

FOREWORD

After assuming duties as the new Commissioner General in the Department of Labour in year 2011, my main idea was to further formalize and make efficient the service rendered to the employee and employer community through the main divisions and the divisional offices of the Department. In this matter, the main function on which the attention focused was to ensure the conditions and protection prescribed by Acts and Ordinances through Labour inspections, develop the institutional cooperation and establish industrial peace.

For this purpose, inspections were carried out by 39 District Labour Offices, 17 Labour Sub Offices and 10 District Factory Inspecting Engineer's Offices. Progress review meetings were held in order to gauge the quality of these inspections and to enable the officers to compare their progress with that of the other offices in the province. By conducting a larger number of inspection sessions during the year, the regular supervision of the field activities was made possible. Also, the requirements of the divisional offices could be identified and enabled applying remedies as well.

There was some drawback in the Labour inspection process during the latter part of the year due to trade union action of the Labour Officers based on a salary anomaly. However, this problem could be settled by way of discussion and action was taken to proceed with court work without interruption.

When considering as a whole, year 2011 appeared to be a new start. I appreciate the cooperation extended by the different divisions of the Department in improving the field activities as planned. I also gratefully remember the contribution made in the activities of Department by the Ministry of Labour and Labour Relations and also the country Agency of the International Labour Organization.

Department of Labour
Labour Secretariat
Colombo 05.

V.B.P.K. Weerasinghe
Commissioner General of Labour

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01 Department of Labour

Vision

A country with everlasting Industrial Peace for an internationally competitive economy.

Mission

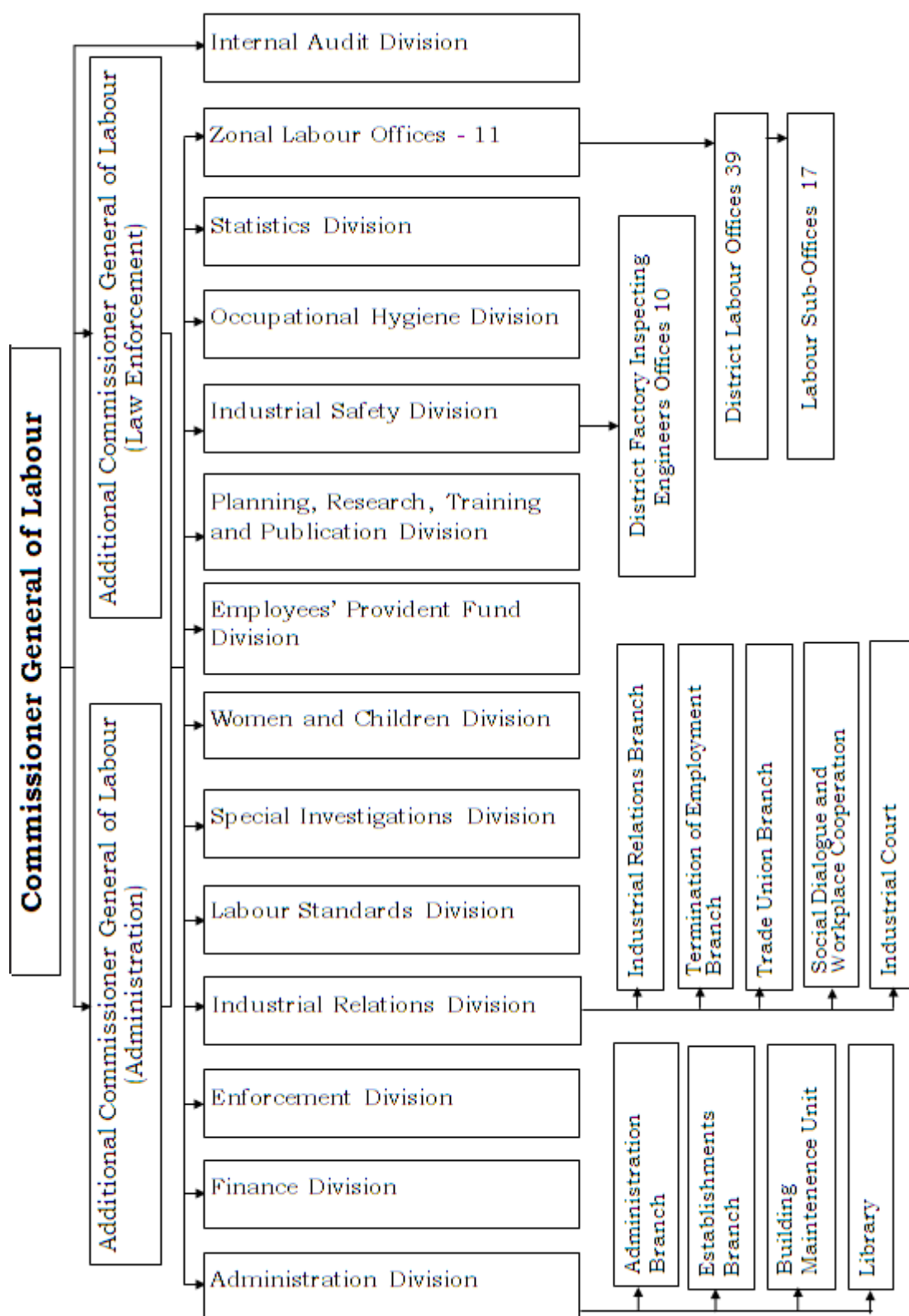
Contribute to the development process of Sri Lanka through establishment of a Decent Work environment within secured Industrial Peace.

Main Functions of the Department

- Settlement of industrial disputes through the enforcement of labour laws to maintain industrial peace within the country.
- Creating awareness among the working community regarding labour laws and promotion of social dialogue to establish industrial peace in the country.
- Implementation of labour standards relevant to the trades, conduct of surveys on new trades and formation of standards for those trades in accordance with international standards.
- Promotion of Employees Provident Fund, awarding its benefits to members and supervision of approved private provident funds.
- Enforcement of laws pertaining to the security of children, women and young persons in employment.
- Introduction of methodologies to be followed to ensure safety and health in industries and creating awareness and supervision of the same.



02 Organization Chart

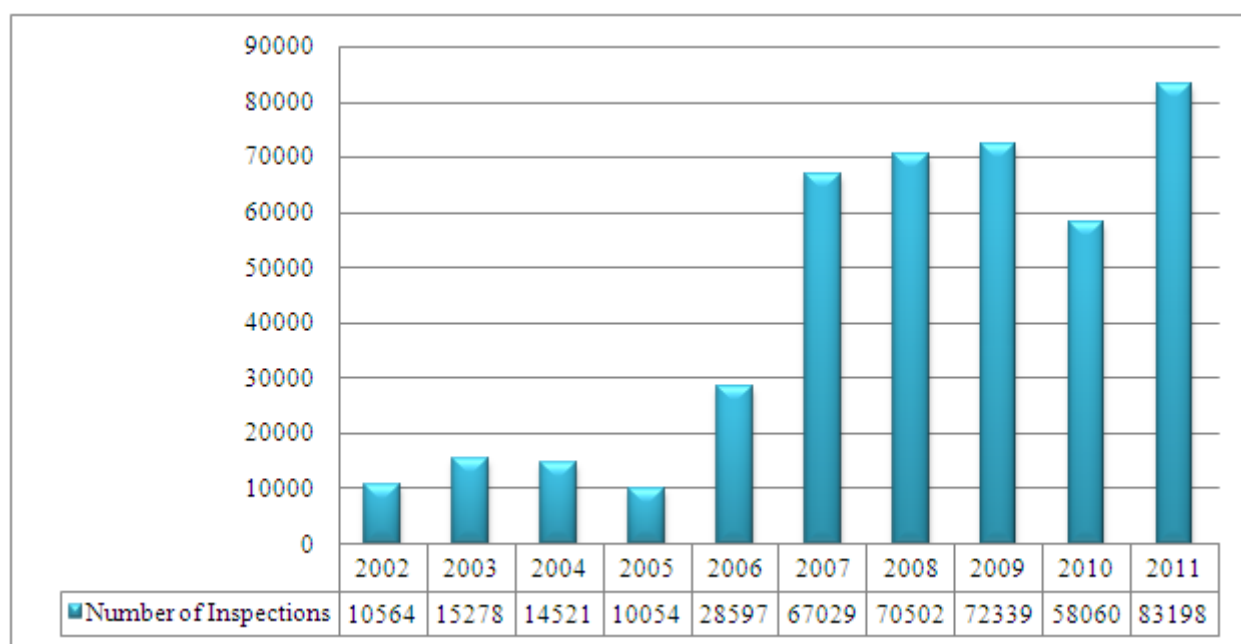




03 | Labour Inspections

Work place cooperation and industrial peace are essential factors in enhancing productivity while protecting the local production in the face of international competition. Industrial peace can be established by minimizing work place accidents, implementing prescribed salary and service conditions and creating social protection for the retired life through a proper labour inspection process. Then only a productive work place is created by preventing industrial disputes and strikes.

Number of Labour Inspections carried out — 2002-2011



The labour inspection process has been established to get the duties and responsibilities of both the employer and employee parties discharged under the labour laws operating in the country. Under the Department 11 Zonal Labour Offices, 39 District labour Offices, 17 Sub Labour Offices, 10 District Factory Inspecting Engineer's Offices are in operation and 430 Labour Officers and 25 engineers are engaged in field inspections. Authority for labour inspections is derived from the acts, laws and ordinances implemented by this department and the inspection standards are designed in keeping with the conventions of the International Labour Organization. The above statistics reveal the particulars of the inspections carried out by the district and sub labour offices during the last 10 years. Particulars of the inspections carried out by the divisions of the head office will be submitted in the coming chapters.



04 Industrial Relations Division

This division which has the object of maintaining a proper employer-employee relationship in the country implement the under-mentioned Acts:

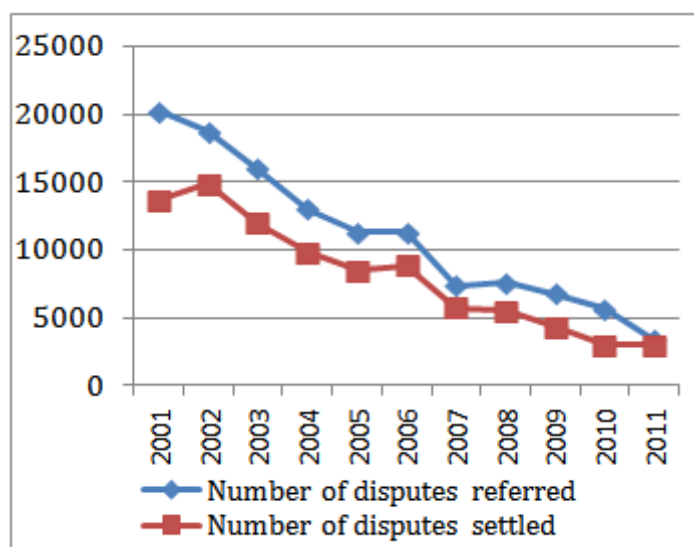
1. Industrial Disputes Act, No. 43 of 1950
2. Termination of Employment of Workers (Special Provisions) Act, No. 45 of 1971
3. Payment of Gratuity Act, No. 12 of 1983
4. Trade Union Ordinance, No. 14 of 1935

In this process implementation is done under 5 sub divisions — Industrial Relations, Termination of Employment, Social Dialogue and Workplace Cooperation, Trade Unions and Industrial Courts.

The Industrial Relations Division of the Department of Labour is engaged in settling industrial disputes along with 11 Zonal labour offices, 39 District Labour offices and 17 Labours Sub offices. Accordingly 3341 industrial disputes were reported during the year 2011 and with the 2695 remaining at the beginning of the year, the total number was 6036. Action was taken to settle 2976 disputes at discussions and the amount recovered was Rs. 568,000,527/- .

Progress in Settling Industrial Disputes — 2001-2011

Year	Number of disputes referred	Number of disputes settled
2001	20,177	13,706
2002	18,760	14,847
2003	15,947	11,981
2004	12,990	9,798
2005	11,271	8,491
2006	11,273	8,853
2007	7,321	5,683
2008	7,558	5,469
2009	6,724	4,294
2010	5,640	2,945
2011	3,341	2,976



As a result of the awareness programmes conducted by the Social Dialogue Unit of the Industrial Relations Division, the number of disputes reported has been reduced (As the industrial disputes pertaining to the last quarter of 2011 are being received the relevant statistics may vary). Similarly another reason for the control of industrial disputes is the monitoring of the methodology of the inspections carried out each month by Labour Officers in each field by the Commissioner General of Labour.

Collective Agreements

The number of Collective Agreements registered under the provisions of the Industrial Disputes Act during the year 2011 was 66 and the number during the previous year was 42.



Registration of Trade Unions

The number of Trade Unions registered during the year 2011 was 76. There were 38 cancelations. Accordingly the total number of Trade Unions existed at the end of year 2011 was 2058.

Industrial Courts

The number of disputes referred for compulsory arbitration to the Industrial Courts affiliated to the Industrial Relations Division was 54 and the number of awards made was 34.

Promotion of the Social Dialogue

95 programmes were conducted at establishment level by the Social Dialogue Unit of the Industrial Relations Division in year 2011, and the number of persons participated was 4638. Also 133 programmes were conducted based on the economic sectors and 6287 persons participated.

56 programmes were conducted at establishment level through district and sub offices. 18 programmes were conducted at Investment Promotion Zone level and 68 consultative Committee sessions also were held.

Strikes

	<u>Estates</u>		<u>Establishments</u>	
	2010	2011	2010	2011
Number of strikes during the year	09	14	06	07
Number of workers participated	3185	2713	1923	3742
Number of man days lost	23037	9877	2034	15543

As earlier, the reason for the strikes in year 2011 were non increase of salary, reducing the “Norms” and non payment of salaries and also internal disputes in the estates and other establishments.

Activities under the Termination of Employment of Employees (Special Provisions) Act, No. 45 of 1971

	<u>Complaints</u>		<u>Applications</u>	
	2010	2011	2010	2011
Balance unsettled at the commencement of the year	221	156	12	14
Number received during the year	<u>110</u>	<u>86</u>	<u>27</u>	<u>25</u>
	331	242	39	39
Number settled during the year	175	111	25	29
Balance unsettled during the end of the year	156	131	14	10



05 | Labour Standards Division

The Labour Standards Division of the Department of Labour formulate standards regarding the service conditions and terms affecting the security of employment and welfare of those employed in the private sector and proceed to grant legal status and supervision under the following Acts:

1. Wages Boards Ordinance, No. 27 of 1941
2. Shop and Office Employees (regulation of employment and wages) Act, No. 19 of 1954
3. Budget relief allowance of employees Act, No. 36 of 2005

Activities of the Labour Standards Division during the year 2011 are briefly as follows:

- Appointment of representatives to 14 Wages Boards of which the term of office had expired and replacing representatives who died or left the service of 08 Wages Boards.
- Under the establishment of new Wages Boards the information required was collected, notices were published inviting objections regarding the establishment of the Wages Boards for cultivation and export of flowers, decorative plants, vegetables and fruits and the preparation of the order and collection of information regarding the International Schools and Educational Institutes and analyzing such information was done.
- Determination of service conditions pertaining to Hotel and Restaurant Services Industry.
- It was decided to increase the Wages of the Coconut Growing Industry by 20%.
- Extension of the Tea and Rubber Growing Collective Agreement (this would apply to the Tea Growing and Manufacturing and Rubber Growing and Manufacturing Wages Boards w.e.f. 01.12.2011).
- Seven awareness programs for employers and employees for improving Labour Standards in the Anuradhapura District were held parallel to the “Deyata Kirula” program in the factories at Anuradhapura, Eppawala, Nuwara-wewa, Medawachchiya and Talawa.
- The District Labour offices, and the Labour Sub offices carry out inspections regarding the employees and their business establishments who do not comply with the provisions of the Wages Boards Ordinance, No. 27 of 1941, Shop and Office Act, No. 19 of 1954, Budget Relief allowance of Employees Act, No. 36 of 2005 and taking into statistics the progress of the monthly contemporary inspections. Such information obtained by the Labour Standards Division has been analyzed and the reports prepared thereon are provided to the International Labour Organization and other relevant establishments. The progress of 20 selected Districts Labour offices and Sub Offices were examined by visiting such offices and necessary instructions were issued.



06 Enforcement Division

The main object of the Enforcement Division is to ensure the implementation of the provisions of the Acts, and Ordinance which have to be implemented by the Department of Labour taking legal action in Courts against those who violate such laws and thereby ensure the workers' rights and developing the employer, employee co-operation.

Also, in this process taking legal steps against those who violate the Labour Laws, providing advice on the legal problems faced by the officers who implement laws, improving their knowledge, prosecuting in cases in Magistrates' Courts, taking necessary steps in association with the Attorney General Department in the case of prosecutions in Higher Courts against the Department of Labour are the functions of the Enforcement Division.

The number of cases filed by the Law Enforcement Division in year 2011 and the amount due to be recovered are as follows:

	Act	Number of Cases	Amount (Rs.)
01.	Payment of Gratuity Act	4,092	1,159,329,266.00
02.	Industrial Disputes Act	72	3,520,014.50
03.	Termination of Employment Act	65	151,730,229.60
04.	Wages Boards Ordinance	238	21,471,740.85
05.	Shop and Office Employees Act	80	9,620,306.61
06.	Maternity Benefits Ordinance	01	-
07.	Employment of Women, Young Persons and Children Act	05	-
08.	Employees Provident Fund Act	3,483	3,753,357,651.00
09.	Labour Tribunal Orders	153	70,286,913.63
10.	Budget relief allowance of employees Act	54	2,233,870.46

The number of cases filed regarding Employees' Provident Fund may vary, as this has been prepared on the reports received up to now.



07 | Women and Children Division

This Division implements the under-mentioned Acts and Ordinances with the object of protecting the employment rights, protection and welfare of women who make especial contribution towards the production process of Sri Lanka as well as preventing child Labour:

1. Employment of Women, Young Persons and Children Act, No. 47 of 1956.
2. Maternity Benefits Ordinance, No. 32 of 1934.
3. Sections relevant to women and young persons of the Shop and Office Employees Act, No. 19 of 1954.
4. Sections relevant to women and young persons of the Factories Ordinance no: 45 of 1942

The activities of the this Division performed during the year 2011 with the object of protecting the Trade Union Rights, security, health and welfare of female workers as well as elimination of child Labour during the year 2011 are given below:

Routine Inspections

During the year 2011 this division conducted about 180 contemporary inspections regarding the welfare, security of employment and the violation of service conditions, etc., regularly providing the protection of the laws implemented by this Division to the female employees.

Examination of general complaints by women employees and complaints regarding maternity benefits

In the case of complaints regarding problems of women employees, investigations are carried out jointly with relevant District Offices and necessary instructions have been issued. Regarding the complaints of nonpayment of maternity benefits and other service conditions, inquiries have been conducted jointly with the District Offices.

Employment of Women at night

311 inspections were carried out by the Women and Children Division of the Head office and the District Offices for granting permission to employ women at night. Action has been taken to conduct night inspections during 86 days covering about 359 establishments.

Inquiries into complaints of child labour

Investigation into complaints of child labour made by Women and Children Bureau of the Sri Lanka Police, National Child Protection Authority, various Institutions, individuals and anonymously and taking legal action against the employers is done by this Division. Accordingly, 237 complaints had been received in this Division regarding the employment of children. Investigations were held into them and 09 Cases have been filed.

**International Women Day – 08.03.2011**

The International Women commemoration day was held at the Vidyaloka Maha Vidyalaya, Piliyandala. Parallel to this commemoration ceremony but prior to the official ceremony (on March 05), training Workshops were conducted for 200 low income group women of the Colombo District. To enable this training be put to use in future, 200 sets self-employment equipment were provided.

International Day against Child Labour – 12.06.2011

Action was taken to publish newspaper notices (in Sinhala, Tamil and English) regarding the regulations on 51 occupations identified as hazardous employment through the new amendments to the Acts. Alongside this, an awareness programme for media personnel and a training programme for trainees was conducted at the Olympic House, Colombo 07.

Commemoration of the Universal Children's Day – 01.10.2012

The street drama “Athuru Mithuru” which depicts scenes of preventing the engagement of child labour, was displayed at the Dehiwela Zoo on 01.10.2011 in view of the Universal children Day.

Parallel to the Deyata Kirula Exhibition, 2012 a Universal children Day commemoration ceremony was held at the Swarnapali Balika Maha Vidyalaya Anuradhapura chaired by Hon. Gamini Lokuge, Minister of Labour and Labour Relations and with the participation of Ministers and members of Parliament of the area. 200 students of the Swarnapali Balika Maha Vidyalaya were presented with 200 sets of school equipment.

22 awareness programmes on hazardous employment of children were conducted for school children and parents covering 22 Divisional Secretariats in the Anuradhapura District during the period 18 to 21 October, 2011. The new hazardous occupations regulations to the employment of women, young person and children act No: 47 of 1956

Project for Prevention of hazardous child labour

Under this project, 5 awareness programmes for social stakeholders was held centred on 5 District Labour Officer. 3 one-day awareness programmes were conducted at the Olympic House, Colombo 7, for Probation, Labour and Police Officers. Action was taken to print and distribute leaflets containing the new amendments to the Hazardous Employment of children Act.

Awareness Programme for Women in estate plantations

15 awareness programmes for women employed in estate plantations were conducted with the object of creating awareness of the labour laws and social knowledge for women in estate plantations in the Moneragala, Chilaw, Haputale, Matugama and Kalutara areas.

In service awareness programme for factory (female) employees

The Women and Children Division conducted 60 in service awareness programmes in year 2011 regarding welfare, security of employment and violation of service conditions of female employees of shops, offices and factories.



08 Special Investigation Division

Among the main responsibilities of this division, making interventions when industrial peace is bursted, resolving nationally confused industrial disputes, taking necessary steps to avoid spreading out the disputes and making observations on these processes are salient.

Taking immediate actions on public petitions forwarded by his Excellency the president, Hon. Minister of Labour and Labour Relations, Secretary to the ministry of Labour and Labour Relations and the Commissioner General of Labour, as well as having multiple inspections under the approval of the Commissioner General of Labour are coming under the preview of this division.

The outcome of the inspections and inquiries into complaints conducted by the Special Investigation Division during the year 2011 are as follows:

Amount of arrears of E.P.F. calculated Rs. 153,483,322.74

Amount of statutory dues calculated Rs. 12,295,460.23

The number of inspections carried out during this year are as follows:

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Emergency Inspections	125	67	28	21
Sector Inspections	08	08	15	19
Group Inspections	07	10	22	04
Large-scale Inspections	17	22	16	20

Functions pertaining to providing information

This Division co-ordinate the provision of information to the under-mentioned establishments:

- i) Parliamentary questions
- ii) Parliamentary Advisory Committee
- iii) Parliamentary Public Petitions Committee
- iv) Parliamentary Commissioner for Administration
- v) Sri Lanka Human Rights Commission

In addition, it is this Division which update the website of the Department which provide information and services required by the public. Similarly information required by the State Information Centre and its website is also provided by this Division.



09 Employees Provident Fund

The Employees Provident Fund has been established by Act No. 15 of 1958 as an important Social protection system with the object of becoming a support to the successful retired life of the private and corporation sector employees who are not entitled to a pension, effective from June 01, 1958. The administration of this Fund is by the Department of Labour and financial control is manned by the Monetary Board of the Central Bank of Sri Lanka.

Employees Provident Fund as at end of year 2011

	<u>Fund at the end of commencing year (1959)</u>	<u>at end of year 2011</u>
• Number of employers contributing to EPF	6,400	66,350
• Number of employees contributing to EPF (No. of active Accounts)	0.85 Mil	2.3 Mil

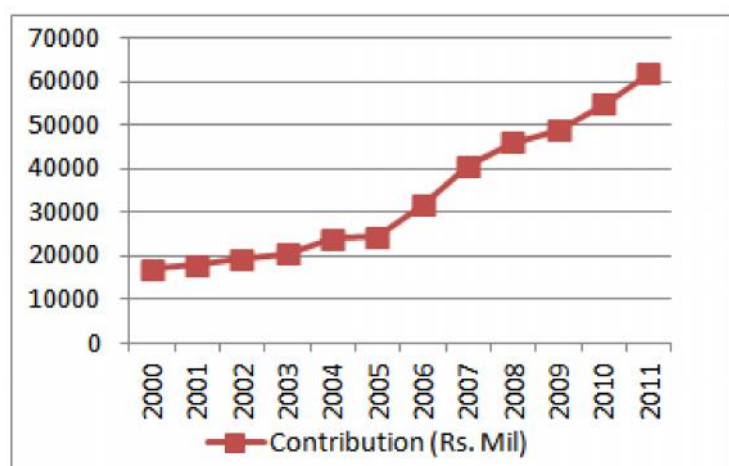
By now the total number of (established) member accounts of the Fund is 13.6 million and the Fund stands at Rs. 1,020,072 million. In the starting year of the fund (1959), the annual contribution for the fund was 12 million rupees and 2011 figure is 61,879 million rupees.

During the year 2011, benefits to the value of Rs. 47,311 million was paid to the members concerned or the legal beneficiary based on 120,301 applications by members for their legal heir.

Collection of contribution

The manner in which the contribution developed annually due to the amendments to the Act and administrative revisions during the last decade 1999-2011.

year	Contribution (Rs. Mil)
2000	17,009
2001	17,934
2002	19,201
2003	20,348
2004	23,872
2005	24,324
2006	31,720
2007	40,574
2008	45,951
2009	48,712
2010	54,796
2011	61,879





Decentralizing the activities of the Employees Provident Fund

The basic activities required for making amendments to the Employees Provident Fund with the object of granting more benefits. The object of such amendment was to pay 30% of the balance lying to the credit of the account for housing requirements or medical treatment.

The progress of the Employees Provident Fund from January to December 2011.

Payment of benefits	
• Number of beneficiaries	120,301
• Amount of benefits paid	Rs. Mn 47,311
Recovery of EPF contributions and surcharges	Rs. Mn 61,992
Payment of EPF Housing Loans —	
• Number of applications approved	20,041
• Loan amount approved	Rs. Mn 6,355
Registration of new Employers	8,131
Computerizing the EPF member records	
• Computerizing Data (A&H)	496,594
• Scanning (A&H)	309,725

Investment of money and Interest

The total amount of money invested during the year 2011 was Rs.mln 987,966. Investment has been made in Government Securities, Treasury Bills, Treasury Bonds and company debentures and in the Share Market. Action has been taken to pay an interest rate of 11.50% to the Membership Accounts for the year 2011.

Project for re-registration of E.P.F Members

Assigning a unique number to the EPF members and re-registration of active members to build up an employee-centred system was done covering the whole Island. In this process obtaining of finger prints, photographs and National Identity Card numbers electronically was done in the case of about 9.5 lakhs of active members.

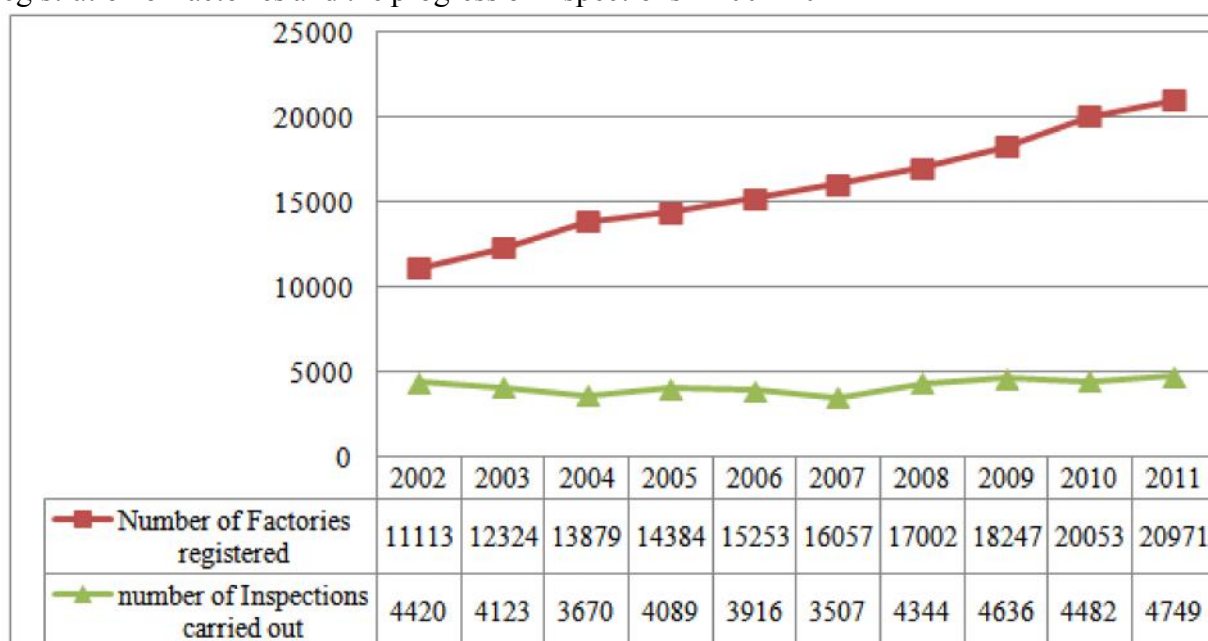
During the year, 15 Mobile Service Programmes, Training Programmes and awareness programmes for Labour Officers at Provincial level were conducted.



10 Industrial Safety Division

The main function of this Division is to implement the Factories Ordinance, No. 45 of 1942 to ensure the safety, health and welfare of the employees of factories. This Division operates through 10 District Factory Inspecting Engineers Offices located in the cities of Colombo, Gampaha, Kurunegala, Kandy, Galle, Jaffna, Anuradhapura, Ratnapura, Baddulla and Kalutara.

Registration of factories and the progress of inspections – 2002-2011



National Safety Awards

These awards are made once in two years. Recipients are selected by a Panel of Engineers of the Industrial Safety Division. This is done under 3 stages — large scale, medium scale and small scale. Awards are two-fold – National Safety Awards and Industrial Safety Awards.

World Safety Day – National Occupational Safety and Health Week

The world safety day is commemorated on April 28 every year. This year a seminar on “High Risk Machinery” was held in “Sausiripaya”, Colombo. Every year, the National Occupational Safety and Health week, also held during the second week of October. During the year 2011, the Engineers of the Division conducted awareness programmes for the formal and informal sectors spread all over the country. The national level seminar was held on October 13, 2011 at the Sri Lanka Foundation Institute.



Performance of District Factory Inspecting Engineers' - year 2011

	Anuradhapura	Gampaha	Colombo	Kandy	Galle	Ratnapura	Jaffna	Kalutara	Kurunegala	Badulla	Total
Total No. of Factories registered	1137	3205	3837	1968	3290	1332	2494	1256	1820	632	20971
Inspection of Factories and Others	209	495	1592	395	181	459	321	372	471	254	4749
Fatal Accidents	04	14	12	04	04	05	03	05	02	07	60
Non-fatal Accidents	38	369	348	108	121	70	-	129	81	49	1313
Dangerous Incidents	01	-	-	-	02	01	02	-	-	01	07
Steam Boiler examination	97	207	260	81	28	80	-	250	244	69	1316
Steam receiver examination	07	189	220	40	16	57	-	19	58	13	619
Air receiver examination	47	462	366	273	104	300	-	76	296	53	1977
Gas receiver examination	-	-	71	-	-	04	-	47	-	18	140
Other high risk machinery examined	26	438	365	307	27	199	-	34	252	76	1724
Approval of Plans	02	43	40	-	01	01	16	14	02	03	122
Lectures and Seminars	06	49	27	18	08	14	70	45	12	45	294
Prosecutions in Courts	-	01	05	06	-	-	-	-	16	-	28



11 Occupational Hygiene Division

The object of this Division is to minimize occupational hazards, occupational diseases and adverse health conditions arising due to bad health conditions.

A service environment free of accidents and hazards and where occupational health is well maintained, would no doubt, will enhance the efficiency and productivity as well as improve the quality of the items produced. In terms of the Factories Ordinance, maintaining the health and safety of employees is a legal requirement.

In order to achieve the above objects, the Occupational Hygiene Division is performing a number of important functions.

Environmental measuring

Number of environmental measurements done during the year:

Measuring done at site	1070
Measuring done in the laboratory	220

Biological Examinations

The number of biological examinations done during the year was 790.

Hearing Tests

This Division conduct hearing tests for workers engaged in work places with heavy noises where cement, ceramic, glass and thermal power are used.

Awareness on occupational safety.

Officers of the Division conducted awareness programmes for groups of persons:

- Managers of Establishments	690
- Officers of judicial Level	305
- Investment promotion Zone workers	485
- Trainee Public Health Officers	35
- Post Graduates/ Leaders	62

E.P.F. Medical Board

Deputy Commissioner of Labour of the Occupational Hygiene Division is the Chairman of the Labour Department Medical Board pertaining to the Employees' Provident Fund.

This is the Medical Board which grant approval for the payment of Employees Provident Fund before reaching the retirement age to workers who cannot continue working due to illnesses or accidents. During the year 2011, twelve (12) Medical Board meetings were held and over 600 workers were examined.

Assessment of compensation for workers

An important function performed by this Division is the assessment of compensation payable to workers for occupational illnesses and accidents. 48 workers were examined during the year 2011.



12 | Planning, Research, Training and Publication Division

The mission of the Planning, Research, Training and Publications Division is creating a set of officers full of merit for enhancing the productivity of the Department, assisting in the preparation of plans and policies for establishing industrial peace, collecting data and conducting research. The Division operates its activities under 4 main fields:

01. Training of Departmental Officers
02. Planning and Research
03. Progress Review
04. Publication activities

Planning and Research

Preparing a sound action plan and looking into the quarterly progress of such activities so as to provide proper guidance to the activities for achieving the vision and mission of the Department is done by this Division and this enables the different Divisions of the Department to obtain a proper understanding of the functions of such Divisions. Similarly when there is a change in the planned position, guidance is also provide to reach the targeted programmes implemented with the financial provision granted by the Ministry of Labour and Labour Relations for achieving the targets referred to in the Descent work guidelines prepared especially with the assistance of the International Labour Organization. 100% progress has been achieved with the provision granted to the Department in year 2011.

Progress Review

Progress Review meetings chaired by the Commissioner General or other Commissioners are held at Zonal level regarding labour inspections of all District Labour Offices and Labour Sub Offices, complaints received in the Department Of Labour, Court cases of the Department, maintaining service terms and conditions and other matters. Enhancing the efficiency and speed of the work of the Department are expected by this process. 07 Progress Review meetings of this nature were held during the year 2011.

Labour Audit

Certain matters having problems observed by District and Labour Sub Offices in inspections carried out by the officers of this unit parallel to the Progress Review meetings are more deeply studied by the officers of the Unit. By submitting proposals to correct such complicated situations action can be taken to ensure the non-recurrence of such situations.



Publications

Printing of Labour laws for the requirements of the Department is done by this Division and the under-mentioned Acts were printed:

01. Industrial Disputes Act, No. 43 of 1950
02. Employees Provident Fund Act, No. 15 of 1958
03. Payment of Gratuity Act, No. 12 of 1983

In addition to the above, Circulars, Decisions of Labour Cases, Labour Inspection Hand Books and various other documents are printed.

Activities regarding the training of officers

Training activities conducted for officers of various levels of the Department during the year 2011 are as follows:

Programme/Subject	Number of Programme
Training Programmes for Labour Officers	16
Training Programmes for Management Assistants	14
Computer Training Programmes	16
Capacity development training Workshops for Departmental Asst. Commissioners of Labour	01
Capacity development training Workshop for Labour Officers	04
Training Workshop for Human Resources Development Officers	01
Other Training Programmes	02

In addition to the above, financial provision was made available for Post-graduate and Diploma Courses for 26 officers and for 37 Training Programmes conducted by outside Establishments in the case of 44 officers.

During the year 2011, a great service was rendered to field of Labour in collaboration with the Sri Lanka Agency of the International Labour Organization. Those are:

- > Preparation of the Guideline Head book on Labour Inspection.
- > Conducting Workshops regarding the revision of International Labour Conventions and Labour laws with the participation of secondary and senior grade officers of the Department.
- > Commencing activities for the preparation of an Amalgamate Plan for the Department.
- > Revising the training Hand Book for Labour Inspection of the International Labour Organization.



13 Statistical Division

The main function of the Statistical Division is to collect data pertaining to the organized sector of the field of Labour in Sri Lanka. For this purpose data is collected regarding the number of hours worked by employees two surveys conducted annually by post. At the same time, tabling various administrative data and preparation of Minimum Wage Index also is done by this Division.

Annual Employment Survey

With the object of collecting statistical data which would be useful for administrative and planning requirements of the Island, information regarding private sector and Semi- government sector having 5 or more employees is collected in the month of June, every year. By now, the preparation of the employment survey for the year 2010 is complete and is being made ready for printing.

In the face of the global economic crisis, some of the factories in Sri Lanka were closed down. Therefore, the employment in the private sector in year 2009 was 59.3% and in 2010 it increased slightly to 61.5%. The employment in the semi-government sector which was 40.7% in 2009 decreased to 38.5% in year 2010.

Labour Statistics — Printing and Publishing the 2011 Issue

The Annual Publication of Labour Statistics for year 2011 containing contemporary and credible information relevant to the field of Labour was printed and published during the due period.

Survey on general earnings and the number of hours worked

The main object of this survey conducted bi-annually is to collect information regarding the monthly general earning of employees and the number of hours worked by employees in industrial establishment, where minimum wages have been prescribed by Wages Boards.

This survey is conducted in the months of March and September every year by way of a Questionair sent by post to establishments selected on a sample basis. Information procured by this survey is transmitted to the Department of Census and Statistics and International Institutions, such as the International Labour Organization. Preparation of the summary report of the survey conducted in March and September, 2011 has been completed during the relevant period.

Accordingly, the daily earnings during the period 2000 to 2010 has increased from Rs. 211.11 to Rs. 488.68 which is an increase of 121%. The increase in the construction sector and the Plantation Sector relevant to the Agriculture field is 116% and 245%, respectively.



General daily earnings by sectors (Rs.) – 2001-2010

Sector Year	Agriculture (Plantation Sector) (Rs.)	Production Sector (Rs.)	Construction Sector (Rs.)
1999	96.89	199.20	241.11
2000	104.12	221.11	285.99
2001	112.11	230.66	263.12
2002	128.72	273.10	259.63
2003	138.43	306.28	276.42
2004	152.94	310.84	335.70
2005	178.47	336.49	416.75
2006	206.33	356.11	424.55
2007	198.01	411.60	408.37
2008	298.85	469.47	443.91
2009	323.20	492.93	472.58

Minimum Wage Index – 2000-2011 (base: 1978 = 100)

This Index is calculated monthly and annually based on the minimum wages fixed by the Commissioner General of Labour under the Wages Boards and contemporary amendments thereto.

Year	Agriculture (Plantation Sector)	Commerce and Industry Sector	Service Sector	For all Sectors
2000	1,142.7	857.1	559.7	1,000.4
2001	1,176.4	919.7	657.6	1,049.2
2002	1,269.6	986.5	678.0	1,126.5
2003	1,382.3	1,009.4	678.0	1,205.3
2004	1,397.7	1,044.1	751.0	1,233.1
2005	1,527.4	1,078.4	779.7	1,329.7
2006	1,567.1	1,090.6	779.7	1,358.2
2007	1,821.4	1,522.4	157.0	1,648.7
2008	2,286.6	1,877.5	1,370.8	2,070.4
2009	2,349.4	2,053.9	1,545.8	2,171.4
2010	3,328.0	2,199.0	1,673.3	2,865.3
2011	3,427.22	2,402.08	1,851.80	2,996.09



14 Finance Division

This Division has the object of a sound financial control complying with the Government Fiscal Policy and Financial Regulations to achieve the goals and objects of the Department. Also this Division spend the monies allocated by annual estimates, allocate the monies required for the projects of different offices and Divisions and thereby achieve the targets of the Department.

Internal Audit Division

This Division ensures through administrative audit that the activities of the Department are done as planned by the Internal administrative system safeguarding the state accounting procedure.

A sum of Rs. 982,340,000/- was allocated for recurrent expenditure out of which Rs. 969,988,671.85 was spent. Similarly out of Rs. 371,936,197/- allocated for capital expenditure, Rs. 333,261,334/- was spent. Accordingly a progress of 89.60% on capital expenditure and 98.74% on recurrent expenditure was achieved.

Description		01 Operation Programme	02 Development Programme		
		1 – 1	2 – 2	2 – 3	2 – 4
Recurrent	Allocation	593,210,000.00	59,355,000.00	47,595,000.00	282,180,000.00
	Expenditure	592,329,924.18	55,336,910.66	46,083,438.88	276,238,398.13
Capital	Allocation	78,000,000.00	4,333,197.00	3,400,000.00	286,203,000.00
	Expenditure	41,503,983.00	3,255,804.00	3,127,123.00	285,374,424.00

Internal Audit Division

According to the proposed action plan for year 2011, 52 different sections of the Department had to be examined in addition to progress review activities. Out of them 27 offices were examined, the weaknesses of different sections were identified and internal audit reports containing remedial proposals were presented. Only 27 out of the 52 offices could be examined due to the shortage of staff.



15 Administration Division

The responsibility of this Division is the preparation and development of the entire function of the Department of Labour and the enhancement of the quality of physical resources and human resources.

4 Sub-divisions are operating under this Division

- Administration Branch
- Establishments Branch
- Building Maintenance Unit
- Library and Information Service

The under-mentioned work was done for the improvement of the District Labour Offices and Labour Sub Offices of the Department of Labour during the year 2011 productively discharging the responsibility of the Administration Division.

<u>Office</u>	<u>Amount spent</u>
Railing for the steps of the Haputale Office	26,178.46
Fixing partitions at the Zonal Labour Office, Kandy	712,288.79
Construction of Ampara Labour Office – Stage I	2,282,935.48
Installing the electrical system at Kandy Labour Office and repairs	68,562.50
Construction of the Kalutara Labour Office – Stage III	1,517,996.48
Construction of the Batticaloa Labour Office – Stage I	3,806,994.71
Construction of the Batticaloa Labour Office – Stage II	2,090,111.22
Construction of the Jaffna Provincial Labour Office	11,313,885.08
Repairs to Anuradhapura Asst. Commissioner of Labour Office	66,738.00
Construction of the Zonal Labour Office, Anuradhapura – Stage II	1,397,503.70
Construction of the Zonal Labour Office, Anuradhapura – Stage III	1,004,661.74
Construction of the Kuliyaipitiya District Labour Office	1,991,794.75
Construction of the wall of the Katunayake Hostel	318,173.30
Construction of the wall of the District Labour Office, Kalutara	2,210,465.85
Construction of the North-Central Labour Office	467,308.80
Construction of the Stores Complex and the Record Room, Monaragala – Stage III	850,009.66
Erecting partitions at the Kalutara Labour Office	547,212.31
Construction of a security hut and the cover for the opening near the main entrance – Kalutara	129,000.00



During the year 2011 the construction of the Zonal Labour Office Anuradhapura Stage II, District Labour Offices at Ampara, Kuliyaipitiya, Kalutara, Haputale, Monaragala and the Labour Sub Office at Kantale could not be completed as expected. The reasons are unsuspected problems such as the contractors defaulting, continuous rain and floods in the Eastern Province, difficulty in procuring raw material in time, failure to obtain additional electricity supply.

Staff of the Department

Total Staff at beginning of the year	2214
New recruitments	159
Transfers to the Department	25
Retirements	(67)
Transfers out of the Department	(14)
Leaving the Department due to other reasons	– (20)
Staff at the end of the year	<u>2299</u>

New recruitments and retirements during the year

	<u>New Recruitment</u>	<u>Retirement</u>
Assistant Commissioners of Labour	04	07
Labour Officers	-	13
Public Management Assistants	140	37
Karyala Sewaka Sevaya	-	09
Office Labourer	12	-
Drivers	02	-
Watchers	01	-
Compto Meter Operator	-	01



Scholarships, Seminars and Workshops abroad

	Name	Rank	Country - Course/ Seminar/ Workshop	Duration
01	Miss. R.N.A.G. Sujeeva	Labour Officer	India -Training Programme on Gender Issues in Labour	2011.03.01 - 2011.03.18
02	Mr. K.L.K. Perera	ACL	Thailand - Asia pacific Knowledge Sharing Network on Industrial Relation (AP - IR Net) Vision Event	2011.04.26 - 2011.04.28
03	Mr. R.L.A. Sarath Kumara	Labour Officer	Thailand - Master of Arts in Diplomacy and International Studies	2011.09 - 2013.08
04	Mr. Priyantha Vidanapathirana	Legal Officer (Acting)	India - Training Programme on Advanced Programme for IT in Low Enforcement	2011.10.03 - 2011.11.11
05	Miss. P.B.C. Pemabandu	Labour Officer	India - International Training Programme on Labour and Employment Relations in a Global Economy	2011.11.07 - 2011.11.25
06	Mr. D.P.K.R. Weerakoon	CL	China - Asian High Level Seminar on Social Security Extension	2011.09.14 - 2011.09.16
07	Mrs. D.R. Perera	ACL	Nepal - Technical Seminar on "Adequacy and quality of social security benefits and service"	2011.12.19 - 2011.12.20
08	Mrs. K.H.W. Karunaratne	ACL	Nepal - Technical Seminar on "Adequacy and quality of social security benefits and service"	2011.12.19 - 2011.12.20
09	Mr. Herath Yapa	Addl. CGL	Indonesia - ADB workshop on social Inclusiveness in Asia's Middle Income Countries	2011.09.13
10	Mrs. W.L.S. Wijesundara	CL	Korea - Fellowship Training on Employment Injury Insurance (E11)	2010.11.22 - 2010.11.27
11	Mr. W.M. Palipana	DCL	Korea - Fellowship Training on Employment Injury Insurance (E11)	2010.11.22 - 2010.11.27
12	Mr. S.P. Sooriyarachchi	ACL	Bangladesh - South Asia Regional Seminar on Social Security coverage to informal Sector workers	2010.10.18 - 2010.10.21
13	Mrs. V.B.P.K. Weerasinghe	CGL	Geneva - 100th Session of the ILO International Labour Conference	2011.05.30 - 2011.06.13
14	Mr. K.D. Manoj Priyantha	CL	Geneva - 100th Session of the ILO International Labour Conference	2011.05.30 - 2011.06.13
15	Mr. M.I.R.A. Jayathilaka	ACL	Geneva - 100th Session of the ILO International Labour Conference	2011.05.30 - 2011.06.13
16	Mr. P.S. Pathirathne	Senior Legal Adviser	Geneva - 100th Session of the ILO International Labour Conference	2011.05.30 - 2011.06.13
17	Mrs. V.B.P.K. Weerasinghe	CGL	Italy - Academy on Labour Administration & Labour Inspection (ITC)	2011.10.24 - 2011.11.04