

the peak period of the Korean boom, and income both before and after has been lower. Also the Burma figures must be rising with higher prices for rice. Furthermore, in any such international comparisons there is a margin of inevitable haze, due partly to varying accuracy and completeness of the national data and varying decisions by the compiling statisticians on borderline matters; and partly to the economic implication of various climates, patterns of consumption, and patterns of culture. A given "value," for example, of rice or of housing, means something appreciably different in Japan's economy from what it does in Ceylon's. These qualms, as they variously apply to different countries, weaken the sharpness of the comparisons but do not destroy their significance.

IV. Wages and Employment

15. The marked improvement in foreign trade, the rise in export and import prices and the high level of economic activity in the country mainly induced by the high level of export income, stimulated employment and pushed up money wages. Information on the subject is limited, but what is available clearly suggests that the employed population as a group fared comparatively well during the year.

16. The movements in money and real wages on tea and rubber estates, which together constitute the most important single employment sector in the country, are shown in the table below. The real wage index has been obtained by dividing the money wage index by the index of cost of living. Information available on other classes of workers, such as Government unskilled workers and workers in certain types of industrial establishments, also shows a like pattern.

Indexes of Money Wages, Cost of Living and Real Wages of Tea and Rubber Estate Workers

(1939=100)

Period	Money wages index	Cost of living index	Real wages index
1946	279	228	122
1947	293	239	123
1948	313	259	121
1949	320	264	121
1950	372	274	137
1951	453	288	157
1949 December	349	266	131
1950 March	366	275	133
June	356	271	131
September	373	278	134
December	439	268	164
1951 March	450	291	155
June	457	285	160
September	457	287	159
December	462	296	156

17. The table shows that the average level of money wages in 1951 was much higher than in 1950. The average cost of living rose by a smaller proportion. Consequently average real wages increased substantially. However, the monthly figures given in the table also reveal that during 1951 the movements in money and real wages were not so favourable as during 1950. Between December, 1950, and December, 1951, the money wages index rose from 439 to 462 (or by 5%), the cost of living index rose from 268 to 296 (or by 10%) and the real wages index fell from 164 to 156 (or by 5%). In the corresponding period, between December, 1949 and December, 1950, the money wages index rose from 349 to 439 (or by 26%), the cost of living index rose from 266 to 268 (or by 0.8%) and the real wages index rose from 131 to 164 (or by 25%).

18. Real wages as calculated here do not take into account the effects of increased Government expenditure on health, education and other social services. These brought many new benefits in cash and kind to the general population and in particular to the lower income groups. Total social expenditure in 1948-49 was Rs. 275.7 million. It was raised to Rs. 284.7 million in 1949-50 and Rs. 400.4 million in 1950-51. The 1951-52 budget for it is Rs. 536.0 million.

19. The only data available on unemployment are numbers registered for employment in the employment exchanges. Among these registrants are many who are already employed but who seek better jobs. Hence the figures should not be taken as a precise measure of unemployment, but they indicate the trend. The number of registrants fell 19 per cent between the last quarter of 1950 and the last quarter of 1951.

Registrants at Employment Exchanges

End of Period	Number
1938	16,480
1949	69,732
1950	65,122
1951 1st Quarter	60,953
2nd Quarter	54,999
3rd Quarter	53,621
4th Quarter	52,723

20. Unemployment fell chiefly because there was increased productive activity in the country, largely in the export industries but partly also in other fields. The Government policy of restricting the entry or the re-entry of immigrant labour also seems to have contributed to the reduction of unemployment.

21. The problem of *under-employment*, that is, part-time work for people who are already in some occupation or employment, is still with us. It is a different phenomenon altogether from that of *unemployment*, that is, lack of jobs for people willing and able to work.