



National Institute of Occupational Safety and Health

Annual Report

2016



NIOSH

**National Institute of
Occupational Safety and
Health • Sri Lanka**

National Institute of Occupational Safety and Health

Hon. W.D.J. Senevirathne

Minister – Ministry of Labour and Trade Union Relations

Hon. Raveendra Samaraweera

State Minister – Ministry of Labour and Trade Union Relations

Mr. S.M.G. Jayarathne

Secretary, Ministry of Labour and Trade Union Relations

Chairman, National Institute of Occupational Safety and Health

Dr. N. C. Amarasinghe

Director General, National Institute of Occupational Safety and Health

Audit Committee

- Dr. N. C. Amarasinghe - Director General, National Institute of Occupational Safety and Health
- Mr. M.Hettiarachchi – Chairman Audit & Management committee, Director, Ministry of finance
- W.D.B.J. Weliwatta – Observer Audit & Management committee, Audit superintend Auditor General Department
- M.R.G.A.B. Muthukude – Internal Auditor, Ministry of Labour and Labour Relations
- P. M. K. Perera – Assistant Director, National Institute of Occupational Safety and Health

Bank

People's Bank – Narahenpita

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National Institute of Occupational Safety and Health

Introduction

National Institute of Occupational Safety and Health was as an affiliated body of the Ministry of Labour and Labour Relations and function as a policy making institution dedicated to the advancement of workplace health & safety. The institute was founded based on the need to promote total physical, mental, and social wellbeing among the working population in Sri Lanka, through providing information, training, education research, surveys, solutions, and management systems that ensure progressive safety & health in working environments.

Having received the statutory powers in 2009 under the ministry of Laborur & Labour Relations of Sri Lanka NIOSH empowers employees and employers to raise the awareness assess the risks and implement world class solutions in improving health safety & welfare of their employees and other stakeholders of their organizations.

A healthy workforce is the building block of sustainable economic development of any country and NIOSH promote the fundamental human right for individuals to operate from safe and healthy working environment nurturing a safety culture across Sri Lanka.

The pressure and pace of today's working life is related to many contributing factors such as, diminishing work -life balance due to longer working hours, lower health awareness and overall psychosocial status of individuals. These factors result in higher levels of absenteeism and turnover among the 8.7 million labor force of Sri Lanka.

The institute encourages and facilitate the constant dialogue between organizations and stakeholders on relevant health and safety topics. Individual accountability is encouraged to proactively reduce economic implications due to occupational injuries and improve productivity in the work places, nurturing a healthier and motivated workforce.

NIOSH offers highly focused training programs conducted by industry experts to provide information, tools, and skills with resources that helps organizations address occupational safety & health challengers. These efforts are complemented by liaising with national and international

institutions and universities and other such organizations to establish links and networks, to further develop studies and research on the subject.

The institute facilitates medial inspections environmental monitoring safety & health compliance auditing risk assessments and training and on a larger regional scale, forums, conferences, and networking events, and healthier and more sustainable working practices.

NIOSH as an institution always provide an unbiased, world class OSH service and create a safe and healthy working environment with the objective of minimizing occupational accidents and diseases and focuses to establish and sustain as a self-financing institute.

We are extremely happy to state that we could provide productive service to the consumers to their best satisfaction by performing the above activities in a very successful manner. It is evident that NIOSH has achieved a very high goal accomplishing the giving objectives stated in the NIOSH Act No 38 of 2009 within a very short period it has could achieve a great success which we can be very proud of. The follow up study will further prove this fact that many institutions have constantly obtained the services of National Institute of Occupational Safety and Health.

During the recent past, we have undertaken various programmers and steps to create awareness in terms of protection and Safety of the health of employees in the respective institutions in collaboration with those institutions. During this year, too we have contributed much for the quality improvements of our services and to minimize occupational accidents and diseases among many industries.

NIOSH could establish “NIOSH Brand” among all the industries in all free trade zone industries as well as in all industrial sectors such as manufacturing sector, textile and garment manufacturing sector, agriculture sector, etc. providing a very successful service based on their requests in improving employee’s safety & health.

Vision.....

“To provide Occupational Safety, health and welfare to all”

Mission.....

“Empowering tripartite stakeholders through education, training and research in order to prevent all sorts of employment barriers for the sake of ensuring safety and health of work places and improving productivity”

**Message from the Minister , Mr. W.D.J.Senevirathne, Minister
, Ministry of Labour & Trade Union Reations**



The National Institute of Occupational Safety and Health (NIOSH) is a statutory cooperate body established on 28th April 2005, but the statutory powers were given by a parliamentary act No. 38 of 2009 during the year 2009, under the Ministry of Labour Relations & Manpower Sri Lanka. NIOSH is committed to improve, maintain and sustain a safe working environment for all in all work places, through increasing awareness and adherence to proper health and safety measures. Our mandate is to create awareness training, research on OSH, dissemination of updated information, advisory and consultancy services. We educate and train employers, employees and all other categories workers on OSH issues.

The activities carried out during the past few years indicates the commitment in creating a healthy and healthy labor force in Sri Lanka. I appreciate the sacrifice made to build a professional safety environment.

I am grateful to all the staff including the Director General of National Institute of Occupational Safety and Health, who has played a tireless role in the advancement of National Institute of Occupational Safety and Health.

Hon. W.D.J. Senevirathne.

Minister of Labour & Labour Relations.

Message from the Secretary of Labour & Labour Relations
and President of the Institute of Occupational Safety & Health.



Today I am very pleased to forward this Annual report of NIOSH 2015 which shows the progress of its development and the services provided to the industry. This annual report gives me an impression about the commitment of all staff members towards the commitment of developing a safety culture in Sri Lanka. **According to the global estimates published by the International Labour Organization states 2.3 million deaths occurred annually across the countries for reasons attributed to work. The biggest mortality burden came from work – related diseases, accounting for 2million deaths whilst the remainders were due to occupational injuries. Economic costs of work - related injury and illness vary between 1.8 – 6 % of GDP in country estimates, averaged at 4 %.**

Many factors may contribute towards setting the conditions for an accident or injury to occur, including the worker's own characteristics and family situation, home environment, commuting to work, types of equipment and materials used, and so on. For example, tiredness, stress, poor working conditions such as noisy, dirty, poor lighting, lack of safety equipment, inadequate training in the use of equipment, poor -attention, time of day and many other factors may play a role in an accident. Accordingly all of us should take this situations very seriously and need to commit for the prevention of occupational accidents and diseases.

Occupational injury prevention is a joint responsibility of all three stakeholders, Employers, employees and the state.

The National Institute of Occupational safety & health, Ministry of Labour, trade union relations, which is my Ministry, as a government organization has taken the leadership in creating a safety culture in Sri Lanka.

Last but not least I specially would like to appreciate the committed staff whom contributed immensely to improve and develop new strategies in preventing occupational injuries. Let's joint hands towards creating a safety culture in the country.

Secretary

Mr. S M Gotabaya Jayaratne

Secretary, Ministry of Labour & Labour Relations

Chairman, Institute of Occupational Safety & Health.

Message from the Director General of the Institute of Occupational Safety & Health.



The National Institute of Occupational Safety and Health (NIOSH) is a statutory body established on 28th April 2005 by a parliamentary act No. 38 of 2009 during the year 2009 and the statutory powers to the institution was obtained only during the year 2009, under the Ministry of Labour Relations & Manpower Sri Lanka. NIOSH is committed to improve, maintain and sustain a safe working environment for all people, through increasing awareness and adherence to proper health and safety measures. Our mandate is to create awareness training, research on OSH, dissemination of updated information, advisory and consultancy services. We educate and train employers, employees and all other categories workers on OSH issues.

The goal of the Institute is to provide a world class occupational safety & Health service to the industry while being a self-financing body. The National Safety and Health institute is taking the lead in delivering professional safety and health information to all our stakeholders.

NIOSH is mandated to undertake responsibility in reducing occupational diseases and injuries by providing technical assistance and creating awareness, providing training on top-level occupational healthcare & safety practices in terms of business operations, prevention of Occupational Diseases, and occupational accidents, impact on occupational safety and health outcomes, provision of necessary OSH training for students, providing fitness to work services to industry, providing environmental monitoring services to the industry etc.

The trainings offered by our organization will ensure the safety of workers while at work, while ensuring safety of others in the workplace. The trainings enable individuals to identify specific hazards at their workplace and identify places where risk is high.

We utilize only the best scientific practices, the best scientific knowledge & resource to deliver our services. We maintain the best quality of our services by occupying the most qualified experts who has the hands-on experience to deliver our service. We provide the best quality OSH services looking for the future of the Sri Lankan industry.

We are the only government organization representing Ministry of Labour & Labour relations in connecting partnerships with the local industry, employers, employees, International organizations, universities and with professional communities in accordance with the global concepts. Furthermore we work with employers employees and all other stakeholders and committed to maintain *the relationships with all tripartite constituents.*

Dr.N.C.Amarasingha
Director General
National Institute of Occupational Safety & Health.

NIOSH Administrative Structure

According to the Act No 38 of 2009, the decision-making body of NIOSH is the Governing council board which comprises as a tripartite body. The Structure of the Governing Council Board is specified by the Act No 38 of 2009 comprising with representatives from 14 ministries and chaired by the Sectary to the Ministry of Labor & Trade Union Relations. Currently following members are representing government ministries and employers and employee unions.

Profile of the Governing council members



Chairman

Mr. Gotabaya Jayarathne

Sectary ,

Ministry of Labor & Trade Union Relations

Board members



Mrs. Chandani Amarathunga

Commissioner General

Department of Labour



Dr. Champika Amarasinghe
Director General
NIOSH

Mr. Rohitha Fernando
Chief Factories engineer
Department of Labour



Professor of Chemical Process Engineering
University of Moratuwa



Dr. Inoka Suraweera
Consultant Community Physician
Ministry of Health



Dr. W.B. Wijerathne
Ministry of food and agriculture



Mr. P.M.K. Hettiarachchi
Director
Ministry of finance

Mr.H.N.P.Hettikandage

Mr.W.D.P.B. Wanniarachchi

Mr.D.M.G.B. Disanayaka

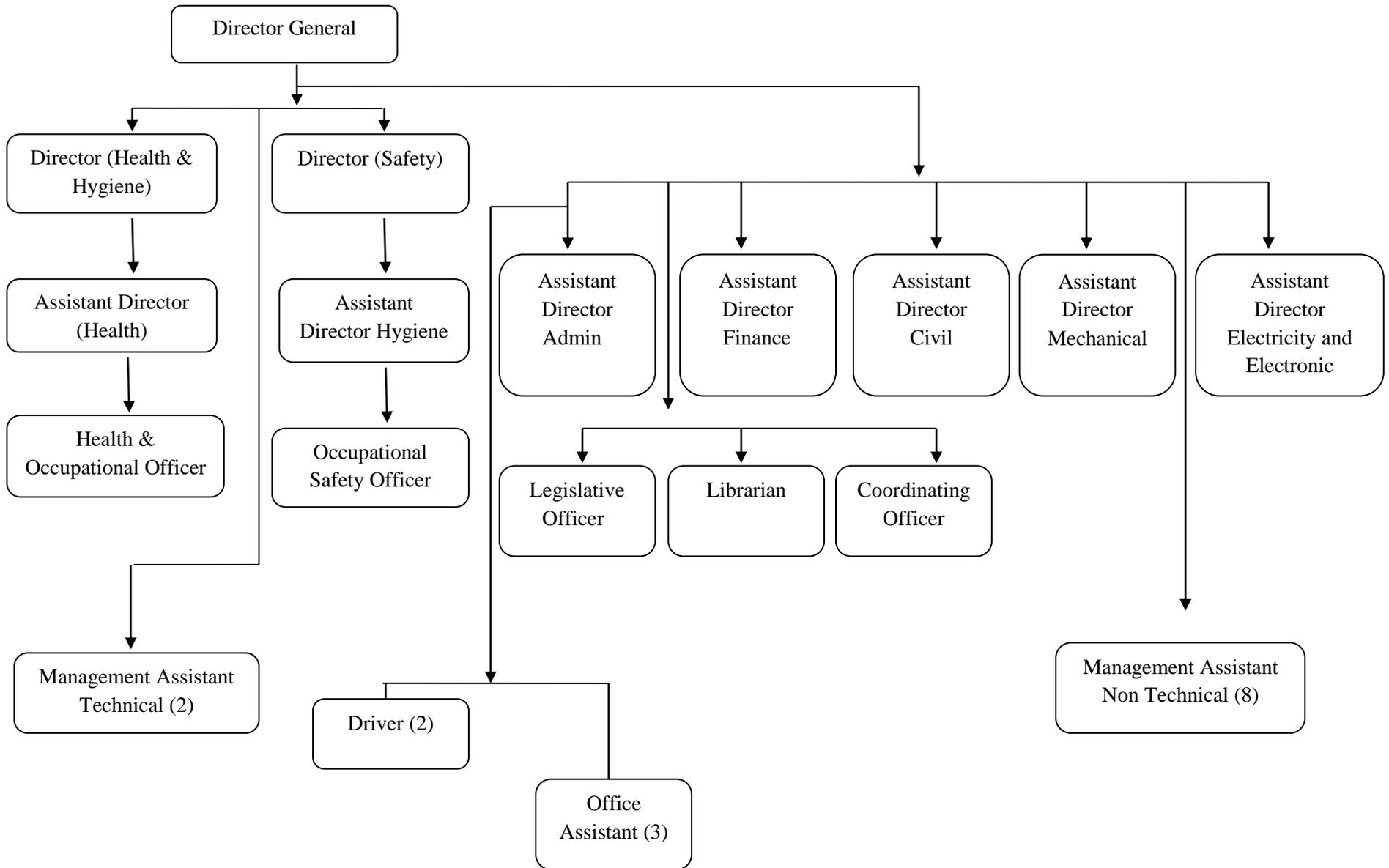
Mr.A.D.V.Kumara Weerasinghe

Mr.H.I.Rupasinghe

Mr.D.D.S.K.Dasanayake

Mr.P.B.Mallawaarachchi

Organization Chart



NIOSH Objectives

General Objectives

(a) To advise the Government in the formulation of a national policy on Occupational safety & health & on the working environment both of employers & employees taking into consideration the nature of the occupation & safety of the employers & employees.

(b) to advise the Government on measures required for the prevention of accidents and injuries relating, to Occupation at work places;

(c) to conduct, undertake and assist in investigations, study programmes, surveys and research in the field of Occupational safety and health

(d) to provide advisory services to any institution or person on the correct use of equipment, hazardous substances, physical, chemical or biological agents or products or any other hazards;

(e) to educate and provide necessary training to employees, occupiers, workers or any other person required of knowledge and training in occupational safety and health and related subjects either in collaboration with any other institution or university in Sri Lanka or abroad, or by the Institute and award certificates or diplomas on completion of such education or training;

(f)to provide required services on the correct use of equipment, hazardous substances, physical, chemical, biological agents or product and psychosocial hazards and avoidance of known hazards;

(g) (i) to advise the Minister on legislative requirements with regard to standards, codes, practices and guidelines in matters relating to occupational safety and health

(ii) to evaluate and determine the work process, the substances and agents, the exposure to which is be prohibited, limited or made subject to supervision;

(h) to undertake or collaborate in the collection, preparation, dissemination and publishing of information relating to occupational safety and health;

(i) to organize or to sponsor conferences, seminars, workshops, symposiums or such other similar programmes and publish papers in connection with occupational safety and health;

(j) to co-ordinate inter-ministerial projects , programmes and activities on occupational safety and health;

(k) to establish and maintain libraries and laboratories for the purpose of promoting and furthering of the practice of occupational safety and health;

(l) to develop research and special laboratories;

(m) to liaise and establish links and networks with relevant National and International Institutions, Universities or any other organizations in the field of occupational safety and health; and

(n) to establish national standards in the field of Occupational safety and health.

NIOSH Strategies to achieve our Objectives during the year 2016

- Assisted the government in developing the National OSH policy and timely updating
- Assisted the industry to minimize occupational injuries and diseases by creating awareness on occupational safety & health through focussed programmes such as chemical handling, constructions safety, prevention of occupational accidents and diseases, ergonomics, environmental safety, waste management and stress management
- Assisted the industry to improve the working environment by conducting OSH risk assessments and provided directions, solutions and recommendations for improvements
- Setup a research and development fund and strengthen research teams at NIOSH to conduct occupational safety and health related research and surveys, and published

research papers and linked with local and foreign universities/institutions and get research done.

- 2nd National Occupational safety & health excellence awards competition was organized to reward and recognize the best practices in occupational safety and health industry.
- Conducted numerous trainings programs to create awareness and strengthen the professionalism on OSH.
- Initiated the development of national occupational safety & health standards and regulations
- Conducted demonstrations on proper use of personal protective equipment to protect the workers from any physical chemical and biological agents or products.
- Organized the National Occupational safety & health conference 2016 with the participation of more than 450 industrial representatives.

Programmes and Activities conducted by the National Institute of Occupational Safety and Health during the year 2016

1. Training

| Level of training | Course | Duration of training |
|-------------------|---|----------------------|
| Entry level | OSH for school leavers | |
| Level one | OSH for boiler operators Industrial safety promotional workshops Industrial nurses training OSH for office employees Occupational safety & Health for laboratory workers Safe chemical handling Occupational safety & Health for food handlers Stress management for employers and employees | |
| Level two | Certificate course in Occupational Safety & Health | 06 |
| Level three | National Diploma In Occupational Safety & Health | One year |

2. Environmental Monitoring services

- 'Indoor Air Quality ' monitoring
- ' Flu Gas Analyser meter ' for emission test
- Testing the dust level in the industry
- ' Sound Level Monitoring in industry
- Temperature monitoring using WBGT index

3. Fitness to work assessments

- Audiometric assessments
- Blood Analysis for assessing chemical exposure
- Lung function testing
- Vision test

Three day construction sector supervisors training

This was a special training which was designed to complete within three days specially focusing the supervisors in the construction sector, with the objective of supervising the shop floor employees on the best OSH practice performance. They were given hands on experience on risk assessments and trained on the proper use of personal protective equipment's.



Environmental safety & Waste Management Training

This training was designed based on the request by the industry to teach the legislation related to environmental protection in Sri Lanka and to train on available practical waste disposal method in Sri Lanka. Accordingly, the resource personal from the waste management authority, and environmental authority were invited to conduct training sessions. NIOSH as the key training organizer, provided special lectures on occupational safety & health and conducted few practical sessions on the proper use on personal protective equipment while handling different types of waste.

Construction safety training

This was a special training organized by NIOSH for ACCESS engineering work force. The participants were supervisors and the objective of this training was to improve supervisory capacity of this group specifically focusing occupational safety & Health. They were taught on best OSH practices and motivational skill development was carried out.

Stress management

This was a very special training which carried out for two days specially focusing the techniques of practical techniques for identifying the causes for personal stress and stress management

techniques. Specially it was an eye-opening session for the participants on the counselling aspects and the importance of counseling as a stress management technique was highlighted.

Electrical safety training

This was conducted as a two day workshop at the NIOSH on 03rd & 04th November to improve skills of electricians on safe Electrical work. 41 Participants participated in this course representing various industries such as,

- Koggala Garments (Pvt) Limited
- Diesel & Motor Engineering PLC
- DSI Foot wear
- Orit Apparels Lanka (Pvt) Ltd etc...



Boiler operators training

Boiler operators training was conducted by the request of many industries and few participants were participated as an initial program.

Level 2 training

Certificate in Occupational Safety and Health

During the year 2016 NIOSH successfully completed three certificate courses in Occupational Safety and Health. Duration of each training course was 15 weeks and 17 and 25 students participated in each course respectively. All these participants completed the training successfully and awarded there certificated in the “Convocation ceremony” on the 16th October 2016. All these trainees were continuously monitored by the institute and it was proven that they immensely contribute to minimize occupational accidents at work places. All our trainees are currently employed as safety officers in industry. Anyone who is interested in Occupational Safety and Health with Advanced Level qualifications can

follow this course. A special certificate course was started on the request by the armed forces during the month of December 2016 with the participation of 30 members.



- Weekday Certificate Course (Batch 16 th) 13th January 2016



- Weekend Certificate course(Batch -19 th) 20 th August 2016



LEVEL 3 Training

1. National Diploma in Occupational Safety and Health

NIOSH conducted three diploma programs during the year 2016. During the year 2016 it was scheduled to conduct the two batches but we conducted three programs due to the high demand and batch 10, 11 and 12 was initiated after conducting interviews for participants selection. The interviews were carried out during the months of February and March and the three batches were started during the months of February, March and September comprising with 34 and 37 safety managers in each batch respectively.

National Diploma in Occupational safety & health was formulated after assessing the industrial need and requirement related to the Occupational safety & health. Accordingly, there are three modules comprising with Occupational safety & health management module, occupational safety module and occupational health module. At the end of each module there are module exams and after exams the participants must produce a project report based on their learnings and their industrial experience. This training is designed including classroom sessions and field training. Accordingly, our field training partners are Loard star Pvt. Ltd. Ceylon Dock Yard Pvt. Ltd. Brandix Pvt. Ltd. Uni Leavers Pvt. Ltd etc.

NIOSH organized a grand “Convocation” at Galadari Hotel Main Ballroom which was held on the 16th of October 2016 and successfully completed the event.



NIOSH always provides a tailormade trainings based on the requests of the industry and our trained Occupational Safety Officers contributed their valuable service in these trainings.

On the other hand, those who seek employment abroad would be much benefitted since it is an added qualification to them. Presently there are many students serving in foreign countries after having completed this course of study.

Special trainings during the year 2016

Award Application Awareness training session

This training was considered as a very special training program for any industry who wanted to participate in the upcoming mega event “Occupational Safety & Health Excellence Awards” 2016. This training was conducted in March 2016 allowing time for the preparation for the excellence awards competition. Large number of industries participated in the training workshop with many questions and the panel of experts sorted the solutions for the frequently asked questions. It made a huge success in successful completion of the application form and field verification.

National Seminars and awareness campaigns

Safety Week – National OSH promotional campaign

Organized the national campaign on occupational safety & health which was assigned as one of NIOSH objectives by the Act No 38 of 2009. Accordingly, NIOSH organized various promotional activities to promote safety & health in the work force as well as the general public.

*Theme – **Emerging Risks and investing on OSH**” was the theme for the campaign for the year 2016.*

A special logo was designed to commemorate the week activities.

Logo



Press conference prior to the commencement of the National safety week

The press conference was organized to deliver and publish a special message on Occupational Safety & Health by the Hon. Minister.

Hon. Minister Mr. W.D.J. Senevirathne the minister labour & Trade Union Relations declared his commitment and ensured the Ministries commitment to upgrade the safety & health in the country.

6th Asian Occupational Safety and Health Research Institutes Meeting (AOSHRI)

The year 2016 was a special year for NIOSH because this was the first ever international OSH meeting we had in Sri Lanka which was we organized and hosted the by NIOSH. The 6th Asian Occupational safety & Health research institute meeting was commenced on the 9th October 2016. More than 20 occupational safety & Health experts from all Asian and SAARC countries were participated in this session and a technical report was developed as a road map for the AOSHRI group. This was conducted for three days and carried out as a workshop discussing and brainstorming specific topics which were considered as emerging OSH risks in the region.





As the final output of the meeting with a comprehensive report was developed.

The participants were taken a city tour in Colombo, and spare time was allocated for shopping in Colombo. A very special dinner was organized for the participants on the last day of the conference comprising with country dances and country specific food at “Cineman Grand Hotel” Colombo.



National OSH Conference – 2016

This was one of the annual events organized by NIOSH with the objective of addressing the Safety managers and top management in industry. This event was held on 12th October at Galadari Hotel. National & the International Speakers addressed the gathering and more than 500 participations participated this event.

The annual conference was very special during the year 2016 as all the international delegates were given an opportunity to participate in this event and the chairperson of the AOSHRI group Dr. Gan, from Singapore delivered the concluding remarks which was brought forward from the AOSHRI meeting and shared the international perspective of importance of promoting OSH in Sri Lanka and highlighted the outcome of the international ASOHRI meeting. Many international speakers and Sri Lankan experts on OSH were delivered excellent presentations in the technical session.

NIOSH always tries to address the new emerging and re-emerging OSH issues. In order to address the new concepts and thoughts on global OSH issues, NIOSH was able to get down the best speakers from Malaysia, Singapore and Korea to share the OSH knowledge among our industrial community.

NIOSH Annual Convocation

This was another annual event organized by NIOSH to award the certificates to the Diploma Holders. There were more than 70 diploma and certificate holders and NIOSH organized this event very colorfully. This event was held at Galadari hotel Main Ballroom on the 14th of October 2016 with the patronage of the secretary to the Ministry of Labor & trade Union relations and many other distinguished guests.





National Safety & health excellence awards

The National Safety & Health excellence awards was one of our new initiatives started during the year 2014. NIOSH planned to carry out the National Occupational Safety & Health Excellence Award competition in 2016 and the award winners selection was carried out as a technical process which comprised with three steps. Firstly, the application form was published and the industries were given three months duration to fill and submit the application form. Secondly the selected OSH expert panel conducted a desk review based on a marking scheme. It was a technical assessment and the selected industries from the desk review were

informed regarding the field verification, a day prior on a defined date for the field verification.



Six panel were formulated comprising with 5 technical specialists from the field and they made aware about the NIOSH award selection policies and their commitment was obtained. The auditing process was carried out and a soft ware was out used for report development with the objective of minimizing the errors.

32 industries were selected from different industrial categories. The award ceremony was held at “Nelum Pokuna” arts and performance theater with the patronage of the prime minister of the country Mr. Ranil Wickramasinghe.



Advisory services to industry on OSH management systems

Developed a safety & health management system and published among the required companies as to establish a safety management system in the said industry after conducting a risk assessment.

Provision of required services on the correct use of equipment,

Developed necessary dummies to demonstrate the proper use of personal protective equipment according to the job specifications and conducted trainings and awareness sessions for the employees on proper use of these personal protective equipment.



Fitness to work - Free medical screening camp

Assisting Medical Camp In MIDAS – 03rd June 2016



Fitness to work assessment was one of our main strategies to improve the health status of employees.

During the year 2016 the country faced many natural disasters and the Biyagama Industrial Zone also was affected with floods. Many workers were badly affected and the zone needed NIOSH support to assist the workers with medical assistance. NIOSH put a step forward and initiated a medical camp at Biyagama Free trade zone for the industrial victims who became sick after floods. This camp was organized at Midas Pvt. Ltd opening opportunities for many other companies who wanted to participate and the

medical testing including blood testing skin diseases screening etc, was carried out by a panel of doctors. Medical treatment was provided by the specialist doctors with the objective of improving productivity and minimizing absenteeism in industry after the disaster.

Haputhale OSH awareness workshop for estate workers and school children

This CSR project was organized at Haputhale city center. The specific reason for selecting this place was based on the special requests by many tea plantation managers, public health officers and the school teachers surrounding this city. The tea plantation managers requested a first aid training for their employees. The schools had the issues of not having first aid training and first aid boxes and specific medicine for the first aid boxes. Furthermore, they had a problem of not having access for dental care facility. Furthermore, the public health team had an issue of not having a water tanks to collect water for women and child welfare centers around the city. Based on these requests an Occupational and school first aid training, and a mobile dental facility was organized coupling with a donation of 8 first aid boxes and water collecting tanks. We were very grateful to all our Spenser's for this event.



Surveys and research in the field of Occupational safety and health

NIOSH recruited 3 undergraduate students to undertake Occupational Safety & Health related research as a partial fulfillment of their BSc in industrial statistics, in Faculty of Science Colombo. The research topics are as follows;

1. Assess the causes for non reporting the occupational injuries among the manufacturing and construction industry workers in Sri Lanka

2. Identify the work relatedness among the cancer hospital attendees
3. To assess the work relatedness among the patients attending to the chest clinic Colombo

The research findings can be downloaded through our web.

NIOSH Routine work

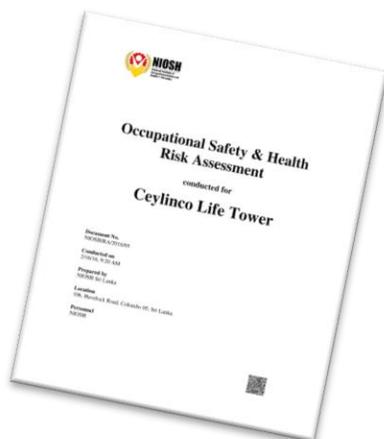
The National Institute of Occupational Safety and Health is conducting its routine work with the objective of enhancing health and ensuring safety of the workers in all work places. To accomplish these tasks NIOSH is carrying out following activities;

Environmental Monitoring – NIOSH take the responsibility to measure the working environmental hazards such as temperature, light, noise, flue gasses, indoor air quality to ensure the working environmental standards in industry. Currently NIOSH has delivered more than 150 workplace environmental monitoring services during the year 2015 only by one expert team and it was expanded up to 300 industries during the year 2016.

Biological monitoring – NIOSH is undertaking the fitness to work assessment service which is one of the needs of the industry. Accordingly, NIOSH is carrying on physical examination, calculation on BMI, checking blood pressure and plus rates, vision testing, series of blood testing, audiometric examination and lung function testing depending on the hazardous exposures among the employees.

Risk assessments and Auditing – NIOSH is conducting risk assessments and industrial OSH audits and assisting the industry by identification and provision of recommendations of mitigating the occupational hazards in industry. Currently NIOSH has introduced a new soft- wear to maintain the uniformity of the risk assessments and audits.

- **Assisting to Risk Assessments & Report writing - Introduced new technology for report writing (i-pad & online software with customized template)**
- **Policy Development for Blue Mountain Constructions**



Collaboration with the Universities during the safety week

NIOSH collaborated with the Faculty of Colombo, Department of Human Resource Management and conducted a training session on the 13th October 2016.

NIOSH was able to link with the Faculty of Moratuwa, Department of Mechanical Engineers and carried out a full day session and it was highly appreciated by the Vice Chanslar of the University and gave his fullest commitment to improve OSH status and create a safety culture in the country. NIOSH is providing OSH services to the faculty of Community Medicine University of Colombo, and conducting few training sessions for the post graduate students in the community Medicine department.

NIOSH provide services to the department of health sciences of Kothalawala Defense Academy.

Ongoing Initiatives

- **IT based Management System for NIOSH**
- **Web Revamping**
- **NIOSH Qualifications and Safety Passport System**
- **ISO 9001**
- **NIOSH Profile**



NIOSH Corporate Video

Publications



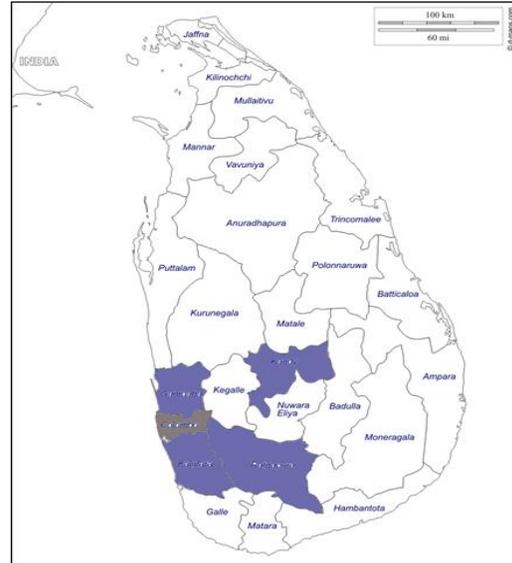
Institutional stability & its growth

The National Institute of OSH is now marked its brand name as a main occupational safety & health service provider to the industry and we branded our name in the country.

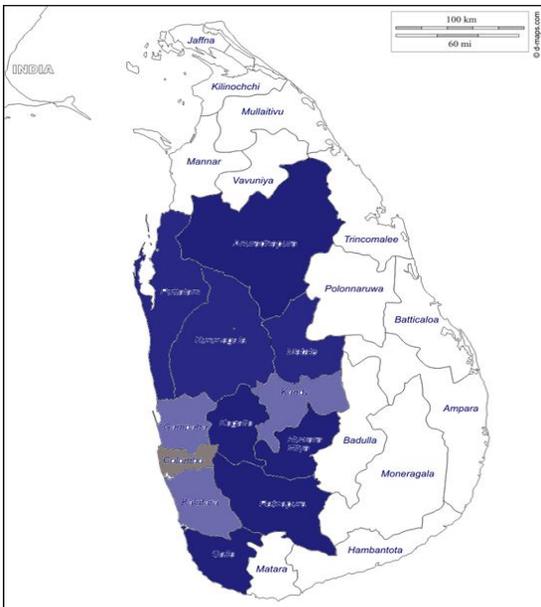
Spectrum of NIOSH service provision since 2011 to 2016



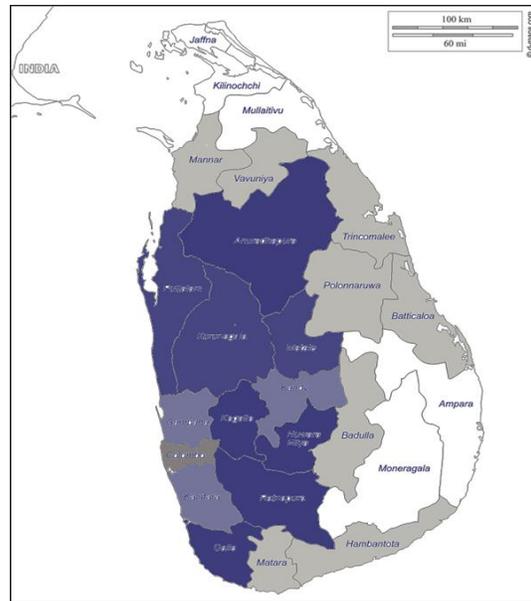
The service provision was only limited to western province covering only 33 industries in 2011



The service provision was limited to western province and central provinces covering only 60 industries in 2012



In 2013 services covered 90 factory in western, Central, Southern North western, North western, North provinces



In 2015-2016 we can distributed our services to cover about 500 factories.

Occupational Safety and Health Study Library

The Library which housed on the Ground Floor of the National Institute of Occupational Safety and Health is the only special library designated for occupational safety which consists of a large collection of subject specific books, periodicals, leaflets, bulleting, and articles. This is only a reference library which can use for any reader who is interested to learn about occupational safety & health. Furthermore, our library is opened for readers during all working days and weekends.

Following categories of books are available in the library;

- Industry
- Environment
- Public
- Suitable environment for work
- Technical Safety
- Protection from Chemicals
- Occupational Diseases
- Legislation of Industrial Laws
- Toxicology
- Water and Sanitation

Financial Analysis 2015 – 2016

| | 2015 | 2016 |
|--|----------------------|----------------------|
| Income from Occupational Safety and Health Course | 8,407,400.00 | 13,420,433.00 |
| Income from Environmental Measurements | 8,919,300.00 | 9,380,900.00 |
| Income from the services rendered by co-operative Agreement made with other institutes | 2,077,484.00 | 3,363,933.75 |
| Income from Nano Technology Project | - | - |
| Income from Medical Test Activities | 3,017,700.00 | 1,753,550.00 |
| Income from Building Rent | - | - |
| Income on Occupational Safety and Health Day | - | 15,352,750.00 |
| Income from Interest (NOISH Development Fund) | 2,992,408.91 | 4,979,759.00 |
| Other Income | 61,022.00 | 247,308.00 |
| Total | <u>25,475,314.91</u> | <u>48,498,633.84</u> |

Statement of Financial Performance

Balance Sheet as at 31st December 2016

| | | 2016 | 2015 |
|--|--------|-----------------------|----------------------|
| Assets | | Rs | RS |
| Current Assets | | | |
| Cash and cash equivalents | Note 1 | 4,458,171.75 | 753,803.60 |
| Receivables | Note 2 | 14,223,633.35 | 9,574,102.02 |
| Development Fund | | <u>59,950,019.76</u> | <u>46,252,823.65</u> |
| | | <u>78,631,824.86</u> | <u>56,580,729.27</u> |
| Non Current Assets | | | |
| Treasury Accounts | | 267,500.00 | 267,500.00 |
| Plant Machinery & Equipment | Note 3 | 21,137,628.38 | 21,890,542.61 |
| Capital Expenses Done by Ministry | | - | - |
| | | <u>21,405,128.38</u> | <u>22,158,042.61</u> |
| Total Assets | | <u>100,036,953.24</u> | <u>78,738,771.88</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | Note 5 | 1,997,414.53 | 1,819,228.15 |
| | | <u>1,997,414.53</u> | <u>1,819,228.15</u> |
| Total Liabilities | | | |
| Net Assets | | <u>98,039,538.71</u> | <u>76,919,543.73</u> |
| NET ASSETS | | | |
| Accumulated surplus | Note 4 | 92,206,989.71 | 59,862,816.71 |
| Treasury gain | Note 6 | 4,182,549.00 | 15,406,726.97 |
| Donation medical equipment – National Science Foundation | | <u>1,650,000.00</u> | <u>1,650,000.00</u> |
| | | <u>98,039,538.71</u> | <u>76,919,543.73</u> |



W.J.L.U. Wijayaweera
Chairman
NIO SH



P.M.K. Perera
A.D. Finance
NIO SH

National Institute of Occupational Safety And Health
As At 31st December 2016

| <u>Revenue</u> | 2016 | 2015 |
|-----------------------------|----------------------|----------------------|
| Treasury Grant | 3,200,000.00 | - |
| Operational income | <u>48,498,633.84</u> | <u>29,523,539.91</u> |
| | <u>51,698,633.84</u> | <u>29,523,539.91</u> |
| Less: | | |
| <u>Expenses</u> | | |
| Administration expenses | 31,771,349.69 | 20,031,368.05 |
| Financial charges | 21,381.88 | 45,192.03 |
| Depreciation | <u>4,104,282.61</u> | <u>2,360,194.80</u> |
| Total expenses | <u>35,897,014.18</u> | <u>22,436,754.88</u> |
| | | |
| Surplus for the year | 15,801,619.66 | 7,086,785.03 |

Notes to the financial Statements

1. Significant accounting policies

1.1. Reporting entity

The National Institute of Occupational Safety and Health was established on 28th April 2005, under the Ministry of Labour Relations & Manpower Sri Lanka. NIOSH is committed to better working conditions for all people, through increasing awareness of and adherence to proper health and safety measures. The institute is located No.97, Jawatta Road, Colombo-05

1.2. Principal activities and nature of operations

NIOSH is committed to better working conditions for all people, through increasing awareness of and adherence to appropriate health and safety legislation. There activities include the dissemination of updated information and advisory and consultancy services. They educate and train employers, employees and all other categories of people who will benefit from such training as well as co-operate in investigations studies surveys and research in the field of Occupational Safety and Health (OSH).

1.3. Basis of preparation

(a) Statement of compliance

The financial statements of the institute comprise the balance sheet, income statement, statement of changes in equity, cash flow statement, and note to the financial statement. These statements are prepared in accordance with Sri Lanka accounting standard for smaller enterprise (SLASSE) laid down by the institute of chartered accountants of Sri Lanka (“ICASL”).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis. No adjustments have been made for inflationary factors in the financial statements.

(c) Functional and presentation currency

These financial statements are presented in Sri Lankan rupees, which is the company’s functional currency.

(2) Property, plant and equipment

i. Recognition And Measurement

Items property, plant and equipment are measured at cost less accumulated depreciation and accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment comprise its purchase price and any directly attributable cost of bringing the assets to working conditions for its intended use

Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalized with the carrying amount of the component being written off. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item property, plant and equipment. All other expenses as incurred.

ii. Depreciation

Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of the asset.

The estimated useful lives for the current and comparative periods are as follows:

| | Year |
|-----------------------|------|
| Plant & Machinery | 10 |
| Computer equipment | 5 |
| Furniture and fitting | 10 |
| Sound system items | 5 |
| Medical equipment | 10 |
| Other Assets | 10 |

Depreciation policy is no depreciation for purchase year & fully depreciation in disposal year.

iii. Fixed assets

The institute has some assets which is transfer from ministry & department of Labour in time to time when beginning the institute. In 2013 some assets are capitalized & depreciated under the prior year adjustment in balance sheet.

iv. New Medical equipment purchase

The National foundation Institute transferred the fund to purchased Rs.1, 650,000 for purchase new Nano technology medical equipment which amount already received & accrued under the balance sheet due to the not purchased as at 31/12/2013.



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය } LEW/NIOSH/FA/2016
எனது இல. }
My No. }

මගේ අංකය }
உமது இல. }
Your No. }

දිනය }
திகதி }
Date }

17 August 2017

The Chairman

National Institute of Occupational Safety and Health

Report of the Auditor General on the Financial Statements of the National Institute of Occupational Safety and Health for the year ended 31 December 2016 in terms of Section 14(2)(c) of the Financial Act, No. 38 of 1971

The audit of financial statements of the National Institute of Occupational Safety and Health for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in funds and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No. 38 of 1971 and Section 17(3) of the National Institute of Occupational Safety and Health Act, No. 38 of 2009. My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Section 14(2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13 (7)(a) of the Finance Act, was furnished to the Chairman of the Institute on 12 July 2017.

1.2 Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

අංක 306/72, පොල්දඬු පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka

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1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub - sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and the extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2:2 of this report.



2. Financial Statements

2.1 Qualified Opinion

In my opinion, except of the matters described in paragraph 2:2 of this report the financial statements give a true and fair view of the financial position of National Institute of Occupational Safety and Health as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements.

2.2.1 Sri Lanka Public Sector Accounting Standards

The following observations are made

(a) Sri Lanka Public Sector Accounting Standard 02

- (i) The entity should not include the variables of current assets and liabilities in the preparation of cash flow in the year under review under the direct method . However, the increase of the accounts receivable and payable had been included by the Institute in the preparation of the cash flow statement.
- (ii) Sources of cash inflows, money expended items during the period of reporting and the cash balance as at the date of reporting should be prepared as indicate through the cash flow statement. However, the Institute had prepared it indicating the variance between the year under review and the preceding year instead of report the cash payments and receipts in reporting of transactions under operations, investments and financial activities .



(b) Sri Lanka Public Sector Accounting Standard 03

The management had not identified applicable accounting policies for the accounting of the Government grants as per paragraph 12 of the standard and the grants amounting to Rs.1,650,000 received from the National Science Foundation in the year 2015 had been shown under the liabilities in the statement of financial position.

(c) Sri Lanka Public Sector Accounting Standard 07

As useful life time had not been reviewed annually in respect of non-current assets in terms of the Standard, the Medical and Monitoring Equipment costing Rs.1,372,591 had been fully depreciated but are being further used. Accordingly, the estimated error arisen had not been rectified as per Sri Lanka Public Sector Accounting Standard 03.

2.2.2 Accounting Deficiencies

The provisions for bad debts of Rs.138,000 for the year under review had been shown in the statement of financial position as an accrued expense instead of being understated from the debtors balance.

2.3 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following instances of non-compliance with laws, rules and regulations were observed.



Reference to Laws, Rules and Regulations

Non-compliance

- | | |
|---|--|
| (a) Public Finance Circular, No. 05/2016 dated 31 March 2016 | The Board of Survey in respect of the preceding year should be conducted before 17 March of each year. However, the copies of the relevant reports had not been furnished to the Auditor General and the Director General of Public Finance. |
| (b) Section 5 of the Gratuity Act, No.12 of 1983 | Even though provisions for gratuity should be allocated for the employees who has a period of service exceeded five years, provisions had not been made so as for three employees of the Institute. |
| (c) Paragraph 16 of the Employee Trust Fund Act, No.46 of 1980 | Even though it had been informed that the contributions to be paid for the Employees Trust Fund should be paid on or before the last day of the succeeding month, a surcharge of Rs.3,273 had been paid due to the Institute had not taken action accordingly. |

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result for the year under review amounted to a surplus of Rs.15,801,620 as compared with the corresponding surplus of Rs.7,086,785 for the preceding year. Accordingly, an increase of Rs.8,714,835 in the financial results as compared with that of the preceding year was observed. Even though, the administrative expenses had increased by Rs.11,739,982 , increase of the



operating income by Rs.18,975,094 and the Treasury grants by Rs.3,200,000 had been the main reasons for the increase in the financial result.

In the analysis of the financial results in the year under review and 4 preceding years, the financial result had increased from the year 2012 to the year 2014, and had been decreased by 48 per cent in the year 2015. It had been increased by 45 per cent in the year 2016 again. However, the contribution of the Fund amounted to Rs.13,397,902 in the year 2012 after consideration of provisions for depreciations for employee emoluments and property, plant and equipment. However, it had been gradually increased up to the year 2014, deteriorated by 45 per cent in the year 2015. It had been increased again up to Rs.23,280,457 in the year under review.

4. Operating Review

4.1 Performance

In terms of the National Institute of Occupational Safety and Health Act, No.38 of 2009, the main objectives of the Institute includes ,

- (a) to advise the Government in the formulation of a national policy on occupational safety and health and on the working environment both for employers and employees taking into consideration the nature of the occupation and the safety of the employers and employees
- (b) to conduct, undertake and assist in investigations, study programmes, surveys and research in the field of occupational safety and health
- (b) to provide advisory services to any institution or person on the correct use of equipment, hazardous substances, physical, chemical or biological agents or products or any other hazards;
- (c) to educate and provide necessary training to employees, occupiers, workers or any other person required of knowledge and training in occupational safety and health and related subjects either in collaboration with any other institution or university



in Sri Lanka or abroad, or by the Institute and award certificates or diplomas on completion of such education or training;

- (d) to provide required services on the correct use of equipment, hazardous substances, physical, chemical, biological agents or products and psychosocial hazards and avoidance of known hazards.
- (e) to undertake or collaborate in the collection, preparation, dissemination and publishing of information relating to occupational safety and health
- (f) to organize or to sponsor conferences, seminars, workshops, symposiums or such other similar programmes and publish papers in connection with occupational safety and health
- (g) to establish and maintain libraries and laboratories for the purpose of promoting and furthering of the practice of occupational safety and health
- (h) to develop research and special laboratories
- (i) to establish national standards in the field of occupational safety and health

The following observations are made according to the Action Plans and progress reports in the achievement of the above objectives.

- (a) Action had been taken for implementation of a national policy for the establishment of occupational safety in Sri Lanka together with the Ministry of Labour and Labour Relations Performance, Department of Labour and the Institute of Occupational Safety and Health. As a special objective for the establishment of a National Policy in Sri Lanka, a system should be commenced and maintained for the collection of data on occupational accidents, diseases and payment of compensation for diseases .However, such a strategic plan for the establishment of such system was not available in the Institute even by the end of the year under review.
- (b) Even though it had been shown that resolving a new Act on the occupational safety and health as a strategy for the implementation of the national policy for



establish the occupational safety in Sri Lanka, it had not been fulfilled even at the end of the year under review.

- (c) Even though a period of 07 years had elapsed from the establishment of the Institute, a Division with research officers with best practices for carry out research activities of the Institute in terms of Section 3 (l) of the new Act, of National Occupational safety and Health No.38 of 2009 had not been established.
- (d) A considerable measure had not been taken even by the end of the year under review by the Management in respect of improvement of the laboratories in terms of Section 13(1)(l) of the National Occupational and Health Act, No.38 of 2009.
- (e) Even though one main objective of the Institute is to formulation of National standards in terms of Section 3(1) (n) of the National Institute of Occupational Safety and Health Act, No.38 of 2009, action had not been taken accordingly. As such, the Institute had not taken action to validate the conventions of the International Labour Organization in that connection. Therefore, the Institute had followed only international standards in the issuing of research reports on occupational safety and health to the external business institutions.

4.2 **Idle and Underutilized Assets**

The present laboratory existed in the Institute and equipment valued at Rs.657,750 in that laboratory had not been utilized and remained idle from the year 2015 .

4.3 **Operating Activities**

Equipment to be established in the Laboratories had been established in the office premises. Therefore, the quality of the medical tests carried out by using those equipment is problematic and it could not be avoided that weather an adverse effect existed to the good will of the Institute.



4.4 Commencement of Projects in the Lands/ Properties not formally vested

Action had not been taken to vest the ownership of the land and the building in which the Institute is maintained, situated at No.97,Jawatta Road even by 31 December 2016 formally to the Institute and a sum of Rs.5,644,437 spent as the development expenses by 31 December 2016 had been capitalized.

4.5 Staff Administration

Fourteen vacancies were existed in the Institute by 31 December 2016 and out of that one post was Management Assistant (Technical).As such, the Institute had not available the officers having knowledge and experience on using equipment specialized for carrying out environmental surveys, medical tests for the achievement of the objectives of the Institute and there were 03 vacancies of that officers as at 31 December 2016.

5. Accountability and Good Governance

5.1 Audit Committees

Audit Committee meeting should be held once in 03 months in terms of Sub -section 7.4.1 of the Public Enterprises Circular, No. PED/ 12, dated 02 June 2003. However, only one Audit Committee meeting had been held for the year under review.

5.2 Procurement Plan

A main Procurement Plan included the expected procurement activities had not been prepared for the period of 03 years in accordance with 4.2.1 (a) ,(b) of the Procurement Guidelines.

5.3 Tabling of Annual Reports

In terms of Section 6.5.3 of the Public Enterprises Circular No.PED/12 dated 02 June 2003, action should be taken to table the Annual Reports in Parliament within 150 days for close of the financial year. However, the Annual Report of the year 2014 had not been tabled in parliament even by 30 June 2017.



6. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman from time to time. Special attention is needed in respect of the following areas of control.

Areas of Systems and Controls

Observations

(a) Accounting

In the entering of adjustments, transactions had not been reported in a general journal by journal vouchers with a formal approval.

(b) Staff Administration

Action had not been taken to fill the essential important vacancies to achieve the objectives of the Institute.

(c) Fixed Assets Control

- (i) Failure to conduct the Annual Board of Survey within the prescribed period.
- (ii) A formal control not available on carry away and return of the Monitoring Equipment which carry away from the Institute.

(d) General Control of Information Technology

A data system had not been established including the information on the students who follow the courses in the Institute.

H.M Gamini Wijesinghe
 Auditor General

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General