



# Costs of Doing a Job for Urban Women in Sri Lanka

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# Abstract

This study aims to calculate the costs (monetary and non-monetary) involved with doing a job for urban women in Sri Lanka. It is underpinned by the knowledge gap on how “cost” factors as a barrier in to or incentive out of the labour force. 661 working-age women in the Western province that were categorized as either (i) Currently employed (ii) Previously employed or (iii) Never employed, were sampled through focus group discussions (46) and a detailed survey questionnaire (615). The perceived overall cost of working for an urban woman in Sri Lanka is estimated to be 22,672 LKR per month, whereas their expected median earnings are 25,500 LKR - the perceived overall cost of working is 88.9

percent of expected earnings. The discrepancy is particularly pronounced for currently employed women; while their cost of doing a job is 41,157 LKR per month, their median earnings are only 25,500 LKR. The cost of doing a job is 1.6 times the compensation they receive. This suggests that cost, particularly implicit non-monetary costs are an important factor in women’s labour market decisions. Additionally, this study finds that the affordability and reliability of childcare as well as patriarchal cultural norms and expectations play a pivotal in shaping the “cost” women bear to engage in paid work.

# 01

# Introduction

Sri Lanka has a strikingly low female labour force participation (FLFP) rate. In 2021, just 30.9 percent of women were in the labour force, compared to 71.1 percent of men.<sup>1</sup> According to the 2021 Global Gender Gap Report, Sri Lanka has the 17<sup>th</sup> largest gender gap in labour force participation in the world.<sup>2</sup> Sri Lanka ranks low for FLFP even within the South Asian region, despite ranking higher in other human development outcomes such as female education rates and low fertility.<sup>3</sup> Sri Lanka's issue of low FLFP has remained unaddressed for decades: FLFP has stagnated at a level less than half that of men for the last two decades and has been following a decreasing trend since 2017.<sup>4</sup>

Sri Lanka needs to address its shrinking FLFP rates for two main reasons. From an economic perspective, increased women's participation in the labour force is a driver of economic growth for the country.<sup>a</sup> Women's economic participation is also important in advancing women's empowerment. When a woman works outside the home, her economic independence allows her to have greater bargaining power within the household, leverage more decision-making ability and exercise more personal autonomy.<sup>5</sup>

Previous research regarding Sri Lanka's low FLFP has primarily focused on factors contributing to

the issue such as labour market discrimination, lack of childcare services and socio-cultural gender norms.<sup>6,7,8</sup> The present study builds on this pre-existing knowledge to focus on an unexplored question: is engaging in the labour market cost-prohibitive for women in Sri Lanka? The question is underpinned by two main observations. One is that when a woman takes up employment, the increase in household income is offset by an increase in both personal and household-related costs. The second is that the patriarchal structure of the family and society is disproportionately reliant on women's unpaid labour in the realm of care and household work for its normal functioning.<sup>9</sup> Thus, formal labour force participation may impose an additional physical and psychological cost on women as a result of both the double burden and gendered expectations.

This study aims to calculate the cost of doing a job for urban women in Sri Lanka, in order to understand the role of cost as a significant entry barrier to or an incentive out of the labour force. This is done by considering explicit monetary costs and assigning a monetary value to non-monetary costs such as psychological costs. The findings suggest that both monetary and non-monetary costs, particularly childcare related costs, are an important operative factor in women's labour force participation.

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a The McKinsey Global Institute, in an Asia-wide analysis of women's equality in 2018, projected that if Sri Lanka were to increase its women's labour force participation rate and the number of paid hours women work, and add more women to higher-productivity sectors, the country could add 14 percent (USD 20 billion) to its annual GDP by 2025.

Additionally, the study finds that the decision to participate in the labour force is also impacted significantly by gendered patriarchal expectations placed on Sri Lankan women.

The cost of doing a job is perceived to be particularly high by women who are currently employed. This means that in addition to a large cohort of women not participating in the labour force, the small cohort of women who are employed are also at high risk of exiting the labour force. The lack of affordable and accessible formal childcare services serves as an entry barrier as well as an incentive to exit the

labour force, for all women. The factor that most constrains women who were previously employed from returning to employment is patriarchal gender and cultural norms regarding women and work. It is important that efforts to increase FLFP remain cognizant of these factors.

The remainder of the report is organised into three main sections; *Section 2* outlines in detail the design of the study, *Section 3* presents the key insights of the study and *Section 4* explores in detail the research findings.

# 02

# Methodology

This section outlines the design of the study, including descriptions of the utilised data and methodology.

The overall design of the study consisted of both qualitative and quantitative components. The timeline and design were such that the results from the qualitative component were utilised to inform more efficient and targeted data collection for the quantitative component. Additionally, utilising multiple methods of data collection enabled the employment of triangulation techniques to increase the validity of the study. *Exhibit 1* describes the field research methods used to gather the primary data for this study.

**Exhibit 1: Field research methods employed in the study**

| Component    | Activity                       | Data collection method     |
|--------------|--------------------------------|----------------------------|
| Qualitative  | Focus group discussions (FGDs) | Semi-structured interviews |
| Quantitative | Survey                         | Survey questionnaire       |

The study included a total of 661 women who were (1) between the ages of 20 and 50, defined as being the most eligible age to participate in the labour force, (2) living in urban areas in the Western Province (the FGDs were limited to Colombo or Gampaha District and excluded Kalutara District) and (3) falling into one of three categories (i. currently employed, ii. previously employed but currently unemployed or iii. never employed).

## 2.1. QUALITATIVE DATA - FOCUS GROUP DISCUSSIONS (FGDS)

The FGDs were designed to provide a forum to obtain qualitative insights from women on the explicit monetary and non-monetary costs associated with employment outside the home. They followed a conversational structure to facilitate organic engagement and nuanced perspectives from the participants on their choices to engage or not in the labour force. 6 FGDs were conducted with 7-8 participants per session for a total of 46 participants. Only married women of lower-middle-income to middle-income status were considered for this component of the study: Given the sample size restraints of FGDs, it was assumed that this demographic group would provide the most holistic perspective. Aside from marital and socioeconomic status, the demographic composition for each FGD is listed below in *Exhibit 2*.

**Exhibit 2: Demographic composition of the FGDs**

| Demographic composition |   |
|-------------------------|---|
| FGD 1                   | Currently employed women with dependents (children) with interrupted labour force participation (did not work when children were young) |
| FGD 2                   | Previously employed women with dependents (children) (left the labour force within the last few years)                                  |
| FGD 3                   | Currently employed women with dependents (children)   |
| FGD 4                   | Women with dependents (children) and no employment experience   |
| FGD 5                   | Previously employed women with no dependents (left the labour force within the last few years)  |
| FGD 6                   | Currently employed women with dependents (parents, in-laws)   |

**2.2. QUANTITATIVE DATA**

The key source of primary data for this study was the survey questionnaire carried out among 615 women. A purposive sampling method was utilised to gather more data from currently employed women since they currently experience the costs associated with working. Despite recognising the value of sampling women that were previously

employed, women in this cohort proved difficult to identify in the population, which led to their under-sampling. However, the study corrected for this when calculating the overall cost of working for women through weighting.

The breakdown of the sample is provided in *Exhibit 3*. Additional descriptive statistics of the sample are provided in *Exhibit 4*.

**Exhibit 3: Composition of the sample – respondents to the survey questionnaire**

| Status              | Count      | Percentage of sample |
|---------------------|------------|----------------------|
| Currently employed  | 466        | 75.77%               |
| Previously employed | 44         | 7.15%                |
| Never employed      | 105        | 17.07%               |
| <i>TOTAL</i>        | <i>615</i> | <i>100%</i>          |



**Exhibit 4: Summary statistics of the sample**

| Status                       | Median monthly earnings (LKR) | Median monthly household income (LKR) | Percentage with children <sup>b</sup> | Percentage with dependent adults | Median years of education | Percentage married |
|------------------------------|-------------------------------|---------------------------------------|---------------------------------------|----------------------------------|---------------------------|--------------------|
| Currently employed           | 25,500                        | 37,500                                | 34.1%                                 | 7.5%                             | 13                        | 71.2%              |
| Previously employed          | 20,000                        | 37,500                                | 15.9%                                 | 11.4%                            | 11                        | 63.6%              |
| Never employed (anticipated) | 30,000                        | 37,500                                | 41.0%                                 | 2.9%                             | 13                        | 71.4%              |
| Overall                      | 25,500                        | 37,500                                | 34.0%                                 | 7.0%                             | 13                        | 70.7%              |

Note: A more detailed version of this table is available in Annexure 1, Exhibit 4 of the Technical Annexure.

The median monthly earnings or expected median monthly earnings of the sample of women is 25,500 LKR. Even when the sample is disaggregated by economic status, the median earnings vary by at most 5,000 LKR. The median monthly household income is 37,500 LKR for the entire sample. The sample is below the median monthly household income for the population, which stands at 53,333 LKR.<sup>10</sup> It is slightly above the second household income quintile (36,290 LKR<sup>11</sup>), suggesting that the sample is biased towards the poorest 40 percent of households in the country.

70.7 percent of respondents overall are married. Previously employed women are the least likely to be married; only 63.6 percent of previously employed women in the sample were married. 34 percent of respondents overall have dependent children and 7 percent have dependent adults. The median number of years of education for the sample was 13 years, which is equivalent to completing G.C.E. Advanced Level examinations (i.e., high school). Previously employed women have lower overall educational attainment compared to currently and never employed women in the sample; their median number of years of education was 11 years (equivalent to completing G.C.E. Ordinary Level examinations).

The information collected through the questionnaire was differentiated into two different types of costs – explicit monetary and implicit non-monetary costs. Subsequently, it was further divided into five different sub-categories as detailed in Exhibit 5. To calculate the overall cost of engaging in paid labour in rupee terms, implicit non-monetary costs were also quantified in rupees. This was done by using non-market valuation methods, particularly a contingent valuation method, by eliciting respondents’ stated preferences.

**Exhibit 5: Categorisation of costs in the questionnaire**

|   | Cost category   |
|---|---|
| <b>Explicit monetary costs (Direct costs)</b> | Work-related expenses   |
|   | Household expenses (only expenses directly incurred due to work outside the home) |

<sup>b</sup> Dependent children were defined as being under the age of 18.

|                           |                                |
|---------------------------|--------------------------------|
| <b>Non-monetary costs</b> | Social and emotional wellbeing |
|                           | Physical wellbeing             |
|                           | Impact on personal development |

Survey questions were targeted based on the respondent's belonging to one of three previously defined categories of economic activity: i. currently employed, ii. previously employed or iii. never employed. Currently employed respondents provided their responses in terms of actual explicit monetary costs and estimations for non-monetary costs, whilst previously employed and never employed respondents provided estimations and decisions based on their reservation wage.<sup>c</sup> The questionnaire also enabled the gathering of relevant demographic details to allow for the analysis of disaggregated data. The sample discovery and segregation were conducted by engaging the professional services of Vanguard Survey (Pvt.) Ltd.

The survey questionnaire can be found in *Annexure 2* of the Technical Annexure.

### 2.3. LIMITATIONS OF THE STUDY

Limitations of the study include logistical limitations and a conceptual limitation (listed below).

**Logistical limitations:** This study was carried out during the COVID-19 pandemic. As a result, the FGD component of the study was conducted online via a video conferencing application and the survey component was carried out via phone

conversations. Due to scheduling reasons, the FGDs were held on weekend evenings. Due to the combination of the pandemic and timing, there is a higher-than-average chance of other family members being present at the time of a participant taking part in the FGD, which could have influenced the extent of frankness with which questions were answered.

A similar problem persists in the design of the survey component. Although the survey was primarily carried out on weekdays, since it was carried out over the phone during the pandemic, it is likely that other members of the household were present and therefore influencing the respondent's ability to respond freely. This is especially pertinent as several questions directly ask about the respondent's freedom to make choices regarding their career. Additionally, it must be noted that there is greater room for misinterpretation both by the enumerator and the respondent due to the nature of the medium in which the survey was carried out.

**The conceptual limitation:** In both the FGD and the questionnaire, the methodology assumes that the opinions expressed by women regarding their choices between family work, market work and their choice of lifestyle are reflective of freely held personal preferences. However, what may be elicited from participants is their socially conditioned adaptive preferences as opposed to their authentic personal preferences. Adaptive preference refers to the phenomenon whereby women adjust their preferences in response to persistent gender inequality and the restraints of a patriarchal society.<sup>12</sup>

<sup>c</sup> Reservation wage is defined as the minimum wage at which a worker is willing to engage in the labour force.

# 03

## Insights

This section provides key insights from both the qualitative and quantitative analysis. Detailed results are presented in Section 4.

### **3.1. THE PERCEIVED OVERALL COST OF WORKING IS 88.9 PERCENT OF EXPECTED EARNINGS. THE IMPLICIT COSTS ARE PIVOTAL IN MAKING LABOUR FORCE PARTICIPATION UNATTRACTIVE FOR URBAN WOMEN**

The perceived overall cost of working for an urban woman in Sri Lanka is estimated to be 22,672 LKR per month, whereas their expected median earnings are 25,500 LKR. The cost of working is 88.9 percent of the month's expected earnings. In the case of currently and never employed women, their perceived cost of working exceeds their expected earnings. For the overall sample, the expected explicit monetary cost of working (11,323 LKR) is only half the expected median earnings. This suggests that implicit costs are a pivotal influential factor in women's decisions in participating in the labour force.

Currently employed women perceive an overall cost 1.6 times greater than the compensation they receive. This suggests that they discount the non-monetary costs in their decision-making to

engage in market work. Their retention in the labour force is possibly explained by two hypotheses. The first is that it is due to the counterfactual cost of financial deprivation ("negative necessity") while the second is that the non-monetary benefits of working (which have not been evaluated) outweigh the cost difference ("hidden positivity"). The negative necessity hypothesis is supported by the lower household earning premium of respondents who are currently employed and the hidden positivity hypothesis is supported by testimonials from participants in the FGDs, who expressed that working afforded them '*nidahasa*' (a word encapsulating a combination of freedom, agency and empowerment).

Women who were previously employed (and are not currently employed) perceived a cost of working that was 0.7 times their expected earnings - the lowest in the sample - and 64 percent lower than their currently employed counterparts. It should be noted that this sample of previously employed women had a lower median educational attainment than the overall sample and lower expected earnings as well.<sup>d</sup> This lower earning potential may be an explanatory factor as to why previously employed women remain without seeking employment. Additionally, implicit costs are an especially pivotal factor for women in this group, as discussed below.

<sup>d</sup> Refer to Table 4 for statistics.

### 3.2. PATRIARCHAL GENDER NORMS REGARDING WOMEN AND WORK ARE INTERNALISED WITHIN THE INSTITUTION OF MARRIAGE

Previously employed women remain outside the labour force despite the low cost they assigned to doing a job. This behaviour can be partially explained by the responses with regard to external constraints. For the cohort of such women who were married, a predominant constraint was the expectations (and assertions) of their spouses and, beyond that, the expectation created by cultural norms.

The reason provided by 40 percent of women for leaving their job was either marriage or having a child. This reflects the persistence of a cultural norm with regard to gender roles, even within urban Sri Lankan society, to take on a disproportionately high role in parenting and spousal support. Additionally, a majority of participants in the FGDs highlighted that the decision-making regarding their leaving the labour force was made by their spouses.

Women in such circumstances face high socio-emotional and physical costs in attempting to return to the labour force. They are more likely to experience the effects of double burden, due to the lack of approval and support from their spouse.

### 3.3. THE UNPAID LABOUR OF EXTENDED FAMILY MEMBERS IS A CRITICAL ENABLER OF WOMEN'S LABOUR FORCE PARTICIPATION

Particularly in relation to childcare, participants in the FGDs expressed high levels of mistrust regarding paid childcare providers. All of the currently employed women with children were able to do a job because they had support from a family member (often mother/mother-in-law) who was trusted and willing to take on these care responsibilities. Even amongst survey respondents, the non-monetary cost that women perceived when outsourcing childcare given the loss of support from a family member was twice as great as if they continued to have that support.

Additionally, the cost of existing paid childcare services is simply not affordable for women below the second household income quintile of Sri Lanka. Even survey respondents who were willing to outsource childcare estimated a monetary cost of working that ranged between 22,400 LKR and 27,000 LKR per month, whereas the median income of women in this sample is 25,500 LKR. When considering the option of paid childcare services, their income is not sufficient to cover the cost of working itself. Thus, they have no option but to rely on family members and informal means of childcare if they are to engage in the labour force. Since not everyone has access to similar options, this highlights an important lack, particularly for lower-income women, of affordable, quality childcare.

# 04

## Research Findings

### 4.1. QUALITATIVE RESEARCH FINDINGS

This section outlines the key findings from the FGDs. These results were primarily used as inputs in designing and refining the survey structure, questions and methodology used to calculate the costs. They also assist in shedding light on and reinforcing the results from the survey.

#### 4.1.1. COSTS ASSOCIATED WITH DOING A JOB

The FGD findings were used to identify and categorise the different costs associated with working for urban women. They are listed in detail in *Exhibit 6* and were crucial in designing the survey questionnaire and study methodology.

**Exhibit 6: Detailed composition of explicit monetary costs and non-monetary costs considered to calculate the cost of working for urban women**

|                         | Category              | Cost           | Notes   |
|-------------------------|-----------------------|----------------|---|
| Explicit monetary costs | Work-related expenses | Clothing       |   |
|                         |                       | Transportation |   |
|                         |                       | Community      | Costs associated with participation in the workplace community. Includes financial contributions to co-workers' birthdays, weddings, etc. |
|                         |                       | Rent           | Cost associated with relocating for work, if relevant   |

|                           | Category                   | Cost  | Notes  |
|---------------------------|----------------------------|---|--|
|                           | Household-related expenses | Childcare   | Cost of outsourcing childcare, if relevant   |
|                           |                            | Eldercare   | Cost of outsourcing eldercare, if relevant   |
|                           |                            | Household tasks                                   | Cost of outsourcing household tasks such as cooking and cleaning                                       |
| <b>Non-monetary costs</b> | Social and emotional costs | Ownership over household tasks                    | Emotional dissatisfaction related to the inability to complete household tasks by oneself, if relevant |
|                           |                            | Mental exhaustion                                 | Mental exhaustion associated with double burden <sup>e</sup>   |
|                           |                            | Separation from family and friends                |  |
|                           |                            | Work from home                                    | The emotional impact of the blurred line between work life and home life                               |
|                           | Physical costs             | Physical exhaustion                               | Physical exhaustion associated with double burden  |
|                           |                            | Physical injury                                   | Physical injuries or ailments caused by the nature of one's employment                                 |
|                           | Personal costs             | Hindrance to interest in entrepreneurial activity |  |
|                           |                            | Hindrance in career progression                   |  |

**4.1.2. WOMEN IN ALL THREE CATEGORIES PLACED VALUE ON BEING EMPLOYED.**

Women who were either currently employed or had previously been employed placed both intrinsic and instrumental value on being employed. Previously employed women put a higher emphasis on 'nidahasa' that being employed afforded them. Although 'nidahasa' directly translates to 'freedom', in this context, it's use had a wider connotation of agency and empowerment as well. This sense of empowerment stemmed from their view of themselves as "in society", as opposed to being removed/isolated from society. This valuing

of "sociality" suggests that work from home arrangements, while they reduce costs, can also reduce the benefits of employment, on average – noting that there will be significant variation in the way valuations are ascribed.

Overall, participants valued employment for instrumental reasons of financial independence and the opportunity to be networked "in society", while they valued it intrinsically for the opportunity to apply their knowledge and learn further.

Although the women reiterated that working was associated with higher monetary costs, the costs

<sup>e</sup> Double burden is defined as the workload experienced by individuals engaging in paid labour but are also responsible for a disproportionately large share of unpaid domestic labour related to household and care activities.

seemed to be somewhat offset by the instrumental and intrinsic value that they assigned to work. This was deduced on the basis that despite reporting higher perceived costs than actual earnings, none of the currently employed women expressed a desire to leave the labour force.

The fact that they valued work (for both intrinsic and instrumental reasons) was signalled by women who were not currently employed as well: (a) the majority of previously employed women expressed a certain level of regret regarding having left the labour force and (b) even women that had never worked appreciated the benefits associated with engagement in the labour force.

#### 4.1.3. PRESENCE OF DEPENDENTS IS AN IMPORTANT COST CONSIDERATION

Dependents were categorised into either children or adults. The primary point of concern was the dependents' need for care services. Results from the FGDs revealed that having dependent children was a significantly greater consideration in decisions regarding labour force participation as opposed to having dependent adults. Participants expressed an unwillingness to outsource childcare to service providers and, therefore, when lacking familial support, children were the source of high non-monetary costs related to working.

However, in the case of having dependent adults (primarily dependent parents or in-laws), participants seemed to have much less resistance to outsourcing their care needs. Six of eight participants with dependent adults hired paid caregivers, whilst the remaining two had family members willing to take care of the dependents. Family members (often the children of the adult dependents) tended to share care responsibilities, and this seemed to stem from a sense of duty towards one's parents. In general, it was more likely that care work for adults was compartmentalised and distributed, with each individual only responsible for a portion of the care work. Overall, there was a high willingness to bear the monetary cost of providing care services to adult dependents, to be able to participate in the labour force.

This alludes to the possibility that for urban women in Sri Lanka, dependent children can be cost-prohibitive to labour force participation, whereas dependent adults, although a source of monetary costs, are not prohibitive to in the same manner.

#### 4.1.4. FAMILY SUPPORT IS A CRITICAL FACTOR ENABLING WOMEN TO ENTER AND REMAIN IN THE LABOUR FORCE

Support from family members was identified as a key factor affecting the cost for a woman to engage in the labour force. The importance of family support manifested in two distinct ways. The first is spousal influence and the second is childcare support.

With regard to spousal preferences, in both FGD sections consisting of previously employed women, a majority of the participants expressed that it was primarily not their own choice to leave the labour force. The decision, most often, was made by the spouse and the most common reason reported for leaving the labour force was that the husband "did not like" for her to work and believed that the wife needs to take care of the household and childcare responsibilities. For example, in response to being asked why she left her previous job, a participant answered, "*My husband doesn't like an outsider taking care of our children.*" Another participant who was married but did not have children also stated that she had quit her job at the request of her husband. When questioned as to why he did not like her to work, she said "He just says I don't want you to work. He won't tell me anything else, so I stopped asking". These testimonials communicate the idea of childcare as the responsibility of the mother and the persistence of rigid gender norms and expectations, even in the absence of dependents.

Child-care support is the second manner in which family support affected a woman's cost of working. The cost was impacted by the availability of family members who would voluntarily take on childcare and household tasks. The FGDs helped identify that the single greatest enabling factor for a woman to engage in paid work was the presence of a family member (in most cases the mother or mother-in-law of the participant) who looked after the children while the participant went to work. One woman who is currently employed stated, "*Having my mother live with us is the only reason I can go to work. Day care is too expensive and I don't trust them to look after my children.*" This sentiment was echoed across the board. Most currently employed participants with children responded that in the absence of a family member, their only alternative would be to leave the labour force. In the FGD consisting of previously employed women with children, the primary reason for quitting was the lack of parental support (often due to a parent falling ill).

It was evident through these focus groups that women who have access to family support with regard to childcare have lower costs associated with working. Women who do not have access to the same support have higher costs. This is also not simply a monetary cost. It is particularly also a socio-emotional cost. The emotional aspect of the cost is driven by a trust deficit in relation to childcare centres and the unavailability of quality and affordable childcare options. These costs can also be enhanced by spousal influence and entrenched in cultural notions of 'good motherhood' and, thereby, the socio-psychological value placed on looking after one's child oneself. Overall, in many cases, this cost of childcare drives women out of the labour force or acts as a barrier to entering the labour force in the first place.

#### **4.1.5. LEAVING THEIR JOB DOES NOT EASE THE PHYSICAL COST WOMEN BEAR WHEN PARTICIPATING IN THE LABOUR FORCE**

The study also attempted to elicit the extent of the double burden of work for women participating in the labour force. The double burden hypothesis that women would face a high level of physical strain due to being employed as they also tend to continue to bear most of the burden of household work as well. The results of this line of inquiry confirmed this hypothesis and also provided an additional narrative.

Currently employed women acknowledged the physical strain caused by the double burden. However, the questions did not elicit answers that corroborated the hypothesis that women out of the labour force experienced a lower level of physical

strain. When questioned regarding the time of waking up, going to bed and amount of leisure time per day, the responses of previously employed and never employed women did not vary significantly from the responses of the women who were currently employed. It was also particularly notable that previously employed women did not think that they had more free time since leaving the labour force.

## **4.2. QUANTITATIVE RESEARCH FINDINGS**

This section explores in detail the findings from the survey questionnaire.

### **4.2.1. COST OF DOING A JOB**

Based on the responses to the survey questionnaire, the cost of working in monthly terms was calculated for the sample. The overall cost of working was weighted to be representative of the population of women living in the Western Province who were employed, unemployed and economically inactive. Costs are separated into two broad categories: 1) explicit monetary costs and 2) implicit non-monetary costs that involve emotional and physical costs. Since the objective of the study is to calculate the cost in monetary terms, the methodology detailed in Section 2.2 was used to quantify non-monetary costs. The composition of these costs as well as the median earnings of the sample are represented in *Exhibit 7*.



**Exhibit 7: Costs of working for women**

|                                    |                        | Overall        |      | Currently employed |      | Previously employed |      | Never employed  |      |
|------------------------------------|------------------------|----------------|------|--------------------|------|---------------------|------|-----------------|------|
|                                    |                        | Cost           | %    | Cost               | %    | Cost                | %    | Cost            | %    |
| Explicit monetary costs            | Work expenses          | 9,488          | 41.8 | 12,290             | 29.9 | 8,243               | 56.1 | 12,540          | 36.6 |
|                                    | Household expenses     | 1,835          | 8.1  | 5,185              | 12.6 | 408                 | 2.8  | 3,351           | 9.8  |
| Implicit non-monetary costs        | Social/emotional costs | 6,008          | 26.5 | 14,030             | 34.1 | 2,473               | 16.8 | 13,754          | 40.1 |
|                                    | Physical costs         | 3,744          | 16.5 | 7,072              | 17.2 | 2,349               | 16.0 | 4,457           | 13.0 |
|                                    | Personal costs         | 1,597          | 7.0  | 2,580              | 6.2  | 1,232               | 8.4  | 180             | 0.5  |
| <b>Total</b>                       |                        | 22,672         |      | 41,157             |      | 14,705              |      | 34,282          |      |
| <b>Median earnings</b>             |                        | 25,500         |      | 25,500             |      | 20,000              |      | 30,000          |      |
| <b>Cost as a share of earnings</b> |                        | 0.9<br>(88.9%) |      | 1.6<br>(161.4%)    |      | 0.7<br>(73.5%)      |      | 1.1<br>(114.3%) |      |

Figures in LKR

The average perceived cost of engaging in the labour force for an urban woman living in the Western Province of Sri Lanka between the ages of 20 and 50, irrespective of other demographic factors, is 22,672 LKR per month. The average perceived cost of being employed takes up almost 90 percent of urban women's average expected earnings. The median expected earnings, at 25,500 LKR, is a little (12.5 percent) above the average cost. That means for half the women, even in the second-lowest income quintile, an income above 25,500 would be required to make employment viable. The expected explicit monetary cost of working (11,323 LKR) is only half the expected median earnings. This suggests that implicit costs are a pivotal influential factor in

women's decision to participate in the labour force.<sup>f</sup>

Expected monetary costs account for 49.9 percent of the total overall cost of 22,672 LKR, whilst expected non-monetary costs account for the remaining 50.1 percent. After work expenses, social/emotional costs are the second-largest category of expected costs to affect working women – 6,008 LKR or 26.5 percent of the overall perceived cost of working for a woman. Further analysis (presented later in this report) suggests that this is primarily driven by the effects of the double burden and other gendered cultural mores.

**Currently employed** women perceive the highest

<sup>f</sup> Regardless of the valuation made by women, the discrepancy between cost and pay brings up the question of fair compensation by employers that allow all individuals to receive a living wage. This is especially important since the discrepancy noted in this study is simply between the cost of working and earnings, and does not include other costs of living such as food and healthcare.

overall cost of 41,157 LKR in relation to being employed. The cost of working for currently employed women not only exceed their earnings but also exceed it by a far greater value than other cohorts of women in the sample. Currently employed women perceived their cost of working to be 1.6 times greater than the compensation they receive. The high cost borne by women in this cohort may explain why Sri Lanka's female labour force participation rates are so low – cost may act as a deterrent to women currently outside of the labour force; it is not economically feasible for women to participate in the labour force.

Currently employed women attributed 57.5 percent of their costs to non-monetary costs (compared to previously employed women, 41.2 percent and never employed women, 53.6 percent). In absolute terms, currently employed women perceive the highest amount in non-monetary costs (23,682 LKR). The value attributed to social and emotional costs, physical costs and costs related to personal development are all higher than those of women who were not employed. Considering that currently employed women actually experience these costs, their estimation may be more reliable than those reported by women who were not presently employed.

Despite perceived costs being higher than reported income, this category of women remains in employment. Their retention is potentially explained by two hypotheses. The first is that it is due to the counterfactual cost of financial deprivation (negative necessity). Previously employed and never employed women rely on a single income for their household and, in the majority of cases, currently employed women are in dual-income households (including the spouse's wage). Despite the dual income, the median household income for currently employed women in the sample (37,500 LKR) is the same as that of other groups. This shows that currently employed women come from households where the spouses' income tends to be lower than for other groups, and supports the hypothesis of "negative necessity": that women in this cohort are required to engage in market work due to financial necessity, when they might not have done otherwise, due to non-monetary costs.

The second hypothesis is "hidden positivity" or the intrinsic valuation of work. That is, the intrinsic non-monetary benefits associated with labour force participation compensate for the shortfall in their

earnings in relation to the perceived costs (monetary and non-monetary). This explanation is supported by testimony from the FGDs (detailed in Section 4.1.2). Employed women expressed that they valued the financial and personal autonomy afforded to them, as well as the opportunity to mingle within society. It is also notable that none of the currently employed women in the FGDs expressed a desire to leave the labour force.

It is likely that both hypotheses partially explain the retention of certain women in the labour force.

**Previously employed** women perceive the lowest overall cost to return to the labour force; 14,705 LKR. Their perceived cost of working is 64 percent lower than their currently employed counterparts. As a share of their total expected earnings, the cost of working takes up the smallest share for previously employed women. Their perceived cost of labour force participation is 0.7 times that of the earnings they expect.

Previously employed women expect explicit monetary costs to comprise a greater portion of their perceived overall cost than other cohorts in the sample. Monetary costs account for 58.9 percent of their perceived overall cost (compared to 42.5 percent for currently employed and 46.4 percent for never employed). However, in absolute terms, their perceived monetary costs, as well as perceived non-monetary costs are significantly lower for previously employed women than that of other women in the sample. This is particularly notable with regard to socio-emotional and physical costs. Previously employed women estimated perceived socio-emotional cost to return to the labour force at 2,473 LKR, which is less than 18 percent of the cost perceived by both currently employed and never employed women. Similarly, their perceived physical cost to return to the labour force is estimated to be 2,349 LKR, which is 33.2 percent of the cost perceived by currently employed women and 52.7 percent of the cost perceived by never employed women.

These numbers give rise to two puzzles. Why does this cohort have such a relatively low valuation of costs in relation to employed women and why do they not return to work? The FGD findings alongside the survey findings suggest potential explanations.

The lower valuation puzzle might be explained by drawing on, once again, the intrinsic valuation

of work. If responses by this group use the psychological baseline of having employment (with an intrinsic valuation of work) and report the *net* psychological costs of working, then the costs of working would tend to be reported at a lower level than if the responses focused only on those costs. The FGD findings support this possible explanation. Previously employed women in the FGDs expressed the greatest dissatisfaction in their current circumstances and placed greater intrinsic value on working than the other cohorts.

The non-return to work puzzle could be understood in terms of a patriarchal context. This is also better understood through the FGDs. The study found that most FGD participants that had left market work had not left primarily of their own volition but were strongly influenced by their husbands to leave their jobs. The operation of patriarchal gender norms within the home and marriage is also indicated by the survey data. Women indicated marriage as the primary reason for leaving their employment (30 percent). See Section 4.2.4.

The combined analysis of the quantitative and qualitative components suggests that, on the one hand, previously employed women may be the easiest to incentivise back into the labour force through monetary incentives. This is due to their relatively lower perceived cost of working, potentially influenced by the intrinsic valuation of work. On the other hand, they may be the most difficult to engage in the labour force considering that they may face a more adverse patriarchal context, which explains their decision to quit work in the first place. Contending with the patriarchal context would involve dialogue on a national scale, beyond that of equal and adequate wages.

There is a second contributing factor that could form part of the explanation for the non-return to work puzzle. That is related to education levels and potential incomes. The cohort of previously employed women had the lowest educational attainments and lowest earning potential of those surveyed. Women in this group have a median educational attainment of 11 years, which is on average two years less than both currently employed and never employed women. Additionally, their median anticipated earning is 20,000 LKR monthly, which is 5,500 LKR lower than the overall sample. Thus, despite the lower perceived cost of working, the monetary compensation received for the opportunities available to women in this group

(lower educational attainment) might provide less incentive to return to employment.

**Never employed** women estimate a cost of working of 34,282 LKR per month. Compared to other groups, they anticipate the highest earnings – median monthly earnings of 30,000 LKR. Similar to currently employed women, the perceived cost of working for never employed women exceeds their expected earnings. The deficit between perceived costs associated with working and expected earnings for this cohort is 4,282 LKR. The cost of working outweighs earnings by 1.1 times.

46.4 percent of their perceived total cost is attributed to explicit monetary costs and the remaining 53.6 percent to non-monetary costs. The overall breakdown of perceived costs is quite similar to that of currently employed women, albeit slightly lower. The explanation for why this group does not participate in the labour force has two main components: One is that the benefits do not outweigh the costs. Because this group has not had a job previously, the intrinsic valuation of work would not enter very much into their labour force decision unlike for the other categories. Another explanation is high satisfaction with the status quo. In the FGDs, never employed women expressed a greater level of satisfaction with their current lifestyle and, therefore, less incentive to change their employment status.

#### 4.2.2. THE EXPECTED COST OF OUTSOURCING CARE RESPONSIBILITIES

A key finding from the FGDs, as discussed previously, was that having a relative – often a mother or mother-in-law that could be entrusted with childcare and household responsibilities (and took it up voluntarily) – was the greatest enabling factor in a woman's ability to have a job. This was in part due to the widely prevalent trust deficit amongst urban Sri Lankan women in outsourcing childcare to a service provider. It also alludes to a different but equally important issue that (particularly younger) women's labour force participation is often at the cost of the unpaid labour of older women. Thus, these informal arrangements are not a sustainable solution to enabling women's labour force participation.

As detailed in *Exhibit 4*, 34 percent of the sample had dependent children and 7 percent had adult dependents. Despite the relatively smaller sample size of women with childcare and eldercare

constraints, quantifying the impact of these responsibilities is important. Women tend to bear a disproportionate share of care responsibilities and are often disinclined from participating in the labour force for the same reason.

To calculate how the cost of doing a job for women is impacted by their willingness to outsource their care needs as well as the options available to them, a model with conditioned outcomes was utilised to capture both explicit monetary and non-monetary costs. This model estimated the monetary and

non-monetary expenses as a system of simultaneous equations. It was weighted to be representative of the female populace of the Western Province (Colombo, Gampaha, Kalutara) who are currently employed, unemployed and economically active. The methodology used is explained in more detail in *Annexure 3*.

The monetary and non-monetary cost is estimated in the context of four potential attitudes towards childcare and eldercare. The attitudinal categories adopted in the model and estimation were:

1. The individual is willing to leave their job to perform care labour. They do not have satisfactory family support and are not willing to outsource to a paid provider.
2. The individual is willing to leave their job if they lose access to informal arrangements with family
3. The individual is willing to outsource care labour to a paid provider. They either do not have or are not willing to utilise family support.
4. The individual is willing to outsource care labour if they lose access to an informal arrangement with family.

The results of the regressions are depicted in *Exhibit 8*.

**Exhibit 8: Impact of attitude towards outsourcing care labour on the cost of working**

| Economic status    |  | Explicit monetary expenses coefficient<br>(in LKR, per month basis) | P> z | Non-monetary expenses coefficient<br>(in LKR, per month basis) | P> z |
|--------------------|--|---|------|--|------|
| <b>CHILDCARE</b>   |  |   |      |  |      |
| Currently employed | Willing to leave the job. Not willing to outsource and no family support.        | 12,240  | 0.00 | 17,750   | 0.03 |
|                    | Willing to leave job if they lose access to an informal arrangement with family. | 13,496  | 0.02 | 14,927   | 0.02 |
|                    | Willing to outsource to a paid provider. No family support.                      | 27,074  | 0.00 | 19,768   | 0.13 |
|                    | Willing to outsource if they lose access to an informal arrangement with family. | 24,575  | 0.02 | 44,652   | 0.01 |

|                     |  |        |      |        |      |
|---------------------|--|--------|------|--------|------|
| Previously employed | Willing to leave the job. Not willing to outsource and no family support.        | 10,045 | 0.02 | 7,694  | 0.02 |
|                     | Willing to leave job if they lose access to an informal arrangement with family. | 11,301 | 0.07 | 4,871  | 0.47 |
|                     | Willing to outsource to a paid provider. No family support.                      | 24,880 | 0.01 | 9,711  | 0.20 |
|                     | Willing to outsource if they lose access to an informal arrangement with family. | 22,381 | 0.03 | 34,596 | 0.01 |
| Never employed      | Willing to leave the job. Not willing to outsource and no family support.        | 10,336 | 0.02 | 9,510  | 0.01 |
|                     | Willing to leave job if they lose access to an informal arrangement with family. | 11,592 | 0.07 | 6,687  | 0.27 |
|                     | Willing to outsource to a paid provider. No family support.                      | 25,171 | 0.01 | 11,527 | 0.13 |
|                     | Willing to outsource if they lose access to an informal arrangement with family. | 22,672 | 0.02 | 36,412 | 0.01 |
| <b>ELDERCARE</b>    |  |        |      |        |      |
| Currently employed  | Willing to leave the job. Not willing to outsource and no family support.        | 12,600 | 0.00 | 18,368 | 0.02 |
|                     | Willing to leave job if they lose access to an informal arrangement with family. | 18,148 | 0.01 | 12,137 | 0.32 |
|                     | Willing to outsource to a paid provider. No family support.                      | 40,695 | 0.01 | 50,631 | 0.06 |
|                     | Willing to outsource if they lose access to an informal arrangement with family. | 33,986 | 0.00 | 20,320 | 0.48 |
| Previously employed | Willing to leave the job. Not willing to outsource and no family support.        | 10,406 | 0.02 | 8,312  | 0.03 |
|                     | Willing to leave job if they lose access to an informal arrangement with family  | 15,953 | 0.01 | 2,081  | 0.87 |

|                |  |        |      |        |      |
|----------------|--|--------|------|--------|------|
|                | Willing to outsource to a paid provider. No family support.                      | 38,500 | 0.01 | 40,575 | 0.06 |
|                | Willing to outsource if they lose access to an informal arrangement with family. | 31,792 | 0.00 | 10,264 | 0.65 |
| Never employed | Willing to leave the job. Not willing to outsource and no family support.        | 10,696 | 0.02 | 10,128 | 0.01 |
|                | Willing to leave job if they lose access to an informal arrangement with family. | 16,244 | 0.00 | 3,897  | 0.72 |
|                | Willing to outsource to a paid provider. No family support.                      | 38,791 | 0.01 | 42,391 | 0.05 |
|                | Willing to outsource if they lose access to an informal arrangement with family. | 32,083 | 0.00 | 12,080 | 0.62 |

Figures in LKR

### CHILDCARE

Women willing to outsource childcare needs to a paid provider expect a higher explicit monetary cost of working compared to when childcare needs are taken care of by themselves or a family member. Outsourcing childcare needs makes doing a job twice as expensive as either of the latter options - the explicit cost of doing a job for a woman who is willing to outsource childcare is approximately between 22,400 LKR and 27,000 LKR per month, whereas if they were to leave their job and take up the labour themselves or have an informal family arrangement, their explicit cost of working ranges between 10,000 LKR and 13,500 LKR. Considering that the median earnings of women in the sample with dependent children was 25,500 LKR, outsourcing childcare is simply not affordable as their explicit monetary cost of working comes close to or outweighs their earnings. Thus, in the absence of access to informal arrangements with family, even if women are willing to outsource childcare, due to higher costs, women may have little choice but to opt-out of the labour force.

The non-monetary cost component is also significant. The expected implicit non-monetary cost of doing a job for women unwilling to outsource childcare under any circumstance and women willing to outsource since they do not have family

support was similar - currently employed: 15,000 LKR to 19,700 LKR; previously employed: 4,800 LKR to 9,700 LKR; and never employed: 6,700 LKR to 11,500 LKR. However, the non-monetary cost of working was over three times higher for women who currently had access to family support but were only willing to outsource childcare if they no longer had access to existing informal arrangements with family members. This suggests that the mistrust that was expressed by FGD participants towards childcare providers is actually better understood in relative terms. When the option of informal arrangements is available, it is viewed more favourably than the option of outsourcing childcare, which is viewed with more mistrust.

It is also notable that regardless of their attitude, the non-monetary cost of working for currently employed women was higher than both previously employed and never employed women. For women willing to leave their job to take care of the children, their expected non-monetary cost of working for currently employed women was 2.3 times the cost of previously employed women and 1.9 times the cost of never employed women. Similarly, for women willing to outsource childcare if they lost their current arrangement with family, the expected non-monetary cost of doing a job for currently employed was approximately 1.2 times the cost of previously and never employed women. This supports the

hypothesis introduced in Section 4.2.1. that the retention of the currently employed women in the labour force despite their high costs may be due to negative necessity.

### ELDERCARE

The impact of women’s willingness to outsource eldercare needs on their explicit monetary cost of doing a job, follows a similar pattern to the childcare case discussed above. Women who are willing to outsource eldercare expect a higher explicit cost of working. If the needs are taken care of by themselves or by a family member, then their explicit cost of working is lower, ranging between 10,400 LKR and 18,400 LKR. However, willingness to outsource eldercare has a significantly larger impact on the explicit cost of doing a job in the context where no family support is available. The explicit monetary cost of doing a job is 1.2 times the cost for both currently employed and previously employed women, in such a case, than when outsourcing is considered only given the loss of existing informal care arrangements. Never employed women are the exception. This higher explicit cost of eldercare may be due to a scarcity of quality eldercare providers or the higher labour intensity required to provide care for adult dependents, particularly in old age.

Willingness to outsource eldercare, particularly when no family support is available, is associated with a high expected implicit non-monetary cost

of working. Relative to the case where a woman is willing to leave her job and perform the labour herself, the non-monetary cost of working is 2.8 times greater for currently employed women, 4.9 times greater for previously employed women and 4.2 times greater for never employed women. However, notably, women willing to outsource eldercare given the loss of existing family support expected a significantly lower non-monetary cost of working that was similar to the non-monetary cost expected by women willing to leave their job and perform the labour themselves.

### 4.2.3. THE IMPACT OF EARNINGS ON THE COST OF LABOUR FORCE PARTICIPATION

This study attempted to identify variation in the perceived cost of working for women at different income levels. At different earnings levels, women may incur and be willing to bear different explicit costs and perceive non-monetary costs differently as well. Expected earnings were categorised into brackets with 10,000 LKR increments for reported earnings between 10,000 LKR and 60,000 LKR. This is because most data from the sample was constricted at monthly earnings levels below 60,000 LKR. For each earnings bracket, the corresponding mean total (monetary and non-monetary) cost of working is calculated for currently employed women and never employed women. Previously employed women are excluded from this calculation due to their limited sample size. The calculations are represented below in *Exhibit 9*.

**Exhibit 9: Mean perceived cost of working at various earnings levels**

| Earning bracket | Mean perceived cost (sum monetary and non-monetary) |                |
|-----------------|---|----------------|
|                 | Currently employed                                  | Never employed |
| 0 – 10,000      | 22,738  | 9,826          |
| 10,000 – 20,000 | 35,984  | 21,479         |
| 20,000 – 30,000 | 55,357  | 29,082         |
| 30,000 – 40,000 | 67,270  | 37,418         |
| 40,000 – 50,000 | 66,166  | 45,862         |
| 50,000 – 60,000 | 71,563  | 89,080         |

*Figures in LKR*

At higher income brackets, the perceived cost of working follows an increasing pattern. More importantly, in all earnings brackets, the mean perceived cost of working is greater than the range of earnings. This deficit is the most striking for currently employed women. At the lowest-income bracket 0-10,000 LKR, the mean perceived cost (22,738 LKR) is over double the earnings they receive. At the highest-income bracket this calculation was conducted for (50,000 – 60,000 LKR), the mean perceived cost of working for currently employed women is still 1.2 greater than the upper bound of that income bracket. Currently employed women remain in the labour force despite the relative loss they incur. This lends further support to the hypotheses introduced in Section 4.2.1 of the negative necessity hypothesis and the hidden-positivity hypothesis.

Never employed women’s mean perceived cost of working is also greater than or within their respective earnings bracket. For this cohort, the

discrepancy is most notable in the highest-income bracket – women that expected monthly earnings between 50,000 LKR and 60,000 LKR perceived a mean cost of working of 89,090 LKR.

**4.2.4. REASONS FOR LEAVING THE LABOUR FORCE**

A more complete picture of the trajectory of previously employed women in the sample can be seen by analysing the reasons provided for their leaving the labour force. This is particularly important given that a key finding from the FGDs was that spouses played a key role in the decision-making – many husbands maintained an arguably outdated notion that their wives didn’t need to engage in paid labour and instead their priority must be managing the household and children.<sup>9</sup> *Exhibit 10* presents the distribution of data for the reason provided for leaving the labour force as well as who took the decision. This is visually represented in *Exhibit 11*.

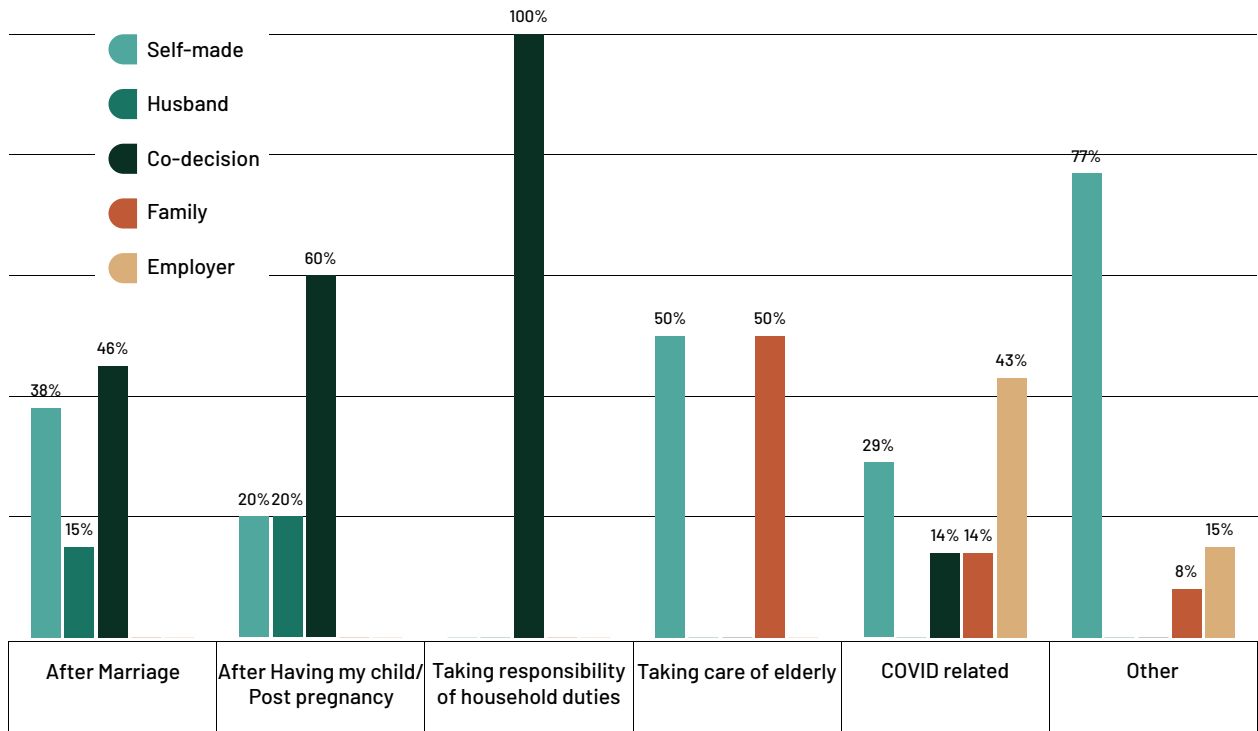
**Exhibit 10: Reasons to leave work and who made the decision (breakdown)**

| Reasons to leave work |  | Self-made | Husband | Co-decision | Family | Employer | Total |
|-----------------------|--|-----------|---------|-------------|--------|----------|-------|
| Previously Employed   | After marriage                             | 5         | 2       | 6           | 0      | 0        | 13    |
|                       | After having my child/post pregnancy       | 1         | 1       | 3           | 0      | 0        | 5     |
|                       | Taking responsibility for household duties | 0         | 0       | 3           | 0      | 0        | 3     |
|                       | Taking care of elderly                     | 1         | 0       | 0           | 1      | 0        | 2     |
|                       | COVID-related                              | 2         | 0       | 1           | 1      | 3        | 7     |
|                       | Other                                      | 10        | 0       | 0           | 1      | 2        | 13    |

<sup>9</sup> This line of thinking may be explained by patriarchal ideology of the male provider and female homemaker reinforced by culture. This idea is supported by previous research in South Asia, which shows how women internalised the idea themselves, becoming disinclined to participate in market work due to concerns of hurting family status as employment was stigmatised for married women.



**Exhibit 11: Reasons to leave work and who made the decision**



Marriage was identified as the primary reason for leaving a job (30 percent), while having children was the second most significant reason (11.6 percent) (excluding COVID). Both these reasons hint that rigid, gendered norms are embedded within the Sri Lankan family structure, even in urban areas.

solely by them – this is perhaps more concerning as it reflects the internalisation of these gender norms and roles as well. 30 percent of respondents stated that the decision was made together with their spouse.

Notably, most respondents (44 percent) stated that the decision to leave the labour force was made

# 05 Technical Annexure

## ANNEXURE 1

Exhibit 11: Descriptive statistics of the sample (survey questionnaire)

| Status              | Descriptive stats | Earnings  | Household income | Presence of children | Presence of dependent Adult | Parent/ housecare | Years of education | Married | Work again |
|---------------------|-------------------|-----------|------------------|----------------------|-----------------------------|-------------------|--------------------|---------|------------|
| Previously employed | Min               | 8,000.00  | 10,000.00        |                      |                             |                   | 7.0                |         |            |
|                     | 10th percentile   | 12,000.00 | 17,499.50        |                      |                             |                   | 10.0               |         |            |
|                     | Mean              | 21,590.91 | 47,840.42        | 0.159                | 0.114                       | 0.136             | 11.7               | 0.636   | 0.523      |
|                     | Median            | 20,000.00 | 37,499.50        |                      |                             |                   | 11.0               |         |            |
|                     | 90th percentile   | 30,000.00 | 62,499.50        |                      |                             |                   | 14.0               |         |            |
|                     | Max               | 38,000.00 | 124,999.50       |                      |                             |                   | 15.0               |         |            |

| Status                    | Descriptive stats | Earnings   | Household income | Presence of children | Presence of dependent Adult | Parent/ housecare | Years of education | Married | Work again |
|---------------------------|-------------------|------------|------------------|----------------------|-----------------------------|-------------------|--------------------|---------|------------|
| <b>Currently employed</b> | Min               | 15,000.00  | 17,499.50        |                      |                             |                   | 1.0                |         |            |
|                           | 10th percentile   | 15,000.00  | 37,499.50        |                      |                             |                   | 10.0               |         |            |
|                           | Mean              | 28,804.72  | 56,501.65        | 0.341                | 0.075                       | 0.247             | 12.6               | 0.712   |            |
|                           | Median            | 25,500.00  | 37,499.50        |                      |                             |                   | 13.0               |         |            |
|                           | 90th percentile   | 45,500.00  | 87,499.50        |                      |                             |                   | 17.0               |         |            |
|                           | Max               | 95,500.00  | 174,999.50       |                      |                             |                   | 20.0               |         |            |
| <b>Never employed</b>     | Min               | 10,000.00  | 17,499.50        |                      |                             |                   | 6.0                |         |            |
|                           | 10th percentile   | 20,000.00  | 37,499.50        |                      |                             |                   | 10.0               |         |            |
|                           | Mean              | 38,409.52  | 47,213.79        | 0.410                | 0.029                       | 0.190             | 12.4               | 0.714   |            |
|                           | Median            | 30,000.00  | 37,499.50        |                      |                             |                   | 13.0               |         |            |
|                           | 90th percentile   | 50,000.00  | 62,499.50        |                      |                             |                   | 15.0               |         |            |
|                           | Max               | 300,000.00 | 124,999.50       |                      |                             |                   | 19.0               |         |            |

| Status         | Descriptive stats | Earnings   | Household income | Presence of children | Presence of dependent Adult | Parent/ housecare | Years of education | Married | Work again |
|----------------|-------------------|------------|------------------|----------------------|-----------------------------|-------------------|--------------------|---------|------------|
| <b>Overall</b> | Min               | 8,000.00   | 10,000.00        |                      |                             |                   | 1.0                |         |            |
|                | 10th percentile   | 15,000.00  | 37,499.50        |                      |                             |                   | 10.0               |         |            |
|                | Mean              | 29,928.46  | 54,296.25        | 0.340                | 0.070                       | 0.229             | 12.5               | 0.707   | 0.523      |
|                | Median            | 25,500.00  | 37,499.50        |                      |                             |                   | 13.0               |         |            |
|                | 90th percentile   | 45,500.00  | 87,499.50        |                      |                             |                   | 16.0               |         |            |
|                | Max               | 300,000.00 | 174,999.50       |                      |                             |                   | 20.0               |         |            |

Values in LKR, per month

**ANNEXURE 2**

|                  |                   |
|------------------|-------------------|
| Questionnaire No |                   |
| Project Name     | AusAID - Nov 2021 |

**AusAID**

**Conducted by**

**Vanguard Survey (Pvt) Ltd , NO 70, Layard's Road, Colombo 05, 0114848375**

| Sample Point No. | Province | District | U/R | MC/UC/PS |
|------------------|----------|----------|-----|----------|
|                  |          |          |     |          |

Respondents Report:

|                                |                  |                                  |             |
|--------------------------------|------------------|----------------------------------|-------------|
| Name of the respondent: .....  |                  |                                  |             |
| Address: .....                 |                  |                                  |             |
| Street/Lane/by lane: .....     |                  |                                  |             |
| Town: .....                    |                  | District: .....                  |             |
| Postal Code / Office: .....    |                  | Landmark of place: .....         |             |
| Office Phone. No: .....        |                  | Mobile: .....                    |             |
| <b>Name of the Interviewer</b> |                  | <b>Signature:</b>                |             |
| <b>Time Started</b>            |                  | <b>Interview Completed Time:</b> |             |
| <b>Date:</b>                   |                  |                                  |             |
| <b>Name of the Supervisor:</b> |                  | <b>Signature:</b>                |             |
| <b>Name</b>                    | <b>Signature</b> | <b>Date</b>                      | <b>Time</b> |
| <b>Accompanied Checking</b>    |                  |                                  |             |
| <b>Back Checked by</b>         |                  |                                  |             |
| <b>Supervisor's Comments:</b>  |                  |                                  |             |

Investigator: Please note that all statements in 'CAPITAL LETTERS' are instructions for you and should not be read aloud to the respondent.

My name is \_\_\_\_\_ and, I am from Vanguard Survey, we are a Research Company that

conducts market research on various products and services. Currently we are doing a study on women of Sri Lanka, and we have been interviewing both working and non-working women. Can I get some details?

Are there ladies above 20 years and less than 50 years old in this household?

- A. Yes -> Continue
- B. No -> Thanks and Terminate

I am going to readout about civil status, and which one describes you best?

Int: Check Quota

|           |   |
|-----------|---|
| Single    | 1 |
| Married   | 2 |
| Divorced  | 3 |
| Separated | 4 |
| Widow     | 5 |

Can I know your educational background?(Present rate card)

**Enumerator: query each educational qualification band and check if Completed with No. of years**

| Education Qualifications           | Completed | No. of years |
|------------------------------------|-----------|--------------|
| Primary Education                  | 1         |              |
| Secondary Education                | 2         |              |
| Tertiary Education - Undergraduate | 3         |              |
| Tertiary Education - Graduate      | 4         |              |
| Vocational                         | 5         |              |

I am going to readout the employment status, and which one describes you best

|  |                   |         |           |
|--|-------------------|---------|-----------|
| Employed previously (but not employed currently) | 1                 | Quota 1 | Go to Q4  |
| Employed currently                               | 2                 |         | Go to Q17 |
| Never employed but interested in working         | 3                 | Quota 2 | Go to Q25 |
| Never employed not interested in working         | End questionnaire |         |           |

**Section 1: Employed previously (but not employed currently)**

1. Can you please tell us some details of your previous job?

|  | Months |
|--|--------|
| In your last job how long have you been employed?            |        |
| Prior to finding your last job how long were you unemployed? |        |

2. What sector was your previous employment?

3. What was the average number of working hours per day in your previous job?

4. Was it a full-time job or part time job?

5. What was your monthly earning from your previous job?

|                            |   | Working hours | Nature of employment | Monthly earning |
|----------------------------|---|---------------|----------------------|-----------------|
| Private sector             | 1 |               |                      |                 |
| Public sector              | 2 |               |                      |                 |
| Semi-government sector     | 3 |               |                      |                 |
| Self-employed              | 4 |               |                      |                 |
| Family business            | 5 |               |                      |                 |
| Others, Specify<br>(_____) | 6 |               |                      |                 |

6. I am going to readout the reasons people may have left their job, please tell what may apply to you or other reasons that caused you to leave the job, please indicate?

- A. Was it you own decision (Self)
- B. Was it a decision due to husband’s influence (Husband)
- C. Was it a decision due to family influence (Family)
- D. Was it a decision made by your employer (Employer)

|  | Self | Husband | Family | Employer |
|--|------|---------|--------|----------|
| After Marriage   | 1    | 1       | 1      | 1        |
| After having my child / post pregnancy                       | 2    | 2       | 2      | 2        |
| Taking responsibilities of household duties                  | 3    | 3       | 3      |          |
| Taking care of elderly (Sick/Unable to attend to themselves) | 4    | 4       | 4      | 4        |
| COVID related  | 5    | 5       | 5      | 5        |
| Others, Specify (_____)                                      |      |         |        |          |
| Others, Specify (_____)                                      |      |         |        |          |

7. Can you please tell me what benefits did you receive from your previous employment?

|                         |   |
|-------------------------|---|
| Flexible working hours  | 1 |
| Transportation          | 2 |
| Work from home          | 3 |
| Paid Maternity leave    | 4 |
| Bonus                   | 5 |
| Medical Insurance       | 6 |
| Pension                 | 7 |
| Others, Specify (_____) | 8 |

8. Would you like to work again?

A. Yes -> Go to Q10

B. No -> Go to Q9

9. If no, can I know why?

**Enumerator: Go to Section 4: Expenses**

10. Can you please state the sector you would be interested in?

11. What would be the average working hours per day you would be comfortable with?

12. Would it be a full-time job or part time job?



13. What would be the monthly earning from the job are you looking for?

|                            |   | Working hours | Nature of employment | Monthly earning |
|----------------------------|---|---------------|----------------------|-----------------|
| Private sector             | 1 |               |                      |                 |
| Public sector              | 2 |               |                      |                 |
| Semi-government sector     | 3 |               |                      |                 |
| Self-employed              | 4 |               |                      |                 |
| Family business            | 5 |               |                      |                 |
| Others, Specify<br>(.....) | 6 |               |                      |                 |

**Section 2: Employed Currently**

1. Can you please tell us some details of your current job?

|  | Months |
|--|--------|
| How long have you been employed in your current job            |        |
| How long were you unemployed prior to finding your current job |        |

2. Can please state the sector you are working?

3. What are the average working hours per day?

4. Is it a full-time job or part time job?

5. I am going readout some salary ranges and can you please tell me to which range are you belong to? (Present rate card)

|                       |   |
|-----------------------|---|
| 20,000 to 30,000 LKR  | 1 |
| 31,000 to 40,000 LKR  | 2 |
| 41,000 to 50,000 LKR  | 3 |
| 51,000 to 60,000 LKR  | 4 |
| 61,000 to 80,000 LKR  | 5 |
| 81,000 to 100,000 LKR | 6 |
| 100,000 LKR and above | 7 |

|                            |   | Working hours | Nature of employment | Monthly earning |
|----------------------------|---|---------------|----------------------|-----------------|
| Private sector             | 1 |               |                      |                 |
| Public sector              | 2 |               |                      |                 |
| Semi-government sector     | 3 |               |                      |                 |
| Self-employed              | 4 |               |                      |                 |
| Family business            | 5 |               |                      |                 |
| Others, Specify<br>(_____) | 6 |               |                      |                 |

- 6. Can you please tell me benefits you receive from your current employment?
- 7. Were you ever employed in another job position prior to your current job position?
  - A. Yes -> Go to Q8
  - B. No -> **Go to Section 4: Expenses**
- 8. I am going to readout the reasons people may have left their job, please tell what may apply to you or other reasons that caused you to leave your previous job, please indicate?
  - A. Was it you own decision (Self)
  - B. Was it a decision due to husband’s influence (Husband)
  - C. Was it a decision due to family influence (Family)
  - D. Was it a decision made by your employer (Employer)

|  | Self | Husband | Family | Employer |
|--|------|---------|--------|----------|
| After Marriage   | 1    | 1       | 1      | 1        |
| After having my child / post pregnancy                       | 2    | 2       | 2      | 2        |
| Taking responsibilities of household duties                  | 3    | 3       | 3      |          |
| Taking care of elderly (Sick/Unable to attend to themselves) | 4    | 4       | 4      | 4        |
| COVID related  | 5    | 5       | 5      | 5        |
| Others, Specify (_____)                                      |      |         |        |          |
| Others, Specify (_____)                                      |      |         |        |          |

**Section 3: Never employed but interested in working**

1. Can you please state the sector you would be interested in working?
2. What would be the average working hours per day you would be comfortable with?
3. Would it be a full-time job or part time job?
4. What would be the monthly earning from the job are you looking for?

|                         |   | Working hours | Nature of employment | Monthly earning |
|-------------------------|---|---------------|----------------------|-----------------|
| Private sector          | 1 |               |                      |                 |
| Public sector           | 2 |               |                      |                 |
| Semi-government sector  | 3 |               |                      |                 |
| Self-employed           | 4 |               |                      |                 |
| Family business         | 5 |               |                      |                 |
| Others, Specify (_____) | 6 |               |                      |                 |

5. Can you please tell me benefits you would like to receive from such an employment opportunity?

|                         |   |
|-------------------------|---|
| Flexible working hours  | 1 |
| Transportation          | 2 |
| Work from home          | 3 |
| Paid Maternity leave    | 4 |
| Bonus                   | 5 |
| Medical Insurance       | 6 |
| Pension                 | 7 |
| Others, Specify (_____) | 8 |

6. I am going to readout the reasons people may be unable to start searching for a job, please tell what may apply to you or other reasons, please indicate,

A. Was it you own decision (Self)

- B. Was it a decision due to husband’s influence (Husband)
- C. Was it a decision due to family influence (Family)

|   | Self | Husband | Family |
|---|------|---------|--------|
| After marriage  | 1    | 1       | 1      |
| After having my child / post pregnancy                      | 2    | 2       | 2      |
| Taking responsibilities of household duties                 | 3    | 3       | 3      |
| Taking care of elderly(Sick/Unable to attend to themselves) | 4    | 4       | 4      |
| COVID related   | 5    | 5       | 5      |
| Others, Specify (_____)                                     |      |         |        |
| Others, Specify (_____)                                     |      |         |        |

## Section 4: Expenses

In this section we would like to understand the associated costs of doing work you may have already be working, worked in the past but not be working currently or never worked in the past but are interested. Please feel free to answer as there are no right and wrong answer.

### Section 4.1: Work Related Expenses

Work related expenses are expenses you may incur at a workplace. We would like to know your expenses in relation to the items below or how much you would be willing to spend.

1. How much would you be willing to spend on clothing, perfumes, and cosmetics within a year for work?
2. How much would you be willing to spend on transportation monthly?
3. How much would you be willing to spend towards your colleagues as gifts for their birthday/weddings or funerals such expenses monthly?
4. How much would you be willing to spend monthly on rent in case you needed to relocate for work?

### Section 4.2: Home Related Expenses

Home expenses are expenses you would incur towards your household and its family members; we would like to know how much you would be willing to pay in such an instance?

5. Often people would leave their child with an attendant or in a child-care center to attend work, would you be willing to do the same?

A. I have no children/they can take care of themselves  
-> Proceed to Q6

B. Yes, I am willing to leave the child in the care of an attendant or in a child-care center  
-> Proceed to Q5.1

C. No, I would leave the responsibility of the child to a family member  
-> Proceed to Q5.2

- 5.1. How much would you be willing to spend monthly?

- 5.2. Imagine a state where you do not have your family members help, in this instance would you?

A. Stop your job and attend to your child

B. Reconsider the choice of a caretaker/childcare center to look after your child  
-> Proceed to Q5.3

- 5.3. Considering this situation how much would you be willing to spend monthly?

6. Sometimes people would place their elderly in the care of a caregiver or a care center to attend work, would you be willing to do the same?

A. I have no elderly in my household/they can take care of themselves

-> Proceed to Q7

B. Yes, I am willing to leave the elderly in the care of an attendant or in a child-care center -> Proceed to Q6.1

C. No, I would leave the responsibility of the elderly to a family member -> Proceed to Q7

6.1. How much would you be willing to spend monthly?

6.2. Imagine a state where you do not have your family members help, in this instance would you?

A. Stop your job and attend to your elderly

B. Reconsider the choice of caregiver/ care center to look after your elderly-> Proceed to Q6.3

6.3. Considering this situation how much would you be willing to spend monthly?

7. Sometimes people would outsource cooking and cleaning to someone else, would you be willing to do the same?

A. Yes -> Proceed to Q3.1

B. No -> Proceed to Q3.2

7.1. How much would you be willing to pay on a day rate to get the cooking and cleaning done? -> Proceed to Section 4.3: Social & Emotional Wellbeing

7.2. You previously said that you would not be willing to outsource such services, please provide a reason?

A. I take ownership of cooking and cleaning in the household  
-> Proceed to Q7.3

B. Another family member handles cooking and cleaning in the household  
-> Proceed to Q7.4

7.3. How many hours a day do you spend towards cooking and cleaning for the household?

7.4. Imagine a state where you do not have your family members help, in this instance would you?

A. Stop your job and attending work to cooking and cleaning within the household

B. Reconsider the choice of outsourcing cooking and cleaning to someone else  
-> Proceed to Q7.5

7.5. Considering this situation how much would you be willing to spend monthly?

### Section 4.3: Social & Emotional Wellbeing

8. People say time away from one's household duties (cooking, cleaning, and child/elderly care) due to work affects their sense of ownership of household duties, would you feel the same?

A. Yes -> Proceed to Q8.1

B. No -> Proceed to Q9

8.1. How many hours a day would you devote to such household duties?

8.2. Do you gain any satisfaction/dissatisfaction from taking ownership of the households' duties?

A. Yes, I gain a form of satisfaction

B. No, I gain no form of satisfaction

8.3. Please rate your level of satisfaction/dissatisfaction on a scale of 1 – 5, 1 being the lowest and 5 the highest?

9. People say completing household duties after work can cause them to be mentally fatigued, would you feel the same?

A. Yes -> Proceed to Q9.1

B. No -> Proceed to Q10

9.1. To overcome situations of this nature, would you be willing to work fewer hours and attend to such items earlier or be compensated through a higher paying salary?

A. Work fewer hours -> Proceed to Q9.2

B. Compensated -> Proceed to Q9.3

9.2. How many additional hours less would you like to work per day?

9.3. How much more would you like to be compensated in terms of salary (state as a % of one's salary)?

10. People say work limits the amount of time spent with their child, family, or friends, would you feel the same?

A. Yes -> Proceed to Q10.1

B. No -> Proceed to Q11

10.1. To remedy the loss of time with your child, family, or friends, would you be willing to work fewer hours and spend more time with your child or be compensated through a higher salary?

A. Work fewer hours -> Proceed to Q10.2

B. Compensated -> Proceed to Q10.3

10.2. How many additional hours less would you like to work per day?

10.3. How much more would you like to be compensated in terms of salary (state as a % of one's salary)?



11. People say the work from home disrupted their life at home, would you feel the same?
- A. Yes -> Proceed to Q11.1
- B. No -> Proceed to Section 4.4: Physical Wellbeing
- 11.1. Would you be willing to work fewer hours or be compensated through a higher salary to better manage work from home?
- A. Work fewer hours -> Proceed to Q11.2
- B. Compensated -> Proceed to Q11.3
- 11.2. How many hours less would you like to work per day?
- 11.3. How much more would you like to be compensated in terms of salary (state as a % of one's salary)?

#### Section 4.4: Physical Wellbeing

12. Often people have some form of physical exhaustion from completing household duties and work on a day-to-day basis, would you feel the same?
- A. Yes -> Proceed to Q12.1
- B. No -> Proceed to Q13
- 12.1. To overcome this level of physical exhaustion, would you be willing to work fewer hours and attend to household duties or be compensated through a higher paying salary?
- A. Work fewer hours -> Proceed to Q12.2
- B. Compensated -> Proceed to Q12.3
- 12.2. How many hours less would you like to work?
- 12.3. How much more would you like to be compensated in terms of salary (state as a % of one's salary)?
13. From time-to-time people are often affected by an incident at work that caused them physical harm, have you been placed in a comparable situation?
- A. Yes -> Proceed to Q13.1
- B. No -> Proceed to Section 4.5: Personal Development
- 13.1. In such an instance have you accepted any form of compensation from your workplace (medical cover, insurance pay) for such an adverse outcome within a year?
- A. Yes -> Proceed to Q13.2
- B. No -> Proceed to Q13.3
- 13.2. How much did you receive in terms of medical compensation?

13.3. How much did you pay in terms of medical expenses?

#### Section 4.5: Personal Development

14. Often people overlook the choice of starting a business due to their current work situation, have you been placed in a comparable situation?

A. Yes -> Proceed to Q14.1

B. No -> Proceed to Q15

14.1. To remedy the loss of starting one's own business, would you be willing to work fewer hours to start your own business or be compensated for the loss through a higher salary?

A. Work fewer hours -> Proceed to Q14.2

B. Compensated -> Proceed to Q14.3

14.2. How many hours less would you like to work per day?

14.3. How much more would you like to be compensated in terms of salary (state as a % of one's salary)?

15. Often people overlook how their career progression is affected by their workplace (position in the company, wages, reputation in society), have you been placed in a comparable situation?

A. Yes -> Proceed to Q15.1

B. No -> Proceed to Section 5: Demography Information

15.1. How much more would you like to be compensated in terms of salary for the lack of career progression (state as a % of one's salary)?

**Section 5: Demography Information**

1. Can you please tell us some details on yourself and family members permanently living in your household?

- A. Relationship to you
- B. Age
- C. Ethnicity
- D. Highest education
- E. Occupation [employed, unemployed, worked in the past, never worked]
- F. Needs assistance / support for daily routine (person physically challenged, old, sick etc.)

| Relationship | Gender<br>(Int do not ask) | Age | Ethnicity | Education | Occupation | Needs assistance / support |
|--------------|----------------------------|-----|-----------|-----------|------------|----------------------------|
| Respondent   |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |
|              |                            |     |           |           |            |                            |

2. What is the monthly income of your household? [Please consider all sources of income of all family members living in your household]

|   |   |
|---|---|
| Less than 10,000 LKR                          | 1 |
| More than 10,000 LKR but less than 25,000 LKR | 2 |
| More than 25,000 LKR but less than 50,000 LKR | 3 |

|   |    |
|---|----|
| More than 50,000 LKR but less than 75,000 LKR   | 4  |
| More than 75,000 LKR but less than 100,000 LKR  | 5  |
| More than 100,000 LKR but less than 150,000 LKR | 6  |
| More than 150,000 LKR but less than 200,000 LKR | 7  |
| More than 200,000 LKR but less than 500,000 LKR | 8  |
| More than 500,000 LKR but less than 700,00 LKR  | 9  |
| More than 700,000 LKR                           | 10 |

3. Do you use any of the items for your day-to-day household and work activities?

| Items              | Yes | No |
|--------------------|-----|----|
| Rice cooker        | 1   | 2  |
| Microwave oven     | 1   | 2  |
| Grinder Mixer      | 1   | 2  |
| Electric Kettle    | 1   | 2  |
| Induction Cooker   | 1   | 2  |
| Four burner Cooker | 1   | 2  |
| Vacuum Cleaner     | 1   | 2  |
| Washing Machine    | 1   | 2  |
| Drier              | 1   | 2  |
| Dishwasher         | 1   | 2  |
| Refrigerator       | 1   | 2  |
| TV                 | 1   | 2  |
| Desk top           | 1   | 2  |
| Laptop             | 1   | 2  |
| Motor bike         | 1   | 2  |
| Car / Van          | 1   | 2  |
| Three-wheeler      | 1   | 2  |

## ANNEXURE 3

### Explanation of the statistical model utilised in Section 4.2.3.

In order to estimate results for the Monetary and Non-monetary cost associated with Child-care and Elder care in the model with conditioned outcomes (holding other factors constant), a statistical model was devised. The mode was weighted to be representative of the female populace of the western province (Colombo, Gampaha, Kalutara) who are currently employed, unemployed and economically active. This model estimated the Monetary and Non-monetary expenses as a system of simultaneous equations. This system of equations consists of four equations:

- Monetary expenses
- Non-monetary expenses
- Child-care
- Elder-care

Monetary and Non-monetary expenses were modeled as separate equations and was conditioned by Child-care, and Elder-care, which were also conditioned based on the choice set of an individual.

Child-care and Elder-care were first written as a set of binary variables.

1. Child-care takes a value of "0" given that the individual will give up their job and look after the child
2. Child-care takes a value of "1" given that the individual will freely give the child to a day care service, and would prompt to after the loss of a family member who looks after the child
3. Elder-care takes a value of "0" given that the individual will give up their job and look after the elder
4. Elder-care takes a value of "1" given that the individual will freely give the elder to a day care service, and would prompt to after the loss of a family member who looks after the elder

In the case of the Child-care equation the decision to take up child care was conditioned on the presence of children, children who are not dependents, their inability/reluctance to state their choice of being dependent on child care, if they were asked for a second time if they will take up child care given a loss of a family member, and in the past if the choice to leave a job to look after their child was a self-made decision, a husbands initiative, a co-decision or family based.

In the case of the Elder-care equation the decision to take up elder care was conditioned on the presence of elders, elders who are not dependents, their inability/reluctance to state their choice of being dependent on elderly care, if they were asked for a second time if they will take up elder care given a loss of a family member, and in the past if the choice to leave a job to look after their elder was a self-made decision, a husbands initiative, a co-decision or family based.

Each of these variables once conditioned would enter the Monetary and Non-monetary equation but **interacted** with a separate variable that controlled for the choice of child care, home care and elder care being strictly undertaken by a family member as Child-family and Elder-family "J" implying no family to undertake/ unwilling to give to family and "1" meaning willing to give to family members. The Monetary and Non-Monetary equations would control for earnings, age, marital status, ethnicity, years of education, current economic status, presence of children under the age of 5, presence of children between the age of 5 to 12, household income and household size.

This **interaction** recreates 4 possible choice sets an individual would be asked to consider. As an example,

| Indication  | Child Care | Child Family |
|---|------------|--------------|
| Will leave job to look after child and do not have family/will not leave with family    | 0          | 0            |
| Will leave job to look after child given loss of family member support                  | 0          | 1            |
| Will leave child in childcare service and do not have family/will not leave with family | 1          | 0            |
| Will leave child in childcare service given loss of family member support               | 1          | 1            |

Enabling the cost for each choice set to be extracted in Monetary and Non-monetary terms. This system of equations was tweaked as and when needed to extract different value prospects. When considering earnings on monetary and non-monetary costs, a separate equation was created to overcome endogeneity on years of education on earnings.

# Endnotes

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