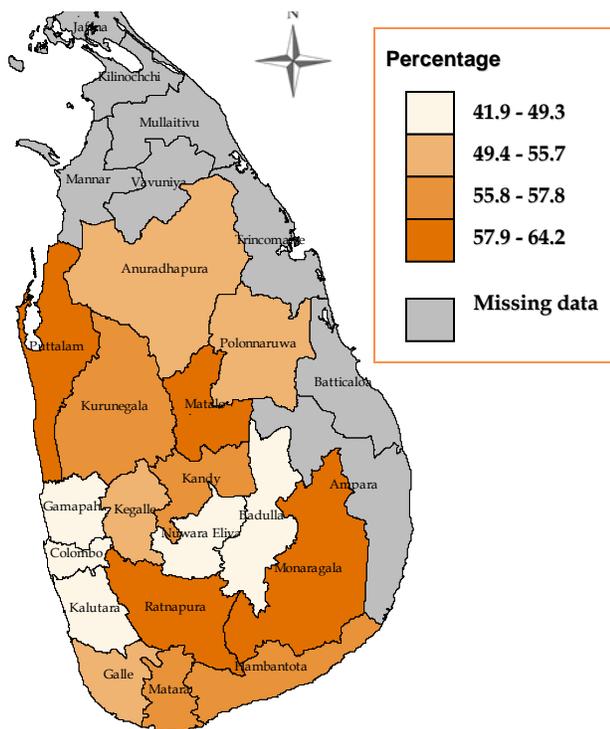


6.3 Informal sector employment by district

It is very important to see the percentage distribution of the informal economy at the district level. As discussed, most of the agricultural activities are in the informal nature, and therefore, developing countries always try to see the contribution of the informal sector employment in the non-agricultural sector

Map 7: Participation rate of Informal Sector in Non Agriculture Sector by Districts - 2006



According to the estimates, 51 percent of the total non-agricultural employment are in the informal sector. There are also significant differences in the informal sector employment in non-agricultural sector among the districts.

Monaragala district shows the highest percentage of informal sector employment in non-agricultural sector, showing 64 percent. These percentage are relatively low in Gampaha and Colombo districts showing 42 percent and 43 percent respectively.

Table 25: Percentage distribution of informal sector employment in Non- Agricultural sector - 2006

District	Percentage	District	Percentage
Total	50.7	Hambantota	57.6
Colombo	42.9	Kurunegala	57.8
Gampaha	41.9	Puttalam	61.9
Kalutara	48.5	Anuradhapura	49.9
Kandy	56.5	Polonnaruwa	54.4
Matale	61.8	Badulla	49.3
Nuwara eliya	46.7	Monaragala	64.2
Galle	55.2	Ratnapura	61.1
Matara	55.9	Kegalle	55.7

6.4 Informal sector Employment by major Industry group

Looking at the Informal sector employment by major industry group, 84 percent of total agricultural employment are in the informal sector. This percentage for 'construction, Mining & Quarrying' industry group is 83 percent, while 'Education' group has shown 15 percent of informal sector employment. 46 percent of total employment in the 'Manufacturing' sector are in the informal sector.

Figure 24 : Percentage of informal sector employment by major industry group - 2006

