

The Trend and Behaviour of Unemployment Rate in Uva Province during Last Decade

P. Ramwickrama, K.W.S.N. Kumari

Department of Science and Technology, Uva Wellassa University, Badulla, Sri Lanka

Sri Lanka was subjected to lot of economic and political changes in the latter part of the war and in the post war period including the changes in the labour force structure, and therefore, the behavior of unemployment rate. Therefore, this study attempts to evaluate the trend and behavior of unemployment rate in the Uva Province and their socio—economic consequences since its least income and lower literacy status compared to national figures. To see if this status of the province is a result of unemployment of the residents in the province, the study was done in two phases where firstly, provincial and national unemployment rates for ten years were compared using time series analysis. Second, a survey with the questionnaire filled by respondents' method for a sample of 150 was carried out. The analysis revealed there is no difference of unemployment rate in Uva Province and Sri Lanka. But, they showed totally different trends. For Sri Lanka, the estimated trend equation is $Y_t = 9.33 + 0.595t - 0.0842t^2$ and for Uva Province, it is $Y_t = 18.25 - 2.694t + 0.1584t^2$. The survey resulted most of the sample has the attitude that improving educational qualifications will help them to be employed. 39.33% of the sample passed GCE AIL examination. 44% of the people under study expected government employments. There was no difference between each economic region (i.e. Urban, Rural and Estate) and the availability of employments. According to the survey, 46.67% of the sample, stated the family background is the most influencing reason for them to be unemployed. However, in general the attitude change of the younger generation has caused the increase of unemployment since 1999. Basically the highest contribution to the national GDP from Uva Province is by Agriculture, which is quite different from other regions. With industrialization, the younger generation has directed more towards industrialized employments instead of Agriculture related employments. According to national statistics, since 1999 population in "Looking for a job" category for the Uva Province has increased. Also, the survey results shows most of the younger people in the sample are willing to migrate from the province for more industrialized jobs. Therefore, this study suggests increasing the employment opportunities within the province including Agriculture sector.

Keywords: Unemployment rate, Time series analysis, Socio—economic consequences, Industrialization