What are the reasons for this striking gap between women’s and men’s participation in the labour force in Sri Lanka? And how can the UN Guiding Principles on Business and Human Rights (UNGPs) be useful in ensuring that more women enter, remain and thrive in the Sri Lankan job market?

This issue brief offers a non-exhaustive review of the elements of Sri Lanka’s legal framework that may contribute, however unintentionally, to low levels of women’s participation in the workforce. As a complement to other reviews of the same subject, this brief leverages the report of the UN Working Group to the Human Rights Council on the Gender Dimensions of the Guiding Principles on Business and Human Rights A/HRC/41/43 (2019). The issue brief concludes with a short list of recommendations.

THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

Unanimously endorsed by the Human Rights Council in 2011, the UN Guiding Principles on Business and Human Rights (UNGPs) are considered the world’s most authoritative, normative framework guiding responsible business practices available today. Divided into three pillars, the UNGPs delineate the separate but complementary roles and responsibilities for states and business.

Under Pillar 1, states have the duty to protect human rights, including women’s rights, in business operations, taking appropriate steps to prevent, investigate, punish and redress abuses through effective policies, legislation, regulations and adjudication. Under Pillar 2, businesses are encouraged to respect human rights, through efforts to avoid infringing on the human rights of others and addressing adverse human rights impacts. Under Pillar 3, states and business must provide access to remedy for those negatively impacted by business operations.
In 2019, the Working Group on the issue of human rights and transnational corporations and other business enterprises (UNWG) issued a report on the Gender Dimensions of the Guiding Principles on Business and Human Rights (hereinafter, Gender Dimensions Report). The report provides that under Principle 1 of the UNGPs, “All state policies, legislation, regulations and adjudication to prevent, investigate, punish and redress all forms of discrimination, harassment and violence against women should integrate the gender framework and guidance for the Guiding Principles on Business and Human Rights.” Among the illustrative actions, the UNWG advised that, “States should revise existing legislation that directly or indirectly discriminates against women and take effective measures to eliminate sexual harassment and gender-based violence against women, so that women can have access to opportunities on an equal basis with men.”

Additionally, the report provided that, “States should ensure that state-based judicial and non-judicial mechanisms are responsive to additional barriers faced by women in seeking effective remedies for business-related human rights abuses.” Among its various conclusions, the UNWG noted that, “neither states nor business enterprises have paid adequate attention to gender equality in discharging their respective obligations and responsibilities under the [UNGPs].”

SRI LANKAN LEGAL FRAMEWORK

The legal framework safeguarding women’s rights in Sri Lanka is considered strong by many measures. Yet, the impact of these laws on the experience of women in the workplace reveals shortcomings that may contribute to low workplace participation rates. This apparent contradiction is not unique to Sri Lanka, but rather is in keeping with global findings. As noted in the Gender Dimensions Report, “Despite non-discrimination provisions in the constitutions and laws of many countries, in practice women continue to experience various forms of discrimination and violence in all spheres of life due to discriminatory social norms, patriarchal power structures and gender stereotypes.”

Chapter III in the Fundamental Rights of Sri Lanka’s 1978 Constitution provides for equal rights without discrimination on the basis of sex, and equality before the law. The Constitution also provides for affirmative action for the benefit of women and protects the right of all citizens to work. Further complementing Sri Lanka’s constitutional commitments, the country ratified the Convention on the Elimination of Discrimination Against Women (CEDAW) in 1981.
Sri Lankan laws are seemingly written to advance women’s rights and interests in the economic sphere. As examples, these include: Maternity Benefits Ordinance No. 32 of 1939; Shop and Office Employees Act No. 19 of 1954; Factories Ordinance No. 45 of 1942; Wages Boards Ordinance No. 27 of 1941; Payment of Gratuity Act No. 12 of 1983; Employment of Women, Young Persons, and Children Act, No. 47 of 1956; Termination of Employment of Workmen (Special Provisions) Act, No. 45 of 1971; Shrama Vasana Fund Act No. 12 of 1998; and Penal Provisions on Sexual Harassment in the Workplace, in Section 345 of the Penal Code (as amended by Act No. 22 of 1995).

Sri Lanka’s policy framework also includes guidance and action plans for safeguarding women’s rights in the business world. These policies include the National Human Resources and Employment Policy (2011), the National Policy for Decent Work in Sri Lanka (2006) and the National Action Plan for the Protection and Promotion of Human Rights 2017–2021.

Sri Lanka also maintains sectoral policies including the National Labour Migration Policy (2009; revised and currently pending Cabinet approval) and the Policy Framework and National Plan of Action to address Sexual and Gender-Based Violence in Sri Lanka 2016–2020 (2015). Additionally, the National Policy Framework, Vistas of Prosperity and Splendour (2019), highlights the role of women in the economy and society. Chapter 3, titled, “A Safe and a Secure Country for All,” draws attention to women’s safety concerns, and Chapter 4, titled, “A Productive Citizen and a Happy Family,” recognises the economic and social contribution of women.

On the face of it, Sri Lanka’s legal and policy framework is positioned to advance women’s participation in the workforce. According to the World Bank, “Sri Lanka’s labour legislation for women’s health and safety, wage benefits, and maternity leave conform to international standards.” According to another observer, “Women-specific employment and labour laws safeguard basic women’s rights in terms of maternity, welfare and conditions of work within the country.” However, a closer look at the gender implications of this framework points to gaps in interpretation, business practice and enforcement. Furthermore, some laws might, “serve to reinforce gender-based stereotypes pertaining to women’s biological attributes.”

Under the UNGPs, the state’s duty to protect human rights goes beyond mere drafting and enforcement of laws. The state must also ensure that those laws are having their intended effect. The UNGPs can provide a framework guiding discussion – involving government, business and civil society – on how laws are succeeding or failing to ensure that enterprises respect women’s rights. Legislation reinforcing inequalities in opportunity may play a significant role in discouraging Sri Lankan women from entering the workforce.

Through a National Action Plan (NAP) on Business and Human Rights, or other policy process, the UNGPs can be leveraged to assess and address direct and indirect discriminatory effects of laws and policies that diminish women’s participation in the workforce.

Clarifying the utility of the UNGPs, John Ruggie, former Special Representative of the Secretary General on Human Rights and Business, noted that “[t]he normative contribution [of the UNGPs] lies not in the creation of new international law obligations but in elaborating the implications of existing standards and practices for states and businesses; integrating them within a single, logically coherent and comprehensive template; and identifying where the current regime falls short and how it should be improved.” A NAP based on the UNGPs would provide for a coherent and comprehensive review of the impact of Sri Lanka’s labour laws as they pertain to women.

Below are seven areas for review that might inform the design and development of a NAP on Business and Human Rights, or other policy process. These areas are: 1) maternity benefits, 2) night work, overtime or hazardous work by women, 3) termination of employment, 4) sexual harassment, 5) unions and women workers, and 6) flexible work arrangements.

1. Maternity benefits

The Maternity Benefits Ordinance No. 32 of 1939 as amended aims to provide women with legal protection from dismissal because of pregnancy, and to provide pregnant women and their foetus protection from work that could be potentially harmful. Under this law, a female worker is entitled to paid maternity leave at childbirth of up to three and a half months (84 working days) regardless of length of service. In addition, maternity benefits also entitle mothers nursing intervals of up to one hour for breastfeeding. As there is no state subsidy for paid leave, the business enterprise bears the entire cost including that of a replacement worker.

Importantly, Sri Lanka has ratified the ILO Maternity Protection Convention (Revised) No. 103. Convention 103 sets minimum levels of maternity benefits and prohibits reliance on employer liability, requiring instead the use of public funds or social insurance.
There is evidence of adherence to the maternity laws in the private sector, but denial of maternity benefits is not uncommon in some sectors. For example, it is also not clear to what extent small and medium-sized enterprises (SMEs) comply with maternity laws. There is concern that in hiring decisions, some smaller businesses discriminate against married women of childbearing age. The informal sector, where more women are employed than men, is not bound by Sri Lanka’s laws on maternity.

Distribution of Informal / Formal sector employment by gender – 2019

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Sector</th>
<th>Informal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Total</td>
<td>8,180,693</td>
<td>100.0</td>
<td>3,482,505</td>
</tr>
<tr>
<td>Male</td>
<td>5,368,896</td>
<td>100.0</td>
<td>2,106,990</td>
</tr>
<tr>
<td>Female</td>
<td>2,811,796</td>
<td>100.0</td>
<td>1,375,515</td>
</tr>
</tbody>
</table>


Lastly, maternity laws do not guarantee an equivalent position of employment after returning from maternity leave, and parents are not entitled to flexible or part-time schedules. In the private sector, maternity leave is provided at the discretion of the enterprise.

Efforts to implement the UNGPs through a National Action Plan or other process may be helpful in unpacking international obligations and best practices as they pertain to women’s maternity rights. As provided for under CEDAW, all businesses should eliminate discrimination against women in every aspect of employment, including with regards to pregnancy-based discrimination and a lack of work-family life balance (art. 11). The UNGPs may also provide an opportunity to review and consider the application of CEDAW to the Maternity Protection Convention (Revised), 1952 (No. 103), Maternity Protection Convention, 2000 (No. 183) and the Workers with Family Responsibilities Convention, 1981 (No. 156).

As provided by the Gender Dimensions Report, “States should conduct a gender-impact assessment of all laws and policies...” and further that, “States should ensure that governmental authorities at the provincial and municipal levels are aware of women’s human rights, and have the capacity to respect, protect and fulfil them.”

**Recommendations:**

1. Conduct gender-impact assessment of Sri Lanka’s Maternity Laws against CEDAW commitments;

2. Identify business sectors posing heightened risks of abuses of women’s maternity rights and address those risks and;

3. Study whether state subsidies may be appropriate to ensure maternity rights across business sectors.

2. Laws restricting women’s right to work at night or on hazardous tasks

The Employment of Women, Young Persons and Children Act No. 47 of 1956 as amended imposes restrictions on a woman’s right to engage in night work. The law identifies exceptions when night work is allowed, including where a woman volunteers; where the employer has written permission of the Commissioner of Labour to ask women to work after 10 pm; where the employed receives one and a half times the normal payment received by her; and where there is a designated female warden to see to the welfare of woman workers who work at night, among other conditions.

The Factories Ordinance No. 45 of 1942 as amended also provides for the circumstances when women are permitted to engage in overtime employment at night. Under this provision, employers can offer overtime, when they provide transport to women who do night work in factories and ensure that the overtime work does not affect a woman’s health, among other requirements. With similar considerations in mind, the Shop and Office Employees (Regulation of Employment and Remuneration) Act No. 19 of 1954 restricts women from being employed in certain occupations considered hazardous.

As provided by the Gender Dimensions Report, “States should conduct a gender-impact assessment of all laws and policies...” and further that, “States should ensure that governmental authorities at the provincial and municipal levels are aware of women’s human rights, and have the capacity to respect, protect and fulfil them.”

According to some observers, these legal provisions are based on assumptions that women require safeguards or protection due to their physical vulnerabilities or reproductive health needs. These laws may have been well intended at the time of drafting, but today they have discriminatory and paternalistic overtones and may reinforce negative stereotypes. The ILO Country Office for Sri Lanka notes that, “Rather than preventing exploitation and hazardous employment, such legislation often leads to indirect discrimination against employing women.”

The distribution of informal and formal sector employment by gender for 2019 is as follows:

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Sector</th>
<th>Informal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Total</td>
<td>8,180,693</td>
<td>100.0</td>
<td>3,482,505</td>
</tr>
<tr>
<td>Male</td>
<td>5,368,896</td>
<td>100.0</td>
<td>2,106,990</td>
</tr>
<tr>
<td>Female</td>
<td>2,811,796</td>
<td>100.0</td>
<td>1,375,515</td>
</tr>
</tbody>
</table>

Recommendations:

1. Conduct a study to understand the impact of laws providing safeguards for women’s health and safety needs for their discriminatory impact, including laws related to nightwork, overtime and hazardous work and;
2. Develop consultations with women’s groups to articulate legal reform requirements.

3. Legal provisions on the termination of employment

The Termination of Employment of Workman Act (TEWA) provides that firms employing 15 or more workers for more than 180 days in a 12-month period may not terminate an employee except for disciplinary reasons. The law further stipulates that an employer must obtain government authorisation to terminate such workers. Yet, because obtaining such authorisation is reportedly a cumbersome and lengthy process, workplaces have resorted to legal yet unfair practices to avoid the intention of TEWA. This has also resulted in businesses relying on temporary workers (casual, temporary or time-bound contracts of employment), thereby keeping the number of full-time employees below the TEWA threshold.

4. Sexual harassment

Sexual harassment in the workplace and on public transport is one of the biggest factors affecting women’s participation in the workforce. The 1995 amendment to the Penal Code of Sri Lanka recognised sexual harassment as a criminal offence. Section 345 recognised an act of sexual harassment as “whoever, by assault or use of criminal force, sexually harasses another person, or by the use of words or actions, causes sexual annoyance or harassment to such other person commits the offence of sexual harassment.” The offence carries a term of imprisonment up to five years. Before the passage of the 1995 Penal Code amendment, sexual harassment was interpreted as a bribe under the Bribery Act No. 9 of 1980.
Despite the prevalence of sexual harassment on Sri Lankan public transportation, there are relatively few sexual harassment cases that are taken through the formal justice system. As a criminal offence, it is difficult for survivors to meet the standard of proof required by a charge of sexual harassment. Provisions in the Industrial Disputes Act No. 45 of 1950 and the Workmen’s Compensation Ordinance No.19 of 1937 are rarely used by female workers to complain against sexual harassment. Furthermore, trade unions may not take up cases on behalf of victims as frequently as they should.

A UNFPA study on sexual harassment on public buses and trains in Sri Lanka published in 2017 revealed that 90 percent of respondents experienced sexual harassment on public transport, and that 92 percent of those never sought help from law enforcement.

Under Principle 26, the UNGPs provide that, “States should take appropriate steps to ensure the effectiveness of domestic judicial mechanisms when addressing business-related human rights abuses, including considering ways to reduce legal, practical and other relevant barriers that could lead to a denial of access to remedy.” The Gender Dimensions Report further provides that, “When taking steps to reduce legal, practical and other barriers in accessing domestic judicial mechanisms… states should introduce systematic reform to address gender bias and discriminatory power structures that disadvantage women in seeking effective remedies for business-related human rights abuses.” Furthermore, “States should put in place mechanisms to ensure that no reprisals or retaliatory action are directed against women, including women human rights defenders and trade union leaders, seeking remedies.”

Recommendations:

1. Examine whether Sri Lanka’s legislation could be improved if brought into closer conformity with international standards, for example, ILO Convention 190;
2. Review any difficulties faced by the labour inspection system in enforcing existing labour laws in informal employment;
3. Commission a study on the barriers to access to justice and remedies for women survivors of sexual violence, accompanied by an agenda for action and;
4. Consider specific criminal penalties for retaliation against women who seek access to justice or remedy in sexual harassment cases.

5. Unionising and women workers

The Sri Lankan Constitution grants as a fundamental right for every person the right to join a trade union, while the Trade Union Ordinance permits any seven people to form such an organization. According to ILO, there are 2,074 registered trade unions, of which 54.5 percent are in the public sector, 27.5 percent in public corporations and 18 percent in the private sector. The number of members covered by the trade unions amount to 9.5 percent of the total workforce of Sri Lanka. According to 2019 statistics of the Trade Union Unit of the Labour Department, there are 1,903 active trade unions in Sri Lanka.
Trade unions in Sri Lanka are predominantly led by men. Women’s participation in trade unions as members is substantial, but women are rarely found in leadership positions. The Red Flag Women’s Union is possibly the only trade union with an all-female membership. In 2012, the Red Flag Women’s Movement registered the first domestic women workers’ union in the country.

The lack of women in leadership roles in trade unions is, again, not unique to Sri Lanka. As noted by the UNWG in the Gender Dimension Report, “As women remain marginalised with respect to decision-making positions in most trade unions, their human rights concerns are frequently overlooked or not taken seriously. These factors undermine the potential of trade unions in promoting gender equality at work.”

Under Principle 11 of the UNGPs, business enterprises are encouraged to “avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.” According to the UNWG, this implies that, “business enterprises should take steps to support women workers in forming trade unions and taking up leadership positions in them.”

Recommendations:
1. Engage trade unions in discussions about the priorities they place on women’s issues and on the percentage of women’s leadership in union activities;
2. Explore consideration of legislation that mandates efforts to increase women’s participation in trade unions and;
3. Encourage business enterprises to take steps in support of women workers forming trade unions and taking up trade union leadership positions.

6. Women’s access to flexible work arrangements

Sri Lankan women would benefit substantially from flexible work arrangements, especially given gendered expectations that women manage domestic roles and care work. In Sri Lanka, there is no legislation that speaks of flexible work arrangements in the formal workforce. All flexible arrangements, if any, are guided by employer discretion. As highlighted in the Gender Dimensions Report, “Women’s contribution to economy is either not recognised (e.g., household work) or is undervalued (e.g., in feminised occupations and industries). Women carry out the majority of care work (e.g., caring for children, elderly and sick persons and persons with disabilities in families), but most do not get paid for this work.”

<table>
<thead>
<tr>
<th>Reason</th>
<th>Total</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>Male</td>
</tr>
<tr>
<td>All Economically Inactive</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Engaged in studies</td>
<td>21.1</td>
<td>21.2</td>
</tr>
<tr>
<td>Engaged in housework</td>
<td>47.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Retired/Old age</td>
<td>20.3</td>
<td>33.7</td>
</tr>
<tr>
<td>Physically illness/Disabled</td>
<td>8.2</td>
<td>16.6</td>
</tr>
<tr>
<td>Other</td>
<td>3.3</td>
<td>6.1</td>
</tr>
</tbody>
</table>

Following the impacts of the COVID-19 pandemic on Sri Lanka, a robust discussion is taking place among business leaders of the merits of flexible work hours, work-from-home options and even shared work where two people do one job with each working half-time. It is expected that this conversation and current arrangements in the private sector will be developed and made available on a more formal basis. In time, legislation may be drafted to ensure consistency in standards. In this context, the Gender Dimensions Report advises states to, “consider offering incentives to business enterprises that demonstrate leadership in taking measurable steps to achieve substantive gender equality throughout their operations.”

**Recommendations:**

1. Consider legislative proposals mandating, permitting or otherwise creating incentives for flexible work hour arrangements;

2. Commission a study on the impacts that this legislation might have on women’s participation in the workforce and;

3. Initiate peer-learning opportunities involving other states that may have implemented legislation on flexible work hour arrangements.

**CONCLUSION**

The obstacles that prevent women from participating in the labour force in Sri Lanka are numerous, of which legal barriers are only one aspect. As a World Bank report on Sri Lanka notes, “The persistent influence of gender-based social norms, beliefs and behaviours on labour market dynamics as well as negative attitudes among employers, workers, their families and communities contribute to women’s low labour force participation.”

However, as this issue brief also demonstrates, legislative reform would contribute significantly to changing social norms that block progress. The Gender Dimension Report asserts that, “policies that discourage sexism and gender stereotyping in the workplace are likely to have a positive impact on the female labour force participation as will strengthened legal and institutional infrastructure to handle issues of discrimination and sexual harassment.”

Implementation of the UNGPs through a National Action Plan on Business and Human Rights, or other process, might be leveraged to promote structured dialogue and momentum for action by the state. As advised by the UNWG, states must, “apply the gender framework and guidance in developing or revising all initiatives and measures, including national action plans on business and human rights, aimed at implementing the Guiding Principles.” Further study and additional briefings are needed to demonstrate how the UNGPs can advance the role of business in increasing women’s participation in the workforce.

---

1. See National Policy for Decent Work in Sri Lanka, ILO Colombo, (2006): “Sri Lanka has ratified about 40 ILO Conventions, including the eight core conventions, and its national legal framework contains stringent measures in respect of these and other rights and freedoms at work. For instance, the Constitution of Sri Lanka guarantees the fundamental right to the freedom of association (Article 14(1)). Especially in relation to the abolition of child labour, Sri Lanka is well ahead of its’ Asian neighbors.”


3. Ibid.


8. Ibid.

9. Ibid.

10. Ibid.

11. 12. (2) No citizen shall be discriminated against on the grounds of race, religion, language, caste, sex, political opinion, place of birth or any such grounds.

12. 14 (1) (g) the freedom to engage by himself or in association with others in any lawful occupation, profession, trade, business or enterprise


15. Ibid.


The views expressed in this publication are those of the author and do not necessarily represent those of the European Union, United Nations, including UNDP, or the UN Member States.

Copyright © UNDP 2021
All rights reserved.

Researchers: Dr. Ramani Jayasundere and Evangeline de Silva
Contributors: Sean Lees, UNDP Asia-Pacific Business and Human Rights Specialist, Myanthi Peiris, UNDP Sri Lanka, Business and Human Rights Specialist

UNDP is the leading United Nations organization fighting to end the injustice of poverty, inequality, and climate change. Working with our broad network of experts and partners in 170 countries, we help nations to build integrated, lasting solutions for people and planet.

B+HR Asia: Enabling Sustainable Economic Growth through the Protect, Respect and Remedy Framework promotes the implementation of the UN Guiding Principles on Business and Human Rights in close partnership with Asian governments, business, and civil society, through dialogue, training, research, small grant provision, and awareness raising activities. The action, valued at €6.5 million, is funded by the European Union, Service for Foreign Partnership Instrument.

Learn more at bizhumanrights.asia-pacific.undp.org