

**The causality between growth and female labor force participation in Sri Lanka**W.I. Priyadarshani <sup>1</sup>, D.G.P.T. Dias**ABSTRACT**

Economic growth and development is essential and important for the survival and stability of a nation. Human power is one of the basic determinates of economic growth. By using all its potential, economic growth can be improved. Women are also a part of the human power that can have an important role in the economic growth of a country. Numerous studies on income and female labor participation have been done on the basis of western countries. The Asian culture is very different in relation to western culture and women labor force had been influenced by women. Therefore, the causality between this two is in the context of the Asia Pacific region of Sri Lanka in comparison to the western countries. The main objective of this study is to determine the causality between income and female labor force participation in Sri Lanka. Then, this research investigates the causality between female labor force participation rates and economic growth. According to Goldin and Tansel, Economic development and women's economic activity have shown a U-shaped relationship in several studies Noreen and Zafar, Error correlation model was applied to explore the correlation between the economic growth and Female labor force participation. The results show long-run correlation between female labor force participation rate & economic growth. The present mainly based on the secondary data published by the department of Census and Statics and Central Bank of Sri Lanka. The used annual time series data on Gross Domestic Product (GDP) and female labor force participation rate during period 1990 to 2017. The utilize Unit root test and Granger causality test to examine the causality between economic growth and female labor force participation in Sri Lanka. The data used in this study were analyzed by using EViews 9 software. According to these result shows that there is no causality between female labor force participation and economic growth in Sri Lanka.

***Key words: Economic growth, Female Labor Force Participation, Granger Causality, Asian culture, Unit root test***

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