



**Ninth Parliament of the
Democratic Socialist Republic of Sri Lanka
(Third Session)**

Parliamentary Series No. 59

**Third Report of the Ministerial Consultative Committees
(From 07.09.2022 to 20.01.2023)**

Presented by

**Hon. Ajith Rajapakse
Deputy Speaker and Chairperson of Committees**

on 08th May 2024

Minutes of the following Ministerial Consultative Committee Meetings are included in the report as the Committee has confirmed them.

Index No.	Name of the Ministerial Consultative Committee	Date
01.	Ministerial Consultative Committee on Transport & Highways	16.09.2022
02.	Ministerial Consultative Committee on Fisheries	21.09.2022
03.	Ministerial Consultative Committee on Trade, Commerce & Food Security	21.10.2022
04.	Ministerial Consultative Committee on Industries	16.11.2022
05.	Ministerial Consultative Committee on Plantation Industries	25.11.2022

Minutes of the following Ministerial Consultative Committee Meetings are not included in the report, as the Committee has not confirmed them.

Index No.	Name of the Ministerial Consultative Committee	Date
01.	Ministerial Consultative Committee on Labour & Foreign Employment	07.09.2022
02.	Ministerial Consultative Committee on Mass Media	16.09.2022
03.	Ministerial Consultative Committee on Ports, Shipping & Aviation	20.09.2022
04.	Ministerial Consultative Committee on Agriculture	20.09.2022
05.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	22.09.2022
06.	Ministerial Consultative Committee on Defence	23.09.2022
07.	Ministerial Consultative Committee on Power & Energy	04.10.2022
08.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	04.10.2022
09.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	18.10.2022
10.	Ministerial Consultative Committee on Buddhasasana, Religious & Cultural Affairs	20.10.2022
11.	Ministerial Consultative Committee on Public Security	20.10.2022
12.	Ministerial Consultative Committee on Public Administration, Home Affairs, Provincial Councils & Local Government	08.11.2022
13.	Ministerial Consultative Committee on Education	08.11.2022
14.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	08.11.2022
15.	Ministerial Consultative Committee on Women, Child Affairs and Social Empowerment	10.11.2022
16.	Ministerial Consultative Committee on Foreign Affairs	10.11.2022
17.	Ministerial Consultative Committee on Investment Promotion	15.11.2022
18.	Ministerial Consultative Committee on Wildlife & Forest Resources Conservation	15.11.2022
19.	Ministerial Consultative Committee on Finance, Economic Stabilization and National Policies	16.11.2022
20.	Ministerial Consultative Committee on Water Supply	17.11.2022

21.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	21.11.2022
22.	Ministerial Consultative Committee on Urban Development & Housing	22.11.2022
23.	Ministerial Consultative Committee on Sports and Youth Affairs	22.11.2022
24.	Ministerial Consultative Committee on Irrigation	23.11.2022
25.	Ministerial Consultative Committee on Health	23.11.2022
26.	Ministerial Consultative Committee on Public Administration, Home Affairs, Provincial Councils & Local Government	24.11.2022
27.	Ministerial Consultative Committee on Fisheries	29.11.2022
28.	Ministerial Consultative Committee on Tourism & Lands	30.11.2022
29.	Ministerial Consultative Committee on Technology	30.11.2022
30.	Ministerial Consultative Committee on Trade, Commerce & Food Security	05.12.2022
31.	Ministerial Consultative Committee on Environment	06.12.2022
32.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	13.12.2022
33.	Ministerial Consultative Committee on Transport & Highways	05.01.2023
34.	Ministerial Consultative Committee on Justice, Prison Affairs & Constitutional Reforms	17.01.2023
35.	Ministerial Consultative Committee on Plantation Industries	19.01.2023
36.	Ministerial Consultative Committee on Industries	20.01.2023

Staff of the Minisretial Consultative Committee Office

- Mr. Sudath Perera, Assistant Director (Administration) – Secretary to the Committee
- Mr. Shantha Fernando , Principal Officer
- Mrs. Shyama Alwis, Deputy Principal Officer
- Mrs. Oshila Weerakoon, Deputy Principal Officer
- Ms. Kosala Priyadarshani, Assistant Principal Officer
- Ms. Udeshika Thathsarani Weerasiri, Parliamentary Officer
- Mrs. Uthpala Ranmini Muthukumara, Parliamentary Officer
- Mrs. Rukmani Devi, Senior Translator

Secretaries to the Ministries

- General G. D.H. Kamal Gunaratne (Retd) – Ministry of Defence
- Mr. K. M. Mahinda Siriwardena – Ministry of Finance, Economic Stabilization & National Policies
- Prof. N. D. Gunawardhana – Ministry of Technology
- Mr. Neel Bandara Hapuhinna – Ministry of Women, Child Affairs and Social Empowerment
- Mr. K. D. S. Ruwanchandra – Ministry of Ports, Shipping & Aviation
- Mr. K. M. Mahinda Siriwardena – Ministry of Investment Promotion
- Mr. M. M. P. K. Mayadunne – Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government
- Ms. R.M. I. Rathnayaka – Ministry of Fisheries
- Mr. M. N. Ranasinghe – Ministry of Education
- Mr. W. R. W. Pemasiri – Ministry of Transport & Highways
- Mr. V. P. K. Anusha Pelpita – Ministry of Mass Media
- Mr. Janaka S. Chandraguptha – Ministry of Health
- Mr. N. B. M. Ranathunga – Ministry of Water Supply
- Mr. M. B. R. Pushpakumara – Ministry of Agriculture
- Mrs. R. M. C. M. Herath – Ministry of wildlife & Forest Conservation
- Mrs. Wasantha Perera – Ministry of Justice, Prison affairs and Constitutional Reforms
- Mr. W. A. Chulananda Perera – Ministry of Tourism & Lands
- Mr. Janaka Dharmakeerthi – Ministry of Plantation Industries
- Mrs. J. M. T. Jayasundara – Ministry of Industries
- Mr. W. S. Sathyananda – Ministry of Urban Development & Housing
- Mrs. A. Y. Wijewardhene – Ministry of Foreign Affairs
- Mr. Somarathna Vidanapathirana – Ministry of Buddhasasana, Religious & Cultural Affairs
- Mr. M. P. D. U. K. Mapa Pathirana – Ministry of Power & Energy
- Dr. Anil Jasinghe – Ministry of Environment
- Specialist Dr. Amal Harsha De Silva – Ministry of Sports & Youth Affairs
- Mr. U. D. C. Jayalal – Ministry of Irrigation
- Mr. R. P. A. Wimalaweera – Ministry of Labour & Foreign Employment
- Mr. S. Hettiarachchi – Ministry of Public Security
- Mr. S. T. Kodikara – Ministry of Trade, Commerce & Food Security

Ministerial Consultative Committee on Transport and Highways
First meeting – 16th November 2022

Committee Members present

Hon. (Dr.) Bandula Gunawardana (Chair)
Hon. Lasantha Alagiyawanna (State Minister)
Hon. Siripala Gamalath (State Minister)
Hon. Dilum Amunugama
Hon. Kanaka Herath

Non- Committee Members present

Hon. (Mrs.) Geetha Samanmale Kumarasinghe
Hon. Kumara Welgama
Hon. Mohomad Muzammil
Hon. S. M. Marikkar
Hon. U. K. Sumith Udukumbura
Hon. Sanjeeva Edirimanna
Hon. Jagath Kumara Sumithraarachchi
Hon. Asanka Navarathna
Hon. Upul Mahendra Rajapaksha
Hon. Madhura Withanage, AAL.
Hon. Yadamini Gunawardena

1. Consideration of Regulations and Annual Reports

1.1 Consideration of Regulations

Regulations made by the Minister of Transport under Section 237 of the Motor Traffic Act (Chapter 203) read with Section 126 and published in Gazette Extraordinary No. 2273/76 dated 31st of March 2022 (referred to the Ministerial Consultative Committee having presented to Parliament on 29.08.2022)

The Commissioner General of Motor Traffic informed the Committee that the Gazette Notification was issued with an aim to extend the validity period of driving licenses due to the impact caused on transportation by the situation that prevailed in the country by April 2022.

The Hon. Dilum Amunugama informed the Committee that the arrangements were made to extend the period of validity of driving licenses due to the problems of importing the cards that are needed to print Driving Licenses.

Having considered the above mentioned regulations referred to the Consultative Committee on Transport and Highways by Parliament, the

Committee agreed and decided that the report of the Committee be presented to Parliament.

1.2 Consideration of Annual Reports.

1.2.1 Annual Report of State Development and Construction Corporation

After the consideration, the Ministerial Consultative Committee on Transport and Highways agreed to the above Regulations and the above mentioned Annual Report, referred to the Committee and resolved that the Report of the Ministerial Consultative Committee on Transport and Highways thereon be presented to Parliament by the Hon. (Dr.) Bandula Gunawardana, Chair of the Committee.

2. Discussion on the Affairs of the Ministry

2.1 Current status of the Institutions coming under the purview of the Ministry of Transport and Highways

2.1.1 Department of Railways

The Hon. Chair informed the Committee that as the locomotives of the Department of Railways are too old for years and due to the poor condition of the railway tracks, warnings have been issued to reduce the speed limit, as there are problems with regard to importing lubricating oil oils in the face of the present economic crisis.

The Hon. Chair further informed the Committee that measures have been taken to prevent the loss incurred by the Department of Railways at present and the progress of such measures would be informed to the Committee at its next meeting.

The Secretary to the Ministry informed that it's difficult to carry out the functions of the Department of Railways due to the low amount of allocations made for the Department of Railways.

It was further informed that the main source of income of this department is the train ticket fees and these fees were recently increased with the intervention of the Hon. Minister, but the desired targets could not be achieved and the high price of lubricating oil also affected this.

The Secretary to the Ministry informed that it is expected to carry out the maintenance activities of the railway and the railway expansion through the allocations made in the budget for the next year.

The Secretary to the Ministry informed that the construction of certain railway sections will be done under the Indian Credit Line and a project to improve railway efficiency will be implemented under the Asian Development Bank loan.

The Secretary to the Ministry further informed that the purchase of 10,000 rail tracks, the purchase of spare parts for the trains, the improvement of the Fort railway station, the implementation of a communication system required for the running of the trains, and the electronic issuance of tickets will be carried out under this project.

2.1.2 Sri Lanka Transport Board.

The Hon. Chair informed the Committee that a very old methodology is followed by this institution and arrangements would be made to infuse new technology into financial management.

The Hon. Chair further informed that the Secretary to the Ministry has been instructed to conduct a forensic audit regarding the Department of Railways and the Sri Lanka Transport Board, as it is difficult to carry out an accurate numerical analysis due to the old methodology.

The Secretary to the Ministry informed that there are issues in purchasing spare parts and tires for the buses of the Sri Lanka Transport Board and the purchase of 500 new buses under the Indian Credit Line would be implemented by the next year.

The Secretary to the Ministry also informed that the arrangements would be made to purchase 80 new buses to start a school bus service.

The Secretary to the Ministry informed that the State Minister, Hon. Lasantha Alagiyawanna has given instructions to develop the Kadawatha bus station same as the Makumbura Multimodal Transport Service Centre.

The Secretary to the Ministry further informed that the arrangements have been made to start a Multimodal Transport Service Center in Kandy under a World Bank agreement.

2.1.3 National Transport Commission

The Secretary to the Ministry informed that the current competitive system of issuance of permits would be maintained until a methodology is developed to reconsider the process of issuance of route permits.

2.1.4 Department of Motor Traffic

The Hon. Chair informed that there were a large number of complaints regarding the Department of Motor Traffic and various measures had been proposed as solutions for the long-term issues caused by this.

The Hon. Chair further informed that since it was accepted that the work of this department should be digitized using modern technology, the implementation of E-Motoring project was started accordingly.

The Hon. Chair informed the Committee that with the implementation of this project, attention was paid to relocate the Department of Motor Traffic at Werahera, which is currently located at Narahenpita, but due to the prevailing financial crisis, this construction work has been suspended.

The Hon. Chair further informed the Committee that, in order to prevent the delay of the implementation of this project, the relevant institutions are working to implement the E-Motoring project before the end of this year by obtaining the approval of the Cabinet of Ministers to establish this department at a more convenient location on the rent recommended by the government assessor.

Hon. Kumara Welgama made an inquiry regarding continuing with the department at the current location without shifting it to other places due to the prevailing financial crisis in the country.

The Hon. Chair informed that the Narahenpita building where the Department of Motor Traffic currently operates does not have the necessary facilities to use modern technology.

The Commissioner General of Motor Traffic informed that about 15,000 square feet of space is required to start the new project and the new project could be started as soon as it is provided.

The Hon. Chair informed that the approval of the Cabinet of Ministers was obtained to amend the Act since electric cars cannot be registered according to the current Motor Vehicle Ordinance.

Accordingly, the Commissioner of Motor Traffic informed that the relevant amendments will be introduced and the Act will be amended before the end of this month.

Furthermore, the Hon. Chair informed that currently, local manufacturers have manufactured electric vehicles and they are working on the preparation of internationally accepted specifications for those vehicles.

The Hon. Chair further informed that the manufacturers are making arrangements to use solar power as well as other electrical equipment to get the electricity required for these vehicles and some companies are working on setting up charging stations locally.

The Hon. Chair informed that the new Commissioner General of Motor Traffic is working on the implementation of a new program to improve the current situation of the Department of Motor Traffic.

The Hon. Chair informed the Commissioner General of the Department of Motor Traffic to present a report in the next meeting on the activities expected to be carried out by the Department of Motor Traffic in the next year.

The Secretary to the Ministry informed that the actions would be taken to implement the E-Motoring project under the Department of Motor Traffic and the project of providing vehicle number plates under the RFID (Radio Frequency Identification - RFID) technology.

The Hon. Chair instructed to present a brief report on the current status of all the institutions come under the Ministry and the future actions to be taken in this regard at the coming committee meeting.

3. Other Matters

3.1 Hon. Madhura Withanage, AAL.

3.1.1 Encouraging the local manufacture of cars

The Hon. Member informed that it is very important to pay attention in this regard and that a certain private company that was previously engaged in such manufacture of cars did not receive the necessary support from the Department of Motor Traffic.

The Hon. Member informed that it is appropriate to establish a separate unit and a head for this purpose in the department so that such things will not happen in the future.

The Hon. Chair informed that attention will be paid to this matter and this project will be implemented before the end of this year.

3.1.2 Effects of holding road maintenance and development activities

The Hon. Member informed that as the road maintenance and development work has been put on hold, there is a possibility of accidents occurring to the people due to the presence of the machinery used for that purpose as

well as the unsafe condition due to the non-completion of the development work in some places.

The Hon. Chair stated that the Ministry of Finance has informed that it hoped to provide a Bond on the basis that interest would be paid in relation to the payments with a value over 100 million and to make the payments to the parties to which less than 100 million has to be paid within this year in relation to the already completed portions of development projects.

3.1.3 Providing the Local Government Institutions with the opportunity to develop roads

The Hon. Member requested that the attention need be paid to the fact that some road development activities could be carried out by the local government bodies, but they are unable to do so due to a circular that has been issued currently.

3.1.4 Technical report relevant to import of M - 11 engines

The Hon. Member requested to submit the technical report to the Committee, which is relevant to the importation of M - 11 engines under the Indian Credit Line.

3.2 Utilization of unused lands owned by Sri Lanka Transport Board and Department of Railways for investment purposes - Hon. Asanka Navarathna

The Hon. Member informed that the Sri Lanka Transport Board and the Department of Railways have lots of lands of business value adjacent to the main roads and requested that the opportunity be given to the business community to invest in those lands at the regional level.

The Hon. Chair informed that various people are occupying the lands owned by the Department of Railways without permission in certain areas and the necessary steps have been taken to collect the taxes due after an observation conducted recently.

Further, Hon. Madhura Withanage, AAL. requested to pay attention to the fact that certain lands have been obtained from the Department of Railways at a low rent and leased for a large amount.

The Hon. Chair informed that since it is difficult to deal with this matter in the existing system, a Cabinet Memorandum has been submitted for intervening in such matters in general and accordingly, the land will be taken over and the land of commercial value will be used for commercial activities.

The Secretary to the Ministry informed that the Hon. Chair has presented 2 Cabinet Memoranda for establishing a company for the management of the lands owned by the Department of Railways and also for collecting taxes from the lands owned by the Department of Railways.

The Secretary to the Ministry informed that after discussing these Cabinet Memorandas, a program will be prepared and presented to the Cabinet of Ministers to identify and manage all the lands owned by the Department of Railways as per the instructions given by the Expenditure Management Committee.

Further, as the revenue earned by the Department of Railways is not sufficient, the Hon. Chair informed that various measures will be taken to increase the revenue earned by the Department of Railways

3.3 Hon. Yadamini Gunawardena

3.3.1 Commencement of trains from Kosgama - Egodaha area

The Hon. Member requested that attention need be paid to the commencement of the morning trains of the Kelani Valley route from Kosgama instead of Kahahena as it would be beneficial for the people living in the areas close to Kosgama.

The Hon. Chair informed that it is not possible to enter another train on the Kelani Valley railway line for 28 minutes after one train leaves from Kosgama to Homagama due to a technical issue in the signal system and the work has been started to modify the signal system within this year so that trains can run once every 8 minutes.

The Chief Engineer (Signal and Electrical), Department of Railways informed the Committee that there is a 25 minute travel interval between Waga and Padukka during train operations and it can be converted to 12 minutes within a month.

Further, the Chief Engineer (Signal and Electrical), Department of Railways informed that it could be reduced to a 6 minute limit within this year and accordingly, the travel interval of the trains to Colombo could be 8 minutes.

The Hon. Chair informed that an office train was initiated for passengers coming from Waga, Labugama and Kalatuwawa in addition to the train starting from Avissawella - Kosgama and that a new train can be put into operation after the signal system is prepared.

The Hon. Chair informed that the instructions have been issued to pay attention to ensure that the train that is currently running to its destination

of Kosgama can come back and park at the Waga station and resume its journey again.

Hon. Kumara Welgama inquired about the recently imported locomotives being removed from running as they are not in a condition to run.

The Chief Engineer (Mechanical), Department of Railways informed that it was not a real situation and recently, under the Indian Credit Line, 160 carriages have been imported and of them, 120 carriages have been put into operation and under this loan scheme 10 engines have been imported as M - 11 and 7 of them have been put into operation.

The Chief Engineer (Mechanical), Department of Railways further informed that the Department of Railways is working on the modernization of railway lines and the standard of locomotives and carriages has been improved.

The Chief Engineer (Mechanical), Department of Railways further informed that even though the train compartments and locomotives are being imported, which suit the improved railway lines since the railway lines are developed, the trains will run at a low speed in some areas due to the prevailing old and bad conditions of the railway lines in those areas.

Hon. Mr. Madhura Withanage, AAL. requested to submit a complete report regarding the compartments and M - 11 locomotives imported from the date of importation under the Indian Credit Line at the next Committee meeting.

3.3.2 The railway line between Avissawella and Puwakpitiya crossing the highway at four points.

The Hon. Member informed that the traffic on the highway is disrupted at four points as the railway crosses the highway at four points between Awissawella and Puwakpitiya and also that the speed of the train has to be reduced at such points.

The Hon. Member requested that the attention be paid to the matter that the functioning of several public and important places in this area is hindered due to the disruption of transportation on the main road and it's a waste of fuel and time.

The Hon. Chair informed that the land acquisition related to the process that is expected to be followed as a solution to this situation should be implemented initially.

3.3.3 Intervention of Local Government Institutions to provide facilities according to public needs

The Hon. Member informed that passengers in Colombo areas do not have the opportunity to use the public transport as the public transport buses entering the city of Colombo, especially in the morning come with a large crowd.

The Hon. Member requested to identify the public interest and discuss with the Local Government Institutions about providing necessary facilities, as it is the responsibility of the Colombo Municipal Council to provide transport facilities for the citizens of the city and with the local government bodies having the power to deal with it.

3.4 Hon. Kumara Welgama

3.4.1 Using the buses imported by Lanka Ashok Leyland Company for school bus transportation

The Hon. Member inquired about the relevant Technical Committee not granting approval to use the buses imported by Lanka Ashok Leyland Company about 5 years ago for school bus transportation.

The Hon. Chair informed that it was observed during the inspection of these buses brought in 2017 by himself and the officials that these buses have been prepared according to international standards and safety procedures suitable for children.

The Hon. Chair informed the Committee that during the discussion with this company, the company informed them that the buses could be given at the foreign exchange rate prevailing at the time they were imported, and after running, they should pay Rs. 3000 per month for 4 years.

The Hon. Chair further informed that the Cabinet of Ministers has approved the Cabinet Memorandum submitted requesting approval for the use of these 80 buses for school bus transportation.

The Hon. Chair informed the Committee that the Technical Committee consisting of officials of the Sri Lanka Transport Board has rejected this proposal, stating that these buses are not up to the accepted standards and therefore the buses should be purchased from another company and that appropriate measures would be taken to operate them.

The Hon. Member requested to submit the report of the relevant technical Committee.

3.4.2 Number of buses that the Sri Lanka Transport Board operates out of its fleet

The Hon. Member inquired about the number of buses are operated daily by the Sri Lanka Transport Board out of its fleet.

The Deputy General Manager (Operations), Sri Lanka Transport Board informed that approximately 4700 buses operate on a daily basis.

The Hon. Chair informed that there were about 800 buses without tires and batteries, and those buses were put into operation after obtaining special Cabinet approval.

In addition, the Deputy General Manager (Operations), Sri Lanka Transport Board informed that an issue was reported regarding finding tires with a tire rim size of 22.5 inches for buses with tubeless tires.

3.5 Development of public transportation in Kaduwela Electorate - Hon. Jagath Kumara Sumithraarachchi

The Hon. Member inquired about the measures taken with regard to the absence of buses running on several rural roads in Kaduwela electorate and the shortage of employees, as this matter was mentioned on an earlier occasion.

The Chairman, Sri Lanka Transport Board informed that even though there are vacancies in the cadre, the approval of the General Treasury has to be obtained for the new recruitments and once the approval is received, arrangements have been made to conduct the interviews.

The Chairman, Sri Lanka Transport Board further informed that it has been decided this time to recruit from Colombo, Gampaha and Kalutara districts.

The Hon. Member requested to give priority to the Kaduwela Electorate when deploying school buses.

3.6 Hon. Upul Mahendra Rajapaksha

3.6.1 Risky condition at Daraluwa Railway Station

The Hon. Member informed that on the railway line from Veyangoda to Daraluwa, the passengers have faced accidents at the Daraluwa Railway Station as a huge gap is created between the platform and the train as the train stops at a slant.

The Hon. Member informed that no one visited the place to observe it, even though he informed the authorities on many occasions before.

The Chief Engineer (Motive Power), Department of Railways informed that the officials in - charge had observed and submitted a report in this regard.

The Hon. Chair instructed the Chief Engineer (Motive Power), Department of Railways to take the necessary measures to monitor the site next week.

3.6.2 Development of public transportation in Attanagalla area

The Hon. Member requested that the attention be paid about the public transportation in Attanagalla area due to its inadequateness.

3.6.3 Utilizing the empty land owned by Nittambuwa Depot for productive purposes

The Hon. Member informed that it is appropriate to use the land that is of high value near the Nittambuwa depot and is owned by the same for productive purposes.

3.6.4 Damaging roads when providing water supply to the Attanagalle Electorate

The Hon. Member informed that the people are facing inconveniences due to the destruction of many roads by the National Water Supply and Drainage Board in providing water supplies for the Atthanagalla Electorate.

The State Minister, Hon. Lasantha Alagiyawanna, informed that the attention needed to be paid to the estimates given to the National Water Supply and Drainage Board regarding the reconstruction of the roads that were damaged during the supply of water, since the estimation is based on old rates.

The Secretary to the Ministry informed that the National Water Supply and Drainage Board cannot damage the roads without approval, and they have to deposit money for that.

The Secretary to the Ministry informed that the National Water Supply and Drainage Board damages the roads without obtaining approval by pointing out the need for water and approval has been taken to repair the Nittambuwa – Hanwella road through the iRoad project by preparing all the estimates as the National Water Supply and Drainage Board operates in an improper way.

The Secretary to the Ministry further informed that the iRoad project has terminated granting new contracts.

The Hon. Chair informed that it is appropriate to submit a Cabinet Memorandum by the Road Development Authority and National Water Supply and Drainage Board on the action that should be taken in this regard.

3.6.4 Reimplementation of the iRoad project that has been terminated in the Attanagalla Electorate

The Hon. Member requested to restart the iRoad project, which was supposed to cover the construction of about 25 roads in the Attanagalla Electorate but stopped halfway.

The State Minister, Hon. Lasantha Alagiyawanna informed that the subject area should be prepared, enabling the projects to function using the estimates allocated by now.

The Project Director, Joint Road Investment Programme informed that though the iRoad project is functioning in the Western Province, the progress is very slow.

The Project Director, Joint Road Investment Programme further informed that the road from Nittambuwa to Urapola has been included in the iRoad project, but the approval of the Asian Development Bank was not granted.

3.6.6 Irregularity of the contractors in the project of developing one hundred thousand kilometers of roads

The Hon. Member informed that attention should be paid to certain contractors as they worked in an irregular manner in the development projects to construct one hundred thousand km of roads.

The Hon. Chair instructed the officers to pay attention in this regard.

3.7 Issuing of light vehicle driving licenses to hearing impaired persons – The State Minister, Hon. Lasantha Alagiyawanna

The State Minister, Hon. Lasantha Alagiyawanna informed that a major part of the process to issue light vehicle driving licenses to hearing-impaired persons has been completed, a committee has been appointed in this regard, and a report has been issued.

The State Minister, Hon. Lasantha Alagiyawanna informed that their recommendation is to implement a pilot project for about 50 personnel first and carry it out legally based on its results.

The Hon. Dilum Amunugama informed that the preliminary work has been done according to a proposal submitted by the deaf organizations and the situation in other countries was taken into consideration along with the

intervention of the President of the National Transport Medical Institute and specialist doctors.

The President, National Transport Medical Institute informed that it is appropriate to grant approval and implement the pilot project since this is a very reasonable request.

The Hon. Chair informed that the pilot project should be implemented for the hearing-impaired people who are already driving vehicles.

The Hon. Member informed that these activities should be regulated in coordination with the Local Government Institutions.

4. The Committee was adjourned at 05.00 p. m. *sine die*

Ministerial Consultative Committee on Fisheries
First meeting – 21 September 2022

Committee Members present

Hon. Douglas Devananda (Chair)
Hon. Piyal Nishantha De Silva (State Minister)
Hon. Mayadunna Chinthaka Amal
Hon. D. Weerasingha

Non- Committee Members present

Hon. Sajith Premadasa
Hon. Sanath Nishantha
Hon. Chandima Weerakkody, AAL.
Hon. Charles Nirmalanathan
Hon. Hesha Withanage
Hon. Sanjeeva Edirimanna
Hon. (Major) Sudarshana Denipitiya
Hon. (Mrs.) Rajika Wickramasinghe
Hon. Weerasumana Weerasinghe

1. Consideration of Orders and Annual Reports

1.1 Consideration of orders

1.1.1 Regulations made by the Minister of Fisheries under Section 61 of the Fisheries and Aquatic Resources Act, No. 2 of 1996 and published in the Gazette Extraordinary No. 2255/22 of 24th November 2021.

(Presented to Parliament on September 6, 2022.)

1.1.2 Regulations made by the Minister of Fisheries under Section 61 (1)(b) read with Section 64(a) of the Fisheries and Aquatic Resources Act, No. 2 of 1996 and published in the Gazette Extraordinary No. 2266/6 of 07th February 2022.

(Presented to Parliament on September 6, 2022.)

1.1.3 Regulations made by the Minister of Fisheries under Section 61 of the Fisheries and Aquatic Resources Act, No. 2 of 1996 and published in the Gazette Extraordinary No. 2277/04 of 25th April 2022.

(Presented to Parliament on September 6, 2022.)

1.2 Consideration of Annual Reports

1.2.1 Annual Report of the Sri Lanka Fisheries Harbour Corporation for the year 2013

1.2.2 Annual Reports of the Sri Lanka Fisheries Harbour Corporation for the years 2014, 2015 and 2016

1.2.3 Annual Report of the Ceynor Foundation Ltd for the year 2016

1.2.4 Annual Report and Accounts of the National Aquatic Resources Research and Development Agency for the year 2019

1.2.5 Annual Report of the National Aquatic Resources Research and Development Agency for the year 2020

The Committee, after considerations, agreed to the above mentioned Regulations and Annual Reports referred to the Committee and resolved that the Report of the Ministerial Consultative Committee on Fisheries thereon be presented to Parliament.

2. Other Matters

2.1 Hon. Weerasumana Weerasinghe

2.1.1 Delay of annual reports of government institutions

The Hon. Member informed that there is no opportunity to study the annual reports or to do a follow - up as there is a delay in the presentation of annual reports from various government institutions.

The Hon. Member requested that action needed to be taken to make it mandatory for the government institutions to prepare and submit the annual report to Parliament on time.

The Secretary to the Ministry informed that the annual reports that have not been submitted are being updated and action will be taken to finalize and submit all the annual reports before the end of this year.

2.1.2 Issuing of fuel for fishing vessels

The Hon. Member requested to introduce a proper program as priority has not been given to the fishing vessels that bring fish to export and to look into the problems faced by the people who are engaged in the fish trade throughout the country using motor cycles, as they have faced severe inconveniences due to the limited amount of fuel issued to them.

The Hon. Member informed that there are problems related to providing kerosene to the fishing vessels engaged in the fishing industry on a daily basis in the southern province.

The Hon. State Minister informed that there has been a delay in providing fuel to only a few fishing harbours and now arrangements have been made to distribute more fuel to the fishing harbours than before.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that 27000 one-day fishing vessels that use kerosene have been registered and most of the one-day fishing vessels using kerosene are in Jaffna district.

The Director General, Department of Fisheries and Aquatic Resources further informed that the Ceylon Petroleum Corporation is informed about the amount of kerosene required daily, the filling stations requiring kerosene and the amount of kerosene to be sent to them on a daily basis.

The Director General, Department of Fisheries and Aquatic Resources further informed that fuel is issued only for fishing vessels and not for motor cycles engaged in the daily fish trade.

The Chairman, Ceylon Fishery Harbours Corporation informed that problems with issuing diesel only prevail in Beruwala and Kudawella fishery harbours at the moment and there are only 61 vessels on the waiting list by this month out of 689 vessels that were on the waiting list to get fuel at Beruwala Fishery Harbour in August.

Further, the Chairman, Ceylon Fishery Harbours Corporation informed that a problem has arisen as the dispensing unit at the Kudawella Fishery Harbour is out of order because it is not possible to import the necessary parts to repair it.

The Chairman, Ceylon Fishery Harbour Corporation informed that there is fuel remaining as the fishermen have gone fishing and do not come to get fuel these days.

The Hon. State Minister informed that further action could be taken in this regard if the information of all the fishery harbours that are experiencing the issue of fuel scarcity is provided.

The Chairman, Fishery Harbour Corporation informed that there are about 07 fishing vessels on the waiting list every day due to the limited number of dispensing units and there is no other problem other than that.

2.1.3 Welfare of fishermen

The Hon. Member informed that the situation regarding the welfare of fishermen is not quite positive and many people are engaged in fishing activities on daily and multi-day fishing vessels to get drugs or to get money to buy drugs.

The Hon. Member requested to launch some counselling programs with the intervention of the Ministry of Fisheries for fishermen and their families regarding the education and welfare of their children.

The State Minister informed that a special welfare program will be implemented with more emphasis on the education, health, and welfare of the children of the fishing community as per the instructions of the Minister of Fisheries and its first phase will start on October 1 with World Children's Day.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that a new pension scheme is planned to be prepared under the welfare activities for fishermen with the participation of the Ministry and a new insurance system will be prepared and implemented promptly in collaboration with the Sri Lanka Insurance Corporation targeting the children of fishing families and their education.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that the Sri Lanka Medical Council has informed about an increase in drug users and HIV- infected people and accordingly, the first program of the series of awareness programs for fishermen will be started on Friday, 23.09.2022 from Negombo Fishery Port with the involvement of the Sri Lanka Medical Council and Professor Manju Weerasinghe of the University of Colombo.

The State Minister informed the Committee that although money is allocated in the budget for the purchase of net gear and other fishing gear, not much money is allocated for the welfare of fishermen and the measures will be taken to allocate more provisions for the education, health and welfare of the children of the fishing community in the next budget.

2.1.4 Issues related to manufacturing of boats

The Hon. Member requested that certain import restrictions be lifted in order to obtain materials required for the manufacturing of boats since the manufacturing of boats for international markets is currently suspended due to import restrictions.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that import restrictions have been relaxed to facilitate the importation of materials required for the manufacturing of fishing crafts and a mechanism has been introduced in this regard.

The Director General, Department of Fisheries and Aquatic Resources further informed that if the imported materials are needed for any of the shipping yards, when a request is made from the Assistant Director of Fisheries Office of each district and after his recommendation is sent to the Ministry of Fisheries, the Ministry itself would issue a recommendation to the Controller General of Imports and Exports allowing the importation of the aforesaid materials, whereas the importation of required materials will be facilitated after the permission is granted.

The Director General, Department of Fisheries and Aquatic Resources further informed that, accordingly, permission has been granted to import materials and equipment required for the fisheries sector that were imposed with restrictions earlier through the gazette.

2.2 Distribution of Kerosene in the Northern Province - Hon. Charles Nirmalanathan

The Hon. Member informed that more kerosene is required for the Northern Province as the majority of fishing crafts in Northern Province run on kerosene and the fishing season will soon begin in the aforesaid areas.

Further, the Hon. Member informed that the owners of the filling stations make payments only to order petrol and diesel, although the Director General of Fisheries and Aquatic Resources forwards the list of filling stations that require fuel for the next day.

Therefore, the Hon. Member informed that obtaining kerosene is delayed due to a lack of funds as the payments are made only for other types of fuel when the Ceylon Petroleum Corporation informs the respective regional offices.

The Director General, Department of Fisheries and Aquatic Resources informed that fuel is supplied only to the registered filling stations after payments are made and the list of filling stations that deposit money before 4.00 p.m. each day will be informed to the Ceylon Petroleum Corporation in the evening of each day.

The Hon. Member inquired about the possibility of obtaining kerosene the following day when payments are delayed and the alternative program available when it cannot be obtained on the scheduled day.

The Director General, Department of Fisheries and Aquatic Resources informed that the respective order can be provided on the following day if a request is made.

2.3 Hon. D. Weerasingha

2.3.1 Developing Tourism Industry in Arugam Bay area

The Hon. Member informed that the Arugam Bay fishing harbour is located at the main point where surfing in Arugam Bay takes place and tourists face immense difficulties due to the docking of fishing boats and the unfurling of fishing nets.

Therefore, the Hon. Member further requested to relocate the fishing harbour in Kudakallu area, which is located one kilometer away from the aforementioned location, as it would be convenient for the tourists who engage in surfing.

The Director (Development), Ministry of Fisheries informed that the fishermen of the area had shown three locations to the officers who made a field visit to Arugam Bay and as a high cost is needed to be spent to establish a fishing harbour in some locations, a feasibility study needs to be carried out to determine the suitable location.

2.3.2 Fishing activities at Whisky Point of Arugam Bay

The Hon. Member informed that the tourists face difficulties due to the fishing pier located at the area called ‘Whisky Point’, which is also a popular surfing point.

The Hon. Chair informed that a field visit to Arugam Bay will be scheduled in the month of October.

2.3.3 Ekgaloya Breeding Centre

The Hon. Member requested to reimburse the Rs.3.1 million spent by the Fisheries’ Association of the area on the construction of the Ekgaloya Breeding Centre.

The Chairman, National Aquatic Resources Research and Development Agency informed that this breeding centre was constructed as a 22 million project by the National Aquaculture Development Authority of Sri Lanka, which entered into an agreement with the Ekgaloya Fisheries’ Association to build the aforesaid breeding centre.

Further, the Chairman of the National Aquatic Resources Research and Development Agency informed that the remaining amount of 2 million could not be paid since the money was not received from the General Treasury, and due to the fact that only the amount given for depositing the fish has been received, the payments will be made as per the agreement as soon as the money is received from the General Treasury.

2.4 Releasing fingerlings to reservoirs - Hon. (Major) Sudarshana Denipitiya

The Hon. Member requested to re-implement the project to release fingerlings to the reservoirs of Uva Province, considering the high fish prices at present.

The Hon. Member also informed that there is no significant difference between the fish prices of the Ceylon Fisheries Corporation and the fishmongers and they state different prices on different occasions according to their consent.

The Hon. Chair informed that fingerlings have already been released to 1340 reservoirs out of 12,000 small and medium -scale reservoirs and more fingerlings are to be released to another 4000 reservoirs this year.

The Hon. Chair stated that Hon. Members of Parliament have been informed in this regard for further consultations and were also requested to inform if there are reservoirs that should be given priority.

The Hon. Chair further informed that the Ceylon Fisheries Corporation has planned to open fish stalls in the central hills that will provide a permanent solution to the shortage of fish in the country.

The Chairman, Ceylon Fisheries Corporation informed that the main reason for the increase in the price of fish is the decline seen in the fish harvest since fishermen are unable to go to sea and the stoppage of fish imports.

The Chairman, Ceylon Fisheries Corporation further informed that when the prices of fish go up, the Fisheries Corporation will take measures to control the prices by stocking fish and it is difficult to maintain a stable system when the prices rise abnormally.

The Chairman, Ceylon Fisheries Corporation informed that a suitable location to open a stall for selling fish at wholesale prices in Badulla area is currently being sought and until a suitable location is found, fish will be sold at wholesale prices on the premises of the Fisheries Corporation.

2.5 Determining the prices of fish in the market - Hon. Sanjeeva Edirimanna

The Hon. Member inquired about the ability of the Ministry of Fisheries to intervene in determining the final prices of fish in the market.

The Chairman, Ceylon Fisheries Corporation informed that, as a relief to the people suffering from poverty, the Fisheries Corporation introduced a "Budget Pack", comprised of very good types of fish, including dry fish or Maldivian fish and is being sold at Rs.1350/-.

The Chairman, Ceylon Fisheries Corporation further informed that after holding discussions with Sathosa, fish, dried fish and frozen fish sections have been opened in Sathosa outlets and the distribution of 250g and 300g packs of fish to suit the current market has been commenced as well.

2.6 Hon. Mayadunna Chinthaka Amal

2.6.1 Constructing a cold storage facility for a fishery harbour

The Hon. Member requested to construct cold storage facilities to store fish in the fishing harbours of Puttalam district and to renovate the ice factory in Puttalam district, which can produce 05 tons of ice, by offering it to some other party through a tender procedure.

In response, the Chairman, Ceylon Fisheries Corporation informed that permission has been obtained to renovate the ice factory after submitting a

Cabinet Memorandum and the work is due to be carried out after obtaining valuation reports.

2.6.2 Establishing Outlets of Ceylon Fisheries Corporation

The Hon. Member informed that the Fisheries Corporation's outlet at Puttalam had been leased out to a private shop.

The Hon. Member requested to establish a network of fish stalls after holding discussions with urban councils and pradeshiya sabhas since having a Ceylon Fisheries Corporation outlet will also address the inconvenience caused to the people when buying fish at black market prices.

The Chairman, Ceylon Fisheries Corporation informed that there is no property belonging to the Ceylon Fisheries Corporation within the Puttalam city limits and only two outlets are situated at Palaviya and Thoduwawa.

The Chairman, Ceylon Fisheries Corporation informed that discussions will be held with urban councils with regard to the establishment of fish outlets, while it will be carried out in two phases, where under the first phase raw fish and frozen fish will be sold at separate locations according to the facilities available in 445 Sathosa outlets.

In addition, the Chairman, Fisheries Corporation informed that approval will be obtained after holding discussions with the local government institutions to establish outlets.

2.6.3 Providing fuel for fishermen

The Hon. Member inquired about the possibility of providing kerosene and petrol through the fishing harbour to the fishermen in Puttalam district and nearby islands, including Battalangunduwa and Uchchumuni.

The Hon. Member requested that members of the fisher societies be given the opportunity to obtain fuel because fuel distribution by the societies is not carried out properly since only the office –bearers of such societies have benefited from it.

The Hon. Member informed that when providing fuel from Kalpitiya town to the islands, except for the one at the fishing harbour, all of the other filling stations experienced issues.

The Hon. Member requested to provide a higher fuel quota since the number of filling stations in Puttalam district is insufficient, with only eight filling stations designated to provide fuel to fishermen.

2.7 Hon. Hesha Withanage

2.7.1 Constructing canned fish factories via Fisheries Corporations

The Hon. Member inquired that the current prices of canned fish are the reason why consumers do not buy locally manufactured canned fish and the tendency to purchase imported canned fish is increasing.

The Director General (Technology), Ministry of Fisheries informed the number of existing canned fish factories, which was 06 by year 2020 has been increased to 10 by this year and the operations of the 11th factory will commence soon.

The Director General (Technology), Ministry of Fisheries further informed that although the production of canned fish in the year 2021 increased in comparison to the previous years, due to the fuel issue and the decline in the yield of Mackerel fish used for the purpose, the production of canned fish in the year 2022 fell down by some extent.

The Director General (Technology), Ministry of Fisheries further informed that, as a result of the increase seen in the price of Mackerel fish and in fuel charges, the price of a canned fish ranges from Rs.750/- to Rs.800/-.

2.7.2 Increasing fish prices

The Hon. Member informed that the fish prices can be controlled if priority is given to the filling stations situated at fishing harbours when providing fuel.

2.8 Hon. Chandima Weerakkody, AAL.

2.8.1 Identification of fishing spots using satellite technology

The Hon. Member inquired about the process utilized in local fishing, mentioning the satellite system used in foreign countries to trace the locations of fish.

The Hon. Member further inquired about the possibility of obtaining a satellite system on a rental basis and searching for potential fishing grounds.

The Hon. Member also requested to provide facilities to store the yielded fishing harvest.

The Director General (Technology), Ministry of Fisheries informed that the National Aquatic Resources, Research and Development Agency provides a daily forecast of fishing harvest areas.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that Sri Lanka did not have the luxury of a Fish Ground Forecasting System on any day using satellite data obtained after making a payment and if such a mechanism were in place, it would have been possible to inform the fishermen about the locations of fish.

The Director General, Department of Fisheries and Aquatic Resources also informed that predictions on fishing grounds would be made based on previous data obtained via a vessel monitoring system, with a focus on multi-day fishing vessels targeting tuna fishing sites.

The Director General, Department of Fisheries and Aquatic Resources further informed that obtaining data from a satellite system on a rental basis would be costly and even the aforesaid data would be provided through an analytical method.

The Director General, Department of Fisheries and Aquatic Resources further informed that vessel monitoring systems will be installed in another 2000 fishing vessels in the coming period and after obtaining data regarding the fish harvesting grounds on a daily basis, the information will be conveyed to other fishing vessels as well.

The Director General, Department of Fisheries and Aquatic Resources informed the Committee that most of the small fishing boats in Sri Lanka are only able to cast bait to a depth of 100 meters despite travelling very far in the sea, but the fishing boats of foreign countries cast bait to a depth of 300 meters and the big fish live in the deep sea.

The Director General, Department of Fisheries and Aquatic Resources further informed that, in collaboration with the National Aquatic Resources, Research and Development Agency (NARA) and the World Food Organization, manufacturing of a research-level vessel to catch fish by throwing bait into the deep sea has commenced.

The Director General, Department of Fisheries and Aquatic Resources informed that it would allow the preparation of a mechanism to catch the fish in the nearby sea.

The Director General of the National Aquatic Resources, Research and Development Agency (NARA) informed that his institution provides information on potential fishing zones to fishermen through various channels three times a week and such information will be provided only to multi-day fishing vessels.

2.8.2 Those who engage in freshwater fisheries industry in the country

The Hon. Member requested to provide some relief to individuals involved in the country's freshwater fisheries industry who are experiencing difficulties as a result of the fuel issues.

The Hon. Chair informed that a solution is expected to be provided within one and a half months.

2.8.3 Having a dedicated location for Sports Fishing

The Hon. Member requested to declare a suitable location for the tourists to engage in sports fishing without damaging the coral reef and the beach.

2.8.4 The Coastal Erosion of Hikkaduwa

The Hon. Member informed that due to the maintenance activities that are taking place along the beaches of Hikkaduwa and Dodanduwa, the hotels in the area are at risk.

The Hon. Member requested that a proper investigation be carried out in this regard, as people claim it to be a sand racket.

The Chairman of the Ceylon Fishery Harbours Corporation informed that dredging of sand is being carried out as required for maintenance purposes, while cleaning activities by dredging the sand of piers have been suspended.

The Chairman of the Ceylon Fishery Harbours Corporation further informed that the Department of Coastal Conservation and Coastal Resource Management is monitoring the activities in this regard and construction activities were carried out at certain places as per their instructions.

2.8.5 Releasing shrimps or freshwater fish to Koggala Oya and Maadu River

The Hon. Member requested to focus on releasing shrimps or freshwater fish to the Koggala Oya and Madu River, as this will generate income during the forthcoming tourism season.

The Hon. Chair instructed the National Aquaculture Development Authority (NAQDA) to give priority after examining the matter.

2.9 The Leader of the Opposition, Hon. Sajith Premadasa

2.9.1 Obtaining data on policies related to fisheries sector, fishing methods, fisheries harbours and fisheries divisions

The Hon. Leader of the Opposition requested to provide data and statistics on policies related to the fisheries sector, fishing methods, fisheries harbours and fisheries divisions.

2.9.2 Using modern technology to yield fishing harvest

The Hon. Leader of the Opposition inquired how modern technology can be used to increase the fishing harvest.

2.9.3 Policy decisions taken to make the country self-sufficient from fishing harvest

The Hon. Leader of the Opposition inquired about the policy decisions taken by the Ministry of Fisheries to make the country self-sufficient from fishing harvest.

2.9.4 Imports, exports and local consumption of the fisheries sector

The Hon. Leader of the Opposition inquired about the data available regarding the imports, exports and local consumption of the fisheries sector and the policy decisions taken to increase the exports.

2.9.5 Distribution of kerosene for fishermen

The Hon. Leader of the Opposition inquired whether a special program had been arranged to address the hardships faced by small - scale fishermen due to the scarcity of kerosene.

The Hon. Leader of the Opposition also inquired whether a filling station is situated at every fishing harbour.

The Hon. Chair informed that the issue regarding kerosene will be solved within a month with the support of the filling stations of the Ceylon Fishery Harbours Corporation as well as the private sector.

The Hon. Chair further informed that there is a filling station in almost all the fishing ports and the issue would be resolved within one and a half months with the help of cooperative filling stations and private filling stations as well.

The Secretary to the Ministry informed that all the data and information requested by the Hon. Leader of the Opposition would be provided.

2.9.6 Fisheries Inspection Divisions

The Hon. Leader of the Opposition inquired about the number of fisheries inspection divisions, how these fisheries inspection divisions have been utilized for the freshwater fisheries sector and the number of officers assigned and the contribution of the fisheries sector to the GDP and the targets and plans of the Ministry of Fisheries.

2.9.7 Issues arising when constructing the fishing piers.

The Hon. Leader of Opposition requested that while constructing several fishing piers, such as Pothupitiya and Kirinda, many issues arose due to their futility and that those issues need to be remedied.

3. The Committee was adjourned at 12 p.m. *sine die*.

Ministerial Consultative Committee of the Ministry of Trade, Commerce and Food Security **First Meeting- 21st October 2022**

Committee Members Present

Hon. Nalin Fernando (Chair)
Hon. S. Viyalanderan (State Minister)
Hon. K. Kader Masthan (State Minister)

Non-Committee Members Present

Hon. Anupa Pasqual
Hon. Wajira Abeywardhana

1. Announcements of the Chairman

The Hon. Chair informed that measures had been taken to resolve the issues that have cropped up with the scarcity of essential goods in the country and Mahapola scholarships would be provided for 16000 students through the Lalith Athulathmudali Scholarship Trust Fund, which functions under the Ministry.

The Hon. Chair further informed that arrangements would be made to recommence the Mahapola Educational and Trade Exhibition, which was introduced with the view of raising funds for Mahapola by the late Hon. Lalith Athulathmudali, the founder of the Mahapola Scholarship Trust Fund and the then Minister of Trade.

2. Consideration of Annual Reports

After the consideration, the Ministerial Consultative Committee on Trade, Commerce and Food Security agreed with the following reports referred to the Committee by Parliament.

- 2.1** The Annual Report and the Financial Statements of the Cooperative Wholesale Establishment for the year 2018
- 2.2** The Annual Report and the Financial Statements of the Cooperative Wholesale Establishment for the year 2017
- 2.3** The Annual Report of the Lanka Sathosa Company Ltd. for the year 2018
- 2.4** The Annual Report of the Consumer Affairs Authority for the year 2020
- 2.5** The Annual Report of the Consumer Affairs Authority for the year 2016
- 2.6** The Annual Report of Sri Lanka Accreditation Board for the year 2016

The Committee resolved that the report of the Committee on the above mentioned annual reports be presented to Parliament on 09 November 2022 by the Committee.

3. Other Matters

3.1 Educational Courses to impart new knowledge for the Business Community - Hon. Anupa Pasqual

The Hon. Member informed that no educational courses could be found to impart new knowledge to the business community.

The Hon. Chair informed that consumer committees had been established and functioning in each Grama Niladhari Division, chaired by the Divisional Secretary and awareness programs can be conducted using the funds of Consumer Affairs Authority.

The Hon. Chair further informed that awareness programs would commence from November onwards district-wise to make the Committee members aware of the fact and those Committees, trade unions and other ancillary institutions would be made aware of it as well.

The Hon. Chair informed that it was necessary to make them aware of how to develop and engage in businesses with proper business management strategies.

The Hon. Chair further informed that lack of financial administration is the major drawback that local businessmen and local manufacturers are faced with and the concerned program will be immediately executed with the participation of the business community.

The Hon. Chair informed that the responsibility of the Consumer Affairs Authority is not only to conduct raids but also to take measures to make businessmen aware of the issues and avoid such occurrences.

The Hon. Chair further informed that fewer raids allow businesses to run successfully and more raids can hinder the flow of businesses; hence, the Consumer Affairs Authority must minimize the number of raids conducted and allow them to function without any hindrance.

The Hon. Chair informed that 350 recently recruited graduates have already been deployed islandwide as Inspection Officers.

The Hon. Chair informed that he is intended to create a database to keep a brief account of the merchants in that area without conducting direct raids, and that when a complaint is received, relevant merchants are summoned, notifying them in writing, having a discussion with them, advising them in writing as the first alert or reminder.

The Hon. Chair further informed that prosecuting them after checking the database if another complaint is received against the same merchant following that reminder.

The Hon. Member requested to appraise the law - abiding merchants.

The Hon. Chair further informed that if no complaints were received within a particular time frame, those merchants could be awarded a certificate of appreciation as well as a card granting recognition that can be renewed annually.

The Secretary to the Ministry informed that the chairmen of the trade unions are regular members of the consumer committee and the consumer committee could be used for the needs of the trade community.

The Hon. Member informed that the competence of traders in sales, client attraction and financial management should be improved.

The Director (Competition Promotion), Consumer Affairs Authority informed that lectures on excellent business practices, the selection of exemplary vendors and awarding them had also been held before the Covid epidemic and about 50 programs had been started in the year 2019.

The Director (Competition Promotion), Consumer Affairs Authority further informed that, according to the requests made by various institutions, the programs were launched in various areas.

The Hon. Chair instructed to carry out about 5 programs covering one district with a plan and the participation of Committees.

The Hon. Chair informed that a discussion had taken place with the Secretary to the Ministry to develop a program covering each district after calling these trade unions, conducting a one-day workshop and programs in which they could gain knowledge.

The Director (Consumer Affairs and Information), Consumer Affairs Authority informed that school children, general public, public servants, the Sri Lanka Army, the Sri Lanka Navy and the Department of Police were being made aware of this Consumers Act by the Consumer Affairs Authority.

The Director (Consumer Affairs and Information), Consumer Affairs Authority further informed that the only thing currently in operation is to educate traders about the rules.

The Hon. Chair informed that this matter was discussed by contacting the Sri Lanka Export Development Board and that this will be implemented by contacting the Department of Commerce and the Sri Lanka Export Development Board.

The Hon. Member informed to set aside an hour for a week and create an appropriate time frame and implement this with an important content.

4. The Committee was adjourned at 11.30 am *sine die*.

Ministerial Consultative Committee on Industries **First Meeting - 16th November 2022**

Committee Members Present

Hon. (Dr.) Ramesh Pathirana (Chair)
Hon. Prasanna Ranaweera (State Minister)
Hon. Chamara Sampath Dasanayake (State Minister)
Hon. Rishad Bathiudeen
Hon. Buddhika Pathirana
Hon. U. K. Sumith Udukumbura

Non-Committee Members Present

Hon. Sajith Premadasa
Hon. Janaka Wakkumbura
Hon. Mohomad Muzammil
Hon. Waruna Liyanage
Hon. Nalaka Bandara Kotegoda

Hon. M. W. D. Sahan Pradeep
Hon. Madhura Withanage, AAL.

1. Consideration of Annual Reports

- 1.1** The Annual Report of the National Crafts Council for the year 2019
- 1.2** The Annual Report of Sri Lanka Institute of Textile and Apparel for the year 2018
- 1.3** The Annual Report of Lanka Mineral Sands Ltd. for the year 2019
- 1.4** The Annual Report of Lanka Leyland (Pvt.) Ltd. for the years 2017/2018
- 1.5** The Annual Reports and the Accounts of Manthai Salt Ltd. for the years 2017/2018 and 2018/2019
- 1.6** The Annual Report of the National Design Centre for the years 2019
- 1.7** The Annual Report of B.C.C. Lanka Limited for the years 2018/2019
- 1.8** The Annual Report of the Gem and Jewellery Research and Training Institute for the year 2020
- 1.9** The Annual Report of the Gems and Jewellery Authority for the year 2020
- 1.10** The Annual Report of Manthai Salt Ltd. for the year 2014
- 1.11** The Annual Report of B.C.C. Lanka Limited for the year 2015
- 1.12** The Annual Report of Sri Lanka Industrial Development Board for the year 2016
- 1.13** The Annual Report of Sri Lanka Industrial Development Board for the year 2018
- 1.14** The Annual Report of the National Enterprise Development Authority for the year 2016
- 1.15** The Annual Report of Sri Lanka Cement Corporation for the year 2019
- 1.16** The Annual Report of Lanka Ceramic Corporation for the years 2016, 2017, 2018 and 2019
- 1.17** The Annual Report of the National Enterprise Development Authority for the year 2017
- 1.18** The Annual Report of Lanka Leyland (Pvt.) Ltd. for the years 2019 and 2020
- 1.19** The Annual Report B.C.C. Lanka Limited for the years 2019/2020

The Hon. Chair informed, that the presentation of the annual reports to Parliament had been delayed in some government institutions under the purview of the Ministry.

As a result, the Hon. Chair informed that steps must be taken to submit annual reports to parliament within five months of the relevant fiscal year, as outlined in Section 6.6 of the Operations Manual of the Ministry of Finance for public entities.

After consideration, the Committee agreed to the above annual reports and it was also decided that the report of the Committee be presented to Parliament on November 30, 2022.

2. Written Motions Submitted by Hon. Members

Request made by Mr. H. A. Chundika Sumathipala, a resident of No.59, Wattala, Appugewatta regarding the issues arisen on purchasing raw materials from Lanka Mineral Sands Ltd for his business. (Hon. Vijitha Herath - Motion No.22)

The Hon. Chair informed the Secretary to the Ministry to send a copy of the report referred to the Committee to Hon. Vijitha Herath.

3. Other Matters

3.1 Lifting out the Social Security Levy on rough gemstones imported for the purpose of re-exportation after cutting and polishing - Hon. Janaka Wakkumbura

The Hon. Member informed that there is a factory for cutting and polishing the imported rough gemstones functioning in Nalanda - Ellawala Industrial Zone – Rathnapura and also stated that a 2.5% social security levy is charged upon those imported gems.

The Hon. Member requested that the tax be imposed only on the value addition of the cut and polished gem, since the gem industrialists have been highly inconvenienced by the soaring cost of production caused by the newly introduced Social Security Levy.

The Hon. Chair instructed the Secretary to the Ministry to discuss this matter with the Secretary to the Ministry of Finance and take necessary actions in that regard.

3.2 Issues pertaining to the Dolomite Industries - Hon. Nalaka Bandara Kottegoda

The Hon. Member requested the explosives required to continue the dolomite industry and to take steps to resolve minor issues that cropped up with regard to the required lands for this industry.

The Hon. Chair informed that there was a slight delay in providing the required explosives recently and that would be resolved in a systematic manner.

The Hon. Chair informed that land issues would be resolved through the District Development Committees with the assistance of the Divisional Secretaries.

3.3 Hon. Madhura Withanage, AAL.

3.3.1 Executing Batik Training Programs

The Hon. Member requested to conduct Batik training programs in the future, as a large number of people have benefited from them. He further brought into consideration on the Rajairiya Obesekarapura Training Centre and requested that place be used as a Batik Training Centre.

The Hon. Chair informed the Secretary to the Ministry to take this matter into consideration.

3.3.2 Conducting training programs for manufacturing slippers and soap

The Hon. Member requested to conduct training programs for manufacturing local slippers and soap.

The Hon. Member further informed that the required infrastructure facilities could be provided for that.

The Hon. Chair informed that there was an issue to obtain the raw materials needed for this sector due to the foreign exchange crisis and ensured that it is currently being resolved gradually.

The Hon. Chair further informed that measures will be taken to conduct training programs at organizations such as the Ceylon Industrial Development Board, the Industrial Technology Institute and the National Design Centre.

3.4. Hon. Buddika Pathirana

3.4.1 Removal of obstructions from police officers for the registered industrialists of the National Crafts Council in the transportation of raw materials

The Hon. Member requested to make the officers of the Sri Lanka Police aware and prepare an easy system for the unhindered transportation of raw materials such as clay, reeds, cane and wood etc., required by the industrialists registered under the National Crafts Council.

The Hon. Member also informed there might be a high demand for goods manufactured using the above raw materials in the future since there is an improvement in the tourism industry in the country.

The Chairman, National Crafts Council informed that the obstacles in the transportation of clay had been removed by now, and accordingly, Sri Lanka

Police, Divisional Secretary and Geological Surveys and Mines Bureau (GSMB) have been informed to issue relevant permits for the transportation of clay to the people who possess the identity card of the National Crafts Council.

The Chairman, National Crafts Council also informed that persons with the identity card of the National Craft Council have been allowed to transport 3 cubes of clay at a time, up to 6 cubes per month.

The Hon. Chair informed that there are problems related to the transportation of canes and bamboos and that a request has been made to the Ministry of Agriculture to remove the prohibition orders regarding the cutting and transportation of bamboo trees and allow the cutting and transportation of bamboo trees without special permission.

3.4.2 Inconvenience faced by the industrialists due to the prevailing scarcity of brass

The Hon. Member informed that the industrialists in the Kandy district have been inconvenienced due to a shortage of brass.

The Chairman, National Crafts Council informed that requests have been made to obtain brass at a subsidized price from institutions such as Sri Lanka Telecom, the National Water Supply and Drainage Board, and the Ministry of Defence, and that similar requests should be made from other brass-obtainable institutions.

The Hon. Chair informed that it would be taken into consideration.

The Hon. Chair also informed that the Industrial Development Board had been instructed to prepare a database regarding the demand for raw metal materials in the country and the raw metal materials that have been imported so far.

The Chairman, Industrial Development Board informed that the data collection related to the above matter is currently underway, and generally, metals worth 800 million dollars were imported into the country per annum.

The Chairman, Industrial Development Board informed that since the government has banned the import of scrap metal as raw materials in 2020 through a cabinet paper, the activities related to the production of metals in Sri Lanka are currently being planned correspondingly. It was also informed that a company established in Sri Lanka has expressed interest in investing in the production of metal in Hambantota area.

3.4.3 Amount of existing chlorine raw material storage capacity

The Hon. Chair informed that arrangements have been made to start a chlorine raw material production zone in Paranthan area.

The General Manager, Paranthan Chemicals Company informed that a stock of chlorine raw material sufficient for 50 days is available for the time being.

3.4.4 Management Plan for Chlorine Transportation .

The General Manager, Paranthan Chemicals Company informed that the Environmental Protection License (EPL) covers hazardous material transportation related to the Environment Authority.

The Chairman, Paranthan Chemicals informed that the license has been suspended and discussions are being held with the National Disaster Management Centre to include accidents caused by chemicals in the disaster management plan and the related documents have been handed over.

The Hon. Member informed that there was an accident on the Kurunegala Giriulla road during the transportation of chlorine and that the Ministry of Industry will have to take responsibility for such accidents.

Therefore, the Hon. Member informed that a proper step should be taken to carry out the transportation of chlorine, in coordination with the National Disaster Management Centre.

The Hon. Chair informed that an amount of Rs. 500 million has been allocated in the next year budget (2023) for the production of chemicals in Sri Lanka and it is expected to formulate a national policy regarding the industries in Sri Lanka.

The Hon. Chair also informed that the industrialists were informed to get the views of the Hon. Members of the Parliament for that.

The Hon. Chair informed that a Motor Vehicle Assembling Industry is currently developing in this country and that the industry should be secured without importing vehicles unnecessarily in the future.

In addition, the Hon. Chair informed that bathware manufacturers are producing enough products to meet the demand in this country and policy decisions should be taken to protect that industry in the future.

Hon. Buddhika Pathirana requested that information, including contact details for motor vehicle parts assembly manufacturers, be provided so that conversations could take place.

3.4.5 Utilization of land allocated for industries for other purposes

The Hon. Chair informed that officials will visit all the industrial zones and conduct a study on these matters.

The Assistant Director (Industrial Development), Ministry of Industries informed that 16 industrial zones have been visited and it was identified that 12 plots of land have been used for other purposes.

The Assistant Director (Industrial Development), Ministry of Industries further informed that at the end of November 2022, all the industrial zones will be visited and a report will be submitted regarding those lands and once the lands are identified, the acquisition will be carried out.

The State Minister, Hon. Prasanna Ranaweera informed that the lands allotted to the textile department and Salusala and Laksala institutes have been used for other purposes and no income is generated from those properties.

The Hon. Chair instructed the Secretary to the Ministry to take the necessary legal actions regarding those lands.

3.4.6 Using Salusala Headquarters for the needs of other government agencies

The Hon. Member inquired whether the Salusala Headquarters has been taken over for the use of the Presidential Security Division and the Prime Minister's Security Division.

The Chairman, Salusala informed that Salusala Headquarters had been previously taken over for the work of the Sri Lanka Police.

The Chairman, Salusala further informed that Salusala Headquarters was used by the Presidential Security Division during the Covid epidemic without any acquisition and a separate part of it was also used by the Prime Minister's Security Division.

The Chairman, Salusala also informed that negotiations are currently underway with the relevant parties to regain ownership of the land.

Hon. Rishad Bathiudeen requested that discussions be held with the Hon. President and actions be taken to reclaim the land for Salusala.

The State Minister, Hon. Prasanna Ranaweera informed that 40,000 square feet of land belonging to Laksala on York Street is not being used for any purpose and a request was made to take the necessary measures in this regard.

The Hon. Chair instructed the Secretary to the Ministry to take the necessary steps regarding the above matter.

3.4.7 Current status of construction of Raigama Industrial Park

The Assistant Director (Industrial Development), Ministry of Industries informed that due to the insufficient financial allocation for the above industrial park, a new estimate has been obtained by the Central Engineering Consultancy Bureau and measures are being taken to get Cabinet approval for it.

3.4.8 Providing financial assistance by the Government for the development of traditional industrial villages

The State Minister, Hon. Prasanna Ranaweera informed that for the year 2023, Rs. 40 million has been allocated for the National Crafts Council and Rs. 100 million has also been allocated for the development of traditional industries.

3.4.9 Allocation for the year 2023 for the development of infrastructure facilities in industrial zones under the Industrial Development Board and industrial zones under the Ministry.

The Secretary to the Ministry informed that Rs. 1200 million has been allocated for industrial zones under the Ministry, and Rs.100 million has been allocated for industrial zones under the Industrial Development Board.

Hon. Rishad Bathiudeen requested that attention be paid to obtain more funds for the development of the infrastructure facilities in the industrial zones under the purview of the Industrial Development Board.

The Hon. Chair informed that it would be taken into consideration.

3.5 Hon. U. K. Sumith Udukumbura

3.5.1 Providing written instructions to Divisional Secretaries regarding granting permission for transportation of clay

The Chairman, National Craft Council informed that all the Divisional Secretariats have been informed in writing.

The Hon. Chair instructed the Secretary to the Ministry to provide the Hon. Member, a copy of the document circulated with the Divisional Secretariats.

3.5.2 Granting permission to Agrarian Service Centres for transportation of clay

The Hon. Member made a request to allow the transport of clay to the Agrarian Service Centres since the production activities are done using clay as raw materials.

The Hon. Chair instructed the Secretary to the Ministry to inform the Divisional Secretariats and District Coordinating Committees to grant permission for the transportation of clay without any inconvenience.

3.5.3 Modernizing products related to the graphite mining industry and using them to earn foreign exchange

The Hon. Member informed that it will be possible to earn a large amount of foreign exchange by exporting value added products related to the graphite mining industry.

The Hon. Member requested to launch new programs in this regard.

The State Minister, Hon. Chamara Sampath Dasanayake informed that about 60 metric tons of graphite are produced daily by the workers in the graphite mines and that problems have arisen regarding the land where the graphite mine is located.

The State Minister, Hon. Chamara Sampath Dasanayake also informed that since the salaries, allowances etc. paid to the workers in the graphite mines are not sufficient under the current living conditions, measures are being taken to launch a new scheme with a salary system suitable for their service.

The Chairman, Kahatagaha Graphite Lanka Limited informed that the process for value addition is carried out for the graphite in three steps: production of refined graphite after purifying the graphite collected through mining; adding value for the refined graphite; and carrying out the proceedings with the purpose of manufacturing a final product using that graphite.

Accordingly, the Chairman, Kahatagaha Graphite Lanka Limited informed that after the installation of the refinery and grinding plant, 40% to 50% of the value addition work for graphite will be completed and it will be possible to produce graphite of sufficient quality, suitable for a final product.

The Chairman, Kahatagaha Graphite Lanka Limited also informed that by the year 2025, Sri Lanka is expected to present a final product that is in demand in the global market using graphite.

The Chairman, Kahatagaha Graphite Lanka Limited also informed that the construction of the building to house the graphite-refining machine has been completed and that the purchase of the machine should be executed.

The Chairman, Kahatagaha Graphite Lanka Limited further informed that in the last few weeks, investors have come in large numbers and there is a huge demand for graphite.

Therefore, the Chairman, Kahatagaha Graphite Lanka Limited informed that modern technology should be used for graphite production and value added activities should be carried out for graphite products.

The Hon. Member informed that measures should be taken to uplift the graphite industry in Sri Lanka and the necessary actions should be taken by the officials of the relevant institutions to implement a proper program to improve the industry.

The Hon. Chair informed that since there is a problem in providing a supply that satisfies the existing demand for graphite in Sri Lanka, steps will be taken to implement the value addition process for the graphite industry in 2023 and to invite investors to promote the graphite industry.

The State Minister, Hon. Chamara Sampath Dasanayake informed that in addition to the value addition process, the officials should pay attention to the problems faced by the workers working in the graphite mines and take measures to encourage them.

The Hon. Chair advised to prepare a Productivity based Incentive Scheme.

The Chairman, Kahatagaha Graphite Lanka Limited informed that the legal issues related to the land on which the graphite mining industry has been conducted for the past 18 years had not been resolved and that within a very short period of time they worked to provide solutions to those problems.

The Chairman, Kahatagaha Graphite Lanka Limited requested the Geological Surveys and Mines Bureau to conduct the surveys and provide a report on the amount of reserves in the graphite deposit in order to attract investors to promote the graphite mining industry.

The Hon. Chair informed that the Ministry of Environment has been directed to carry out the relevant duties since the Geological Surveys and Mines Bureau comes under the purview of the Ministry of Environment,

and that a report on raw material reserves other than graphite, such as ilmenite, rutile and monazite has been requested.

3.6 Providing the opportunity of gem mining in Matale Elahera area to the general public - Hon. Nalaka Kotegoda

The Hon. Member informed that gem mining is being done using backhoe machines in Matale Elahera area and gem stones of high value and excellent quality are available in that area.

However, the Hon. Member further informed that gem-mining activities are limited only to large-scale traders and its benefits are shared among a small number of people.

Therefore, the Hon. Member requested to prepare a system of giving permits (One Time Permit) to the general public to carry out gem mining activities and get benefits.

The Hon. Chair advised the Secretary to the Ministry to pay attention to the aforesaid request while considering environmental factors.

The State Minister, Hon. Chamara Sampath Dasanayake also commented in this regard.

3.7 Hon. Rishad Bathiudeen

3.7.1 Providing adequate benefits to the people engaged in coconut coir industry

The Hon. Member informed that the people engaged in the coconut coir industry in Puttalam Madurankuli area are currently being given only the allowance that was given many years ago.

The Hon. Member requested to call the main exporters engaged in this industry and arrange to provide a substantial and reasonable allowance to the workers engaged in the industry.

The Hon. Chair informed that the exporters in the coconut coir industry had been notified of the above matter and had been asked to offer a reasonable amount and also stated that if there are new exporters who could engage in this industry' they could be provided with new investment opportunities after discussing with the Export Development Board.

3.7.2 Managing The Elephant Pass Mantai Salterns under a public-private partnership

The Chairman, National Salt Limited informed that the two companies, Elephant Pass and Mantai Salt are coming under National Salt Limited and that there was no money for the development of these Salterns when a cabinet paper was submitted to run the Salterns under a government-private partnership.

However, The Chairman, National Salt Limited informed that the money earned by the Elephant Pass and Mannar Salterns is sufficient for the development of this levee, so there is no need for a private partnership and it will be possible to complete the first phase of the related development works within 06 months.

As said above, the Hon. Chair instructed to implement those development activities.

3.7.3 Development of Paranthan Chemicals Company Limited

The Hon. Member inquired about the expected development activities would be conducted through the financial allocations allocated for the Paranthan Chemicals Company Limited.

The Hon. Chair informed that it is expected to develop its infrastructure facilities and manage the affairs of the company under a government-private partnership.

The Secretary to the Ministry informed that a chemical manufacturing zone will be established in that area and that measures will be taken to commence the manufacturing activities of Paranthan Chemicals Company Limited.

The Secretary to the Ministry also informed that it is expected to call the chemical producers to carry out planning activities in the chemical production zone.

The General Manager, Paranthan Chemicals Company Limited informed that the newspaper advertisement for the recruitment of a consultant for the project for the development of infrastructure in Paranthan Industrial Zone will be published this week.

The General Manager, Paranthan Chemicals Company Limited informed that this project will be implemented through the allocation allocated for the Paranthan industry and the amount will be reimbursed after the allocation received from the Ministry.

3.7.4 Current status of Millaniya Industrial Zones

The Hon. Chair informed that an environmental issues had arisen regarding the Millaniya Industrial Zone and had been obstructed by the local government bodies.

However, the Hon. Chair also informed that the industrial zone is currently at a level where it is capable of being started.

The Hon. Chair further informed that 14 industrialists have been selected and the industrial zone can be started after the completion of the access road.

The Hon. Member requested to inform the public through newspaper advertisements while allotting land for starting new industries.

The Hon. Chair instructed the Secretary to the Ministry to get the details of the currently vacant and underutilized lands out of the lands allocated for starting industries and take steps to return them to the public through a newspaper advertisement.

3.7.5 Current status of Welioya and Mannar Industrial Zones

The Hon. Member requested to provide a report regarding the said industrial zones.

The Hon. Chair instructed the Secretary to the Ministry to provide copies of the reports that have been prepared regarding the current status of the industrial zones to the Hon. Members.

3.8 Hon. Waruna Liyanage

3.8.1 Profit of the Eheliyagoda Gem Auction in the month of October 2021

The Director General, National Gem and Jewellery Authority informed that a profit of Rs. 12 million was made through the above auction held in the month of October in the year of 2021.

3.8.2 Relocating the gem cutting training centre in Kaduwela in a suitable area

The Hon. Member requested to relocate the gem cutting training centre in Kaduwela area, which is maintained at a high cost, to Ratnapura or Beruwala area.

The State Minister, Hon. Chamara Sampath Dasanayake informed that from next year, gem cutting training centers will be started in many areas, including Beruwala, Nivithigala, Matale and Laggala.

The Additional Secretary to the Ministry of Industries informed that the budget proposals for the year 2022 have proposed to merge the Gems and Jewelry Research and Training Institute and the Gem and Jewelry Authority and that will solve many of the existing problems.

The State Minister, Hon. Prasanna Ranaweera informed that, presently, the population of Sri Lanka between the ages of 10 - 20 is 35 lakhs and in the next few years that group will join the job market, therefore the vocational training institutes should take the necessary steps to provide them with the required training to get the jobs.

3.8.3 Spending 5% of the export value of gems on a machine to verify the quality of gemstones.

The Hon. Member inquired about the current status regarding the purchase of a laboratory machine to measure the standard and hardness of stones using 5% of the money from gem exporters.

The Chairman, Gem and Jewellery Authority informed that although a company named L.G.L was created between the National Gem and Jewellery Authority and the Gem and Jewellery Union around 2011 to address the above concern, a legal issue has arisen for the continuation of the company owing to the instructions given by the Attorney General.

The Chairman, Gem and Jewellery Authority informed that the amount of around Rs.200 million allocated for the above purpose remains in the account belonging to the above company and that measures are underway to resolve the legal matter.

The Hon. Chair informed the Secretary to the Ministry to take the necessary steps to liquidate the above company and to take expeditious steps to utilize the aforesaid money to construct a laboratory to measure the quality of gems.

The Hon. Chair informed the Secretary to the Ministry to seek the advice of the Attorney General and the Registrar General of Companies regarding the liquidation of the above company and the release of the funds in its possession and to submit a report to the next meeting of the Committee including the financial estimate necessary to purchase the required machines for the laboratory and to make the arrangements to purchase the above machine within a period of 3 months.

3.9 Hon. Sajith Premadasa, Leader of the Opposition

3.9.1 Issues faced by the SMEs during the economic crisis

The Hon. Leader of the Opposition informed that the SMEs, which contribute to around 50% of the gross domestic production of the country and have around 45 lakh dependents, encounter immense difficulties in the face of the economic crisis currently prevailing in the country.

The Hon. Leader of the Opposition informed that their indebtedness has further aggravated due to the higher interest payable for the financial capital granted to them as a relief to the above matter.

The Hon. Leader of the Opposition inquired about the measures taken to resolve their issues.

The Hon. Chair informed that there will be a possibility to reduce the interest rates to 15%-20% by around March next year, when the inflation rates decline, as stated by the Governor of the Central Bank.

The Hon. Chair further informed that an amount exceeding Rs.2 billion has been allocated from the budget to be provided to the entrepreneurs at a low interest rate to uplift the SMEs.

The Hon. Chair informed that, in the case of applicants who apply through the bank system, the funds will be granted after selecting the eligible entrepreneurs by a committee consisting of bankers, treasury representatives and the ministry representatives.

The Hon. Leader of the Opposition requested that the selection of the entrepreneurs be conducted in a transparent manner.

The Hon. Chair also informed that Rs. 200 billion has been allocated to settle the bills of the contractors who have carried out government projects under different ministries.

The Hon. Leader of the Opposition requested to follow a transparent methodology in providing the funds thus allocated by the Ministry of Finance to the contractors.

The Hon. Leader of the Opposition informed that the government should adopt a neutral policy that protects both the producers and the consumers involved in the industries.

The State Minister, Hon. Prasanna Ranaweera informed that there should be a price control mechanism for bathware and that the Consumer Service Authority should intervene in this regard.

The State Minister, Hon. Prasanna Ranaweera informed that, otherwise, the price will be increased unnecessarily due to the present economic crisis and that a reasonable control price should be set in line with the cost.

3.9.2 Traditional Industrial villages functioning in the country

The Hon. Leader of the Opposition requested to submit a list including the information of the institutions engaged in work related to these industries.

The Hon. Chair directed the Secretary to the Ministry to provide the Hon. Leader of the Opposition with a list that includes details about the districts and areas in which the traditional industrial villages are situated, along with a report that includes the contact details and names of the officials of the institutions involved in traditional industries.

3.9.3 Implementing programs for the upliftment of local industries, as an integrated effort by the National Crafts Council, Laksala and Salusala

The Hon. Leader of the Opposition informed that programs should be implemented for the upliftment of local industries, as an integrated effort by the National Crafts Council, Laksala and Salusala.

The Hon. Leader of the Opposition further informed that measures should be taken by the said institutions to proceed with a new vision to introduce new products, by going beyond the traditional ways.

The State Minister, Hon. Prasanna Ranaweera informed that discussions are ongoing with the officers handling the relevant trade affairs in foreign countries.

The State Minister, Hon. Prasanna Ranaweera informed that it has been directed to make the required arrangements to launch quality products into the global market through the Colombo University of Aesthetic Studies, the Design Centre in Moratuwa, and the Information Technology Institute.

The Chairman, National Crafts Council informed that the National Crafts Council is conducting an island wide program called "Crafting Ceylon" and launching a program on how to introduce new products to the global market using minimal raw materials.

The Chairman, National Crafts Council also informed that by the end of this year, it is expected to introduce about 100 exporters to the global market.

The Hon. Leader of the Opposition informed that there is a higher market demand for traditional products in countries like Indonesia and Thailand and requested to pay focus on the markets of those countries.

The Hon. Chair informed that recently several officers from several institutions, including the National Crafts Council and Laksala, participated in a trade fair conducted in Thailand and that a platform could be created to introduce local products to Thai markets as a result of a discussion conducted there.

The Hon. Chair informed that further discussions are being carried out to get sales outlets on subsidized rates to sell the products of our local craftsmen in Thailand.

The Hon. Leader of the Opposition pointed out that the intermediaries obtain excessive profit from the sale of goods and that the producers consequently encounter serious injustice.

Therefore, the Hon. Leader of the Opposition requested to take measures to establish a methodology to directly link producers and consumers.

The Hon. Leader of the Opposition informed that the National Crafts Council should act as the facilitator in this regard.

The Hon. Chair informed that two web sites have been created for this purpose by the National Enterprise Development Authority (NEDA) and the Industrial Development Board.

The Chairman, National Crafts Council informed that a web site has been created under the name “lakshilpa.com” by the National Crafts Council, focusing on customers worldwide and that purchases are currently made through the said website.

Additionally, the Chairman, National Crafts Council informed that under the ‘Fair Trade’ concept, products are sold through the showrooms of the National Crafts Council after purchasing products from the craftsmen.

The Chairman, National Enterprise Development Authority informed that a website called ‘madeinsrilanka.org’ has been established.

The Chairman, National Enterprise Development Authority also informed that around 700 entrepreneurs have already joined it.

The Chairman, National Enterprise Development Authority informed that the world’s leading companies have joined in for the transportation of goods and that it is expected to establish a leading web site with online trade facilities with effect from the next year to facilitate the trade activities.

The Hon. Chair informed that programs were launched with the assistance of the UNIDO Institution to acquaint female entrepreneurs on the above website and the awareness programs had been conducted with the help of the district officers of the Industrial Development Board.

The Hon. Leader of the Opposition requested that the support of the UNIDO Institution be obtained to train the female entrepreneurs since Rs. 250,000 has been provided for each entrepreneur.

3.9.4 Activities of the Industrial Development Board

The Hon. Leader of the Opposition inquired about the methodology according to which the officers of the Industrial Development Board have been assigned across the country.

The Chairman, Industrial Development Board informed that 05 officers have been attached to each district and that one entrepreneurship manager has been appointed for 03 Divisional Secretariats.

The Chairman, Industrial Development Board further informed that approximately one officer has been appointed by NEDA for each divisional secretariat.

The Chairman, Industrial Development Board informed that a program has been launched by the Industrial Development Board to introduce the products to all consumers worldwide via trade companies such as E-bay and Amazon in collaboration with the Dialog Company and the Millennium Informatics Company.

The Chairman, Industrial Development Board also informed that the manufacturers have been given the freedom to create separate websites to sell their products and that the relevant training activities will be started in the next week.

The State Minister, Hon. Prasanna Ranaweera informed that the "Vidatha" program also involves training industrialists and that there should be coordination between all the institutions that conduct the training.

The State Minister, Hon. Prasanna Ranaweera also informed that there is a tendency for the same group of entrepreneurs to participate in all the training programs otherwise.

4. The Committee was adjourned at 04.30 p.m. *sine die*.

Ministerial Consultative Committee on Plantation Industries
First Meeting – 25 December 2022

Committee Members Present

Hon. (Dr.) Ramesh Pathirana (Chair)
Hon. Lohan Ratwatte (State Minister)
Hon. (Dr.) V. Radhakrishnan
Hon. Sampath Athukorala
Hon. M. Rameshwaran

Non Committee Members Present

Hon. Sajith Premadasa
Hon. Jagath Pushpakumara
Hon. Janaka Wakkumbura
Hon. Arundika Fernando
Hon. Rauff Hakeem, AAL.
Hon. A. L. M. Athaullah
Hon. Mahindananda Aluthgamage
Hon. (Dr.) Gayashan Nawana
Hon. M. S. Thowfeek
Hon. M. Udayakumar
Hon. Akila Ellawala
Hon. Udayakantha Gunathilaka
Hon. (Major) Sudarshana Denipitiya
Hon. Isuru Dodangoda
Hon. Sudath Manjula
Hon. Gunathilaka Rajapaksha
Hon. Upul Mahendra Rajapaksha
Hon. Weerasumana Weerasinghe
Hon. Samanpriya Herath

1. Consideration of Annual Reports

- 1.1** Annual Reports of the Lanka Sugar Company (Private) Limited for the years 2013 and 2014
- 1.2** Annual Reports of the Palmyrah Development Board for the years 2013, 2014 and 2015
- 1.3** Annual Report of the Thurusaviya Fund for the year 2015
- 1.4** Annual Report of the National Institute of Plantation Management for the year 2017
- 1.5** Annual Report and Accounts of the Sri Lanka Cashew Corporation for the year 2017
- 1.6** Annual Report of the Thurusaviya Fund for the year 2019
- 1.7** Annual Report of the Coconut Research Institute for the year 2019

- 1.8** Annual Report of the Kurunegala Plantations Limited for the year 2019
- 1.9** Annual Report of the National Institute of Plantation Management for the year 2019
- 1.10** Annual Report of the Tea Small Holdings Development Authority for the year 2019
- 1.11** Annual Report of the Rubber Research Institute of Sri Lanka for the year 2020
- 1.12** Annual Reports of the Thurusawiya Fund for the year 2020
- 1.13** Annual Reports of the Tea Small Holdings Development Authority for the year 2020

After consideration, the Ministerial Consultative Committee on Plantation agreed to the above mentioned Annual Reports referred by Parliament to the Committee and it was decided that the report of the Committee regarding the Annual Reports be presented to Parliament.

2. Written Motions Submitted by the Hon. Members

- 2.1 The request re-submitted by Rajitha Niroshan Gamage, the photographer of the Sri Lanka Tea Research Board, Thalawakale regarding the dismissal from the post and the promotion process -Hon. Sanjeeva Edirimanna (Motion No. - 26)**

The Hon. Chair informed the Committee that the report has already been sent to the Hon. Member regarding this motion.

3. Other Matters

3.1 Hon. Udayakantha Gunathilaka

3.1.1 Issue of the rapid spread of the White Fly causing damage on Coconut cultivations

The Hon. Member informed that around 50% of the leaves of the coconut trees, which are harmed by the white flies, have dropped and there is a substantial decline in the yield as well.

In addition, the Hon. Member informed that this loss of yields has been aggravated by the impacts of monkeys and mites as well.

The Hon. Member further requested for a prompt solution for this issue, as certain pesticides introduced for the loss of harvest caused by the white fly, create various practical issues when applied for cultivation.

The Hon. Chair informed that the dearth of pesticide sprinklers, which were needed to curb the menace of pests, has been addressed by providing them

by now and the intensity of the disease has worsened when compared with the previous years.

The Chairperson, Coconut Cultivation Board informed that the required measures are being taken by the Coconut Cultivation Board and the Coconut Research Institute in this regard.

The Chairperson, Coconut Cultivation Board further informed that although the chemicals named Attara and Marshal 20 were initially utilized in response to this issue, a mixture of Neem oil and soap liquid is currently being utilized to control these insects, considering the damage caused by the above chemicals on the environment and the useful insects.

Further, the Chairperson, Coconut Cultivation Board stated that data collection on the damage caused by pests in each district has been conducted island - wide.

The Chairperson, Coconut Cultivation Board informed that the Coconut Cultivation Board had 200 insecticide sprinklers scattered all over the island and according to the need, those machines have been distributed to the areas where the insect threat is severe and 11 machines have been given to the Kegalle district.

The Chairperson, Coconut Cultivation Board further informed that there is a shortage of the necessary equipment on the market for the implementation of the remedies, although the relevant landowners covering about 26,000 acres of coconut - cultivated land across the island have been informed about curbing this menace.

The Hon. Chair instructed the Chairperson, Coconut Cultivation Board to re-examine the areas of Kegalle District mentioned by the Hon. Member and to take the necessary measures in that regard.

Hon. Samanpriya Herath informed that this damage can be seen seriously in the North Western Province as well.

The Hon. Chair directed the Chairmen of the Coconut Research Institute and the Coconut Cultivation Board to focus on those areas as well.

3.1.2 Issue regarding the sale of Coconut Saplings

The Hon. Member informed that the entrepreneurs are currently unable to sell the saplings, although coconut saplings were made by the private entrepreneurs as a result of promoting the germination of coconut saplings during the past period.

Hon. Arundika Fernando stated that whereas the Coconut Cultivation Board provided coconut saplings to the people with the intention of expanding nurseries island-wide, the government's inability to purchase such coconut saplings due to the current economic crisis has compelled manufacturers to deal with the above issue.

Therefore, the Hon. Member requested to implement a program for this by involving the private sector.

The Hon. Chair informed that the said plant nurseries were commenced by private entrepreneurs with the intention of producing 5000 plants from one unit in view of increasing the production of coconut saplings from 02 million in 2020 to at least 06 million by this year.

The Hon. Chair further informed that it had been planned to purchase the said plants from the decentralized budget provided annually to the Members.

The Hon. Chair informed that this issue arose because the members had not received the aforementioned allocation due to the current economic crisis, and that procedures are currently being implemented to purchase these coconut saplings with cabinet approval.

Additionally, the Hon. Chair further informed that the producers have been encouraged to sell these plants to private purchasers and that an amount of Rs. 296 million is needed to purchase these coconut plants.

Hon. Arundika Fernando requested to give priority to purchase these coconut saplings when new coconut saplings are purchased by the government.

The Chairperson, Coconut Cultivation Board stated that these plants could be purchased if cabinet approval is received for their purchase, and if not, the possibility of selling these plants at least through the "Kapruka" societies, is being considered at the moment.

The Chairperson, Coconut Cultivation Board further mentioned that, since the institution already has an excess number of coconut saplings, despite having purchased these coconut saplings, there is a need to prepare a redistribution method.

Hon. Arundika Fernando inquired about the number of coconut saplings currently in the sapling nurseries under the Coconut Cultivation Board.

The Chairperson, Coconut Cultivation Board informed that approximately 5000 coconut saplings per nursery have been produced in 100 coconut sapling nurseries island wide.

In addition, the Chairperson, Coconut Cultivation Board informed that Chilaw Plantations Ltd. have also produced 500,000 coconut saplings as per the request of the Ministry of Plantation Industries.

The Hon. Chair instructed the officials to negotiate an arrangement with the companies to supply them with coconut saplings at a concessional price while also attempting to allocate funds from the government for the purchase of coconut saplings.

3.1.3 The issue regarding not selling all types of coconut saplings on the same day

The Hon. Member informed that it has been reported that not all types of coconut saplings are sold on the same day, but separate days have been set for the sale of each type, and due to this, customers have been inconvenienced.

The Chairpersons, Coconut Research Institute and the Coconut Cultivation Board informed that such a situation has not been reported so far and the Hon. Chair instructed the officials to check the matter and take the necessary measures.

3.1.4 Issue related to the lack of nursery plants in export crops

The Hon. Member requested that the lack of new nursery plants for cultivators to grow cinnamon, pepper and areca nuts for export be given consideration in order to promote exports.

The Hon. Chair informed that cinnamon saplings and other types of saplings have been distributed this year according to the existing provisions and the same program is expected to be implemented next year as well.

The Hon. Chair informed that although the government provided cinnamon saplings to the cultivators free of charge until now, it has been decided to charge Rs. 7 per sapling from the buyers from next year onwards due to the increase in the selling price of the cinnamon sapling suppliers.

Likewise, the Hon. Chair further informed that, due to the high demand in the foreign market for areca nut and betel leaves, the focus will be on producing more saplings of those two kinds next year.

Hon. Udayakantha Gunathilaka informed that by increasing the number of seedling nurseries in the Gasnawawatta farm of the Department of Export Agriculture in his area, the number of plants purchased from the private sector can be reduced by increasing the number of plants produced by the government.

The Hon. Chair informed that he would pay attention to it.

The Additional Director General (Development), Department of Export Agriculture informed that the seedling capacity of other central seedling nurseries, including Gasnawawatta Sapling Nursery, belonging to the Department of Export Agriculture, is increasing year by year.

3.2 Hon. Jagath Pushpakumara

3.2.1 Issue regarding the dysfunction of the data collection mobile application.

The Hon. Member informed that the mobile application that was introduced to accurately record the harvest and the daily attendance of employees of the Coconut Cultivation Board, Coconut Research Institute, Kurunegala Plantation Company and Chilaw Plantations Limited, and to immediately report the said data to the Ministry, is out of order.

The Chief Executive Officer, Kurunegala Plantations Limited, the Chairpersons of Chilaw Plantations Limited, Coconut Cultivation Board and the Coconut Research Institute informed that although the information collected by this mobile application is not reported to the Ministry online, each organization collects data related to their organization using this mobile application.

The Hon. Member informed that by making this data available to the ministry officials and the minister in charge through the online system, it is possible to reduce fraud and corruption and maintain the transparency of the institutions.

The Hon. Chair directed to immediately re-establish the network system of immediate reporting to the ministry officials and the minister in charge through this mobile application.

3.2.2 Inquiring about the current status of Kapruka Fund

The Hon. Member inquired regarding the current status of the Kapruka Fund and the allied Kapruka Societies, which was a revolving fund started by the Coconut Development Authority, the Coconut Research Institute and the Coconut Cultivation Board.

The Chairperson, Coconut Cultivation Board informed that the current balance under this fund is 80 million rupees and that the relevant benefits are already being provided to the beneficiaries of Kapruka societies.

The Chairperson, Coconut Cultivation Board informed that this fund, which was under the Ministry of Plantation Industries, was under the control of the Ministry of Finance in the recent past and there has been some collapse in this fund since 2020.

The Chairperson, Coconut Cultivation Board further informed that this fund has been taken over again by the Ministry of Plantation Industries and that Rs. 36 million General Treasury allocations for the year 2022 have been approved for it, and 25 million rupees received so far have been used for necessary activities.

The Hon. Member further informed that it was possible to increase the revenue of the Coconut Development Authority from 46 million USD in 2010 to 864 million USD by now by gradually increasing the production of coconut saplings through the formation of community- based plant nurseries at village- level primary societies, which were backed by revolving credits through this fund.

The Hon. Chair informed that the program is very effective, and in line with that, measures have been taken to increase the production of coconut saplings this year by growing 5000 saplings at local- level coconut sapling nurseries.

3.2.3 Recruitment of new employees to Sewanagala and Pelwatta Sugar Companies

The Hon. Member informed that there is news circulating on social media that 1000 employees have been recruited for these two companies and that these institutions, which were in a financial crisis in the past, were improved to their current status by following methods that minimized money waste.

The Hon. Member further informed that a request was also made to submit a detailed report on the said news regarding the recruitment of employees circulating on social media.

The Hon. Chair informed that a detailed report on this will be presented soon.

3.3 Tea Smallholders - Hon. Isuru Dodangoda

The Hon. Member inquired on the steps that have been taken at the ministry level to promote the use of technology in relation to the tea smallholders.

The Hon. Chair informed that several programs for this purpose are carried out through the Sri Lanka Tea Board and the Tea Small Holdings Development Authority.

The Tea Commissioner, Sri Lanka Tea Board informed that the tea industry is currently moving towards mechanization with the objectives of reducing the labour shortage, increasing quality and minimizing the annual yield reduction.

The Tea Commissioner, Sri Lanka Tea Board further informed that, by allocating 01 million rupees per acre of land, model tea plantations have been set up in each tea advisory inspection division for planting tea under the "Double Hedge Row" method and at present the plantations have reached the stage of harvesting and such 55 model sites are being spread across all the tea growing areas island wide.

The Tea Commissioner, Sri Lanka Tea Board informed that a program has been implemented to supply water to the tea plantations facing dry weather conditions and the drip irrigation technology is currently being used to increase the growth of tea plants while minimizing labour waste and the amount of liquid fertilizer used on the plants.

Furthermore, the Tea Commissioner, Sri Lanka Tea Board also informed that for mechanical leaf picking in tea plantations, the saplings should be planted at a distance of 5 feet between two rows, as presently done in the model tea plantations, a program has been implemented to encourage the planters to do so.

The Tea Commissioner, Sri Lanka Tea Board further informed that a system is in place to provide a subsidy for small tea plucking machines operated by battery power or by engines, used at traditional tea plantations and that the said system is currently being implemented in many plantation companies.

3.4 Hon. Sajith Premadasa, Leader of the Opposition

3.4.1 Problem related to the exploitation of underutilized lands owned by tea planters

The Hon. Leader of the Opposition informed that though the large- scale tea production companies, owning about 40% of the tea cultivation land in the country, contribute only 29% to the tea production of Sri Lanka, 70% of the contribution to tea production in the country is held by the tea small holders, who own only 60% of the tea cultivation land in the country and when considering as a percentage, this condition raises concerns.

The Hon. Leader of the Opposition requested to provide information in writing including the total amount of land owned by each large-scale tea cultivation company and the amount of land cultivated from it, along with the reasons for the above situation.

The Hon. Chair informed that after the privatization of plantations since 1992, these plantation companies have completely abandoned replanting and fresh-planting and are only making profits by picking tea leaves from existing plantations and cutting down and selling trees.

The Hon. Chair informed that these companies have been notified on many occasions, but they are not making proper use of the underutilized land and there is also a legal issue in acquiring these lands for public purposes.

Therefore, the Hon. Chair further informed the Committee that the drafting of legislation related to the acquisition of underutilized land by the government is currently being carried out with the approval of the Cabinet.

The Hon. Weerasumana Weerasinghe informed that, in the recent past, a Committee of Selection was appointed regarding the effective usage of underutilized land and that the report presented by it includes all the information related to this problem and the remedies to be applied.

The Hon. Member requested to consider the facts contained in that report in making the related decisions.

The Hon. Chair informed that the aforementioned bill was drafted because there is a legal issue regarding the implementation of those measures.

The Hon. Leader of the Opposition further requested that these legal drafts be compiled promptly, the underutilized lands that would be taken over, be given to small-scale tea growers for cultivation and arrangements be made to promote the tea industry.

The Hon. Chair informed that during the time of the privatization of these estate companies, the number of employees was about 450,000 and now that number has decreased to about 150,000.

The Hon. Chair further informed that these employees are not treated properly.

The Hon. Leader of the Opposition informed that targets should be given to these large-scale companies to cultivate these unused waste lands.

Hon. Mahindananda Aluthgamage informed that these estate companies display callous indifference for their employees and negligence when interacting with the government.

Hon. Mahindananda Aluthgamage further informed that they are solely interested in making exorbitant profits and a conversation should be held with these companies as soon as possible.

The Hon. Chair directed to invite the heads of large-scale tea plantation companies to the next Consultative Committee meeting.

Hon. Arundika Fernando informed to take immediate action to effectively use the underutilized land belonging to all plantations, such as tea, coconut, rubber etc.

3.4.2 Issues related to scarcity of inputs required for tea industry

The Hon. Leader of the Opposition informed that although replanting should be carried out to some extent in order for tea cultivation to function properly, currently there is a shortage of T65 fertilizer, Epsom Salt, Zinc Sulphate (ZnSO₄), Metam Sodium and necessary pesticides for replanting.

The Hon. Leader of the Opposition also inquired about the availability of those inputs at an affordable price in the market and the annual requirement of those inputs for replanting.

The Hon. Chair informed that, although the Sri Lanka Tea Research Institute had recommended replanting at a rate of 03%, currently it is done in Sri Lanka only at a rate of 1-1.5% and with the prohibition of the import of chemical fertilizers, the shortage of these fertilizers has arisen in the recent past.

The Director General (Agriculture), Ministry of Plantation Industries informed that all these types of fertilizers are available for sale with the respective companies and the price of a 50kg bundle is around Rs.20,500.

The Hon. Leader of the Opposition requested to provide other requested information in writing, including the previous and current prices of these fertilizers.

The Hon. Leader of the Opposition inquired about the prices of U 709 and T 200 fertilizers required for the tea industry.

The Hon. Chair informed that the price of 50kg of U 709 fertilizer is between Rs.18, 500 - 20,500 and the price of 50kg of T 200 fertilizer is around Rs.20, 000.

The Hon. Chair further informed that, about two months ago, the price of 50kg of T 200 fertilizer was around Rs. 30,000, but the prices have gradually decreased since private importers have intervened in the importation of fertilizers other than fertilizer companies.

The Hon. Leader of the Opposition requested that attempts be made to provide these types of fertilizers at a reasonable price during this economic crisis, even if not at the previous high subsidized price.

The Hon. Chair informed that under the Indian credit line, sulphate of ammonia fertilizer will be brought in at a lower price and will be provided at a subsidized price between Rs.10, 000 - 12,000 in the next fortnight.

The Hon. Chair informed that, in addition, during the last three months, an amount of Rs. 2 billion has been given to the tea factories for the purchase of fertilizer on the basis of repayment within three months and if the price of fertilizer in the market does not decrease gradually, some relief is expected to be given next year.

3.4.3 Standardization of herbicides

The Hon. Leader of the Opposition inquired about the procedure for standardizing herbicides, as an allegation is circulating stating that the various kinds of substitute herbicides that emerged on the market with the ban on glyphosate are not up to standard.

The Hon. Chair informed that the ban on glyphosate has been lifted and within the next month the herbicide will be on the market and the responsibility for regulating these activities is under the Ministry of Agriculture.

3.4.4 Use of new technology for cultivation

The Hon. Leader of the Opposition requested to give the road map, in writing, related to the use of new technology for cultivation activities.

3.4.5 Progress in promotional activities related to tea industry

The Hon. Leader of the Opposition inquired whether the measures taken by the Sri Lankan Tea CESS Fund for the development of the tea industry have met with satisfaction.

The Hon. Chair informed that he is not personally satisfied with the promotional work done by this fund and when the current government came to power, the Tea CESS Fund had Rs. 08 billion in its possession.

The Hon. Chair informed that aiming the overall development of the tea industry, 50% of this fund is used for tea promotion and the remaining 50% for tea cultivation.

The Hon. Chair further informed that thousand plant nurseries that produce planting materials have been established with that money.

The Hon. Leader of the Opposition requested to provide a written report in this regard.

3.4.6 Promoting the coconut industry centred export sector

The Hon. Leader of the Opposition requested that, because coconut industry - centred export production has a significant potential for increasing the country's dollar reserves, a report detailing the measures taken to promote the sector be provided.

3.4.7 Obtaining data on number of closed-down tea factories

The Hon. Leader of the Opposition requested to provide a report containing numerical data on the number of tea factories that have been closed down at the district level in the recent past.

3.5 Removal of retired estate company employees from estate houses - Hon. Rauf Hakeem, AAL.

The Hon. Member informed that the estate workers who worked and retired from the Pathadumbara – Galpeellawaththa estate, owned by the Sri Lanka State Plantations Corporation, are being evicted from their line houses.

The Hon. Chair informed that instructions have been given to stop those activities.

3.6 Forced eviction of the people of Gawaravila Estate from their cultivated land - Hon. V. Radhakrishnan

The Hon. Member informed that people are being evicted from the lands they have cultivated in Gawaravila Estate which belongs to the Horana Plantations Company, and requested that the process be discontinued.

The Hon. Chair informed that steps will be taken to stop the said process and the Plantation Management Supervision Division has been instructed not to evict the people who have been residing for a long time.

The Hon. Chair informed the Committee that, based on the complaints received, the Plantation Management Supervision Division was obligated to take legal action to evict these squatters, and however those measures were put on hold due to humane concerns.

Hon. M. Rameswaran informed that 35 families who have been residing for more than 50 years in the Kotiagala Estate, which belongs to the Bogavantalawa Plantation Company, have been evicted from that place through legal proceedings , placing them in a problematic situation.

The Hon. Chair informed that instructions have been given to stop those activities as much as possible.

The Director, Plantation Management Supervision Division informed that government owned lands have been leased to regional plantation companies and legal action is being taken against anyone forcibly occupying these lands that have been leased, as mentioned above.

The Director, Plantation Management Supervision Department further informed that the aforesaid squatters are given a "Two Weeks' Notice" prior to legal action being taken, as mentioned above, and they are also given the opportunity to present any rights they may have in relation to the land.

The Director, Plantation Management Supervision Department further informed that most of the lands for which rights are asserted in that manner are released without legal action being taken.

3.7 Hon. Janaka Wakkambura

3.7.1 Distribution of fertilizers for crops

The Hon. Member requested that Rs. 56,000 million has been allocated for fertilizer in this year's budget as well, and requested that fertilizer be distributed to all crops at the same fair price instead of giving priority only to paddy cultivation as in the past.

The Hon. Chair informed that due to the contemporary requirement that existed during the recent past as a result of the lack of paddy harvest, paddy cultivation was given priority in the process of providing fertilizer, and attention has been focused on giving priority to all crops from next year.

3.7.2 Inquiring about the current financial progress of Higurana Sugar Factory

The Hon. State Minister informed that an amount of Rs. 11 billion had to be repaid as debt during the recent past, and due to the program implemented so far, the amount of debt has decreased significantly and that the remaining amount of debt should also be settled promptly with the money received and also inquired about the outstanding amount of debt.

The Chairman, Galoya Plantations (Pvt.) Company stated that the amount of outstanding debt is Rs.4720 million.

The Chairman, Galoya Plantations (Pvt.) Company further informed that this institution, which was on the verge of being closed down after incurring losses for 15 years, is now making profits due to the suspension of the import of ethanol and black sugar during the tenure of Hon. Ramesh Pathirana and Hon. Janaka Wakkambura, the Minister and the Hon. State Minister of Plantation Industry, respectively.

The Chairman, Galoya Plantations (Pvt.) Company informed that there was a debt balance of 9.5 billion rupees of the loans obtained by the company from its own institutions at an interest rate of 28% when he assumed duties as the chairman, and that he has taken action now to reduce the aforesaid loan interest to 14%.

The Chairman, Galoya Plantations (Pvt.) Company also stated that this institution made Rs. 9681 million in revenue over the last 7 months, with a net profit of Rs. 4780 million.

The Chairman, Galoya Plantations (Pvt.) Company further informed that the outstanding debt is expected to be paid off by 31.03.2023 and a dividend in excess of Rs. 370 million will be remitted to the General Treasury.

3.8 Hon. Weerasumana Weerasinghe

3.8.1 Distribution of the fertilizers of proper quality

The Hon. Member informed that only urea mixed with compost is provided without mixing all the essential components when providing fertilizer to the tea cultivation, and he requested that the aforesaid process be stopped as it causes huge damage to the tea cultivation. He further suggested that the urea fertilizer received as a subsidy should be used to make other necessary fertilizer mixtures, and action should be taken to distribute the fertilizer mixtures with all necessary components.

The Hon. Chair informed that all the fertilizer companies are currently producing the above - mentioned required mixtures.

3.8.2 Construction of a cinnamon research and development centre in Mulatiyana area

The Hon. Member stated that though the construction activity of a cinnamon research and development centre was started in Mulatiyana area of Matara district with the intervention of the Cinnamon Export Development Board, the work has stopped by now. Therefore, the Hon. Member requested that the aforesaid construction work be recommenced.

3.8.2 Inquiry about the surplus tea production of Kalubowitiana Tea Company

The Hon. Member informed that the Kalubovitiana Tea Company has produced excess tea in the past and inquired about its current situation.

The Chairman, Kalubowitiana Tea Factory Ltd. informed that an amount of 29,000 kilograms of this surplus production was issued in the tea auctions held during the last few months and another 52000 kilograms are left.

The Chairman, Kalubowitiana Tea Factory Ltd. further informed that the old stocks have been sold by now and the situation has been managed.

The Hon. Chair informed that the tea plantation owners supplied high quantities of tea leaves to the Kalubowitiana Tea Company during the recent past, when the price of a kilo of tea leaves increased significantly, and the company also bought these tea leaves without proper management and control, as a result of which this situation has been created.

The Tea Commissioner, Sri Lanka Tea Board informed that the current price of a kilo of tea leaves (CTC Tea) is Rs.257.

The Tea Commissioner, Sri Lanka Tea Board informed that the high price of tea leaves that existed in the past was an exception and now the price has been reduced to a normal value.

However, the Hon. Member informed that the price of a kilo of orthodox tea is in the range of Rs.275 – 300.

The Hon. Chair informed that it is in Matara district where the highest price is paid for tea leaves in Sri Lanka, and these price changes have been determined based on the net sale average of each tea factory.

3.8.4 Establishment of a tea museum in Deniyaya area

The Hon. Member inquired about the current progress of the proposal related to the establishment of a tea museum in Deniyaya, which is a tourist area.

The Director General (Planning), Ministry of Plantation Industries informed that approval was sought from the General Treasury to allocate an amount of Rs. 20 million for the museum for the year 2023, but the said approval has not been received.

The Hon. Member informed that this museum could be built with the assistance of the Sri Lanka Tea Promotion Fund (Sri Lankan Tea CESs Fund) and the sponsors related to the tea industry since this is related to the promotion of tea.

The Hon. Member further informed that such an amount need not be spent and the land and buildings provided by the local cooperative society of the area are available for this purpose.

The Hon. Chair instructed the officials of the Sri Lanka Tea Board to check the capacity available to carry out this task.

3.9 Auction of coconut trees by plantation companies - Hon. Samanpriya Herath

The Hon. Member informed that there is a mafia operating in the plantation companies in connection with the auction of coconut trees and the management of the plantation companies is responsible for it, and requested that strict attention be paid in this regard.

The Hon. Chair informed that His Excellency the President has given instructions to impose restrictions to the effect that lands less than 1 acre could be auctioned, and permission was granted during the last three years for subdividing coconut lands less than 5 hectares only on essential humanitarian grounds.

Furthermore, the Hon. Chair informed that the permission of the Grama Niladhari of the area concerned should be obtained when cutting down more than 02 coconut trees, as necessary arrangements have been made for the inclusion of the coconut plant under the scope of the Tree Felling Act.

The Hon. Member requested that strict attention be paid to the monopoly held by the management of the plantation companies in relation to the auction of these trees.

The Chairman, Chilaw Plantation Company Ltd. informed that coconut trees that are older than 65 years are auctioned for an amount between Rs. 7,000 and Rs. 15,000 through an open tender procedure, and a Forestry Management Plan and under-planting are put into action before cutting the trees.

The Hon. Member informed that plantation companies, including Kurunegala Plantation Company, grant this tender to the same person in every auction.

The Hon. Chair informed that the matter will be looked into and necessary action will be taken against the officers concerned.

3.10 Hon. Mahindananda Aluthgamage

3.10.1 The fact that the office of the Tea Small Holdings Development Authority located in Atgala area is not operating properly

The Hon. Member informed that the office of the Tea Small Holdings Development Authority located in Atgala area of Kandy district is not

functioning properly, and therefore, the owners of tea small holdings in that area have to go to the Kandy office to get their needs fulfilled.

The Hon. Chair instructed on restoring that office within a week.

3.10.2 The problem of high weed population in plantations

A request was made to take immediate measures to control the weeds in the estates belonging to Janatha Estates Development Board and Sri Lanka State Plantation Corporation in Kandy district because the employees of those plantations are afraid and reluctant to attend work due to the abundance of weed population in the said plantations.

The Chairman, Sri Lanka State Plantation Corporation informed that this problem has arisen due to the shortage of herbicides that existed in the recent past and that this problem could be solved with the availability of herbicides on the market in the times to come.

3.10.3 Notification of the malpractices committed by private plantation companies

The Hon. Member informed that private plantation companies do not properly maintain and manage government lands.

The Hon. Member further informed that unnecessary subjects such as skipping the tea replantation, receiving excessive money as management fees, maintenance of small-scale hydro power plants, tourism businesses and tree cutting are being adhered to and even the small allocations that should be made for the welfare of employees are being neglected despite the high profits.

The Hon. Chair informed that necessary steps are being taken to obtain the required legal provisions for the acquisition of these estates.

3.11 Ampara sugarcane estates - Hon. A. L. M. Athaullah

The Hon. Member informed that there is no cultivation plan on the Ampara sugarcane plantation lands and that the said lands are overgrown with weeds.

The Hon. Member requested that necessary action be taken to keep these lands beautiful in a manner in which maximum income could be obtained by adopting effective methodologies, including under cultivation, animal production, and crop diversification, even in these plantations like in other plantations.

The Hon. Member informed that even though the relevant institutions get high profits from these sugarcane plantations, the sugarcane farmers are not getting those benefits, and they are burdened with heavy debt. The Hon. Member requested that arrangements be made to provide the benefits of these new plans to them.

The Hon. Chair informed that attention will be paid to other crops such as coconut that can be mixed with sugarcane in consultation with the Sugarcane Research Institute, and the Hon. Chair also instructed the officials of the Export Agriculture Department and the Coconut Cultivation Board to pay attention to this matter.

The Hon. Member further requested that attention be paid to such measures as providing free chicken, dairy cattle, etc. to the farmers out of the profits received since their nutritional needs could be fulfilled while their standard of living is raised through them.

Hon. Janaka Wakkumbura requested that the amount paid to sugarcane farmers by Sewanagala and Pelwatta sugar factories should also be paid to the farmers attached to the Higurana sugar factory.

The Hon. Chair informed that the aforesaid matter be informed in writing to the company concerned.

The State Minister, Hon. Lohan Ratwattie informed that a hardship allowance of 8500 rupees was given to everyone in Pelwatta and Sewanagala sugar factories last week and that necessary instructions will be given to implement the same system in other sugar companies as well.

3.12 Fraud and corruption in Pelwatta and Sewanagala sugar companies - Hon. Gayashan Navanda

The Hon. Member informed the Committee about the fraud and corruption happening in the Pelwatta and Sevanagala sugar companies.

The Hon. Member informed the Committee that a number of frauds and acts of corruption such as fraudulently sending the Sevanagala sugarcane harvest to Higurana; recruitment of 1000 employees to the Pelwatta sugar factory in an illegal manner; where 3000 metric tons of sugarcane could be milled but only 700 metric tons of sugarcane is being milled in the Pelwatta-Buttala Factory, appointment of partial officials to the audit department and the procurement department of the Sevanagala company and alteration the documents related to previous frauds; fraudulently calling more than four times the fertilizer tender to be obtained from government institutions , which is of about Rs. one billion ; misuse of physical resources related to the institution by officials; granting promotions fraudulently; accepting bribes under the guise of giving jobs; misappropriation of public funds;

purchases made through fraudulent procurement processes, etc. occur in Sewanagala and Pelwatta sugar companies.

The Hon. Member informed that he had brought a proposal to establish the Welioya factory to grind the additional sugarcane harvest in Sewanagala and Pelwatta sugar factories to utilize this additional harvest effectively.

The Hon. Member further informed that the board of officers, including the Chief Executive Officer, Audit Investigation Officer, and Procurement Officer, are responsible for these frauds, and though a fair investigation should be conducted promptly for this, it may not be effective to do so while these officers are in service.

The Hon. Member informed that almost all the Govi Bala Mandalas (Farmers' Associations) in these areas expressed strong displeasure with the activities of these institutions.

The Hon. Member also informed that there was a scam of taking commission from sugar about 8 months ago, and the then Hon. Janaka Wakkambura took measures to stop that process.

The Hon. Member informed that he would present to this Consultative Committee several pieces of written evidence related to these frauds and that the amount of fraud that has occurred is greater than the evidence presented in this way.

The Hon. Member made a request to conduct a fair investigation regarding these matters as soon as possible.

The Hon. Member further informed that although the expected production for the year 2022 is 6000 metric tons, it has not been possible to achieve that target this year for any reason whatsoever.

The Hon. Chair informed that a formal investigation will be carried out regarding this matter as soon as possible.

Hon. Janaka Wakkambura also commented on this.

3.13 Promotion of coconut related products - Hon. Arundika Fernando

The Hon. Member requested that action be taken to make some value addition on the coconut harvest of the two plantation companies, Kurunegala and Chilaw, without auctioning it as such and to earn foreign exchange from those products because it is possible to earn more than a billion dollars in foreign exchange due to the high demand from foreign countries for coconut-related products.

At this point, the Hon. Member informed that these products should be made by giving priority to all three sectors, namely coconut, coconut shell and coir-related industries, in a way in which even the identity of the companies is safeguarded

The Hon. Member further informed that though the approval of the Ministry of Finance was sought to establish a joint factory by the Chilaw Plantation Company to produce coconut-related export products under a public-private partnership, it has not been received so far, and there are preparations to get cabinet approval for this through a cabinet paper.

The Hon. Member informed that it is unnecessary to do so and these two companies can in no time be converted into companies that earn dollars for Sri Lanka by expediting this task. A further request was made to the effect that immediate action be taken in this regard.

The Chairman, Chilaw Plantation Company Co. Ltd. informed that the private sector has been selected for this public-private partnership after inviting Expressions of Interest (EOI).

The Chairman, Chilaw Plantation Co. Ltd. informed that plans have been made in order that 65% of the ownership of the shares of this factory to be started would be given to Chilaw Plantation Co. Ltd. and 35% of the ownership would be given to the private sector.

The Chairman, Chilaw Plantation Co. Ltd. also informed that 60% of the profit will be provided to Chilaw Plantation Co., Ltd., while 40% of the profit will be provided to the private sector.

The Chairman, Chilaw Plantation Co. Ltd. informed that necessary arrangements will be made to present a cabinet paper again since the cabinet paper for this purpose has not been approved so far.

The Hon. Chair inquired about the possibility of starting this factory with the full financial investment of the Chilaw Plantation Company without the contribution of the private sector.

The Chairman, Chilaw Plantation Co. Ltd. informed that his company will get more favourable financial benefits through this public-private partnership than doing so.

The Chief Executive Officer, Kurunegala Plantation Co., Ltd. informed that due to the fact that various obstacles were encountered in implementing this process in the Kurunegala Plantation Company, having called for expressions of interest, a factory for coconut - related export products was commenced with a hundred percent investment of the Kurunegala

Plantation Company, which is operative currently, and there is a possibility to present its products by January and February next year.

3.14 Hon. Upul Mahendra Rajapaksha

3.14.1 Minimizing the felling of coconut trees.

The Hon. Chair informed that this has been made a law in accordance with the gazette notification, and accordingly, the permission of the Grama Niladhari of the concerned area should be obtained when felling more than two coconut trees.

3.14.2 Providing the people with coconut saplings that are more suitable for small plots of land.

The Hon. Member informed that since there is less space on the lands where people live today, many of the coconut trees that are considered to be of dangerous height to the environment have to be cut down.

As a solution to this, the Hon. Member made a request to focus on the distribution of coconut saplings with low height and high productivity.

For this, the Hon. Chair inquired the Chairperson, Coconut Cultivation Board about the suitability of the coconut species called C65.

The Chairperson, Coconut Cultivation Board informed that the hybrid species give harvest from the young age and give a good harvest for 40-60 years.

The Hon. Chairperson informed that the most appropriate solution would be to focus on hybrid types.

The Chairperson, Coconut Cultivation Board informed that the current selling price of a hybrid coconut sapling is Rs.400.

The Hon. Member proposed about the possibility of making it mandatory to plant a coconut tree in every house.

The Hon. Chair informed that there is no possibility of bringing such a law, but the Chairpersons of District Coordination Committees and Chairpersons of the Pradeshiya Sabha could be notified to implement such a program.

The Chairperson, Coconut Cultivation Board informed that under the program called "Sri Sampatha Dorin Dorata" implemented for local government authorities, 02 coconut trees will be given to each person who

builds a new house, free of charge or for a certain amount of money and that such programs will be further promoted.

3.14.3 Partitioning of the coconut lands

The Hon. Member informed that no responsible officer is held accountable for the partitioning of coconut lands and it remains an issue that it is stated in the relevant Act that no approval is required for the plotting out of coconut lands of less than four hectares.

The Chairperson, Coconut Cultivation Board informed that although it is possible to partition coconut plantations of less than four hectares without the approval of the Tea, Rubber and Coconut Estates (Control Fragmentation) Board under the existing law, the minimum extent of coconut plantations that could be partitioned in this way has been reduced from 4 hectares to 1 acre and instructions have been given to impose restrictions on auctioning only lands of less than one acre during the last budget.

Therefore, the Chairperson, Coconut Cultivation Board further informed that after the amendment of the Act, the approval of the Tea, Rubber and Coconut Estate (Control Fragmentation) Board will be required for all coconut plantations to be partitioned and this issue will no longer arise.

Furthermore, the Chairman, Tea, Rubber and Coconut Estate (Control Fragmentation) Board informed that since it is possible to partition rubber and tea plantations of less than 50 acres without approval, this also remains a problem and steps should be taken to reduce that extent in the future.

The Hon. Chair informed that during the last three years, permission has been given for partitioning coconut lands only on the basis of essential humanitarian needs.

3.14.4 Appointment of Tea Inspector Extension Officer for Attanagalla area

The Hon. Member informed that although Attanagalla area was not an area where tea was cultivated before, tea cultivation has started there on a large scale as of now and therefore there is a need for a Tea Inspector Extension Officer for that area.

The General Manager, Tea Small Holdings Development Authority informed that there is one Tea Inspector Extension Officer for all the regional tea inspector extension divisions of Ruwanwella, Warakapola, Attanagalla and the same officer will be informed of the matter.

The General Manager, Tea Small Holdings Development Authority further informed that as tea cultivation has spread to Gampaha district, discussions are underway to make Ruwanwella – Warakapola - Attanagalla tea inspection extension division into 02 divisions according to the number of farmers at present.

The Hon. Chair instructed to speed up the work as Ruwanwella, Warakapola and Attanagalla areas together form a large area.

3.14.5 Implementation of training programs related to Cinnamon cultivation

The Hon. Member requested to implement a training program for the farmers in Attanagalla area as soon as possible since farmers do not have enough knowledge about the cinnamon cultivation despite cinnamon being cultivated on a large scale in the area.

The Hon. Member also informed that this training can be accommodated at Veyangoda Cultural Centre.

The Hon. Chair instructed the officials to fix a date as soon as possible and to coordinate with the Hon. Member to complete this training before the next Ministerial Consultative Committee is held.

3.14.6 Inability to sell turmeric harvest.

The Hon. Member informed that the farmers are encountered with a severe issue due to their inability to sell their turmeric harvest.

Hon. Janaka Wakkambura informed that this problem has arisen as turmeric is still being imported from India through illegal channels, even though the import of turmeric has been stopped.

Hon. Sudarshana Denipitiya informed that a drop in the price of turmeric powder available on the market has not been observed despite this situation.

The Hon. Chair instructed the officials to provide training to the turmeric cultivators in Attanagalla area regarding the process of adding value to the raw turmeric harvest immediately.

The Hon. Chair further informed that there is a good demand for turmeric exporters from foreign countries despite the price drop.

Hon. Sudath Manjula informed that the turmeric cultivators in his area have also encountered with this issue.

3.14.7 Establishment of export villages related to betel cultivation

The Hon. Member made a request to establish export villages and implement a program to protect betel farmers in Gampaha district since, as an export crop, betel is being cultivated in every household in Gampaha Area.

The Hon. Member further informed that due to the disease associated with betel cultivation, these cultivations are completely destroyed during certain seasons and these farmers become extremely helpless during the same seasons.

Hon. Samanpriya Herath commented in this regard.

The Hon. Chair instructed the Additional Director General (Development), Department of Export Agriculture to deploy an officer from the above department in coordination with the Hon. Member to investigate this disease and other affairs.

Furthermore, the Hon. Chair further informed that he hopes to provide the required aid to obtain the necessary physical resources, such as betel poles, next year.

The Additional Director General (Development), Department of Export Agriculture informed the Committee that although a program was implemented to establish betel export villages even in this area under the program for establishing export villages, the program has now halted.

Hon. Sudath Manjula informed that the betel farmers in his area are also facing the issue of not being able to sell the betel harvest.

3.14.8 Disruption of production of coconut treacle in lands owned by Kurunegala Plantations Ltd.

The Hon. Member informed that the production of coconut treacle on the lands belonging to Kurunegala Plantations Ltd in Attanagalla area is not carried out currently.

The Chief Executive Officer, Kurunegala Plantations Ltd. informed that although there was a certain obstacle for this program during the rainy season, the activities have resumed by now.

The Hon. Chair instructed the officials to look into the matter specifically since the Hon. Member mentioned that this process is not being carried out properly in Attanagalla area.

3.14.9 Obtaining a land for establishment of a police station.

The Hon. Member informed that despite requests for a piece of land in Urapola -Nagoda area belonging to Kurunegala Plantations Ltd. to establish a police station in his area for many years, the request has yet to be fulfilled.

The Hon. Chair instructed the officials to check and allocate the share of land immediately.

3.15 Hon. Sudath Manjula

3.15.1 Obtaining necessary equipment for a new office belonging to the Tea Small Holdings Development Authority.

The Hon. Member informed that a regional office complex belonging to the Tea Small Holdings Development Authority was built and opened recently in his electorate according to a proposal of Hon. Kanaka Herath, but the office equipment required for it has not been received so far.

The General Manager, Tea Small Holdings Development Authority informed that this situation arose owing to the delay in purchases affected by the current economic situation in the country and that this equipment could be provided within the next week as the procurement process has now been completed and approval has been received from the Ministry of Finance to provide the equipment.

3.15.2 Fall in rubber prices.

The Hon. Member informed that the price of rubber, which was around Rs.750/- during the recent past, has dropped up to around Rs.300/-, and a social opinion is spreading that the main reason for this is the import of rubber.

The Hon. Member made a request to do the needful to protect the rubber cultivators, if there is any truth in it.

The Hon. Chair informed that certain manufacturing factories that bring an income of about one billion dollars to this country have imported a certain amount of rubber through companies belonging to the Board of Investment (BOI) since a long time and that some of these companies belonging to the Board of Investment (BOI) are foreign companies that have no connection to this country.

Additionally, the Hon. Chair further informed that the price of every export crop, including rubber, has decreased in the world market in the fourth

quarter of this year and currently the price of rubber remains at Rs.350 - 400 and it may increase up to about Rs.500 by next year.

The Hon. Chair informed that a Committee consisting of officials from the Ministry of Plantation Industries, the Ministry of Finance and the Board of Investment has been appointed to consider this issue at length, which will conduct a monthly review and forecast of the need for rubber in the country, the amount of rubber produced in the country and the amount to be imported and that further steps will be taken accordingly.

The Hon. Chair further informed that the recent high price of rubber was due to the high demand for ready-made products such as rubber gloves and the collapse of the rubber supply network around the world due to the Corona pandemic.

The Hon. Chair informed that the companies have bought the amount of rubber that the cultivators had as of now and that the import of rubber has been stopped for the time being and the relevant companies have agreed to buy rubber from the local market.

The Hon. Chair also informed that the price of rubber is determined on the basis of demand, supply and market.

The Hon. Chair informed that it is a problem that the companies cannot sell their ready-made products at a competitive price in the world market by purchasing rubber from Sri Lanka at a high price after the price of rubber in other countries has decreased.

The Hon. Chair instructed the Additional Director, Sri Lanka Rubber Research Institute to take the necessary measures to stop the unnecessary importation of rubber into this country in collaboration with the Committee appointed for the same purpose.

The Acting Director, Sri Lanka Rubber Research Institute informed that the matter is currently being investigated.

3.15.3 Establishment of bee keeping villages.

The Hon. Member informed that although there had been plans to start the “Soubhagya Production Villages”, focusing on several villages in his area that received training on bee keeping conducted by the Ministry of Plantation, the work hasn’t started yet.

Hon. Janaka Wakkambura informed that the provisions were allocated to purchase 5000 bee boxes in the recent past.

The Hon. Chair instructed the officials to use the above provisions for this purpose immediately, if available.

3.15.4 Obtaining a training program related to Cinnamon peeling.

The Hon. Member made a request to conduct a training program for the people of the area related to cinnamon peeling since the cinnamon cultivators of his area have to get the service of cinnamon peelers from other areas to peel cinnamon.

The Hon. Chair instructed the officials to conduct the training within the next month.

3.15.5 Non-release of lands by Plantation Companies

The Hon. Member informed that there are a large number of people in the area who do not have lands to build houses, as well as those who need new lands due to conditions such as landslides and floods.

The Hon. Member informed that although the Divisional Secretariats have conducted mobile services under the “Village Expansion Program” and identified these people, the release of lands to be given to these people is not carried out properly by the Kelani Valley Plantations PLC and Malwatta Valley Plantations PLC.

The Hon. Chair informed that the laws necessary for the acquisition of these lands to the government are currently being drafted.

3.16 Hon. Sudarshana Denipitiya.

3.16.1 Non-arrangement of necessary action for initiation of bee keeping.

The Hon. Member requested that the people who had training from the only bee keeping training institute in Sri Lanka located in Bandarawela be given the necessary equipment including bee boxes to start bee keeping and facilitate bee keeping.

3.16.2 Construction of housing complexes in mountain ranges.

The Hon. Member requested to take necessary actions for the housing complexes of estate companies in Bandarawela area that were constructed here and there in mountain ranges, from which the scenic beauty of the environment has been highly affected.

3.16.3 Conservation of water catchment areas in mountainous region.

The Hon. Member informed that the plantation companies treat the water catchment areas in the mountainous areas as their property and cut down the existing trees in those areas.

Therefore, the Hon. Member made a request to take the necessary action to conserve water catchment areas.

The Hon. Chair informed the Committee to take necessary steps to inform the relevant plantation companies about this through the Plantation Management Monitoring Division.

3.16.4 Planting of turpentine trees instead of pine trees in mountainous region.

The Hon. Member informed that Namunukula Plantation Company is removing the pine trees in the mountainous area and planting turpentine trees instead and thus the action taken to remove the pine trees to protect the water sources has become futile and more serious damage is being done.

Therefore, the Hon. Member made a request to take the necessary steps to stop this action and use an endemic plant instead of turpentine plants.

The Hon. Member further requested to inform the Forest Conservation Department in this regard, since the turpentine saplings are produced by them.

The Hon. Chair instructed the officials to inform the relevant parties in this regard.

3.16.5 Settlement of the boundaries of the land owned by the plantation companies in the mountainous area.

The Hon. Member informed that the plantation companies have taken possession of the existing tanks in the mountainous area, but they do not have the legal right to do so, and these companies do not allow any work to be carried out in connection with these tanks.

The Hon. Member requested to check the possibility of figuring out the legally handed lands to estate companies, at least by resurveying the lands.

The Chairman, Tea, Rubber and Coconut Estates (Control Fragmentation) Board informed that despite these boundaries being mapped by cadastral survey in the recent past, the questionable boundaries were not mapped at that time and therefore the cadastral survey cannot provide an accurate understanding of this.

3.16.6 Obtaining a land for construction of a Technology Park in Demodara.

The Hon. Member informed that although a request has been made to obtain a building belonging to the Demodara factory of the Namunukula Plantation Company for the construction of a Technology Park in Demodara, no good response has been received so far, and a request has been made to make necessary arrangements to provide the said building.

4. The Committee was adjourned at 01.15 p.m. *sine die*.
