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வருடாந்த செயலாற்றுகை அறிக்கை
Annual Performance Report

2019

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தொழில் மற்றும் தொழிற்சங்க உறவுகள் அமைச்சு
Ministry of Labour and Trade Union Relations

(අමාත්‍ය මණ්ඩල සාමාජික නොවන / அமைச்சரவை அந்தஸ்தற்றது / Non Cabinet)

Expenditure Head - 54

Compilation

Planning, Research and Development Division

Publication

Ministry of Labour and Trade Union Relations

(Ministry of Skills Development, Employment and Labour Relations)

Contents

Page

Chapter One: Institutional Profile/ Executive Summary

1.1	Introduction	3
1.2	Vision, Mission and Objectives	3
1.3	Key functions	4
1.4	Organizational structure	6
1.5	Divisions of the Ministry	8
1.6	Institutions under the purview of the Ministry	8

Chapter Two: Progress and Future Outlook

2.1	Progress of the Ministry	11
2.2	Progress of institutions under the Ministry	
2.2.1	Department of Labour	18
2.2.2	Department of Manpower and Employment	37
2.2.3	National Institute of Occupational Safety and Health	46
2.2.4	Office of Commissioner of Workmen's Compensation	50
2.2.5	National Institute of Labour Studies	52
2.2.6	Employees Trust Fund Board	54
2.2.7	Shrama Vasana Fund	61
2.3	Achievements, challenges and future goals	63

Chapter Three: Overall Financial Performance for the year ended 31st December 2019

3.1	Statement of Financial Performance	68
3.2	Statement of Financial Position	69
3.3	Statement of Cash Flows	70
3.4	Notes to the Financial Statements	71
3.5	Performance of Revenue collection	71
3.6	Performance of the utilization of allocation	71
3.7	In terms of F.R. 208 grant of allocations for expenditure to this Ministry as an agent of other Ministries/Departments	72
3.8	Performance of reporting of non-financial assets	73

Chapter Four: Performance Indicators

4.1	Performance indicator of the institution (on the basis of the Action Plan)	77
-----	--	----

Chapter Five: Performance of the achieving Sustainable Development Goals (SDG)

5.1	Identified respective Sustainable Development Goals	81
5.2	Achievements and challenges of the SDGs	83

Chapter Six: Human Resources Profile

6.1	Cadre Management	87
6.2	Effect of shortage or excess in human resources on the performance of the Ministry	88
6.3	Human resources development	88

Chapter Seven: Compliance Report

Compliance Report	95
-------------------	----

List of Tables

	Page
1.4.1.	7
2.1.2.1.	13
2.1.2.2.	16
2.1.2.3	16
2.2.1.1.	20
2.2.1.2.	22
2.2.1.3.	23
2.2.1.4.	24
2.2.1.5.	25
2.2.1.6.	26
2.2.1.7.	27
2.2.1.8.	29
2.2.1.9.	29
2.2.1.10.	30
2.2.1.11.	30
2.2.1.12.	32
2.2.1.13.	32
2.2.1.14.	33
2.2.1.15.	34
2.2.1.16.	35
2.2.1.17.	35
2.2.1.18.	36
2.2.2.1.	38
2.2.2.2.	41
2.2.2.3.	43
2.2.2.4.	43
2.2.3.1.	47
2.2.4.1.	51
2.2.4.2.	51
2.2.5.1.	53
2.2.6.1.	55

	Page	
2.2.6.2.	Budgeted amounts as against actual amounts - 2019	55
2.2.6.3.	Repayment of Contributions	56
2.2.6.4.	Payment of Benefits	57
2.2.6.5.	Investment for portfolio as at 31 st December 2019	58
2.2.6.6.	Key Financial data as at 31 st December 2019	58
2.2.6.7.	Key performance indicators – 2019	59
2.2.7.1.	Progress of programmes	62
3.6.1.	Performance of the Utilization of allocations	71
3.7.1	Allocations received from other Ministries	72
3.8.1.	Non-financial assets	73
4.1.1.	Performance indicators of the Ministry	77
5.1.1.	Sustainable Development Goals relevant to the Ministry	81
6.1.1.	Overall staff	87
6.3.1.	Participation in local training programmes -2019	88
6.3.2.	Participation in foreign training programmes -2019	90
6.3.3.	Participation in Foreign training programmes Officers of affiliated institutions - 2019)	91
7.1.	Compliance Report	95

Graphs and Diagrams

	Page	
Graphs		
2.2.1.1.	Inspection of workplaces (labour) -2019	21
2.2.1.2.	Complaints received on violation of statutory laws and solutions offered -2019	21
2.2.1.3.	Receipt of complaints on industrial disputes and solutions - 2019	22
2.2.1.4.	Registration of collective agreements -2019	23
Diagrams		
1.4.1	Organizational Structure	6
2.2.2.1	Employment Creation, Promotion and Career Guidance	38
2.2.2.2	Process of the Job Centre	39

Photos

	Page
2.1.1. Researches who presented research reports with the guests at the National Symposium	12
2.1.2. Serving labour community at mobile service programmes	12
2.1.3. Issuing First Day cover and Commemorating Stamp at the event of celebrating centenary of the International Labour Organisation	15
2.2.1.1. Employer- employee awareness programme at the institutional level, conducted by the Social Dialogue Division	19
2.2.1.2. National Occupational Safety and Health Conferance - 2019	25
2.2.1.3. Declared opening of “Mehewara Piyesa” building by HE the President on 20 August 2019	32
2.2.1.4. Training programme conducted by the Planning, Research, Training & Publication Division	35
2.2.2.1. At the Job Fair Programme in Kegalle District	40
2.2.2.2. At “Lak Rekiya Harasara” Awarding Ceremony – 2019	44
2.2.3.1. At National Occupational Safety Excellence Award Ceremony	49
2.2.4.1. Awarding_compensation for occupational injuries	51
2.2.5.1. Awarding certificates	53
2.2.6.1. Receiving 3 rd place under the service sector by the Regional Office, Vavuniya at the National Productivity Award Ceremony	57
2.2.6.2. At the event of receiving two gold awards at the best annual report award completion 2019 organized by the Association of Public Finance Accountants of Sri Lanka (APFASL)	59
2.2.7.1. Eye clinic conducted in Meegahakivula area	62

Chapter One

Institutional Profile / Executive Summary

Ministry of Labour and Trade Union Relations

Improving the standards of living and service conditions of workers in the semi-government and private sectors of Sri Lanka and the formulation of pertinent policies and implementation thereof by establishing industrial peace and employer and employee relationship required for the enhancement of the production and labour productivity are the prime objectives of the Ministry of Labour and Trade Union Relations. The scope of the Ministry has been broadened with labour legislations enacted from time to time with the welfare of the worker in mind. Accordingly, the vision and mission of the Ministry are as follows.

1.2 Vision, Mission and Objectives

Vision

A satisfied, productive labour force

Mission

Contribute towards the socio-economic development through the promotion of industrial peace, social security, workers' rights and productivity

Objectives of the Ministry

- ❖ Strengthening employer –employee relationships through tripartite empowerment.
- ❖ Ensuring service standards and workers' rights in compliance with international standards.
- ❖ Eliminating child labour.
- ❖ Empowering and protecting employed women employees and encouraging gender equality.
- ❖ Enhancing flexibility of labour legislations and procedures.
- ❖ Formulating appropriate methodologies for ensuring social security

All institutions under the purview of the Ministry lay emphasis on the following thrust areas.

1. Industrial peace and harmony
2. Enforcing labour standards and rules and regulations
3. Protecting women workers and eliminating child labour
4. Occupational safety and health
5. Social security
6. Education, training, research and development relating to the field of labour

1.3 Key Functions

As per Gazettes Extraordinary No. 2106/10 of the Democratic Socialist Republic of Sri Lanka published on 16.01.2019, the duties, powers and functions assigned to the Ministry of Labour and Trade Union Relations (non cabinet) are as follows.

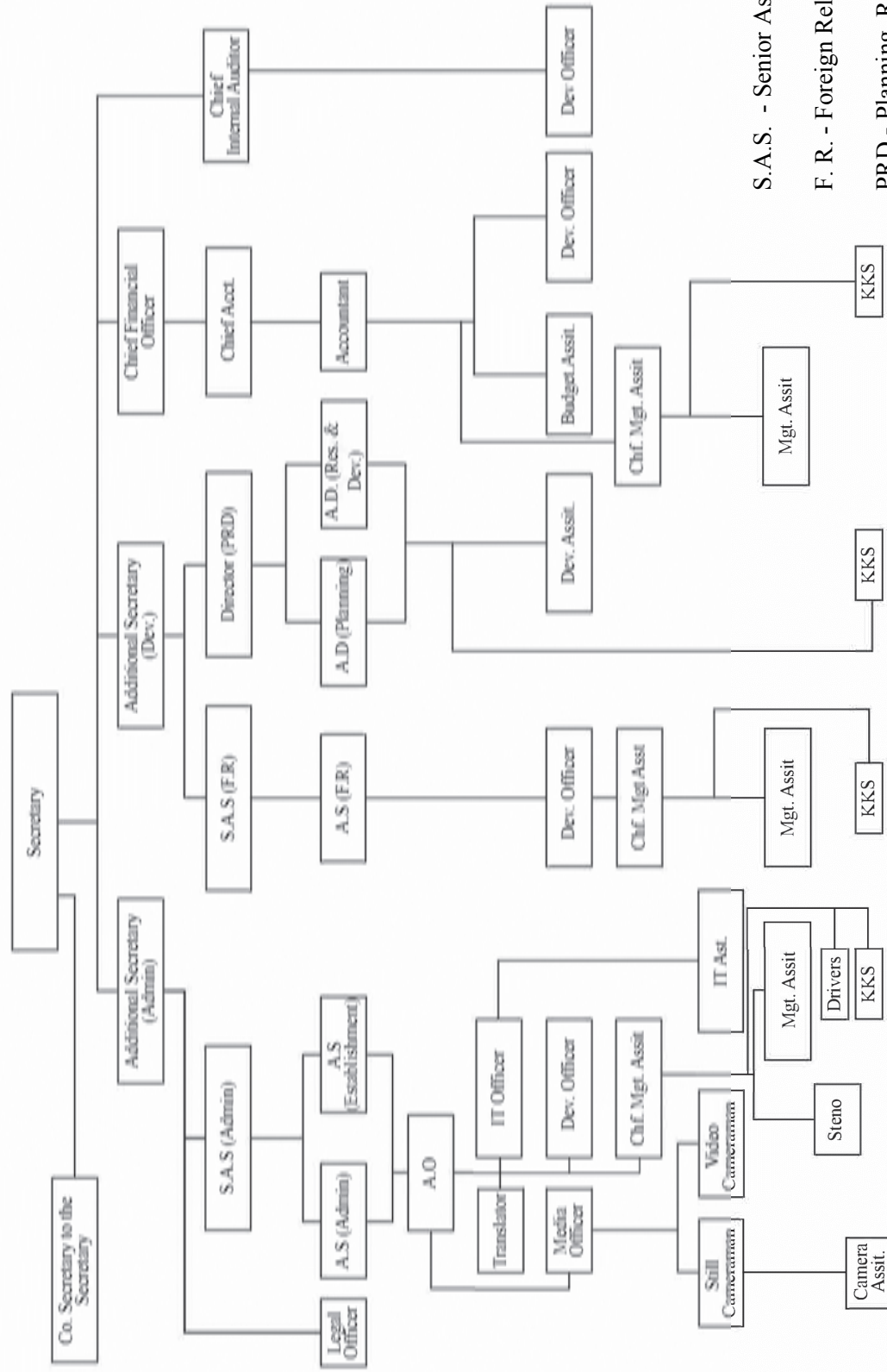
1. Formulation of policies, programs and projects, implementation, monitoring and evaluation in relation to the subjects of labour and trade union relations and those subjects that come under the purview of Departments, Statutory Institutions and Public Corporations under the Ministry.
2. Formulation and implementation of policies with regard to international labour standards, supervision and welfare of employees.
3. Liaison with International Labour Organization and International Social Security Organizations.
4. Administration of the Employees' Provident Fund and Private Provident Fund and Private Retirement Schemes.
5. Industrial relations and settlement of industrial disputes
6. Matters relating to formulation of laws and regulations relevant to labour relations and their regulation.
7. Provision of employment and career guidance.
8. Registration of trade unions and introduction and implementation of positive measures for harnessing activities of all trade unions in the public and private sectors for the country's development.
9. Implementation of national manpower and employment policies.
10. Regulation of levy of fees by employment agencies.
11. Unemployment benefit insurance scheme.
12. Provision of employment guidance.
13. Matters relating to all other subjects assigned to the Department of Labour, National Institute of Labour Studies, National Institute of Occupational Safety and Health, Office of the Commissioner of Workmen's Compensation, Shrama Vasana Fund, Employees' Trust Fund and Department of Manpower and Employment.

1.3.1 Major legislations implemented

1. Workmen's Compensation Ordinance, No. 19 of 1934
2. Trade Unions Ordinance, No. 14 of 1935.
3. Maternity Benefits Ordinance No. 32 of 1939
4. Wages Board Ordinance No. 27 of 1941
5. Factories Ordinance Act No. 45 of 1942
6. Industrial Disputes Act No. 43 of 1950.
7. Shop and Office Employees (Regulation of Employment and Wages) Act No. 19 of 1954.
8. Employment of Women, Young Persons and Children Act No. 47 of 1956.
9. Fee-Charging Employment Agencies Act No.37 of 1956.
10. Employees' Provident Fund Act. No. 15 of 1958
11. Termination of Employment (Special Provisions) Act No. 45 of 1971.
12. Employees Councils Act No.32 of 1979.
13. Employees' Trust Fund Act No. 46 of 1980
14. Gratuity Act No. 12 of 1983
15. Employees' Trust Fund (Special Provisions) Act No.19 of 1993
16. Shrama Vasana Fund Act No. 12 of 1998
17. National Institute of Occupational Safety, Health and Welfare Act No. 38 of 2009
18. National Institute of Labour Studies Act No. 12 of 2010.
19. National Minimum Wage of Workers Act No. 03 of 2016
20. Budgetary Relief Allowance of Workers Act No. 04 of 2016

1.4 Organizational Chart

Ministry of Labour and Trade Union Relations



S.A.S. - Senior Assistant Secretary

F. R. - Foreign Relations

PRD - Planning, Research & Development

A.S. - Assistant Secretary

A.D. - Assistant Director

Diagram 1.4.1. Organizational Structure

1.4.1 Cadre Management Profile

No.	Post	Approved cadre	Actual number at the end of the year	New recruitments during the year	Transferred to The Ministry	Transferred from the Ministry	Other	Vacancies at the end of the year
1	Secretary	01	01	-	02	02	-	-
2	Addl. Secretary	02	02	-	02	02	-	-
3	Chief Finance Officer	01	01	-	-	-	-	-
4	Sr. Asst. Secretary	02	02	-	-	-	-	-
5	Chief Accountant	01	01	-	-	-	-	-
6	Chief Internal Auditor	01	01	-	01	01	-	-
7	Director (Planning, Research & Dev.)	01	-	-	-	-	-	01
8	Asst Secretary	03	01	-	-	01	-	02
9	Accountant	01	01	-	-	-	-	-
10	Asst. Director (SLAS)	01	-	-	-	01	-	01
11	Asst Director (SLPS)	01	01	-	-	-	-	-
12	Legal Officer	01	01	01	-	-	-	-
13	Admin Officer	01	01	-	-	-	-	-
14	Coordinating Secretary of the Secretary	01	01	-	-	-	-	-
15	Translator	02	01	-	-	-	-	01
16	IT Officer	01	-	-	01	-	01	01
17	Management Services Officer	29	22	-	-	01	-	07
18	Development Officer	37	17	-	-	-	-	20
19	Media Officer	01	01	-	-	-	-	-
20	Stenographer	01	01	-	-	-	-	-
21	IT Assistant	01	01	-	-	-	-	-
22	Video Cameraman	01	01	-	-	-	-	-
23	Still Photographer	01	-	-	-	-	-	01
24	Photographer's Assistant	01	-	-	-	-	-	01
25	Driver	19	14	6	-	-	01	05
26	Circuit Bungalow Keeper	01	01	01	-	-	--	-
27	Karyala Karya Sahayaka	13	13	-	02	02	-	-
28	Bungalow assistant	01	-	-	-	-	-	01
		127	86	08	08	10	01	41

The institution has been notified to fill the vacancies.

Table 1.4.1. Cadre Management Profile

1.5 Divisions under the Ministry

- i. Administrative and Establishments Division
- ii. Planning, Research and Development Division
- iii. Labour and Foreign Relations Division
- iv. Finance Division

1.6 Institutions under the Ministry

- i. Department of Labour
- ii. Department of Manpower and Employment
- iii. National Institute of Occupational Safety and Health
- iv. Office of Commissioner of Workmen's Compensation
- v. National Institute of Labour Studies
- vi. Employees' Trust Fund Board
- vii. Shrama Vasana Fund

Chapter Two

Progress and Future Outlook

2.1 Progress of the Ministry

2.1.1 Administrative and Establishments Division

Establishment and Administration Division consists of three units as Administration, Establishment and Media.

Among the many onerous responsibilities entrusted to this division are general administration, procurement activities, management, maintenance activities, training, and coordinating activities of the Ministry and institutions under the purview of the Ministry.

All activities relating to human resources management of the Ministry and the Ministerial office are handled by the Establishments Division. In addition, this division also deals with parliamentary questions and multiple requests made by the Public Petitions Committee, Consultative Committee, Human Rights Commission and the general public.

The Media Unit is in charge of the responsibility of keeping the general public aware of the activities carried out by the Ministry and institutions under its purview and giving them publicity through various media institutions.

2.1.2 Planning, Research and Development Division

Devising plans of the Ministry and all institutions under its purview required for steering the development plans towards the set targets and the implementation, progress review and follow up thereof are the key functions of this division. In addition, the division has also discharged the following duties during the period under review.

1. Preparing the annual action plan containing development tasks carried out by the Ministry and its affiliated institutions and referring it to the relevant parties.
 - Preparing the Annual Action Plan in accordance with zero based budgeting scheme, implementation thereof and conducting monthly progress reviews.
2. Coordination with the Presidential Secretariat, Ministry of Finance, Department of Project Management and Monitoring and Department of National Planning in terms of National Budget Circular No.(1) of 06/2015, and submission of progress reports monthly and quarterly.
3. Preparing annual performance report including the performance of the Ministry
4. Handling all activities pertaining to the publication of Sri Lanka Labour Gazette.
In respect of the period under review, volumes I, II, III of Serial No 70 were issued quarterly.
5. A scholarly symposium on the field of labour to mark the centenary of the International Labour Organization was held at the Sri Lanka Foundation Institute on 02nd September 2019.

Incorporating a summary of reports submitted therein, a special edition of the Sri Lanka Labour Gazette was issued.



Photo 2.1.1. Researches who presented research reports with the guests at the National Symposium

6. Mobile Service Programmes

- ✓ Two mobile service programmes were conducted on 27th July 2019 at Passara Central College covering Passara and Lunugala Divisional Secretariat Divisions and on 28th July 2019 at Welimda Central College covering Welimada and Uva Paranagama Divisional Secretariat Divisions to address problems of labour community of the Badulla district.
- ✓ Two mobile service programmes were conducted on 07th September at Haputale Tamil Central College covering Haputale and Haldummulla Divisional Secretariat Divisions and on 08th September at Meegahakivula National School covering Kandaketiya, Soranathota and Meegahakivula Divisional Secretariat Divisions.
- ✓ Solutions were offered to problems relating to the labour sector of more than 5000 workers at the four mobile services. Similarly, a series of welfare programmes were also conducted.



Photo 2.1.2. Serving labour community at mobile service programmes

7. Decent Work Programme

If Sri Lanka is to access the path of development, decent work has to be promoted. Decent work fosters equal opportunities for men and women to secure productive work in an environment of freedom, equity, social protection and human dignity. A significant factor involving decent work is that the mere job creation is not expected and the jobs so created should be acceptable. Decent work is based on four major elements.

- Job Creation , Promotion and National Productivity
- Rights at Work
- Social Protection
- Social Dialogue

In addition to these 4 major elements, programmes are implemented covering the following subject areas.

1. Productivity promotion
2. Ensuring gender equality

Under the decent work programme, Rs 15 million was allocated to the following institutes for the implementation of various programmes and projects. An additional provision of Rs. 100,000 was received from the Employees' Trust Fund Board for mobile service programmes implemented by the Ministry.

Progress of Decent Work programme as at 31.12.2019

Name of the project	Net Provision	Expenditure	Balance provision	Expenditure percentage (%)
Department of Labour	6,731,000	6,167,557	563,443	91.62%
Department of Manpower and Employment	4,371,000	3,302,000	1,069,000	75.54%
National Institute of Occupational Safety & Health	1,000,000	1,000,000	-	100%
Ministry of Labour & Trade Union Relations	2,998,000	2,997,158	842	99.97%
Total	15,100,000	13,466,715	1,633,285	89.18 %

Table 2.1.2.1. Progress of Decent Work programme as at 31.12.2019

2.1.3 Labour and Foreign Relations Division

Safeguarding domestic labour rights in accordance with the obligations undertaken by Sri Lanka as a member country of the International Labour Organization and other internationally recognized conventions and recommendations and making use of them on behalf of the Ministry of Labour and Trade Union Relations to resolve problems in the labour sector is the premier function of this Division.

Ensuring that Sri Lanka has fulfilled its obligations and responsibilities in respect of the field of labour to the International Labour Organization and other multilateral agencies, formulating labour policies, creating national level social dialogues and enlisting international support for the development of human resources are the other functions of the Division.

Performance from 01 January 2019 to 31 December 2019

- ❖ Preparation of the reports to be forwarded under Article No. 22 of ILO. Preparation of reports for 06 Conventions for the year 2019 and preparation of reports to be sent under constitution No.19.
- ❖ Coordinating and following up all activities required to cause the participation of tripartite representatives in the ILO conference held annually in Geneva.
- ❖ Four meetings of the National Labour Advisory Council with tripartite representation had been held.
- ❖ Taking necessary action to have the officials attached to the Department of Labour and other institutions affiliated to this Ministry participated in foreign scholarships, workshops and training programmes. During the period from 01 January 2019 to 31 December 2019, 93 officials took part in foreign training courses and workshops.
- ❖ Providing relevant information to the economic review and economic outlook published annually by the Central Bank of Sri Lanka and compiling information relevant for the Central Bank Annual Report.
- ❖ Laying the groundwork for the introduction of a new Act with a view to removing anomalies in the legislations currently in operation in respect of terms and conditions of service of employees of the private sector and introducing flexible service conditions and incorporating new service conditions to suit the current needs of the country.
- ❖ Handling activities in respect of Memoranda of Understanding to be signed in future in the fields of social security and education in relation to the labour sector between Sri Lanka and other countries and all programmes towards that end.
- ❖ Compiling reports on emerging trends of the labour sector for the use of the Ministry of Foreign Affairs and other ministries.
- ❖ Taking action pertaining to foreign tours undertaken to strengthen cooperation in the field of labour.
- ❖ Conducting coordinating activities in respect of projects and workshops implemented with the technical cooperation of the International Labour Organization.
- ❖ Making necessary arrangements for the ratification of 29th protocol on forced labour.

- ❖ Causing officials of the Ministry to participate representing Sri Lanka in the III & IV Global Conference on the Sustained Eradication of Child Labour held in New York and Nepal and making arrangements wherethrough for the designation of Sri Lanka as a pathfinder country that has eradicated child labour.
- ❖ Conducting the meeting of the committee comprising senior officers of the Department of Labour appointed to discuss the Employment Bill. With the participation of the relevant consultants, each section of the Bill was extensively discussed at the meeting.
- ❖ Taking initiative for the formulation of all types of policies implemented in respect of the Ministry.
- ❖ Compiling reports on the progress of the National Human Rights Action Plan (2017-2021) aimed at promoting and safeguarding human rights in Sri Lanka and devising necessary plans required for attaining objectives and implementing activities relating to the chapter on “Labour Rights” thereof.
- ❖ Holding 03 meetings of task forces established under the Decent Work Country Programme.
- ❖ Organizing quarterly review meetings on the payment of Employees’ Provident Fund, Employees’ Trust Fund and gratuity in arrears receivable to workers of plantation companies acquired by the government with the Department of Labour, Central Bank of Sri Lanka and members of trade unions representing estate workers.
- ❖ Handling the logistics of the ceremony to commemorate the centenary of the ILO in collaboration with the Ministry of Labour, Department of Labour and ILO.



Photo 2.1.3. Issuing First Day cover and Commemorating Stamp at the event of celebrating centenary of the International Labour Organisation

2.1.4 Finance Division

Overall financial performance for the year 2019

Type	Estimate	Actual	Deficit/surplus	Main reasons for variations
Recurrent	242,000,000	207,949,838	34,050,162	There is no significant variation.
Capital	135,250,00	111,078,800	24,171,200	There is no significant variation.

Table 2.1.2.2. Financial performance for the year 2019

	Institute	Expenditure Item	Expenditure Category	Net Provisions (Rs 000')	Expenditure (Rs 000')	Balance Provisions (Rs. 000')	Expenditure Percentage (%)
1	Ministry Office	54	Recurrent	184,820	158,038	26,782	85.5
			Capital	125,630	96,385	29,245	76.7
2	National Institute Of Labour Studies		Recurrent	12,000	10,769	1,231	89.7
			Capital	1,600	473	1,127	29.6
3	National Institute Of Occupational Safety and Health		Recurrent	6,000	5,240	760	87.3
			Capital	7,500	4,185	3,315	55.8
4	Office of the Commissioner of Workmen's Compensation		Recurrent	39,180	32,929	6,251	84.0
			Capital	520	373	147	71.7
	Grand Total		Recurrent	242,000	206,976	35,024	85.5
			Capital	135,250	101,416	33,834	75.0
5	Dept of Labour	221	Recurrent	2,203,010	1,801,245	401,765	81.7
			Capital	1,328,010	1,307,883	20,127	98.4
6	Dept of Manpower & Employment	328	Recurrent	387,000	370,488	16,512	95.73
			Capital	27,775	23,877	3,898	85.97
	Total		Recurrent	3,231,930	2,749,828	482,102	85.08
			Capital	1,531,975	1,467,397	64,578	95.78
	Grand Total		Recurrent	3,473,930	2,956,804	517,126	85.11
			Capital	1,667,225	1,568,813	98,412	94.09

Table 2.1.2.3. Overall financial performance for the year 2019

Detailed report is given on Chapter Three.

2.1.5 Internal Audit Division

The primary function of this Division is to offer guidance and give instructions to the Ministry of Labour and Trade Union Relations and the institutions under its purview i.e. the National Institute of Occupational Safety and Health, National Institute of Labour Studies and Office of the Commissioner of Workmen's Compensation for them to maintain internal controls to achieve their objectives and to guide such institutions to comply with the Establishments Code, Financial Regulations, Procurement Guidelines and all circulars issued by the government.

Functions of the Division

1. Ensuring that all activities are carried out in terms of the National Audit Act No.19 of 2018.
2. Reviewing institutional progress once every quarter and conducting four meetings of the Audit and Management Committee per year to offer guidance and instructions to discuss and resolve issues pertaining to institutions.
3. Implementing the recommendations of the Public Accounts Committee, paying greater attention to matters which are subject to the evaluation of Parliament.
4. Giving instructions for the presentation of reports to be prepared annually within the scheduled timeframe.

2.2 Progress of institutions under the purview of the Ministry

2.2.1

Department of Labour

The Department of Labour is the public sector institution responsible for upholding the occupational rights of workers in the semi government and private sectors and establishing social protection. Since this is a subject falls within the ambit of the central government, the Department maintains and island-wide network of labour offices for the enforcement and promotion of necessary legislations.

The Department of Labour was originally set up in terms of the Indian Immigrant Labour Ordinance No. 01 of 1923, with the objective of providing welfare for Indian migrant labourers brought to Sri Lanka by the British to work in the plantation sector.

Vision

A country with established industrial peace for an internationally competitive economy

Mission

Contribute to the economic development process of Sri Lanka by establishing decent work environment with secured industrial peace.

Objectives

- Consolidating lasting industrial peace in semi government and private sector workplaces.
- Improving conditions of work of the worker by creating a decent work environment and formulating labour standards.
- Ensuring social Security of the worker
- Guaranteeing employment security of women and young persons and eradicating child labour.
- Creating a work environment conducive for health of workers and free of accidents.

Functions

- Promotion of dialogue amongst employers and employees.
- Enforcement of labour legislations and prevention and of industrial disputes and resolving disputes that have arisen through the promotion of social dialogue.
- Conducting institutional inspections (labour inspections) and upholding the statutory rights of workers by regularly updating the knowledge required by officers of the Department.
- Establishing industrial peace by expanding the knowledge and understanding of labour laws of both the employers and employees.

- Formulation and implementation of labour standards compatible with changes in the national economic structure in line with international labour standards.
- Ensuring that benefits are duly granted to workers through the sound administration of the EPF and the administration of the approved private provident funds and pension allowances with similar efficiency.
- Constructive enforcement of all labour laws including those applicable to women, young persons and children.
- Creating awareness amongst workers that workplaces are healthy and accident free and ensuring that workplaces are accident free and maintain sound health practices.
- Collection and analysis of statistics required for making decisions in regard to above functions.
- Taking action to give legal effect to ILO conventions ratified by Sri Lanka.
- Initiating action to eradicate child labour and hazardous forms of child labour.

2.2.1.1 Promoting industrial peace for boosting economic development

In order to maintain industrial peace which is the fundamental and all-important function of the Department, the Department exercises 04 key functions, namely the maintaining of a dialogue between employers and employees, inspection of workplaces (labour), settling issues regarding the denial of statutory rights, constituting legal action for the protection of occupational rights of workers.

I. Maintaining a dialogue between the two parties- the employer and the employee

For boosting productivity and efficiency of semi-government and private sector institutions scattered across the country, the following tasks were carried out in the year 2019 for creating a conducive environment that would strengthen industrial peace between the employer and the employee.

- To educate both employers and employees on labour laws through awareness programmes for semi government and private sector institutions aimed at creating favourable working environment, the programmes for managers and employers were organized and conducted as outlined below.



Photo 2.2.1.1. Employer- employee awareness programme at the institutional level, conducted by the Social Dialogue Division

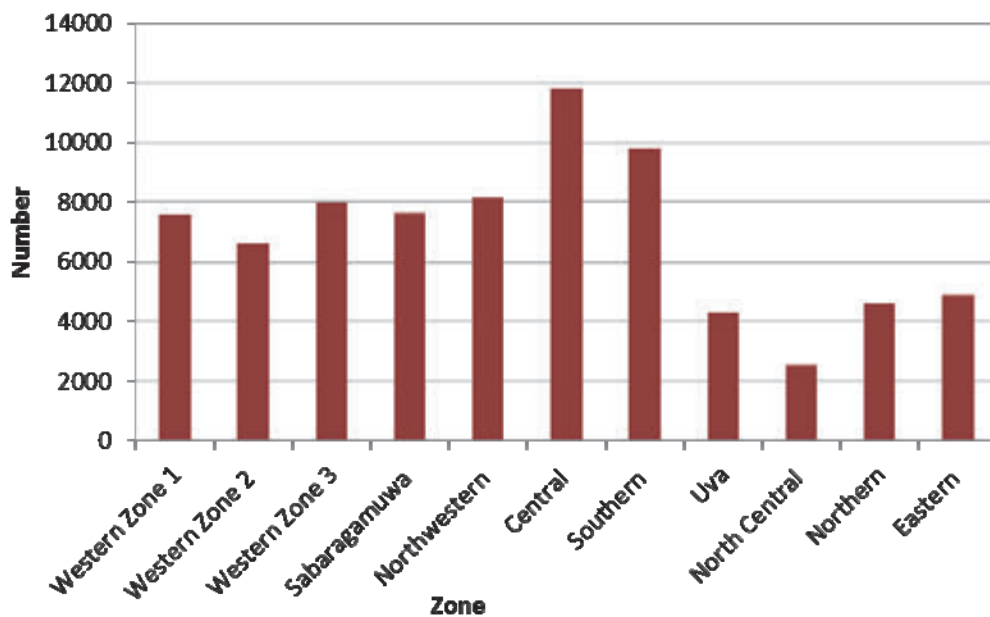
S. No.	Programme	No. of programmes
01	Institutional level awareness programmes for both employers and employees conducted by Social Dialogue Division	66
02	Programmes conducted for managers and employers by Social Dialogue Division	10
03	Programmes conducted at public sector institutions by Social Dialogue Division	13
04	Awareness raising programmes conducted by district offices for employers and employees	37
05	Awareness raising programmes conducted by sub offices for employers and employees	13

Table 2.2.1.1. . institutional level awareness Programmes

- Conducting 19 Regional Advisory Councils with the participation of employers, employees and Assistant Labour Commissioners to gather information required for building tripartite relationships and formulating policies.
- Conducting 11 regional dialogues for knowledge sharing and resolving problematic issues pertaining to labour laws amongst employers and employees.
- A competition on social dialogue and workplace cooperation is conducted Island-wide annually at small, medium and large scales with representations from the manufacturing, service, apparel and plantation sectors to ascertain the extent to which social dialogue has been established within institutions. Preliminary arrangements for the competition were made in the year 2019 and the award ceremony is due to be conducted in January 2020.

II. Workplace (Labour) Inspections

The foremost objective of conducting workplace inspections is to examine whether the laws and regulations imposed for the protection of statutory rights of workers in the place of work are complied with and take necessary action to redress grievances and pave the way for the establishment of cordial relationships between employers and employees. To carry out this function, 11 regional labour offices and 40 district labour offices and 17 sub offices have been established to cover the entire Island and the number of Labour Officers deployed is 493. According to the information received hitherto, the total number of labour inspections performed by labour officers in the year 2019 was 76,108.

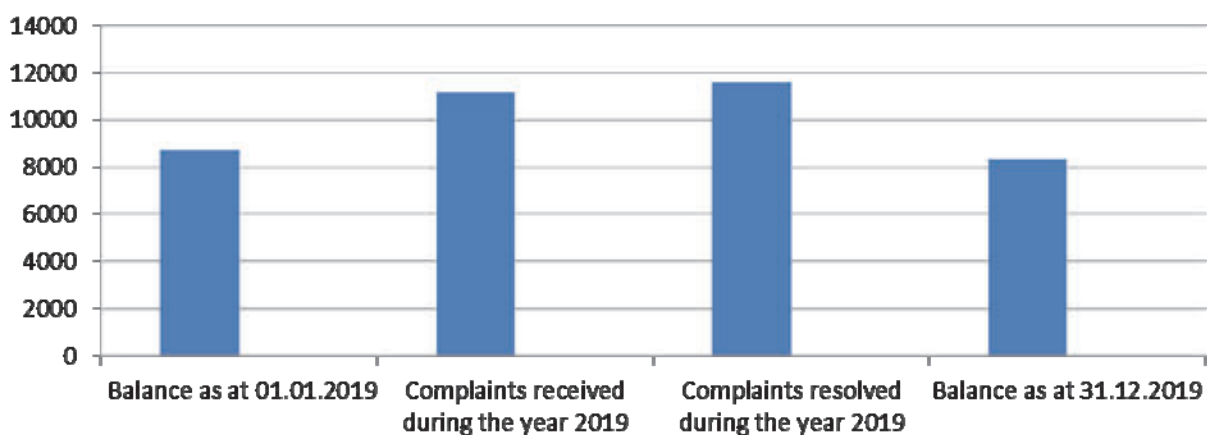


Graph -2.2.1.1. Inspection of Workplaces (Labour) -2019

Note- This data may vary as the graph has been prepared as per the data received up to now.

III Resolving complaints on the denial of statutory entitlements and settling industrial disputes

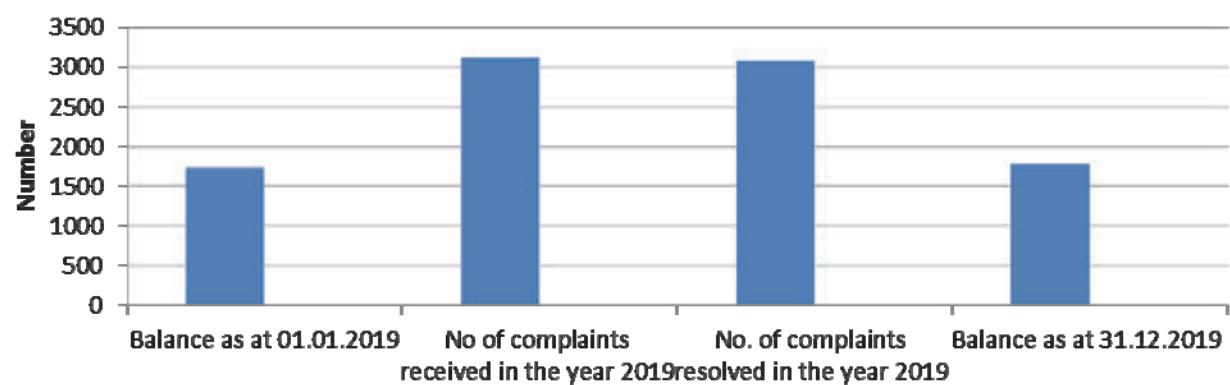
Complaints regarding the violation of statutory laws and potential breaches in industrial peace and the possibility of strikes are lodged with the head office, district offices and sub offices by employees and various other parties and action is pursued by the relevant offices to resolve such complaints. If their attempts failed, the dispute is referred to an arbitrator or an industrial court for a solution on the order of the Minister in charge of the subject.



Graph 2.2.1.2. Complaints received on the violation of statutory laws and solutions offered -2019

Note: May be subject to change as the graph was prepared as per currently available information

The number of complaints resolved being significantly higher compared to the complaints received during the year on violation of statutory laws and tendency of resolving disputes having a greater inclination compared to the complaint receiving tendency are indicative of the potential for minimizing the time consumed for resolving complaints.



Graph 2.2.1.3.Receipt of complaints on industrial disputes and solutions -2019
 Note: May be subject to change as the graph was prepared as per currently available information

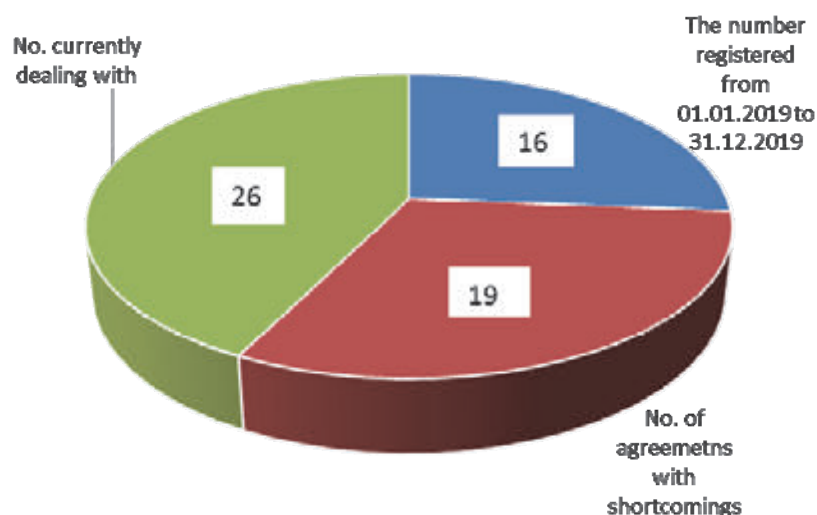
When situations that could possibly lead to a strike action are observed, the officials of the Department immediately take action to contain the situation and if a strike takes place necessary interventions are made to resolve the dispute. Compared to the year 2018, there is a sharp decline in the number of strikes reported in the year 2019.

S. No.	Event	Plantations	Construction	Manufacturing	Mining	Semi government	Other services	Total
01	Strikes reported	8	1	11	-	-	1	21
02	No of employees participated	1,952	100	4,701	-	-	16	6,769
03	No of man days lost	28,218	200	26,403	-	-	16	54,837

Table 2.2.1.2. – Data reported on strikes -2019

By entering into collective agreements as a means of settlement of industrial disputes, a more permanent solution is offered to both the employer and the employee and they enable employees to secure greater privileges than the rights and privileges conferred through labour legislations.

Since there has been a gradual decline in the number of collective agreements over the past few yeas, the Department endeavours to make a greater inducement through social dialogue to move towards collective agreements.



Graph 2.2.1.4 –Registration of collective agreements -2019

Disputes which cannot be resolved with the intervention of labour offices or with the direct involvement of the Industrial Relations Division of the Department are referred to arbitration or to an industrial court and in the year 2019, there had been 125 references for arbitration and the number of awards issued was 56.

Opportunity has been accorded to form trade unions and register with the Department paving the way for equal representation for both the employer and the employee not individually but collectively during a breach of industrial peace and give equal and equitable hearing for both parties. Accordingly, the number of trade unions registered with the Department in the year 2019 was 132 and the total number of valid trade unions in operation as at 31.12.2019 was 1903.

2.2.1.2 Standardization of workmen's rights

Formulating policies, standards and conditions of work, giving legal effect thereto and monitoring their implementation in order to ensure the welfare and job security of the workers employed by the private sector is an ongoing process of the Department. Accordingly, the following activities have been conducted in the year 2019.

	Programme/Activity	Physical Progress
1	Appointing representatives to 06 Wages Boards whose official terms had expired.	23
2	Granting approval for five-day workweek.	203
3	Conducting awareness programmes for employers & employees	2
4	Publishing monthly salaries of cocoa, cardamom, pepper cultivating and processing industry	12
5	Examining legal validity of collective agreements	22
6	Making clarifications under legal interpretations under the Budgetary Relief Allowance Act No. 04 of 2016	45
7	Making clarifications under legal interpretations under Wages Board Ordinance	65
8	Making clarifications under legal interpretations under Shop and Office Employees Act	46
9	Granting approvals for requests made for salary deductions under Wages Board Ordinances and Shops and Office Employees Act.	44

	Programme/Activity	Physical Progress
10	Granting approval for requests made for establishing fine funds defray expenditure from such funds.	5
11	Announcing special holidays and election holidays pertaining to Wages Boards through notices published in newspapers.	3
12	Referring soft copies of gazettes, amendments to Acts and regulations published by the Division for uploading to the website of the Department.	17
13	Amending and publishing decisions of Wages Boards	44

Table 2.2.1.3. – Activities pertaining to the standardization of workers' rights - 2019

2.2.1.3 Ensuring a healthy and hazard free work environment

I. Ensuring occupational health

According to the provisions of the Factories Ordinance in force, health and occupational safety of employees is a legal obligation of the employer and the right to work in a safe environment is a fundamental right of the worker. The following activities were carried out towards this end in the year 2019.

Ensuning occupational health of workplaces

	Programme	Physical Progress
1	Environmental measurements	131
2	Biological tests	2,495
3	Occupational safety and health audits	292
4	Awareness programmes	240
5	EPF and ETF medical boards	24

Table 2.2.1.4. - Measures taken for inspecting health practices adopted by workplaces - 2019

II. Ensuring accident-free work environment

The danger of physical injuries and even death exists for workers in factories due to electricity, heat, air pressure, excessive light or sound and minimizing such accidents is one of the primary responsibilities of the Department.

Engineers attached to 10 District Factory Inspection Engineering Officers established covering the entire Island inspect factories to discharge this function.

The number of factories registered under the registration of new factories is 31,346. The number of new factories registered during this year is 1,409.

- Inspecting and approving building plans – 147
- Inspection of factories -3944

Investigations into accidents hazardous events

During the year 2019, 84 fatal accidents and 1,409 non-fatal accidents have been reported to the Department. By identifying the reasons for accidents, consequent to investigations into all such fatal and

serious non-fatal accidents, awareness was created to prevent recurrence of such accidents and legal action was constituted against institutions in which accidents had been caused due action that had violated the Factories Ordinance.

- Constituting legal action - 29
- Regulating the inspection of overly dangerous machinery – 9,832
- Conducting awareness workshops

S. No.	Relevant Division	No. of programmes conducted	No. of beneficiaries participated
01	Construction	41	3,100
02	Apparel	23	2,500
03	Other products	19	1,800
04	Other	13	2,000
05	Total	96	9,400

Table 2.2.1.5.- Awareness workshops conducted for improving occupational safety and health-2019

- Referring victims of occupational accidents and diseases to the Commissioner of Workmen’s Compensation and Shrama Vasana Fund**

Measures were taken to refer 349 accidents reported during the year 2019 to the Commissioner of Workmen’s Compensation and secure compensation for the victims and their dependents.

In addition, action was pursued to refer the details of school going children of victims’ families to the Shrama Vasana Fund to have scholarships offered to them.

- Commemoration of World Safety Day**

A national seminar was conducted on 30.05.2019 by the Department of Labour to mark World Safety Day under the auspices of the Hon. Minister at the auditorium of the Board of Investment at Seethawaka with the participation of 250 employees.



Photo 2.2.1.2. National Occupational Safety and Health Conference- 2019

- **Safeguarding the occupational rights of women and young persons and eradicating child labour**

One of the primary responsibilities of the Department is to promote productive contribution of women's labour by enforcing labour laws covering women at workplaces and recommend necessary amendments to such laws by reviewing them periodically.

Similarly, eradicating child labour with the contribution of all stakeholders, enforcing labour legislation applicable to children under 18 years of age and recommending amendments to existing laws to be compatible with prevailing social issues too are key responsibilities of this Department.

i. Enforcing existing laws applicable to employed women, young persons and children –Progress of the year 2019

S. No.	Category	Number	Observations
01	Investigations on child labour	189	Investigations into 162 complaints were finalized and files were closed. Since the employment of child labour was disclosed in 7 such complaints, legal action has been constituted.
02	Investigations into complaints received on service conditions of women.	35	Investigations into 16 complaints were finalized and files were closed.
03	Granting approval for employing women at night.	962	26 approvals by Women & Children's Division, 909 approvals by district offices and 17 approvals by sub officers were granted for employing women at night.
04	Special group investigations into hazardous forms of child labour.	67	336 institutions were inspected but no incidence of hazardous forms of child labour was reported.
05	Special group investigations into woman workers	93	465 institutions were inspected. Violations of service conditions were reported from 77 of them.

Table 2.2.1.6.- Enforcement of legislations on employed women, young persons and children - 2019

ii. Conducting educational and awareness programmes

Raising awareness by conducting the relevant major commemorative days

(a) Celebration of International Women's Day

The Women's Day celebration of the year 2019 was held on 08.03.2019 at the 10th floor auditorium of the Department of Labour under the patronage of the Hon. Minister.

(b) World Day against Child Labour (12.06.2018)

The Women and Children's Division of the Department of Labour conducted hazardous labour raids. Island-wide and held an awareness programme with the objective of creating a secured environment for children by minimizing child labor and hazardous occupations leading to their sound physical and mental

development and setting the stage for sustainable development by improving health and education. A parallel programme was conducted through the media to raise awareness on child labour. This series of raids covering 236 institutions and no children employed in hazardous occupations could be identified.

(c) Commemoration of International Children’s Day

The International Children’s Day-2019 was commemorated by the Women and Children’s Division of the Department of Labour on 01st October 2019 at ‘Baudhdha Mandiraya’, Moratuwa.

- ii. Programmes for establishing child labour free zone under the project for eliminating child labour from Sri Lanka

An awareness programme centered on the Nivitigala Divisional Secretariat for parents and children was conducted and the relevant officials were extensively briefed at the District, Divisional Child Development Committees Island-wide.

- iii. The Department extended its support as indicated below to activities carried out by other institutions for the safety of women and children.

- ❖ Creating awareness on the Maternity Leave Law at the media briefing organized by the Ministry of Health for National Week on Breastfeeding.
- ❖ Participated in the committee against human trafficking
- ❖ Active contribution was made to the National Nutrition Action Plan

- iv. Details of other important programmes

S. No.	Programme	No. of programmes conducted	No. of participants
1	Awareness programmes for creating awareness amongst private sector employees.	05	405
2	Creating awareness amongst officers who participate and support in enforcing laws pertaining to the eradication of child labour.	01	75
3	Capacity development programme for employed women.	01	75
4	Awareness programmes for employees of the plantation sector	03	106
5	Training programmes for Labour Officers for raising awareness on labour laws on the employment of women, children and young persons.	07	348

Table 2.2.1.7- Special programmes on women and children’s affairs - 2019

v. Progress of amending existing legal framework

The employment of any person under the age of eighteen years in any hazardous occupation has been banned as per the regulations made under Section 20(a) of the Amendment Act No. 24 of 2006 of the Employment of Women, Young Persons and Children Act No. 47 of 1956. Identifying occupations that could be detrimental to the physical and mental health and safety of persons under the age of eighteen years, the list of hazardous occupations was amended in the year 2018 and action was taken to obtain the approval of Cabinet of Ministers to the draft new “ Hazardous Employment Regulations”. Having submitted the draft to the Legal Draftsman’s Department, the Department of Labour also took action to forward its observations thereto.

In terms of the approval of the Cabinet of Ministers to increase the maximum age a child can be employed from 14 years to 16 years, drafts of 5 Acts enforced by this Department have been forwarded to the Legal Draftsman’s Department.

2.2.1.5 Social Security of the Worker

The Employees’ Provident Fund, established with the principle objective of ensuring a secured retirement for the country’s workforce in the semi-government and private sectors is administered by the Department of Labour. The overall value of the Fund is Rs. 2,514,515 million and the number of active and dormant accounts of the Fund is 18.9 million.

● Registration of workplaces in Employees’ Provident Fund

All semi-government and private sector institutions covered by the Employees’ Provident Fund Act are required to register in the Fund. Accordingly, the number of institutions registered in the year 2019 was 6218. The number of institutions that credited contributions to the Fund in 2019 was 84,874 and the amount of contributions credited to the Fund was Rs. 157,434 million.

● Registration of members for Employees’ Provident Fund

Allocating numbers to all employees covered under the EPF Act and register them in the Fund is carried out under the auspices of the Department. Accordingly, the number of members registered during the year 2019 was 532,107 and as of now there are 2.52 million active accounts in the Central Bank.

First notices and red notices are issued for employees who fail to make contributions as stipulated and if such notices are not properly responded to, action is taken to constitute legal action and recovers together with the surcharge and account them. During the year 2019, Rs. 8,226 million was recovered by issuing 20,436 first notices and Rs. 5,559 million was recovered by issuing 13,756 red notices.

● Payment of benefits of EPF

Facilities have been made to avail this service from the Head Office of the Department and 35 district offices and 12 sub labour offices located across the country and the number of beneficiaries who received benefits in the year 2019 are tabulated below. The total amount paid as benefits was Rs. 126,042 million.

	Matter	No. of applications received from Jan. to Dec. 2019	The number to who Decision Letters were sent from Jan. to Dec. 2019
01	Payment of benefits on retirement having reached the age of retirement	92,125	90,216
02	Payment of benefits to women members who left service upon marriage	22,333	21,895
03	Payment of benefits for leaving service upon full disability	1,316	1,294
04	Deceased member benefits	5,621	4,978
05	30% pre retirement benefits	28,199	27,811
06	Payment of benefits upon permanent settlement in a foreign country	2,808	2,777
07	Payment of benefits upon leaving service having received a pensionable post in the public service or the provincial public service	9,267	9,057
08	Payment of benefits to members who left the service due to the closure of a public corporation/board, retrenchment or conversion into a company.	58	57

Table 2.2.1.8. – Receipt of applications and forwarding of decision Letters to the Central Bank of Sri Lanka- 2019

● **Monitoring approved Provident Funds**

There are 123 institutions with approved provident funds under the EPF and the membership thereof is 134,456. The functioning of such funds including the crediting of contributions and payment of benefits is monitored by the Department and those institutions which do not function properly are brought under the purview of the EPF through a judicial process.

No. of complaints received	85
No of complaints resolved and files closed	89
No. of reports on private provident funds monitored by field officers	197
No. of institutions monitored	123

Table 2.2.1.9. Progress of monitoring approved provident Funds - 2019

● **Promotion of the fund**

The following tasks are carried out to uplift the living standard of members while optimizing the administration of the fund.

● **Granting housing loans based on the balance of the account of EPF**

With the objective of uplifting the living standard of members, facilities have been made available to place the balance of the EPF as a security and obtain a housing loan subject to a ceiling of 75%. Accordingly, approval was granted for 10,022 housing loan applications during the year. The amount for which approval was granted was Rs. 5.10 billion.

- **Implementing projects for the promotion of the EPF**

Measures were taken to publicize television and newspaper advertisements with the aim of raising awareness of the EPF amongst both employers and employees and expanding the registration. In addition, 16 mobile services were conducted covering all the provinces of the Island and the number of members received benefits from these services was 965.

- Through the decentralization of the service for rectifying the anomalies of members' information, the facility for having their requirements fulfilled was made available to members thus saving their time, labour and money.
- By increasing access to the monitoring data system and the payment data system and expanding network links, the efficiency of the services provided was enhanced thus limiting the number of members visiting the head office.

2.2.1.6 Legal protection for safeguarding the occupational rights of workers

The Department enforces a host of legislations for the protection of occupational rights of workmen. Though basic legal action required for the granting of statutory entitlements of workers, in the event of failing to reach an accord, action is pursued to ensure justice to the worker by constituting legal proceedings to prevent the violation of rights and give effect to rights of workers.

	Act	No. of cases filed	No. of cases resolved
1	Employees' Provident Fund Act	2,546	1,288
2	Gratuity Act	1,143	726
3	Wages Board Ordinance	156	53
4	Shop and Office Employees Act	52	33
5	Industrial Disputes Act	21	8
6	Orders of Labour Tribunals	62	40
7	Termination of Employment Act	3	2
8	Employment of Women, and Children Act	1	2
9	Maternity Benefits Ordinance	0	1
10	Budgetary Relief Allowance Act	82	48
11	Approved Provident Funds Act	0	0

Table 2.2.1.10 - Cases filed by all district offices and cases resolved -2019

Note- This data may vary as the table has been prepared as per the data received up to now.

Court	Balance brought forward to year 2019	No of cases closed in the year 2019
Supreme Court	205	0
Appeals court	383	2
High Court	178	46
District courts and Commercial High Court	216	17

Table 2.2.1.11 - Court wise performance of cases - 2019

2. 2.1.7 Administration and Construction Activities

i. Administration

Maintaining the staff at an optimal level enables the Department discharge its duties efficiently and effectively.

Accordingly, activities such as fulfilling human resources requirements, confirming employees in service, evaluating their performance, granting salary increments, conducting efficiency bar examinations within the stipulated period, implementing transfer procedure and other routine administrative functions were exercised efficiently in the year 2019. In addition to the aforementioned functions, the following activities were carried out for optimizing administrative duties.

- Launching a Short Message Service (SMS) for notifying messages, reminders and emergency notices to all officials of the Department.
- A Google Drive data system incorporating an overview of information in the personal files of all officers of the Department was prepared and it is expected to update information on personal files using Google Drive and gather accurate information daily.
- Adopting necessary measures for the proper disposal of garbage collected from the premises of the Labour Secretariat, recycling garbage and minimizing the release of garbage to environment.

ii. Constructions

With a view of offering a more efficient service to the labour community scattered across the Island, District Labour Offices have been established in each district of the Island. By constructing these offices with modern facilities , the clients will be able to receive a satisfactory service and the officers of the Department will have the opportunity of providing an effective service through the creation of conducive working environment.

Accordingly, infrastructure facilities in the district offices located at Kurunegala, Puttalam, Negambo and Jaffna were upgraded. Constructions relevant to the year in labour offices at Ambalangoda, Naula, Hatton and Badulla of which construction activities are ongoing were carried out. In addition, construction activities of the Mahiyangana and Anuradhapura district labour offices were completed.

‘Mehewara Piyesa’ building constructed at the Department premises was declared open by His Excellency the President in the year 2019.



Photo 2.2.1.3. Declared opening of “Mehewara Piyesa” building by H.E. the President on 20 August 2019

iii. Library and Information Service

The Department maintains a library to disseminate knowledge on the labour sector among the employees of the Department and general public at large. Accordingly, 216 books and journals were purchased during the year for the knowledge, understanding and entertainment of readers.

2.2.1.8 Financial Management

The Department adopted measures for the efficient, effective and economical administration of financial resources allocated to the Department from the budget of 2019 in compliance with state policies.

Accordingly, 82% of recurrent provisions and 98% of capital provisions allocated to the Department from the annual budget in the year 2019 had been efficiently utilized by the Department for its activities.

Recurrent expenditure	Provision (Rs.)	2,207,000,000
	Expenditure (Rs.)	1,801,245,439
Capital expenditure	Provision (Rs.)	1,522,010,000
	Expenditure (Rs.)	1,307,883,464

Table 2.2.1.12 –Overall financial progress of the year 2019

Type of expenditure	Budgetary provisions 2019	Actual expenditure 2019	Actual expenditure as a percentage of provisions
Rehabilitation & upgrading capital assets	58,490,000	41,965,156	71.7%
Acquisition of capital assets	1,447,920,000	1,252,189,466	86.5%
Total	1,506,410,00	1,294,154,621	85.9%

Table 2.2.1.13 Progress of Capital finance in the year 2019

2.2.1.9 Activities of the Statistical Division

Collecting and analyzing data relevant to the labour sector to develop understanding on the orientation of the labour sector of Sri Lanka, identifying the need for amending labour legislations and making projections for the future is the primary function of the Statistical Division.

Accordingly, the following activities were conducted in the year 2019.

Programmes/activities	Duties discharged in the year 2019
1. Annual employment survey 2017	Publishing in printed form and and posting same on website.
2. Annual employment survey 2018	Preparing the report for printing
3. Labour Statistics Annual Publication 2017	Preparing for printing
4. Labour Statistics Annual Publication 2018	Finalizing the preparation of tables
5. New survey on the number of hours worked and labour cost – Commencement	Preparing questions & pre-inspection finalized
6. New survey on the number of hours worked and labour cost –2019 (fourth quarter)	Questionnaire was prepared & posted to relevant institutions
7. Computing minimum salary ratio index	Computed and submitted.
8. Computerizing new registrations of EPF	A data base has been prepared for this purpose and data was fed and updated.

Table 2.2.1.14. Functions discharged -2019

2.2.1.10 Guiding towards targets by monitoring the functions of the Department and human resources development

I Guiding towards targets by monitoring the functions of the Department

Promoting and improving the performance of the Department through monitoring the functioning of all district and sub labour offices and all divisions of the Department and working towards achieving targets are a prerequisite for the attainment of targets of the Department of Labour.

Towards this end, the Annual Action Plan -2019 of the Department was prepared and monthly meetings were held monthly to review the progress of all divisions.

Similarly, the methodology existed for the monitoring of District/Sub Labour Offices was redesigned as a more formal programme in the year 2018 and during the year 2019, this methodology was further developed to cover all District/ Sub Labour Offices. Enhancement of the quality of field inspections conducted by officers, improvement in the implementation of recommendations contained in reports, increased efficiency in the recovery of EPF contributions in arrears, increased efficiency in the payment of benefits of the EPF, improving efficiency in the dispute resolution process, taking all possible measures to reactivate cases with open warrants and cases lying dormant and taking measures to pay money deposited in the general deposit account are the key outcomes of this programme.

Further, progress review meetings were held at the regional level, subsequent to the submission of analytical reports on the progress of each office having inspected all district and sub labour offices. At these progress review meetings, it was observed that even though an office had achieved a higher level of progress for a certain function, it had failed to achieve the expected level of progress in relation to another function. Hence, the Deputy Labour Commissioners in charge of regions were instructed to set targets in respect al the above functions and steer the district and sub offices to achieve such targets in the year 2020. Thus, it will be possible to assess whether all officers and officials have reached each target in the year 2020 and measure the performance accordingly.

II Human Resources Development

It is the knowledge of the officials of the Department about the role expected to be performed by them and the ability to take practical measures that determine the quality of the services provided by the Department. Accordingly, the Department identifies the training needs of officers and provides the requisite training with the help of resource persons. In addition, financial provisions required for the participation of training programmes conducted by external institutions are allocated and whenever opportunities for foreign training are available, the necessary coordination work is carried out and financial provisions are arranged.

S. No.	Programme	No. of programmes conducted	No. of officers participated
01	Training workshops on labour laws	04	298
02	Training programmes on EPF related activities	18	1,023
03	Training programmes on occupational safety & health	02	100
04	Tamil language training programme	01	30
05	Orientation programme for new Development Officers and Management Assistants	01	80
06	Orientation programme for new KKSs	01	11
07	Training programme for drivers	01	80
08	ILO sponsored training workshops	09	259
	Total	07	1,881

Table 2.2.1.15 Training programmes organized and conducted by the Department for officers- 2019



Photo 2.2.1.4. Training programme conducted by the Planning, Research, Training & Publication Division

S. No.	Programme	No. of officers to whom provisions were granted
1	Post graduate degrees	20
2	Law degree	15
3	Certificate courses and workshops	14
	Total	49

Table 2.2.1.16 - Allocation of provisions to officers of the Department for trainings conducted by external training institutes -2019

Expenditure head	Provision for the year 2019 (Rs)	Expenditure as at 31.12.2019 (Rs)	Balance as at 31.12.2019 (Rs)	Expenditure as a percentage of provisions
221-01-01-2401	5,600,000.00	5,592,044.00	7,956.00	99.86%
221-02-02-2401	160,000.00	155,177.00	4,823.00	96.99%
221-02-03-2401	560,000.00	535,610.00	24,390.00	95.64%
221-02-04-2401	2,250,000.00	2,149,411.37	100,588.63	95.53%
Total	8,570,000.00	8,432,242.37	137,757.63	97.01 %

Table 2.2.1.17 –Overall expenditure for capacity building activities as at 31.12.2019

2.2.1.11 Using Information Technology for the provision of services

In providing services to clients, the Department has turned close attention to improving convenience of gaining access to services by providing such services through computer systems using information technology. A computer system is currently being used for the operation of the EPF and the Labour Inspection System Application (LISA) has been in use since the year 2015 for the collection of data of labour inspections, studying the working level of institutional inspections and the improvements required to be made and making management decisions and system is need of further improvements.

Though, both these computer systems have been designed to facilitate the internal process of the Department, they have to be improved further to maintain direct relationships with clients. Preliminary

discussions aimed at providing the required facilities to access service requirements through mobile phones are now underway.

In addition, documents such as specimen application required for people to obtain services, various Acts and Ordinances and decisions of the Wages Boards to which attention should be paid by employers are posted on the website of the Department.

Accordingly, the services provided by the Department through its website are as follows.

S. No.	Duration	Service	Target group
01	Throughout the year 2019	- All applications required for beneficiaries are posted on the website in all three languages and can be downloaded. - Statistical information, labour statistics, annual employment surveys, annual reports are posted on the website in all three languages and can be downloaded.	Internal and external clients
02	Throughout the year 2019	Updating information posted on website. - Services provided by the divisions of the head office - Contact details of all labour offices - Frequently asked questions answers thereto	Internal and external clients
03	Throughout the year 2019	Details of open and limited examinations of the Department and their results, foreign scholarship, bid invitations, training programmes, recruitment schemes, labour legislations and extraordinary gazette notifications, departmental circulars, seniority order of the officers of the Department, trade union list	Internal and external clients
04	29.22.2019	Posting information circuit bungalows of the Department of Labour	Internal and external clients

Table 2.2.1.18 - Services provided by the Department through the website. – 2019

2.2.1.12 Internal Audit

As all other public sector institutions, the Department of Labour too has to exercise all its activities in terms of Financial Regulations, circulars issued from time to time by the government and circulars issued by the Department. The supervision whether such activities are carried out with gainful resource utilization and transparency at an optimal level is under the direct supervision of the Commissioner General of Labour. Accordingly, the activities carried out in the year 2019 are as follows.

- As per the audit plan prepared in 2019 by the Internal Audit Division in respect of the year, 06 district labour offices and one regional labour office and the salary division of the Head Office were inspected.
- 28 audit queries issued by the Government Audit Division after inspecting various offices of the Department were answered.
- During the year, 04 quarterly Audit & Management Committee meetings were held.

2.2.2.

Department of Manpower and Employment

The Department of Manpower and Employment was established under the Ministry of Labour and Labour Relations in terms of the provisions of the extraordinary gazette No. 1640/31 dated 12.02.2010. At present, it functions under the Ministry of Labour and Trade Union Relations and has been assigned the responsibility of maintaining public sector employment services and implementing the provisions of the national human resources and employment policy.

Vision

A World class Sri Lankan Labour Force.

Mission

Development of a globally competitive and active labour force with extensive competencies and utilization of the full potential of our human resources for socioeconomic development of Sri Lanka

2.2.2.1 Objectives of the Department

- Implementing programmes having formulated the National Human Resources Policy
- Solving the structural issue of mismatch of skills
- Providing facilities to all Sri Lankans in the existing labour force and all those who are expected to enter the labour force in the future to determine correct occupational orientation
- Planning, developing and projecting manpower supply
- Developing the informal sector.
- Motivating job seekers for obtaining employments in the Private Sector.
- Providing free Public Employment Service.
- Providing manpower and employment related facilities to vulnerable groups, differently-abled persons and people in underserved areas.
- Provision of accurate global and local information on labour market to all Sri Lankans.
- Projecting local and global labour market trends.

	Budgetary provision 2019 (Rs.000)	15% deduction	10% deduction	After deducting 25%% of 2019 budgetary provision	Expenditure (Rs.000)	Percentage (%)
Recurrent expenditure	387,000	-	-	387,000	374,398	96.74%
Capital expenditure	35,000	5,250	1,975	27,775	25,459	91.66%
Total	422,000			414,775	399,857	96.40%

Table 2.2.2.1 - Financial progress up to 31st December 2019

2.2.2.3 Employment Creation, Promotion and Career Guidance

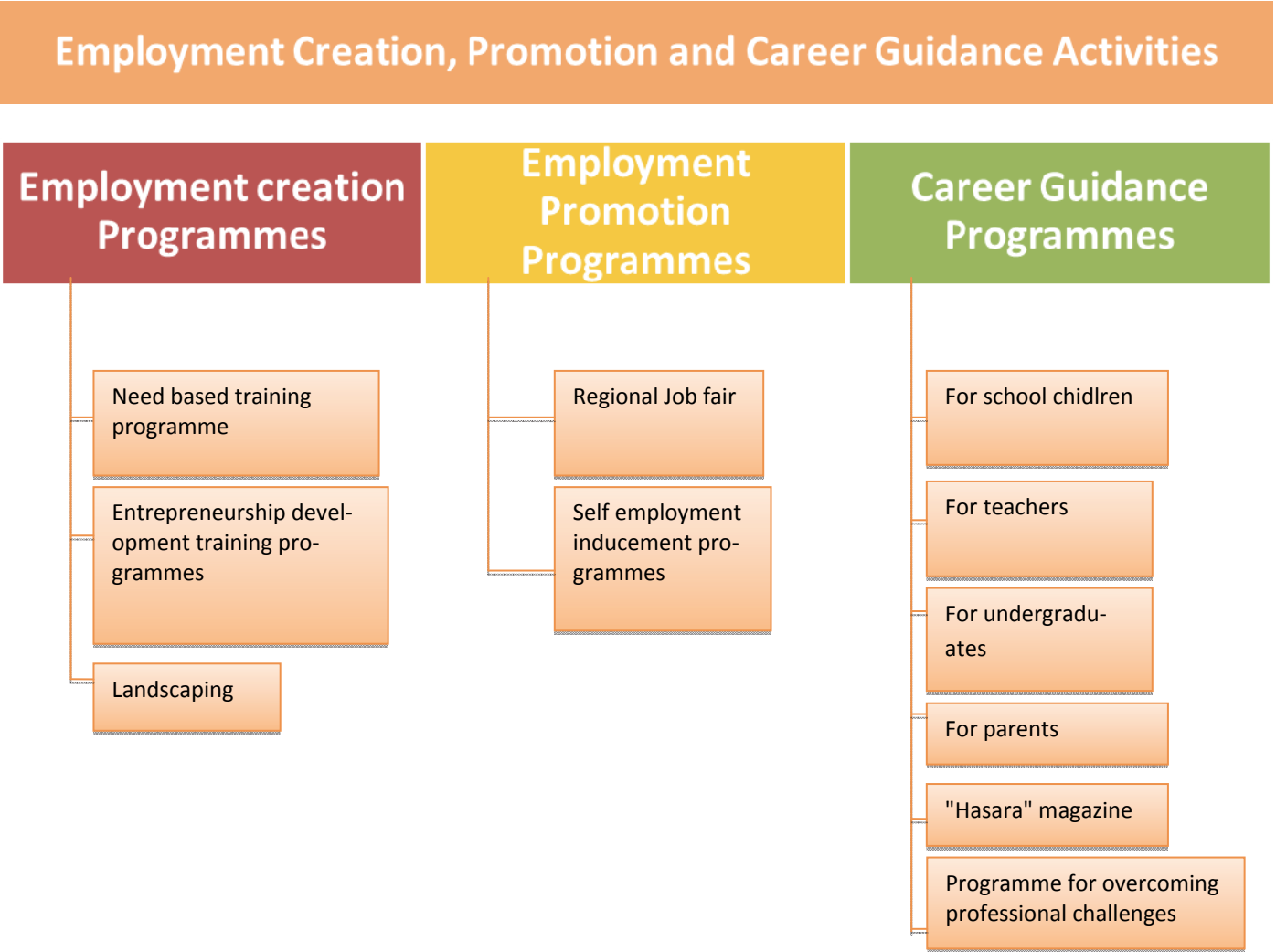


Diagram 2.2.2.1- Employment Creation, Promotion and Career Guidance

2.2.2.4 Manpower Planning, Development and Research Division

1. National Job Centre

This division functions under the Manpower Planning, Development and Research Division. These centres are operational in all 25 districts of the Island and the National Public Employment Service Centre has been established at the office premises, Battaramulla.

Process of the Job Centre

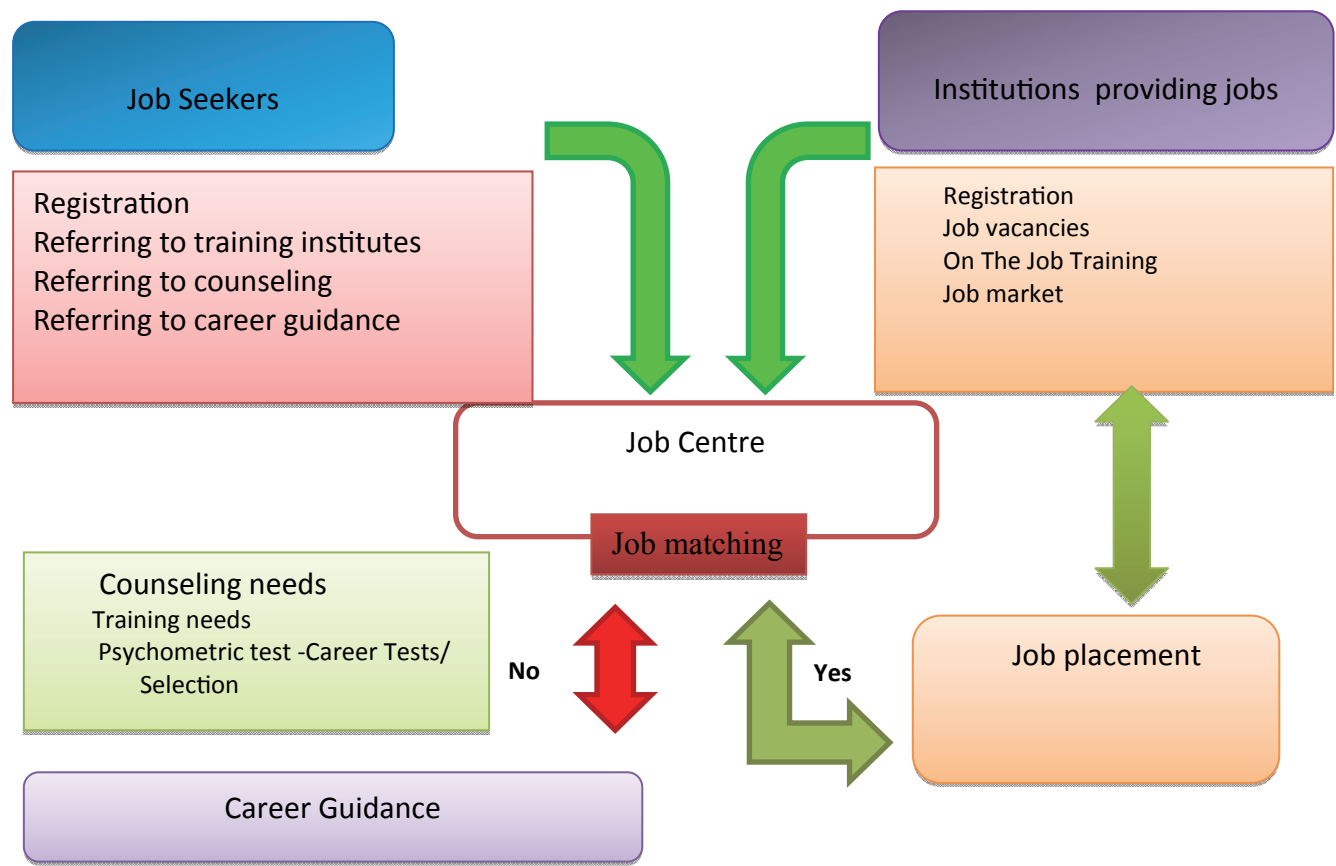


Diagram 2.2.2.2 - Process of the Job Centre

Registration of job seekers is done in several ways. Information on them is gathered through divisional level Human Resources Development Assistants, job fairs and Employment Service Centres. Based on the aspirations of job seekers, career guidance programmes are organized.

Job seekers can also register through the online employment service provision web portal and the employers too can register here and select job seekers as per their requirements. (www.dome.gov.lk) Similarly, job seekers are offered career guidance and referred for training programmes by PES and facilities have been made available for job seekers to take part free of charge for personality development programme offered by 'Career Me' Institute. In addition, professionals can register with the Department using the web portal to offer their services and those who are in need of such professional services can access them according to their choice.

Software has been developed to obtain the above mentioned service through a mobile application as well. ILO has extended patronage for two small projects for the development of the above website.



Photo 2.2.2.1. At the Job Fair Programme in Kegalle District

II. Labour Market Information Unit

Information on labour market is required by policy makers of various fields as well as developers of educational programmes in the field of education and developers of training and skills development programmes. Labour market unit of the Department conducts labour market surveys and researches on development requirements and studies on supply and demand of labour and disseminates its findings. This unit publishes labour market journal and school based data handbook.

III. National Human Resources and Employment Policy

This unit functions under the Manpower Planning, Development and Research Division. The National Human Resources and Employment Policy was revised in 2017 to be aligned with the midterm development policy framework of the government. The approval of the Cabinet of Ministers has been received for the amended policy and the necessary coordination for the implementation of the policy in terms of the midterm action plans of all ministries and the evaluation and reporting of the progress are carried out by this unit. The Ministry of Labour and Trade Union Relations and the Ministry of National Policies and Economic Affairs, Resettlement and Rehabilitation, Northern Province Development and Youth Affairs serve as co-chairs in implementing this policy.

Progress of the year 2019

	Programme/ Activity	Targets for year 2019		Progress from 01.01.2019 to 31.12.2019		No. of beneficiaries
		Physical	Financial (Rs. Mn.)	Physical	Financial (Rs. Mn.)	
Employment creation, promotion and career guidance division						
1	Career guidance programme for G.C.E O/L students	1865	1.100	2023	1.180	58,455
2	Career guidance programme for G.C.E A/L students	1328	1.240	1289	1.304	40,108
3	Self employment motivations programme	311	0.777	407	0.714	14,329
4	Overcoming Career challenges	50	0.275	53	0.227	2,108
5	Career guidance programme for undergrads external/ internal	15	0.567	11	0.408	459
6	Awareness programme for teachers	15	0.428	24	0.379	901
7	Awareness programme for parents	311	0.817	435	0.808	20,437
8	Printing of <i>Hasara</i> magazine	2	0.360	2	0.344	-
9	Entrepreneur development programme	20	0.455	26	0.485	798
10	Regional job fair programme	120	0.840	129	1.038	13,943
11	Need based training programme	200	1.400	172	0.972	4,874
12	Landscaping programme	3	0.110	3	0.100	103
13	Lak Rekiya Harasara programme I	100%	2.000	100%	1.703	-
	Lak Rekiya Harasara-Decent work programme	100%	1.000	100%	0.609	-

Manpower planning, development and research division

14	Sectoral Studies	26	0.400	23	0.087	-
15	Monthly LMI News letter	5	0.200	4	0.114	-
16	Job market bulleting-CD	100%	0.130	100%	0.085	-
17	Annual LMI Bulletine	100%	0.200	100%	0.202	-

	Programme/ Activity	Targets for year 2019		Progress from 01.01.2019 to 31.12.2019		No of beneficiaries
		Physical	Financial (Rs. Mn.)	Physical	Financial (Rs. Mn.)	
18	LMI forum	100%	0.030	45%	-	-
19	Socio - Economic Data Hand book	100%	1.000	100%	0.795	-
20	Development of LMIS	100%	1.000	85%	0.873	-
21	Periodic Reports on demand	100%	0.040	20%	-	-
Public Employment Services Centre						
22	Establishing and upgrading district employment centres	3	0.750	1	0.232	-
23	Conducting district job fair	12	1.750	11	1.891	11,935
24	Conducting awareness programmes for job aspirants	300	1.500	408	1.357	16,865
25	Maintaining PESs		0.450		0.644	
	Registration of job seekers	100,000		90,550		90,550
	Registration of job vacancies	39,600		38,689		38,689
	Job matching			31,343		31,343
	Job placement	27,580		14,832		14,832
26	Conducting of Employer Forums	8	0.400	4	0.155	159
27	WAPES Membership -	100%	0.650		0.503	-
28	Tailor-made Programmes for Companies and Job Seekers	25	0.500	14	0.586	515
Management Information System (MIS)						
29	Purchasing laptop computers for field officers in selected districts	100%	3.000	100%	3.000	-

	Programme/ Activity	Targets for year 2019		Progress from 01.01.2019 to 31.12.2019		No of beneficiaries
		Physical	Financial (Rs. Mn.)	Physical	Financial (Rs. Mn.)	
Decent work						
30	Project for cultivating of flowers used for religious purposes (pooja), making and selling garlands – Kataragama	100%	1.230	80%	0.748	266
31	Implementation of National Human Resources and Employment Policy – Maintaining IT system	100%	0.530	100%	0.513	-
32	Establishing Kandy district Employment Centre	100%	0.970	100%	0.949	-
33	Printing handbooks	100%	0.641	100%	0.483	-

Table 2.2.2.2 Progress of each division - 2019

Job placements – through District Employment	6,359
Job placements – Through Divisional Secretariats	8,473
Creating Self-employment opportunities	2,845
Total job placements	17,677

Table 2.2.2.3 Progress of providing employment - 2019

Special programmes conducted with employers

Date	Location	Participation (No. of institutions)	Expenditure head	Expenditure Rs.
2019-02-07	Kegalle	42	2-2509	40,000.00
2019-03-12	Kandy	48	2-2509	40,000.00
2019-04-04	Galle	31	2-2509	40,000.00
2019-08-08	Vavuniya	38	2-2509	35,300.00

Table 2.2.2.4 Special Programmes conducted with employers - 2019

The basic objective of this endeavour is the obtaining and supplying of employment services through the establishment of good relationships between the Department and the employers to whom the services of the Department can be provided and being mutually beneficial to each other. Under this, programmes were conducted with the participation of 42,48,31 and 38 institutions in the Kegalle, Kandy, Galle and Vavuniya districts respectively.

2.2.2.5 Progress of special programmes

I. Lak Rekiya Harasara Programme

Employers of the nine districts, i.e. Batticaloa, Hambantota, Kandy, Kegalle, Kilinochchi, Monaragala, Polonnaruwa, Puttalam and Gampaha were evaluated in regard to the provision of employment opportunities and other facilities to young job seekers. The employers in the fields of manufacturing, service, agricultural and self-employment sectors were evaluated using special criteria and were awarded gold, silver and bronze medals. Similarly, the performance of Job Centres and Divisional Secretariats were evaluated with regard to the achievement of targets of the annual action plan particularly in respect of job placement of job seekers and all 25 district employment centres were ranked according to their performance and Gold, Silver and Bronze medals were awarded.



Photo 2.2.2.2. At “Lak Rekiya Harasara”
Awarding Ceremony – 2019

II. Policy consultation programme on employment and labour programmes with the intervention of the government of Korea

This is a policy consultation process. It is handled by the Korean Employment Information Service (KEIS) established under the Ministry of Labour of Korea. During the visit of 2019 of the Korean delegation, they submitted the outcomes of the pre-feasibility study for ‘Employment Sourcing and Delivery’ required by the Department. Accordingly, the project has been identified as a project with medium level risks. Thus the Korean delegation has to make representations to their ministry and secure approval for the feasibility study proposed for the year 2020 and beyond. Once the approval is received, action will be taken to submit project proposals for the entire project to the Department of National Planning and the Department of External Resources.

III. Project for cultivating flowers used for poojas, making and selling garlands –Kataragama

The objective of this project is to fulfill the flower requirements of pilgrims visiting the Kataragama sacred area.

Devotees visiting Kataragama and paying homage to the Kataragama Devala and other devalas make an offering to the gods (pooja wattiya). The usual practice is to place a garland in this pooja wattiya. These

garlands are made using polythene and these polythene garlands have become serious environmental issue. Therefore replacing these artificial garlands with garlands made of natural flowers is considered timely and appropriate.

This project aims to fulfill the need of devotees to offer flowers and supply garlands made of natural flowers instead of those made with polythene. Under the project, flower plant are cultivated (including the management of nursery) and garlands are made and sold.

2.2.3

National Institute of Occupational Safety and Health (NIOSH)

The National Institute of Occupational Safety and Health (NIOSH) was established as an institute affiliated to the Ministry of Labour and Labour Relations by the National Institute of Occupational Safety and Health Act No. 38 of 2009. The Institute is committed for the prevention of occupational accidents and occupational diseases through sound health and safety measures and ensuring a decent work environment for every worker through adherence to correct safety measures and methods and the institute provides education and training for any employer or employee willing to gain benefits from such training.

Vision

Occupational Safety, Health & Welfare for all

Mission

To empower tripartite partners through education, trainings, research, and other relevant interventions for preventing and controlling all forms of work-related hazards to ensure safety, health and welfare at work places

Programs and activities of National Institute of Occupational Safety and Health

- Diploma courses on Occupational Safety and Health
- Certificate courses on Occupational Safety and Health
- Work study programme on industries
- Training nurses in the industrial sector
- Occupational safety and health for hospital staff
- Occupational safety and health for food handlers
- Training programme on stress management
- Safe use of chemical substances
- Occupational safety and health for office staff
- Occupational safety and health in laboratories
- Programme or training of Boiler Operators
- Higher Certificate Course on Occupational Safety and Health of plantation sector

2.2.3.1 Environmental surveys

Environmental surveys are carried out to inspect whether the work environment of employees is at an appropriate level of health. Surveying the quality of air, measuring the concentration of gases, surveying the level of dust of factories, assessing sound and noise levels and monitoring heat levels are carried out

under this using the relevant equipment and tools. If the work environment is found to be unfavourable, technical knowhow required for maintaining a sound work environment and the relevant parties are educated on the need to adopt safe health practices.

During the year 2019, 206 environmental surveys were carried out and awareness was raised on the importance of maintaining occupational safety and health.

2.2.3.2 Medical tests

Medical tests are conducted to assess the health status to justify that the worker is in good health to perform his work. Audiometric examination, blood analysis, tests to evaluate fitness for work, lung function testing and vision testing are some of the tests conducted under this programme. Biological monitoring helps in identifying diseases of workers and finding out whether the worker is fit enough to perform his job. In the event of diseases, necessary medical advice is given and the worker is educated on regular basis.

Medical tests are conducted by visiting the institution in need of this service. During the year 2019, 679 medical tests were carried out.

2.2.3.3 Hazard Identification and Consultation Service of NIOSH

Having undertaken a visit to the relevant institution, existing hazards are identified and studied and the institution is made aware of same and necessary instructions are given. This service was offered to 31 institutions during the year 2019.

Special programs of NIOSH from 01.01.2019 to 31.12.2019 and their financial and physical progress

	Course	No. of courses conducted	No. of participants	Financial Progress (Rs. Mn.)
01	Diploma Courses on National Occupational Safety and Health	02	50	10.03
02	Certificate Courses on Occupational Safety and Health	06	90	9.99
03	One-day programme for construction sector	02	20	0.38
04	One day workshop on waste management	01	10	0.95
05	10- day workshop on waste management	01	10	0.49
06	Two-day awareness programme on occupational safety and health for workers of Abans Limited	01	10	0.73
07	One day workshop for nurses	01	10	0.84
08	One day workshop for apparel sector on occupational safety and health	01	15	0.98
09	One-day workshop on working in unsafe and hazardous workplaces.	01	15	1.47

	Course	No. of courses conducted	No. of participants	Financial Progress (Rs. Mn.)
10	One day safety workshop for supervisors	01	10	0.73
11	Two-day workshop on the field of electrical safety.	01	10	1.90
12	National occupational safety and health awareness programme for teachers.	01	10	5.0

Table 2.2.3.1 Progress of Programmes conducted - 2019

2.2.3.4 Modernization of laboratory and building

The laboratory wherein medical tests are conducted remained underequipped and in a state of negligence and in the year 2019 it was renovated and equipped with modern facilities. A state of the art, 90-seater lecture hall too was constructed during the year. Modernization of the building enabled the institute to provide the required facilities to all students following its courses.

2.2.3.5 National Diploma in Occupational Safety and Health

National Diploma in Occupational Safety and Health is conducted by NIOSH to discharge the national responsibility of producing Health and Safety Officers required for creating safe workplaces in Sri Lanka. Theoretical knowledge required for Health and Safety Officers is provided through lectures while practical knowledge is provided during visits undertaken to worksites. Their knowledge is tested through evaluation reports, presentations and examinations before awarding the Diploma. The course is regarded as a qualification for foreign employment and some of the students who successfully completed the course are already serve in foreign countries.

Approximately 135 students of 16th and 17th batches who completed the course were awarded Diploma at a ceremony held at Hotel Shangri-La on 14th October 2019. The course is now being conducted for students of batches 18th & 19th.



Photo 2.2.3.1. At National Occupational Safety Excellence
Award Ceremony

2.2.3.6 National Occupational Safety Awards Ceremony

National Occupational Safety and Health Excellence Awards Ceremony organized by NIOSH with a view to recognizing and rewarding institutions which have been fully committed to prevent accidents and diseases in work environment and taken safety precautions to minimize damages from accidents in workplaces was held for the third year on 22nd August at Nelum Pokuna Theatre under the patronage of the Hon. Prime Minister and the ceremony was attended by 1500 representing both the employers as well as employees. The awardees were chosen by a panel of experts who undertook observation visits to the relevant institutions. Awards were presented to small, medium and large scale institutions in different sector such as hotels, factories, transportation, apparel industry, multinational companies and hotels.

2.2.4

Office of the Commissioner for Workmen's Compensation

The Workmen's Compensation Ordinance No 19 of 1934 was enacted to provide for the payment of compensation to workers for accidents caused in the course of employment. The principal enactment was amended on several occasions, the last of which was done by the Act No.10 of 2005. The Workmen's Compensation Court comprises 14 circuit courts covering the entire Island with the powers of district judge and magisterial powers. The Office of the Commissioner for Workmen's Compensation has 43 positions including the Commissioner for Workmen's Compensation, 3 posts of Additional Commissioners for Workmen's Compensation who are judicial officers appointed by the Judicial Services Commission and 1 post of Grade 1 of the Sri Lanka Accounting Service and 1 post of the Sri Lanka Administrative Service.

This office consists of the Proceedings division, Establishment division, Accounting division, Minors' compensation affairs division and Insurance license division. Provisions of the Code of Criminal Procedure, Code of Civil Procedure, and Evidence Ordinance are applicable for the workmen compensation court procedure, the appeal procedure is equivalent to that of district court.

The prime objective of the Office is to cause compensation to be paid to workmen who sustain injuries in the course of employment, who suffer from diseases contracted due to the nature of the employment and to dependents of workmen who die due to accidents in workplaces.

Vision

Creating employee satisfaction by making employers to pay compensation speedily for employees in the event of injury or death

Mission

Initiating court proceedings and offering instructions to make employers to pay prescribed compensation for workmen and their dependents in the event of injury, death or disease whilst being employed

In terms of the powers and provisions of the Workmen's Compensation Ordinance No. 19 of 1934, the key functions of the Commissioner for Workmen's Compensation are-

1. Activities pertaining to recovery of compensation from employers for accidents, occupational diseases arising out of in the course of employment in the public or private sector and for dependents in the event of death of a workmen. (According to the last amendment, the maximum compensation that can be granted is Rs. 550,000/=)
2. Keeping the custody of the compensation entitled to minor dependants of a deceased workman in National Savings Bank until they reach maturity.
3. In circumstances where the employer defaults the payment of compensation, seizing the movable and immovable property of such employer and sell them in public auction to recover compensation.

4. Issuance, renewal and cancellation of workmen compensation insurance licenses
5. Conducting onsite inspections in event of an accident caused to an employee.
6. Causing compensation to be recovered for workmen employed in ships and aircraft registered in Sri Lanka for accidents caused outside Sri Lanka.



Photo 2.2.4.1. Awarding compensation for occupational injuries

Progress from 01.01.2019 to 31.12.2019 (Court related matters)

Function	Progress
No. of accidents reported formally	468
No. of files taken up for inquiries	2,712
No. of compensation applications finalized	464
No. of agreements registered	100
Amount recovered as compensations for fatal accidents (Rs. Mn.)	231.33
Amounts paid to workers by employers for non-fatal accidents on court orders (Rs. Mn)	46.17
Amount of compensations paid to employees for non-fatal accidents as per registered agreements (Rs Mn)	12.62
Amounts of money deposited in the savings accounts of minor dependents after being recovered in respect of fatal accidents (Rs. Mn)	33.83
No. of accounts opened on behalf of minors	168
No. of accounts of minors which were closed upon them reaching the age of 18 years	135
Amount paid from released minors’ accounts (Rs. Mn)	16.38

Table 2.2.4.1 – Progress of Court matters - 2019

2.2.4.2 Financial progress from 01.01.2019 to 31.12.2019

Description	Provisions for 2019 (Rs)	Expenditure from 01 January to 31 December 2019 (Rs)	Savings (Rs)	Expenditure percentage
Recurrent expenditure	39,180,000	32,934,912.33	6,245,087.67	84.06 %
Capital expenditure	520,000	373,337.34	146,662.66	71.80 %
Total expenditure	39,700,000	33,308,249.67	6,391,750.33	83.90%

Table 2.2.4.2- Financial Progress - 2019

2.2.5

National Institute of Labour Studies (NILS)

National Institute of Labour Studies was formally established on 11 September 2007 and was legally incorporated by the Parliament by the National Institute of Labour Studies Act, no. 12 of 2010. The Institute is administered by a Board of Governors consisting of tripartite stakeholders of the labour sector. i.e. employers, trade unions representing employers and public officials. The National Institute of Labour Studies is currently under the purview of the Ministry of Labour and Trade Union Relations.

Designing, implementing, organizing and guiding activities required for the creation of a productive and formidable workforce well informed about labour legislation and regulations as well as diverse areas of management is the core function of this institute.

Vision

Industrial peace and harmony for socioeconomic development of Sri Lanka

Mission

To facilitate tripartite constituents to develop and maintain productive labour relations through education, research and training

In order to execute these functions, the following major divisions are in operation in the National Institute of Labour Studies.

- (a) Administrative and Development Division
- (b) Training and Examinations Division
- (c) Finance Division

2.2.5.1 Organizational Structure

NILS is governed by a 19-member board of directors including the Chairman. In the year 2019, the staff consisted of 21 members with a Director General, three medium level managers, five junior managers and staff members of ancillary services.

2.2.5.2. Relocation at new premises

Our institution was shifted from Pannipitiya Road, Pelawatta, Battaramulla to the second floor of the Labour Secretariat with effect from 11.11.2019 and currently it operates with a novel approach maintaining productive labour relations through education, research and training while providing facilities to tripartite stakeholders.

2.2.5.3 Progress of programmes conducted from 01.01.2019 to 31.12.2019

Programme description	No. of programmes planned	No. of programmes conducted	Income expected (Rs Mn)	Actual income (Rs Mn))
Diploma courses	3	3	1.2	0.78
Certificate courses	15	11	4.8	2.8
Tailor made Courses	24	23	2.4	3.9
Eight-day programmes	4	1	1.8	0.5
Four-day programmes	4	1	1	0.4
Three-day programmes	8	8	1.6	1.4
Two day programmes	14	16	2.1	2.2
One day programmes	30	29	2.2	1.9
Workshops	11	10	4.7	2.7
Conducting examinations	2,000 (candidates)	2,265	6	6.1
Foreign programmes	35 (participants)	13	9.6	3.0

Table 2.2.5.1- Progress of programmes conducted - 2019



Photo 2.2.5.1. Awarding certificates

2.2.6

Employees' Trust Fund Board

Employees' Trust Fund Board is currently the second largest and foremost social security fund in Sri Lanka and was incorporated under the provisions of the Employees' Trust Fund Act No. 46 of 1980 and came into operation on 01 March 1980. The Fund is administered by the Employees' Trust Fund Board and in the year 2019 it functioned under the purview of the Ministry of Labour and Trade Union Relations.

It is mandatory for employees of the private and semi government sectors to become members of the fund. In terms of the provisions of the Act, the employer is liable to pay in respect of the employee a monthly contribution of an amount equal to three per centum of the total earnings of the employee. Further, self employed persons and migrant workers can obtain voluntary membership of the Fund.

The Fund implements 10 beneficiary schemes for health and housing needs of employees and education of their children.

As at 31 December 2019, the balance of the members' account stood at Rs 339 billion and the total number of membership accounts was 14.6 million. Of them, 2.6 million belong to the active category who currently make membership contributions. As at 31 December 2019, the value of the membership contributions was Rs. 27.4 billion and the value of benefits paid to members was Rs. 20.3 billion.

The total assets of the Board amounted to Rs. 343 billion as of 31 December 2019 and during the period under review, an income of Rs. 32.4 billion and a profit of Rs. 25.9 billion had been earned.

Vision

To be the most dynamic & viable premier trust for all stakeholders through organizational excellence

Mission

To be the most caring & prudent trust providing a wide range of financial benefits and excellent customer services to members

2.2.6.1 Objectives of the Board

- To promote employee ownership, employee welfare, economic democracy through participation in financing and investment
- To promote the employee participation in management through the acquisition of equity interest in enterprises
- To provide for non-contributory benefit to employees on retirement

2.2.6.2 Regional offices located around the country

1. Colombo District Office

2. Colombo 01-07

3. Colombo 08 -15

4. Kandy

5. Gampaha

6. Matara

7. Galle

8. Hambantota

9. Kalutara

10. Ratnapura
11. Kegalle

12. Kurunegala

13. Anuradhapura

14. Badulla

15. Jaffna

16. Ampara

17. Vavuniya (New regional office)

18. Nuwaraeliya (New regional office)

19. Trincomalee (New regional office)

2.2.6.3 Progress of the Board

	31.12.2019 (Rs Mn)		Difference
	Budgeted	Actual	%
Members’ Fund	306,455	338,614	10.5%
Total assets	310,771	343,392	10.5%
Annual income	28,803	32,370	12.4%
Net profit	23,285	25,915	11.1%
Amount of taxes paid to the government	3,395	4,219	24.3%

Table 2.2.6.1. Progress of the Employees' Trust Fund Board

2.2.6.4 Budgeted amounts as against actual amounts as at 31 December 2019

Activities	Budgeted amount	Actual amount	Difference %
Collection of contributions (Rs. Mn)	28,058	27,395	(2.36)
Surcharge (Rs. Mn)	300	319	6.33
No of institutions paying contributions through internet banking system	-	5,628	N/A

Table 2.2.6.2. Budgeted amounts as against actual amounts - 2019

2.2.6.5 Benefit schemes

● Health benefits

Permanent disability benefit scheme	- Rs. 200,000
Financial grant for cardiac surgery	- Rs. 300,000
Financial grant for kidney transplant	- Rs. 300,000
Lens replacement surgery	- Rs 30,000
‘Shrama Suwa’ hospital insurance scheme	- Rs. 50,000
Death benefit scheme	- Rs. 100,000

● Educational benefits

- 01. Grade 5 scholarship for children of members of ETF
9000 scholarship annually with a value of Rs 15,000 each
- 02. Awarding scholarships to children of permanently disabled members who have passed Grade 05.
- 03. Annual bursary of Rs 12,000 each for 5,000 children of members who have passed G.C.E. (Advanced Level) examination.

Housing benefits

“Viyana” low interest housing loan scheme.

2.2.6.6 Actual data as compared to budget as at 31st December 2019

<i>Repayment of contributions</i>			<i>Rs Million</i>
Repayment	Budgeted	Actual	Difference
Repayment of contributions	21,206	20,314	892
Benefits for members	605	503	102
Total	21,811	20,817	994

Table 2.2.6.3. Repayment of contributions

Payment of benefits

(Rs Million)

Types of benefits	Budgeted	Actual	Difference
Death benefits	120	102	18
Permanent disabilities	14	10	4
Heart surgeries	216	175	41
Kidney transplants	8	6	2
Lens replacement surgeries	7	4	3
Grade 5 scholarships	135	135	-
Advanced level scholarships	60	60	-
'Shrama Suwa' scheme	45	10	35
Total	605	502	103
'Viyana' housing loan	1,004	955	49

Table2.2.6.4. Payment of benefits

+ Favourable difference

Unfavourable difference



Photo 2.2.6.1. Receiving 3rd place under the service sector by the Regional Office, Vavuniya at the National Productivity Award Ceremony

Investments of the Board are of two types *Fixed income tools*

- Treasury bonds & treasury bills
- Fixed deposits
- NDB 'Viyana' deposits

Shares investment

- Listed shares
- Debentures and unit trusts

2.2.6.7 Investment portfolio as at 31 December 2019 (Rs Million)

Type of investment	Value	Property %
Treasury bonds (8% to 10.13%)	248,725	77.9%
Fixed deposits	51,369	16.1%
Debentures	4,990	1.6%
Bonds (Kerawalapitiya – 9.7%)	1,586	0.5%
Shares on equity value	11,335	3.5%
Shares on unit trusts	191	0.1%
Other investments (Viyana housing loans)	954	0.3%
Total	319,150	100%

Table 2.2.6.5. Investment portfolio as at 31 December 2019

2.2.6.8 Investment in Lanka Salt Company

90% of ownership of ordinary shares of Lanka Salt Company were purchased by the Employees' Trust Fund Board on 24.01.1997 for a consideration of Rs 452 million. This purchase was transacted through a purchase and sales agreement between the Ministry of Finance and the Employees' Trust Fund Board.

2.2.6.9 Key financial data as at 31 December 2019

(Rs Million)

	Budgeted	Actual	Difference
Investment income	30,457	31,998	154
Other income	365	372	7
Staff expenditure	1,271	1,258	13
Operational expenditure	297	231	66
Members' expenditure	969	747	222
Income Tax expenditure	3,960	4,219	259
Net Profit	24,325	25,915	1,590

Table 2.2.6.6. Key financial data as at 31 December 2019

2.2.6.10 Key Performance Indicators – as at 31 December 2019

	December 2018	December 2019
Profit on investments	10.25	10.45
Gross benefits (Including other income)	10.41	10.57
Operational expenditure	0.49	0.49
Members' expenditure	0.26	0.29
Total expenditure	0.75	0.73
Net profit on investment ratio	9.02	9.07

Table 2.2.6.7. Key Performance Indicators - 2019

2.2.6.11 Short term plans -2019

- Increasing collection of contributions 12%
- Increasing Investment income 10%
- Increasing members fund 12%



Photo 2.2.6.2. At the event of receiving two gold awards at the best annual report award completion 2019 organized by the Association of Public Finance Accountants of Sri Lanka (APFASL)

Progress of programmes planned from 01.01.2019 to 31.12.2019

- Action has been taken to introduce EISA – ETF Inspection System Application (EISA Project) with the financial assistance of the Ministry of Finance and technical collaboration of the International Labour Organization with the aim of expediting field inspections for improving the collection of contributions.

- Necessary facilities have been put in place to facilitate the payment of contributions by employers through the Internet and the submission of reports on contributions.
- Introduction and implementation of Human Resources Development Plan.
- Necessary measures have been taken for the acquisition of lands from Gampaha, Vavuniya and Hambantota areas for the establishment of regional offices with the objective of providing broader service to all clients.
- Placement of cadre required for restructuring of the internal audit unit and introduction of risk management process to the Board.
- A collaborative agreement was signed with the Department of Registration of Persons and the Department of Labour for the introduction of a member centered system on the basis of National Identity Card and an exclusive number for the ETF.
- Introduction of the productivity concept with the assistance of the National Productivity Secretariat and the preparation of a productivity handbook.
- A high priority has been accorded for the development of human resources and measures have been taken to conduct various workshops, seminars, training courses for the improvement of knowledge, attitude and skills of employees of various levels. Further, opportunities have been provided for members of trade unions to undergo training in their relevant fields. With the collaboration of the Department of External Resources and foreign donor agencies, foreign training opportunities could be secured for officers and accordingly 46 officers of the Board were made to participate in foreign training programmes.
- A Grade 05 scholarship award ceremony was conducted in Badulla town on 30 August 2019

2.2.7

Shrama Vasana Fund

Shrama Vasana Fund established to promote welfare of employees by Act No. 12 of 1998 (as amended by Act No.15 of 2019) is an institution under the purview of the Ministry of Labour and Trade Union Relations. Under 06 broad objectives outlined in the Act, the fund since its inception has initiated a number of welfare measures for the betterment of employees.

The main source of funding of 'Shrama Vasana Fund' is the Jathika Sampatha lottery of the National Lotteries Board. With the increase in sales of the Jathika Sampatha Lottery, the fund too has witnessed a corresponding growth enabling the provision of expanded services for the welfare of employees.

2.2.7.1 Objectives of Shrama Vasana Fund

- (a) Promotion of welfare of workers and their dependants.
- (b) Granting financial benefits and other benefits to workers, when a place of work closes down without prior notice to them.
- (c) Providing employees and their dependants with medical facilities and other assistance during emergencies.
- (d) Granting temporary relief to employees when enquiries are held against them.
- (e) Granting financial assistance and other forms of assistance to employees or their dependents during disasters.
- (f) Presentation of awards to those who have made an outstanding contribution to workers' welfare.
- (g) Providing financial relief to obtain legal assistance to employees where proceedings in respect of termination of employment of an employee or of an industrial dispute, is initiated or pending under the provisions of any written law, before the Commissioner General of Labour, a Labour Tribunal, an Arbitrator or an Industrial Court or any court of law.

2.2.7.2 Progress of programmes

Programme/ activity		Targets for the year 2019		Progress from 01.01.2019 to 31.12.2019	
		Physical	Financial (Rs Mn)	Physical	Financial (Rs Mn)
1	Medical clinics and camps	14	10.3	18	9.4
2	Empowerment programmes	7	5.15	14	4.7
3	Awareness programmes	28	0.84	29	0.50
4	Welfare programmes	6	11	14	9.2
5	Providing artificial limbs	35	1.05	2	0.04
6	Vocational education programmes	12	0.36	-	-
7	Medical relief programmes	30	1.3	10	0.5
8	Occupational health and safety awareness programmes	32	0.96	32	0.56
9	Legal aid programmes	55	1.1	21	0.24
10	Scholarship programmes	100	7	102	6.4
11	Promotional programmes	20	0.5	1	0.4
12	Notices and publications	4	1.2	8	0.47

Table 2.2.7.1. Progress of programmes



Photo 2.2.7.1. Eye clinic conducted in Meegahakivula area

2.3 Achievements, challenges and goals

1. Working towards creating an investor friendly environment in Sri Lanka in sync with prevailing national and international socioeconomic context is a timely responsibility of the Ministry. While revising the existing legislations, rules & regulations to be compatible with the present world of work, this Ministry is committed to uphold the rights of working class. Towards this end –
 - (i) measures are being taken by the government to introduce a single act encapsulating service conditions to make the entire Sri Lankan labour force stakeholders of economy and simplify legislation by removing anomalies and complexities found in different Acts and Ordinances,
 - (ii) action is being pursued to amend the minimum age of employment from 14 to 16 years to ensure compulsory education of children and eradicate child labour,
 - (iii) steps are being taken to amend the Workmen's Compensation Ordinance to increase the compensation paid to workmen in a workplace accident from Rs. 550,000 to Rs. 2 million,
 - (iv) new regulations are being made to the Factories Ordinance to conduct more extensive factory inspections,
 - (v) the Employees' Provident Fund is being amended to suit the current requirements ,
 - (vi) action is being taken to amend the Shrama Vasana Fund Act so as to carry out employee welfare activities in a broader area,
 - (vii) action is being taken to introduce a new Act on occupational safety, health and welfare to make the working environment of employees better,
 - (viii) necessary activities are being carried out to cover domestic workers from labour legislation to expand social security to domestic workers as well,
 - (ix) measures are being taken to increase the minimum wage of employees by Rs. 2500/-,
2. The ceremony to mark the centenary of the International Labour Organization was held under the patronage of His Excellency the President in April 2019 and concurrent to the main event, a special edition of the Sri Lanka Labour Gazette was published and a first day cover and a stamp was issued.
3. National Occupational Safety & Health Excellence Awards Ceremony was held under the patronage of the Hon. Prime Minister at Nelum Pokuna Mahinda Rajapaksa Theatre. The amount spent for the ceremony was Rs. 8.91 million.
4. A fully equipped mobile laboratory was constructed at a cost of Rs. 4.3 million for National Institute of Occupational Safety and Health (NIOSH) to conduct institutional level tests. A classroom of NIOSH was upgraded into a state of the art conference hall spending a sum of Rs 17.29 million.
5. The ministerial office was hitherto maintained at the Labour Secretariat building. With the objective of bringing all social security funds under one roof, the Department of Labour constructed a 34-storey building named "Mehewara Piyesa" and the ministerial office was relocated on sixth and seventh floors of this building in August, 2019.

6. In carrying out these functions, various challenges and obstacles were experienced and this was particularly true in regard to the legal reforms. All policy decisions are taken and legislation are amended with tripartite participation, i.e. representatives of employers, trade unions representing workers and public officials. The National Labour Advisory Council chaired by the minister in charge of the subject of labour has been established for this purpose. Reaching a consensus on certain issues is challenging. Moreover, all activities have to be carried out using the limited financial and human resources available.
7. It is expected to introduced proposed new Acts in the year 2020, having amended the Acts scheduled to be amended. The amendments aims to increase the flexibility of labour laws thus uplifting the living standard of workers and ensuring their social welfare.
8. Working towards making the policy statement “Vistas of Prosperity & Splendour” of the present government a reality too has to be carried out in the year 2020. Chapter 4 of the policy statement “ A productive citizen and a happy family” has stated that human resources will be the foundation for creating a prosperous country and therefore this Ministry has to initiate action, particularly for the development of the private sector. It is expected to amend the EPF Act in the year 2020, making it compulsory for employers to provide information of new employees to the EPF section of the Department of Labour. A mechanism is to be introduced where the worker will be notified through a text message to the mobile phone when the contribution is credited to the account of the worker. By using the NIC number as the EPF number, most of the problems prevailing at present can be overcome. Therefore, action will be taken to use the NIC Number as the EPF Number. By introducing the conditions of the Shops and Office Employees Act to all workers, it is expected to improve the employment terms and conditions of the employment. The resultant simplification of existing complex labour laws and uniformity thereof is expected to make the regulation process easier while strengthening workers’ rights and social welfare.
9. The responsibility of overcoming the current labour market challenges of Sri Lanka too lies with this Ministry. By making structural changes in the country’s labour market, the contribution of the labour force in economic development can be increased and this Ministry too can make a contribution towards this end. According to the labour force survey conducted in the year 2018, though the unemployment ratio was at a low level of 4.4%, the labour force participation ratio was 51.8%. Whereas unemployment ratio amongst men was 3.0%, it was 7.1% amongst women. Similarly, unemployment was relatively higher among young men who are new entrants to the job market (unemployment in the 15-24 age category was 21.4%). Further, unemployment amongst persons with G.C.E. (Advanced Level) or higher qualifications was as high as 9.1% and of them 13.2% were women. By introducing more flexible work shifts, it is hoped that the unemployment amongst women can be reduced to a certain extent. In addition, by introducing labour laws to cover those engaged in duties in international trade outside the standard working hours, their rights should be safeguarded and welfare should be guaranteed.
10. The contribution of the informal sector in the country’s employment is 58.7% and they are not covered by existing labour laws. As a result, a social security system is not implemented in relation to them and it could lead to a problematic situation. Action is currently being pursued to cover domestic workers from labour legislation and by offering a similar cover to the informal sector, some relief can be granted to them. At the same time, other structural problems too should be addressed.
11. A need has also arisen by now to regulate migrant workers. As has been indicated by surveys, the number of migrant workers in the country is on the increase. Due to the shortage of skilled and

other workers, this is clearly evident in the construction sector. There is no mechanism to regulate them at present and therefore such a mechanism is a timely need. Hence a regulatory mechanism should be formulated with the coordination of all relevant stakeholders.

12. Modern digital methods should be adopted for the provision of more efficient service to the clients letting go of traditional methods of service delivery.
13. Computerized systems should be employed more for the activities of the EPF and they should be expanded too cover the delivery of other services as well. Having designed appropriate modern methods for the relevant activities, it is expected to lessen the locomotion of clients and offer them more efficient service.



D.M. Sarath Abayagunawardana
Secretary
Ministry of Skills Development, Employment & Labour Relations

Chapter Three

Overall Financial Performance for the Year ended 31st December 2019

3.1 Statement of Financial Performance for the period ended 31st December 2019

ACA - F

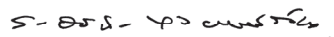
Budget 2019	Note	2019	Actual	2018
– Revenue Receipts				
– Income Tax	1	–	–	–
– Taxes on Domestic Goods & Services	2	–	–	–
– Taxes on International Trade	3	–	–	–
– Non Tax Revenue & Others	4	–	–	–
– Total Revenue Receipts (A)		–	–	–
– Non Revenue Receipts				
– Treasury Imprests		296,458,000	–	–
– Deposits		247,750,937	262,692,200	ACA-3
– Advance Accounts		12,290,943	174,688,271	ACA-4
– Other Receipts		6,527,260	10,675,390	ACA-5
– Total Non Revenue Receipts (A)		–	6,038,704	–
– Total Revenue Receipts &		563,027,140	454,094,565	–
– Non Revenue Receipts C = (A)+(B)		563,027,140	454,094,565	–
Less: Expenditure				
Recurrent Expenditure				
95,255,000 Wages, Salaries & Other Employment Benefits	5	–	–	–
106,026,000 Other Goods & Services	6	80,864,955	87,777,095	–
40,644,000 Subsidies, Grants and Transfers	7	89,772,765	88,376,753	ACA-2(ii)
– Interest Payments	8	37,237,277	36,373,687	–
75,000 Other Recurrent Expenditure	9	–	–	–
– Total Recurrent Expenditure (D)		74,841	–	–
–		207,949,838	212,527,535	–
Capital Expenditure				
6,030,000 Rehabilitation & Improvement of Capital Assets	10	664,006	1,951,415	–
114,470,000 Acquisition of Capital Assets	11	91,029,172	48,926,968	–
– Capital Transfers	12	4,657,937	2,190,291	–
– Acquisition of Financial Assets	13	–	–	–
1,400,000 Capacity Building	14	867,218	933,970	–
16,000,000 Other Capital Expenditure	15	13,860,467	12,412,683	–
– Total Capital Expenditure (E)		111,078,800	66,415,326	–
– Main Ledger Expenditure (F)		260,155,254	190,597,096	–
–		243,426,324	180,229,774	ACA-4
–		16,728,929	10,227,822	ACA-5
–		–	139,500	–
–		579,183,892	469,539,957	–
–		(16,156,752)	(15,445,392)	–
Total Expenditure G = (D)+(E)+(F)				
Imprest Balance as at 31 st December 2019				
H = (C-G)				

3.2 Statement of Financial Position as at 31.12.2019

ACA - C

	Note	Actual 2019 Rs	2018 Rs
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA-6	491,612,257	415,000,224
<u>Financial Assets</u>			
Advance Accounts	ACA-5/5(A)	19,837,076	34,582,662
Cash & Cash Equivalents	ACA -3	-	-
Total Assets		511,449,333	449,582,886
<u>Net Assets / Equity</u>			
Net Worth to Treasury		(2,352,509)	(2,247,110)
Property, Plant & Equipment Reserve		491,612,257	415,000,224
Rent and Work Advance Reserve	ACA-5(B)		19,183,573
<u>Current Liabilities</u>			
Deposits Accounts	ACA-4	21,970,812	17,646,199
Imprest Balance	ACA-3	218,773	-
Total Liabilities		511,449,333	449,582,886

Detail Accounting Statements in above ACA format Nos. 1 to 6 presented in pages from 64 to 65 and Notes to accounts presented in page 68 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.



Chief Accounting Officer
Name : **D. M. Sarath Abayagunawardana**
Designation : **Secretary**
Date : 2020.06.30 **Ministry of Skills Development, Employment & Labour Relations**



Accounting Officer
Name : **M. C. K. Peiris**
Designation : **Chief Finance Officer**
Date : 2020.06.30 **Ministry of Labour & Trade Union Relations, 6th Floor, "Mehewara Pyessa" Narahenpita, Colombo 05.**



Chief Accountant
Name : **J. A. D. S. Nishamini**
Designation : **Chief Accountant**
Date : 2020.06.30 **Ministry of Labour & Trade Union Relations, 6th Floor, "Mehewara Pyessa" Narahenpita, Colombo 05.**

3.3 Statement of Cash Flows for the Period ended 31st December 2019

ACA - C

	Actual	
	2019	2018
	Rs.	Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Treasury Receipts	296,458,000	262,692,200
Profit	-	-
Non Revenue Receipts	6,527,260	5,912,280
Total Cash generated from Operations (a)	302,985,260	268,604,480
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	189,683,214	193,168,009
Subsidies & Transfer Payments	20,667,239	16,029,389
Finance Costs - Imprest Settlement to Treasury	-	-
Total Cash disbursed for Operations (b)	210,350,453	209,197,398
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(a)-(b)	92,634,807	59,407,082
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (d)	-	-
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of	90,893,985	49,601,752
Other Investment	-	-
Total Cash disbursed for Investing Activities (e)	90,893,985	49,601,752
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)	(90,893,985)	9,805,330
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	1,740,822	69,212,412
<u>Cash Flows from Fianacing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (h)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Change in Deposit Accounts and Other Liabilities	1,740,822	9,805,330
Total Cash disbursed for Financing Activities (i)	1,740,822	9,805,330
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	(1,740,822)	(9,805,330)
Net Movement in Cash (k) = (g) -(j)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4 Notes to the Financial Statements

These financial statements have been prepared based on accepted accounting principles and most appropriate accounting policies are used. Figures in final account, relevant accounting notes & other accounting information are compared with Treasury accounts and the same is agreed with it.

3.5 Performance of the Revenue Collection

Not complied

3.6 Performance of the Utilization of Allocation

programme	Project	Expenditure Category	Original Allocation (Rs)	Final Allocation (Rs)	Expenditure (Rs)	Savings (Rs)	Allocation Utilization as a %
1	1	Recurrent	25,820,000	26,138,885	24,482,410	1,656,475	94
		Capital	800,000	300,000	283,772	16,228	95
		Total	26,620,000	26,438,885	24,766,182	1,672,703	94
1	2	Recurrent	90,025,000	99,925,160	85,897,715	14,027,445	86
		Capital *	31,980,000	125,130,000	105,737,753	19,392,247	85
		Total	122,005,000	225,055,160	191,635,468	33,419,692	85
2	3(2)	Recurrent	12,000,000	12,000,000	10,768,854	1,231,146	90
		Capital	1,600,000	1,600,000	472,583	1,127,417	30
		Total	13,600,000	13,600,000	11,241,437	2,358,563	83
2	3(3)	Recurrent	6,000,000	6,000,000	5,240,449	759,551	87
		Capital	7,500,000	7,500,000	4,185,354	3,314,646	56
		Total	13,500,000	13,500,000	9,425,803	4,074,197	70
2	4	Recurrent	58,975,000	58,755,955	48,618,159	10,137,796	83
		Capital	1,400,000	200,000	26,000	174,000	13
		Total	60,375,000	58,955,955	48,644,159	10,311,796	83

Programme	Project	Expenditure Category	Original Allocation (Rs)	Final Allocation (Rs)	Expenditure (Rs)	Savings (Rs)	Allocation Utilization as a %
2	5	Recurrent	39,180,000	39,180,000	32,942,252	6,237,748	84
		Capital	3,720,000	520,000	373,337	146,663	72
		Total	42,900,000	39,700,000	33,315,590	6,384,410	84

	Grand Total	Recurrent	232,000,000	242,000,000	207,949,838	34,050,162	86
		Capital	47,000,000	135,250,000	111,078,800	24,171,200	82
		Total	279,000,000	377,250,000	319,028,638	58,221,362	85

Table 3.6.1 Performance of the utilization of allocations

* In terms of National Budget Circular 5/2019 dated 24.09.2019, net provisions have been computed having saved 25% of the capital provisions

3.7 In terms of F.R.208 grant of allocations for expenditure to this Ministry as an agent of the other Ministries/ Departments

Serial No.	Allocation Received from Which Ministry/ Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	Ministry of National Policies, Economic Affairs, Resettlement and Rehabilitation, Northern Province Development & Youth Affairs	Allowance for Development Officers, trained		1,280,000.00	982,166.57	77
02	Dept. of Pensions	Payments for the Government		192,009.84	192,009,84	100

Table 3.7.1 Allocation receive from other Ministries

3.8 Performance of the Reporting of Non-Financial Assets

Rs. ' 000

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2019	Balance as per financial Position Report as at 31.12.2019	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	26,823,502	26,823,502	-	100
9152	Machinery and Equipment				
9153	Land	464,788,755	464,788,755	-	100
9154	Intangible Assets				
9155	Biological Assets				
9160	Work in Progress				

Table 3.8.1 Non Financial Assets.

Chapter Four

Performance Indicators

4.1 Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100%-90%	75%-89%	50%-74%
No. of New Laws Established/ Amended to enhance Workers’ Rights *	5	-	7
No. of Collective Agreements Registered*	16	26	19
No. of Annual Reporting for Adopted ILO Conventions	100%	85%	-
No. of Policy Decisions Taken to Enhance Industrial Peace *	12	-	-
Percentage of Staff Members, those Having Training Requirement Got Trained out of Total Staff	90%		

Table 4.1.1 Performance indicators of the Ministry

* Final output cannot define definitely since activities are done as per the requirement. Therefore, cannot present as percentages.

Chapter Five

**Performance of the Achieving Sustainable
Development Goals (SDG)**

5.1 Identified respective Sustainable Developments Goals

Under the Sustainable Development Goals, the goals in respect of the Ministry have not been separately identified and the SDGs relevant to the Ministry are as follows.

Goal / objective	Targets	Indicators of the Achievement	Progress of the Achievement to date
01. End poverty in all its forms everywhere	1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable	1.3.1 Proportion of population covered by social protection floors/ systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable	No. of members of the EPF- 2.52 mn No. of members of the ETF- 14.6 million accounts
04. Ensure inclusive and equitable education and promote lifelong learning opportunities for all	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	4.3.1 Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex	No. of students participated in career guidance programmes conducted by the Dept. Of Manpower and Employment in the Year 2019 - 101,130 No. of parents-20,437, No. of teachers -901
05. Achieve gender equality and empower all women and girls	5.C. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	5.C.1 Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment	No. of women empowerment programmes conducted by Shrama Vasana Fund in the year 2019 -14 No. of awareness programmes -60 Investigations into complaints regarding service conditions of women by the Dept. Of Labour- 35 Special group investigations on women workers -93 Capacity development programme for employed women Programmes for creating awareness amongst plantation sector workers-3

Goal / objective	Targets	Indicators of the Achievement	Progress of the Achievement to date
08. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	8.5.1. Average hourly earnings of female and male employees, by occupation, age and persons with disabilities	There is no difference in the average hourly earnings of male and female workers according to factors such as the occupation, age and nature of disability. (Especially in private and semi-government sector institutions which come under our purview) It has been achieved 100%. (Non-formal sector is not covered)
		8.5.2. Unemployment rate, by sex, age and persons with disabilities	No. of job matching done by Dept. Of Manpower and Employment in 2019 – 35% of the total registered job seekers.
	8.7. Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	8.7.1. Proportion and number of children aged 5 -17 years engaged in child labour, by sex and age	According to the Child Activity Survey -2016, the child labour of the country is 1% and measures are being taken to make it zero.
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	8.8.1. Frequency rates of fatal and non-fatal occupational injuries by sex and migrant status	Though fatal and non-fatal accidents relating to occupations have been reported, records have not been kept of gender and migration status of victims and it is expected to be carried out in future.
		8.8.2. Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status	Freedom of association and freedom of collective bargaining exist and the number of trade unions registered as at 31.12.2019 was 1903. Gender wise and migration level data are expected to be collected in future. Further, the approval of the Cabinet of Ministers was secured to introduce a social security scheme for migrant workers.

Table 5.1.1 Sustainable Development Goals relevant to the Ministry

5.2 Achievements and challenges in fulfilling SDGs

Sri Lanka is hopeful of reaching a better development level by achieving Sustainable Development Goals by the year 2030. This Ministry has to contribute for the attainment of the 08th SDG “Promoting inclusive and sustainable economic growth, employment and decent work for all”.

Though measures required for the achievement of SDGs had been taken, they had not been prepared according to this presentation format. A workshop to offer guidance on how to prepare targets and indicators to be compatible with the Ministry and its affiliated institutions in formulating action plans in terms of the SDGs was conducted by the Director General of the Sustainable Development Council on 07 July 2019 at the Ministry with the participation of all institutions attached to the Ministry. Accordingly, the foundation was laid for reporting the performance in terms of SDGs. Though all data should be segregated gender-wise, it has hitherto not been adhered to in the method followed by us in our reporting and this should be corrected in future. Similarly, data as regards persons with special needs should be collected.

Chapter Six

Human Resource Profile

6.1 Cadre Management

	Institution	Senior Level		Tertiary Level		Secondary Level		Primary Level		Total		
		Approved Cadre	Existing Cadre	Approved Cadre	Existing Cadre	Approved Cadre	Existing Cadre	Approved Cadre	Existing Cadre	Approved Cadre	Existing Cadre	Vacancies
1	Ministry Office	16	12	05	03	71	43	35	28	127	86	41
2	Department of Labour	210	143	668	500	1,761	1,507	489	452	3,128	2,602	526
3	Department of Manpower & Employment	15	06	04	0	673	569	15	13	707	588	119
4	National Institute of Labour Studies	09	04	13	05	18	08	05	02	45	19	26
5	National Institute of Occupational Safety & Health	07	02	03	02	10	08	05	05	25	17	8
6	Office of the Commissioner for Workmen's Compensation	05	02	02	01	31	27	05	03	43	33	10
7	Employees' Trust Fund	75	62	310	282	544	521	180	175	1,109	1,040	138
8	Shrama Vasana Fund	01	01	03	03	08	0 8	04	04	16	16	00
	Total	338	232	1008	796	3,116	2,691	703	682	5,350	4,402	868

Table 6.1.1. Overall Staff

6.2 Effect of the shortage or excess of human resources on the performance of the Ministry

The current human resource shortage of the Ministry is 04 vacancies of executive grade officers. (approved number is 16) A decline in the productivity in discharging duties by officers is the main drawback caused by this situation. In particular, the shortage of executive officers has given rise to practical problems in situations where decisions have to be made within the institutional hierarchy and responsibilities have to be assumed such as financial powers as well in situations where guidance and regularization need to be facilitated. The excessive workload resulting from overseeing duties of vacant posts in addition to duties assigned, may cause fatigue and mental stress. Further, the absence of an adequate number of officers, a delay in routine work of the institution could be caused and in general, it could lead to inefficiency within the institution.

6.3 Human Resources Development

Several objectives are expected to be achieved through raining programmes offered to the officers of the Ministry. The foremost amongst them are the capacity development of officers and human resources development. Being motivated to use new media and technology for professional development in a backdrop of limited funds and resources, these training programmes serve to boost their occupational productivity. Similarly, by developing attitudes of officers and improving their language proficiency, they will be able to provide more friendly service to the general public and cause effective institutional interrelations to be forged. Creating a highly experienced, accomplished and contended group of officers in the public service by directing the relevant officers for training needs identified through a meticulous study is the general objective of these training programmes. The participation of officers in the local and foreign training programmes in the year 2019 is as follows.

Local Training Programmes

Name of the Programme	Duration	Staff Trained	Investment (Rs.)
1. Certificate Course on English for Office Management	7 Days	Mrs. S. Nayanamali Ms. Irushi Prasandika Mr. S. Nanayakkara Ms. M.P.A. Fernando Ms. Maleesha Samarakoon Mrs. Chamari Punchihewa	13,000 * 06 = 78,000.00
2. Certificate Course on Internal Audit	5 Days	Mrs. S.A. Udari Lakmini	13,000.00
3. Activities of Human Resource Manager	2 Days	Mr. U. Ananda Mrs. H.I. Katapearachchi	8,500 * 02 = 17,000.00

Name of the Programme	Duration	Staff Trained	Investment (Rs.)
4. Certificate Course on Auditing of Procurement Process and Investigation	6 Days	Mrs. R.B.V.D. Jayawardena	13,000.00
5. Training on Services of KKS	2 Days	Mr. L.A.G.P.K. Bandara Mr. R.K.J. Kumarasiri Mr. P.V.A.M. Ariyaratne	6,000 * 03 = 18,000.00
6. Seminar on Ethical Responsibility of professional Accountants in Public sector	1 Day	Mrs. M.C.K. Peiris	1,500.00
7. Tamil Language- 2 Level Course	From 12.03.2019 to 08.10.2019	Ms. S.A.I. Prasandika Mrs. A. Melani Koshala Mrs. A. Sagitha Nayanamali Mrs. M.D.A. Harshika Ms. M.P.A. Fernando Mrs. Y. Iresha Jayasekara Mrs. R.A.P.S. Perera Mrs. R.M.B. Maduwanthi Mr. S. Nanayakkara Ms. Maleesha Smarakoon Mr. L.P. Neranjana Mrs. B.M.S. Malkanthi Mrs. M.W.G. Kanchana Mrs. M.D. Harshani	600 * 03 hrs* 18 days = 32,400.00
8. Workshop on Accounting Standards	8 Days	Mrs. M.C.K. Peiris Mrs. J.A.D.S. Nishamini Mr. W.D.V.R. Costa Mrs. Chamari Punchihewa Mrs Wajira Withanage Mr. T.P.P. Madushan Ms. E.M.T.V. Jayasinghe Mrs. Prabodha Welagedara	18,000 * 08 days =144,000.00
9. Master in Economics 2018		Mrs. A.L.U. Mandakini	125,000.00
10. Workshop for Developing Attitudes & Personality (Group 1)	1 Day	40 Officers	16,120.00

Table 6.3.1. Participation in Local Training Programmes - 2019

Foreign Training Programmes

	Name of the Trainee	Designation	Area of Training	Country	Duration
01	Mr. R.P.R. Rajapaksa	Secretary	Signing of MOU between Shandong Foreign Trade Union Vocational College and NILS Sri Lanka	China	06 Days
02	Mr. Lal Samarasekara	Additional Secretary (Administration)	Training of providing Technical Assistance organized by the Ministry of Government Employment and Labour Relations	South Korea	06 Days
03	Mrs. M.C.K. Peiris	Chief Finance Officer	Capacity Building Training (Certificate Program) for Development Partners- China 2019 May/June (English Medium)	China	14 Days
			Second Country Study Visit – Capacity Building Training Programm, University, Majlis Amanah Rakyat (UnIMARA)	Malaysia	07 Days
04	Mr. B.R.P.M.A. Devendra	Senior Assistant Secretary (Administration)	Signing of MOU between Shandong Foreign Trade Union Vocational College and NILS Sri Lanka	China	06 Days
			Capacity Building Training (Certificate Programme) for Development Partners –China 2019 May/June (English Medium)	China	14 Days
			Seminar on Investment Cooperation & Development for BRI Countries	China	21 Days
05	Mr. B. Vasanthan	Senior Assistant Secretary (Foreign Relations)	South Asian Regional Training Course on Evidence based Policy Making for Decent Work	India	05 Days
			Participate in Jobs, Labour and Migration Core Course	Washington, USA	12 Days
06	Mrs. Gayani Wijesoorinya	Legal Officer	Seminar on Public Management & E-Government for Sri Lanka	China	21 Days

Table 6.3.2. Participation in Foreign Training Programmes - 2019

In addition, the officers attached to the institutions affiliated to the Ministry participated in foreign training courses as shown in the table below.

No.	Name of the Institution	Number participated in foreign training courses
01	Department of Labour	20
02	Department of Manpower and Employment	08
03	National Institute of Occupational Safety & Health	04
04	National Institute of Labour Studies	08
05	Office of the Commissioner of Workmen's Compensation	02
06	Employees' Trust Fund Board	32
07	Shrama Vasana Fund	01

Table 6.3.3. Participation in foreign training programmes (Officers of affiliated institutions) - 2019

Chapter Seven

Compliance Report

Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
1	The following Financial statements/accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Complied	Not Relevant	
1.4	Stores Advance Accounts Stores Advance Accounts	Not Complied	Not Relevant	
1.5	Special Advance Accounts	Not Complied	Not Relevant	
1.6	Others			
2	Maintenance of books and registers (FR445)	Complied		
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit Queries has been maintained and update	Complied		
2.4	Register of Internal Audit Reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA – N20) has been maintained and update	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
3	Delegation of functions for financial control (FR 135)	Complied		
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	Audit queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1 -2019	Complied		
6.2	All the internal audit reports has been replied within one month	Complied		
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3).	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
7	Audit and Management Committee	Complied		
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1 -2019	Complied		
8	Asset Management	Complied		
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of 13 the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re - tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Not Complied	Not Relevant	
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94 (1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account	-		
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account	-		
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non- Compliance	Corrective actions proposed to avoid non- compliance in future
14.3	The ad -hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account	-		
15.1	The refunds from the revenue had been made in terms of the regulations	-		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	-		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	-		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi - Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied		
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified.	Complied		

Table 7.1 : Compliance Report

