlement Communities in Colombo District

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Introduction

Like in many other developing countries, Sri Lanka too urban work force contributes largely to the labour force of the country. Colombo is the highly urbanized district in the country whereas 78 percent of its population is currently living in urban areas. The informal sector absorbs approximately 45 percent of employment of the labour force, mainly to the non-agricultural employment (Department of Census and Statistics, 2012). Which is relatively high compared to other districts and it has also important impact on determining the low level of unemployment (3%) in the district. It is evident that all macroeconomic policies have direct and indirect effects on the growth of both urban informal and formal employment since 1970s. The number of people employed or unemployed or searching for work in an area depends primarily on the demographic compositions of its population. Also, demographic components such as births, deaths (natural increase) and migration determine the size and the age - sex structure of labour force. Previous studies have largely focused on economic aspects of urban informal sector and inadequately discussed the importance of demographic compositions and issues of current manpower. Therefore, this paper attempts to identify the demographic compositions and employment related issue in urban settlement context.

Problem Statement

The key issues facing the urban communities in many developing countries are found to be urban unemployment, underemployment, poverty and unequal distribution of resources (Todaro, 1976; ILO, 2012). Today, 18.3 percent of Sri Lankan population lives in urban areas and nearly half of the urban population (48%) lives in the Colombo district (Department of Census &

Statistics, 2012). Colombo being the largest city of the country, half of its population concentrated in 1,505 settlements which were identified as underserved settlements, illegally build, of which 86% of land owned by the state. About 300,000 people are living in 65,000 housing units which are slums and squatter settlements where health

and sanitation facilities remain at low levels (USDA, 2011). Many people migrate from rural to urban areas in search of employment tend to find job in informal sector and find shelter in slums and squatter settlements. These informal jobs lack basic social or legal protections or employment benefits and may be found in the formal sector, informal sector or households. Hence, identifying demographic compositions and employment related issues in the context of urban settlement work force are important for addressing policy implications.

Objectives

The objectives in this paper are twofold: first to examine the literature on demographic compositions of work force in urban settlement area: Second, to identify issues of urban employment and its demographic and socioeconomic determinants.

Empirical Evidence'

There are two sets of literature exist on demographic compositions and urban work force. First, related to the effect of demographic factors or compositions on employment participation (Dariotis et al, 2011; Gunathilake, 2008; Riordan & Shore, 1997; Thongchumnum, 2008) and the second, demographic and economic motives of migration to urban areas and expansion of urban informal sector (Todaro, 1976) Several studies reveal that population compositions such as age, sex, ethnicity, and education influence on the employment participation of a population in the informal sector (Dariotis et_al, 2011; Gunathilake, 2008; Arunathilaka & Jayawardene, 2010). In Sri Lanka,it is found that the informal sector contributes to more than two thirds of total employment which consisted of own-account workers, unpaid family workers, and daily paid, private sector employees (Arunatilake and Jayawardena, 2005; Gunatilaka, 2008). The studies have emphasized the age- sex composition and migratory behavior of the workers those absorb to urban informal sector and frequently argued that a large number of short duration migrants find employment in the informal sector and most occupations available for males (Banerjee, 1983; McGee, 1982; Kundu, 1999)Also, the workforce in the informal sector is very young and majority of them are in in the age group of 15 to 35 and the level of literacy and education are very low (Dariotis et_al, 2011; Kandu, 1999). There are gaps in knowledge with regard to manpower issues, which are closely related to demographic compositions in urban settlement areas.

Methodology

The study is based on quantitative data which was gathered from a random sample of two selected urban settlement communities in Nawagampura Colombo district in 2013. The sample size for the present study is 487 individuals who were either employed or searching for employment during the reference period and between ages 15-59. Data were collected by using interviewer administered questionnaire. Individual questionnaire included demographic and, socioeconomic characteristics such as gender, ethnicity, age, marital status, and level of education, and current employment status and so on. Bi-variate and logistic regression analyses were done to identify demographic determinants of employment participation and employment related issues. In the logistic regression model, the dependent variable has two outcomes, (a) employed and (b) unemployed. The independent variables are age, sex, level of education, marital status, household size and religion.

Findings, Conclusion and Policy Implications

The findings reveal that among those aged 15-59 persons 54% of males and 46% are females while mean age is 36 years. A substantial proportion of working age population (30%) is unemployed and this figure is ten times higher than district average (3%). The proportion of female unemployment is four times (81%) higher than male (19%). Majority of unemployed females are in aged 15-24. More than half of the population had level of education grade 6 to 11, and 29% had primary or below. Only 12% had passed GCE O/L and above. The ethnic composition of working age population shows that a large majority is from non-Sinhalese ethnic groups (Sinhalese -36%, Sri Lankan Tamil-48% and Moor- 16%). Marital composition shows that 75% of population had currently married while 23% are single. More than two thirds of employed persons (71%) state that their current job is not secure as they are engaged in informal employment. Logistic Regression results also revealed that controlling for other demographic factors females are 10 times more likely to get unemployed when compared to their male counterparts. In addition, age, level of education, and current marital status are significant predictors of likelihood of getting unemployed. These results suggest that future employment programmes should focus on empowering women and creating employment opportunities for females in urban settlement communities. Furthermore age-sex structure of population and education composition need to be taken into consideration when addressing employment related issues in these communities.

Keywords: Demographic Composition; Employment Participation; Urban Workforce

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