

**WAGES**

Wages in both the organised and unorganised sectors increased in 1984. However, unlike in the previous year, wage increases were greater in the organised sector. The rates of increase in wages of different categories of employees in the government sector were similar to those of the previous years. The significant upward revision in wages and the equalization of male and female wage rates in the plantation sector in April were the most noteworthy features of wage movements in 1984. Consequently, the rise in wages of workers in agriculture was the highest among the trades covered by Wages Boards. Wages of other categories of workers covered by Wages Boards increased only moderately. In the unorganised sector, nominal wage rates of all sub sectors except tea, grew at a lower rate than in the previous year.

In the government sector, the compensation linked to the Cost of Living Index, which had been frozen at Rs. 246 per month since September, 1983 was reviewed and an additional sum of Rs. 102 was paid in March, 1984. However, single public officers or public officers whose spouses were in employment in the government sector, banks, public corporations, statutory boards or in the private sector, where the cost of living allowance (CLA) is payable, were entitled to only half of the CLA. With the second review of the CLA in September, 1984 a further Rs. 56 was paid based on the index of August. The total increase in cost of living compensation in 1984 amounted to Rs. 158.

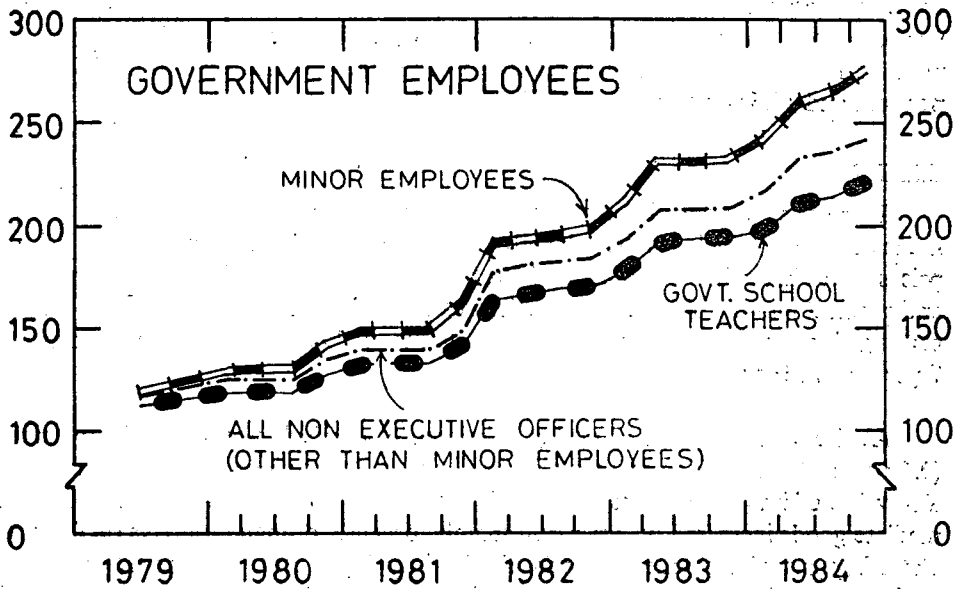
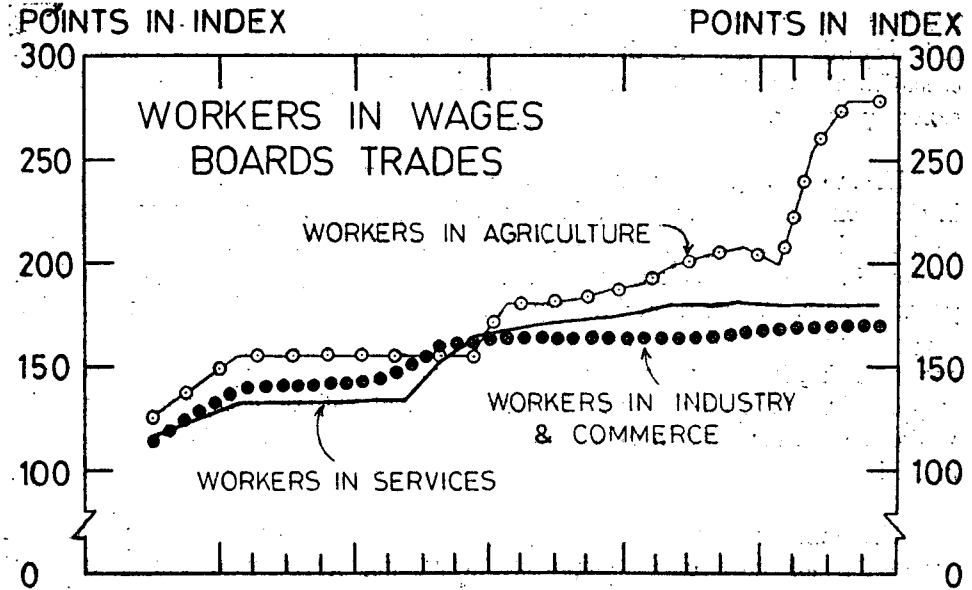
With effect from April, 1984 the State Plantations Corporation and the Janatha Estate Development Board increased and equalized male and female daily wage rates for workers in the tea growing and manufacturing trade to Rs. 23.78 ; in the rubber growing and manufacturing trade to Rs. 23.93 and in the coconut growing trade to Rs. 19.90. Wages were also increased in the cocoa, cardamom and pepper growing and manufacturing trade to Rs. 18.80. Accordingly, male and female wages in the tea growing and manufacturing trade increased by 30 per cent and 56 per cent respectively in April, when compared to March, 1984. The corresponding increases for the rubber growing and manufacturing trade were 19 and 39 per cent, respectively. Similarly, male and female wages for the coconut growing trade increased by 25 per cent and 46 per cent respectively, while male and female wages for the cocoa, cardamom and pepper growing and manufacturing trade increased by 26 and 59 per cent, respectively.

**TABLE 1.28**  
**Wage Rate Index Numbers in the Organised Sector**  
**1978 December = 100**

Organised Sector	Wage Rate Index		Point Change	Percentage Change
	1983	1984		
1. Workers in Wages Boards Trades ..	188.8	224.3	35.5	18.8
i Workers in Agriculture ..	198.7	250.2	51.5	25.9
ii Workers in Industry & Commerce ..	163.1	168.3	5.2	3.2
iii Workers in Services ..	177.8	179.7	1.9	1.1
2. All Government Employees ..	215.7	246.6	30.9	14.3
i All Non-Executive Officers ..	204.6	231.4	26.8	13.1
ii All Minor Employees ..	226.2	260.9	34.7	15.3
3. Government School Teachers ..	188.1	211.4	23.3	12.4

Sources : Department of Labour,  
Central Bank of Ceylon.

### WAGE RATE INDEX NUMBERS 1978 DECEMBER=100 QUARTERLY



The minimum wage rate indices for government employees and workers in trades covered by Wages Boards which measure wage movements in the organised sector are given in Table 1.28.

The wage rate indices for government employees (excluding school teachers) increased by 14.3 per cent in 1984 compared to 14.9 per cent in 1983. As in the previous year, wages of minor employees rose at the highest rate (15.3 per cent) although this was less than the corresponding increase in 1983. The wages of non-executive officers and government teachers increased by 13.1 per cent and 12.4 per cent respectively.

The money wages of workers in Wages Boards Trades increased by 18.8 per cent in 1984 compared to 7.4 per cent in the previous year. The increase was mainly due to the revision of wages in the plantation sector in April, 1984. Money wages of workers in agriculture alone rose by 25.9 per cent as compared to 9.7 per cent in the previous year. Workers in industry and commerce and service workers received wage increases of only 3.2 per cent and 1.1 per cent, respectively in 1984. The corresponding increases for the previous year were 1.3 per cent and 4.8 per cent, respectively. Accordingly, it may be concluded that, with the exception of plantation workers, wage increases in other trades covered by Wages Boards were moderate in 1984.

The real wage rate indices for government employees indicate that real wages for all government employees (excluding government school teachers) declined by 2.2 per cent, in 1984. For government school teachers, the decline was 3.9 per cent. The real wages of workers in Wages Boards Trades increased by 1.5 per cent due to the wage increase in the plantation sector. For agricultural workers alone, the real wage increase amounted to 7.6 per cent. Real wages for workers in Industry and Commerce and workers in Services deteriorated by 11.6 per cent and 13.6 per cent, respectively in 1984.

## TRADE

There was a marked improvement in the country's international trade performance in 1984, which resulted largely from the remarkable improvement in the prices of tea in the international markets, the relatively favourable prices for rubber and coconut and the significant growth in earnings from industrial exports. Export earnings increased by 44 per cent in SDR terms in 1984, as against the increase of 7 per cent in the previous year.

At the same time, the outlay on imports in 1984, was only slightly higher (0.6 per cent in SDR terms) than in 1983, when imports declined by one per cent. The value of imports of consumer goods, declined by 8 per cent while that of intermediate goods increased by 5 per cent mainly because of higher outlays on fertilizer. Total imports of investment goods declined by 3 per cent. However, the decline in imports of investment goods reflected the large outlay on ships and aircraft in 1983. Imports of investment goods other than ships and aircraft recorded an increase of 4 per cent.