

WAGES

In the organised sector of the economy money wages are measured by the minimum wage rate indices for the Central Government employees and for workers covered by the Wages Boards.

The money wages and real wages of both government employees and private sector employees covered by the Wages Boards increased in 1982. However, the increase in the government sector was higher than in the private sector, as government employees benefited by the consolidation of salaries.

Money wages of the government sector employees increased at a higher rate in 1982 (32 per cent) than in 1981 (15 per cent). The money wage rate index for technical and clerical employees increased by 31 per cent in 1982 compared with an increase of 13 per cent in 1981. In the case of minor employees and school teachers the respective increases in money wages in 1982 were 32 and 27 per cent. The corresponding increases in 1981 were much less being 16 per cent and 12 per cent respectively.

In contrast to a decline of 3 per cent in real wages of government employees in 1981, the real wages of the government sector employees increased significantly by 19 per cent in 1982. The real wages of technical and clerical employees increased by 18 per cent in 1982 against a decline of 5 per cent in 1981. In the case of minor employees real wages increased by 19 per cent against the 2 per cent drop in 1981 while those of school teachers, rose by 14 per cent compared to the decrease of 6 per cent in 1981.

The increases in money and real wages in 1982 were the highest recorded for the last 5 years. This increase was mainly due to the salary revision in January 1982 along with the continuation of the payment of the cost of living allowance linked to the cost of living index. Such linking of wages to the cost of living index ensured that nominal wage increases resulted in real wage increases as well.

Table 1.32
Average Daily Wage Rates in the Unorganised Sector

Unorganised Sector	Type of Labour	1981 Rs.	1982 Rs.	Change Rs.	% Change
Paddy	Male	27.78	30.66	2.88	10
	Female	19.82	22.26	2.44	12
Coconut	Male	27.01	32.39	5.38	20
	Female	16.07	18.26	2.19	14
Rubber	Male	25.39	26.22	0.88	3
	Female	18.20	18.88	0.68	4
Tea	Male	20.50	22.17	1.67	9
	Female	15.17	15.86	0.69	5
Carpenter	Male	46.85	53.86	7.01	15
Mason	Male	45.90	52.44	6.54	14

Source: Central Bank of Ceylon,
Country-Wide Data Collection System.

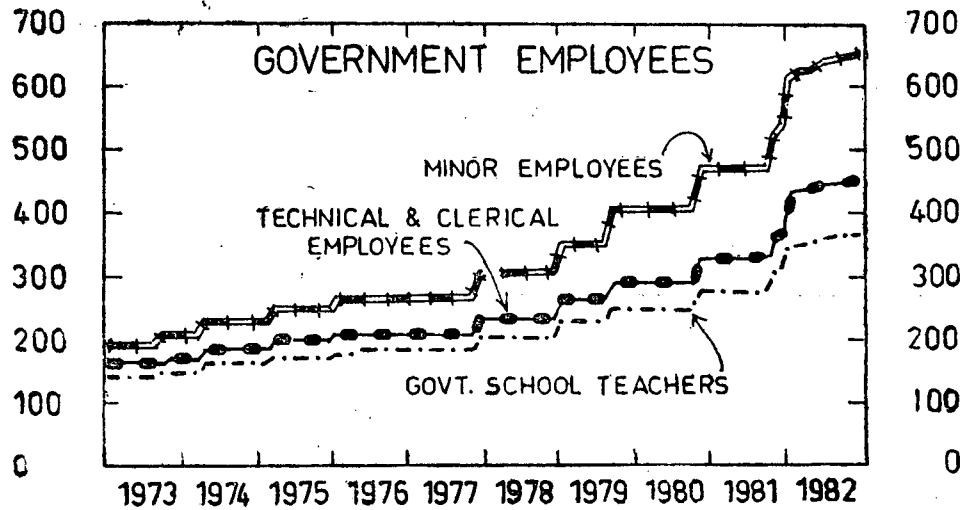
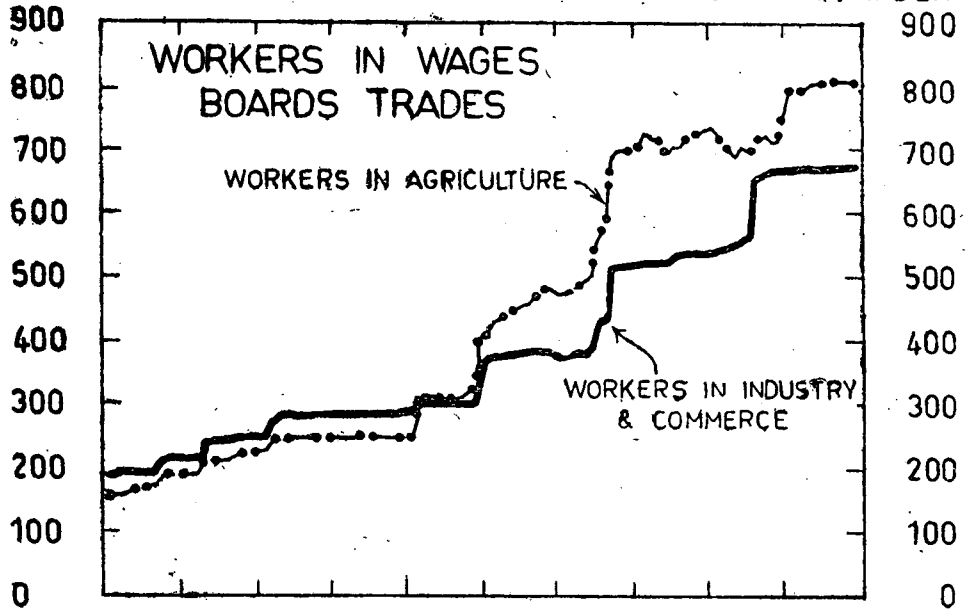
WAGE RATE INDEX NUMBERS

1952 = 100

MONTHLY

POINTS IN INDEX

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In the organised private sector, the minimum wages of workers in tea, rubber and coconut sectors, rose by 13 per cent in 1982 compared to a marginal decrease of 0.2 per cent in 1981. The minimum wages of workers in industry and commerce increased by 12 per cent against an increase of 13 per cent in 1981. The combined minimum wage rate index for the organised agricultural, industrial and commercial sectors increased by 13 per cent when compared with a marginal increase of 1 per cent in 1981.

The real wages of workers in agriculture which dropped by 16 per cent in 1981, showed an increase of 2 per cent in 1982. In the case of industrial and commercial sector employees the real wage rate increased by 1.5 per cent as against the decrease of 5 per cent recorded in 1981.

Information collected under the Central Bank's Country-Wide Data Collection System indicates significant increases in wages in the unorganised sector. The average daily wage rates in the unorganised sector for 1981 and 1982 are given in Table 1.32.

In the unorganised sector such as in tea, rubber, coconut and paddy cultivation and in building construction all island daily wage rates of male and female workers increased in 1982 in respect of all categories. In paddy farming the average daily wage rate in 1982 showed an increase of 10 per cent for male workers while the wage rate of a female worker in 1982 increased by 12 per cent when compared with that of the previous year. This represents a continuation of the increasing trend in the wage rates in paddy farming observed since 1979. The daily wage rate for male workers in the tea, rubber and coconut cultivation sectors too increased. The increase in the case of workers in the coconut cultivation sector was the most pronounced while that for the rubber sector showed the lowest increases. The all island daily average wage rates in 1982 for master carpenters and masons showed an increase of 15 per cent and 14 per cent, respectively, when compared with those for the previous year.

TRADE

The continued recessionary conditions in developed countries made their impact felt markedly on the country's exports. The rate of growth of exports in SDR terms was only 0.6 per cent in 1982 as compared to a 13 per cent growth in 1981. On the other hand, imports grew at a faster rate of 13 per cent in 1982 as against a 2 per cent growth registered in 1981. The higher rate of growth of imports in 1982 was very largely due to the purchase of ships (SDR 44 million) and aircraft (SDR 107 million) during the year, which resulted in a bulging of investment goods imports for the year. The higher growth of imports in 1982 has therefore to be viewed in this context.