

## ECONOMIC AND SOCIAL OVERHEADS

### ENERGY

The energy situation suffered a severe setback due to the prolonged drought conditions that prevailed during the first four months of 1992, but improved during the latter half of the year. Hydro electricity generation which dropped sharply during the first half of the year considerably improved with the return of favourable weather conditions. Consequently, the Ceylon Electricity Board (CEB) was able to reduce its dependence on thermal power to a negligible level during the second half of 1992. Despite disruption to the power supply process, the demand for electricity further expanded during the year under review. Meanwhile, the sharp increase in demand for heavy diesel and furnace oil on account of thermal power generation considerably slowed down during the latter part of the year. However, the domestic consumption of auto diesel and super diesel continued to rise during the year due to the relative price advantage of these products.

Non-commercial energy sources consisting of fuel wood, agricultural residues and animal waste, together with other ligno cellulosic matter continued to be the largest sources of energy. These sources which were estimated at 4.9 million tons of oil equivalent (t.o.e) of energy represented 69 per cent of the total energy supply in the country, while petroleum, electricity and liquefied petroleum gas (LPG) accounted for the rest.

During the year under review, the installed capacity of hydro power expanded by 120 MW to 1,137 MW with the commissioning of Samanalawewa hydro power project towards the end 1992. Meanwhile the installed capacity of thermal power remained unchanged at 272 MW in 1992. Consequently, the total installed capacity of electricity generation in the country rose by 120 MW to 1,410 MW in 1992.

The total power generated by the CEB stood at 3,540 GWh in 1992. This was an increase of 5 per cent compared with an expansion of 7 per cent in the previous year. Total hydro electricity generation stood at 2,900 GWh in 1992, recording a decline of 7 per cent. This was entirely due to the sharp drop of 31 per cent in hydro power generation during the first six months of the year on account of a drastic reduction in the water levels in the hydro reservoirs. Consequently, thermal power generation increased considerably reaching 640 GWh in 1992 compared with 260 GWh in 1991. As a result, cost of fuel on power generation rose to Rs. 1,657 million during the year under review from Rs. 459 million in 1991. Meanwhile, the losses involved in the power generation, transmission and distribution dropped from 18.8 per cent in 1991 to 17.6 per cent in 1992.

Although the tariff structure of electricity remained unchanged during the year, a fuel adjustment surcharge of 25 per cent was introduced with effect from March, 1992 in response to the high cost of electricity generation. However, domestic consumers and religious organisations whose consumption remained below 50 and 150 units, respectively were exempted from this levy. Moreover, the CEB imposed an islandwide power cut during April-May, 1992 in order to curtail power consumption. Despite these measures, the sales of electricity totalled 2,915 GWh reflecting an increase of 6 per cent over the previous year. Sales to the domestic sector rose by 8 per cent to 696 GWh. This was largely due to an increase in the number of consumers from 751,614 in 1991 to 897,542 in 1992 with further expansion of rural electrification schemes. Meanwhile, sales to

Industrial and Commercial sectors rose by 9 per cent and 8 per cent respectively, reflecting increased industrial and commercial activities during the year under review. However, bulk sales to local authorities dropped by 3 per cent in 1992.

The total expenditure on petroleum imports at Rs. 13,938 million was an increase of 8 per cent over the previous year. The average price of crude oil per barrel dropped to U.S. Dollars 18.32 (Rs. 803 ) in 1992 from U.S. Dollars 19.50 (Rs. 807 ) in 1991. Meanwhile, the volume of crude oil imports dropped by 20 per cent, from 1,625,522 metric tons in 1991 to 1,296,518 metric tons in 1992. This was due to the closure of refinery for a major modification to the Crude Distillery Unit from June to September, 1992. Consequently, the volume of import of refined products trebled, from 218,537 metric tons in 1991 to 661,513 metric tons in 1992. Meanwhile, the volume of liquefied Petroleum Gas (LPG) imported by the Colombo Gas Company, increased by 13,071 metric tons to 31,383 metric tons during the year, raising the total value of LPG imports by 69 per cent to Rs. 404 million in 1992.

Domestic consumption of petroleum products totalled 1,486,844 metric tons in 1992. This was an increase of 20 per cent compared with an expansion of 8 per cent in the previous year. The substantial increase in demand for petroleum products was largely due to the high consumption of heavy diesel and furnace oil for thermal power generation by the CEB. The demand for heavy diesel rose from 32,528 metric tons in 1991 to 125,274 metric tons in 1992 while the consumption of furnace oil grew from 204,356 metric tons to 251,689 metric tons between the two years. In spite of the price increase of 6 per cent, the demand for auto diesel totalled 606,527 metric tons showing an increase of 12 per cent during the year. The demand for super petrol at 164,875 metric tons recorded an increase of 3 per cent in 1992 despite the rise in price by 10 per cent. The consumption of kerosene also rose by 9 per cent to 189,363 metric tons during the period under review. Meanwhile, the demand for LPG grew considerably by 19 per cent to 44,693 metric tons in 1992 reflecting increased demand of gas for cooking purposes.

**TABLE 1.25**  
**Salient Features of the Energy Sector 1991 - 1992**

Item	Unit	1991	% Change over 1990	1992*	% Change over 1991
<b>1. Petroleum Products</b>					
1.1 Quantity of Exports	MT.	523,211	-15.7	410,164	-21.6
1.2 Value of Exports	Rs. Mn.	3,289.4	-17.2	2,770.6	-15.8
	SDR Mn.	58.1	-20.4	44.9	-22.7
1.3 Quantity Imported					
1.3.1 Crude Oil	MT	1,625,522	-8.6	1,296,518	-20.2
1.3.2 Refined Products	"	218,537	74.8	661,513	202.7
1.3.3 L.P. Gas	"	18,312	8.3	31,383	71.4

(Contd.)

**Salient Features of the Energy Sector 1991 – 1992 (Contd.)**

Item	Unit	1991	% Change over 1990	1992*	% Change over 1991
1.4 Value of Imports (C&F)					
1.4.1 Crude Oil	Rs. Mn.	9,667.14	-22.1	7,666.70	-20.7
	SDR Mn.	170.77	-25.1	124.16	-27.3
1.4.2 Refined Products	Rs. Mn.	2,566.78	124.0	5,526.41	115.3
	SDR Mn.	45.34	116.4	89.50	97.4
1.4.3 L.P. Gas	Rs. Mn.	239.35	13.8	404.11	68.8
	SDR Mn.	4.23	9.6	6.54	54.7
1.5 Average Price of Crude Oil (C&F)	Rs./Barrel	806.76	-14.4	803.00	-0.5
	US \$/Barrel	19.50	-17.1	18.32	-6.0
1.6 Local Sales	MT	1,240,494	7.7	1,486,844	19.9
1.6.1 Super Petrol	"	159,765	-10.7	164,875	3.2
1.6.2 Auto Diesel	"	539,983	5.3	606,527	12.3
1.6.3 Heavy Diesel	"	32,528	62.0	125,274	285.1
1.6.4 Super Diesel	"	19,989	19.8	22,722	13.7
1.6.5 Kerosene	"	173,425	3.7	189,363	9.2
1.6.6 Furnace Oil	"	204,356	27.4	251,689	23.2
1.6.7 Avtur	"	72,715	19.0	81,513	12.1
1.6.8 Avgas	"	211	-12.8	188	-10.9
1.6.9 L.P. Gas	"	37,522	10.2	44,693	19.1
1.7 Local Price					
1.7.1 Super Petrol	Rs./Litre	30.00	-	33.00	10.0
1.7.2 Auto Diesel	"	11.00	-	11.65	5.9
1.7.3 Heavy Diesel	"	10.60	-	11.15	5.2
1.7.4 Super Diesel	"	13.00	-	14.55	11.9
1.7.5 Kerosene	"	8.80	-	8.80	0
1.7.6 Furnace Oil	"				
500 seconds	"	6.55	-0.8	7.10	9.5
800 seconds	"	6.25	-0.8	6.80	8.8
1,000 seconds	"	5.95	-0.8	6.50	9.2
1.7.7 Bitumen	"	10.90	-0.9	15.15	39.0
1.7.8 L.P. Gas	Rs./kg.	16.54	-	16.54	0
2. Electricity					
2.1 Installed Capacity	MW	1289.65	-	1409.65	9.3
2.1.1 Hyoro	"	1017.45	-	1137.45	11.8
2.1.2 Thermal	"	272.20	-	272.20	-
2.2 Units generated	GWh	3376.6	7.2	3539.9	4.8
2.2.1 Hydro	"	3116.2	-0.9	2900.1	-6.9
2.2.2 Thermal	"	260.4	5005.9	639.8	145.7
2.3 Total Sales	GWh	2742.4	5.1	2915.0	6.3
2.3.1 Domestic	"	643.6	25.1	695.5	8.1
2.3.2 Industrial	"	958.2	5.3	1047.4	9.3
2.3.3 Commercial	"	547.4	7.5	589.1	7.6
2.3.4 Local Authorities	"	571.7	13.0	554.4	-3.0
2.3.5 Street Lighting	"	21.5	20.1	28.6	33.0

\* Provisional

Sources : Ceylon Petroleum Corporation,  
Ceylon Electricity Board and  
Colombo Gas Company Ltd.

**TABLE 1.26**  
**Salient Features of the Transport Sector 1991 - 1992**

Item	Unit	1991	% Change over 1990	1992*	% Change over 1991
<b>1. New Registration of Motor Vehicles</b>					
1.1 Buses under Peoplised Companies	Nos.	189	142.3	30	-84.1
1.2 Private Omnibuses	"	2,987	178.9	2,449	-18.0
1.3 Private Cars**	"	15,076	-0.4	20,178	33.8
1.4 Motor Cycles	"	58,643	-30.5	65,834	12.3
1.5 Goods Transport Vehicles	"	3,200	15.3	4,146	29.6
1.6 Land Vehicles	"	4,003	49.8	5,487	37.1
1.7 Others	"	76	28.8	134	76.3
1.8 Private coaches	"	272	209.1	425	56.3
<b>2. Sri Lanka Railways (SLR)</b>					
2.1 Operated Kilometers	Million	7.6	4.1	7.5	-1.3
2.2 Passenger Kilometers	"	2,653.4	-4.6	2,633.7	-1.0
2.3 Freight ton Kilometers	"	169.1	3.2	173.2	2.4
2.4 Total Revenue	Rs. Mn.	808	18.8	871	7.8
2.5 Total Cost	"	1,199	13.4	1,211	1.0
2.6 Surplus/Deficit (+/-)	Rs. Mn.	-391	18.0	-340	13.0
<b>3. Peoplised Companies</b>					
3.1 Operated Kilometers	Million	247.0	0.7	268.1	8.5
3.2 Passenger Kilometers	"	11,454.0	-14.1	12,840.0	12.1
3.3 Total Revenue	Rs.Mn.	2,761.0	5.5	3,106.0	12.5

\* Provisional

\*\* Includes dual purpose vehicles

Sources : Sri Lanka Railways,  
Department of Motor Traffic,  
Sri Lanka Transport Board and  
National Transport Commission.

## TRANSPORTATION

In 1992, the transport sector recorded mixed results with varying performance in different sub sectors. The scale of operations of the peoplised bus companies increased further during the year under review. The private sector passenger transport services also expanded. However, the activities of the Sri Lanka Railways (SLR) recorded a marginal decline during 1992.

By the end of 1992, a total of 87 bus companies had been established under the peoplisation programme commenced in December 1990. As at end of 1992, a total of 425 new buses were added to the existing fleet by the peoplised companies while 1,600 buses have been repaired under the World Bank Funding Programme. As a result of the improved bus fleet, the average number of buses operated per day by the peoplised companies increased to 3,550 in 1992 from 3,359 in 1991. Consequently, the operated kilometerage of the peoplised companies rose by 9 per cent to 268 million kilometers in 1992. Similarly, in 1992 the total passenger kilometerage at 12,840 million kilometers reflected an increase of 12 per cent, in contrast to a decline of 14 per cent in the previous year. As a result, the total revenue of the peoplised companies rose from Rs. 2,761 million in 1991 to Rs. 3,106 million in 1992 showing an increase of 13 per cent over the previous year.

During 1992, the scale of operations of the SLR, in terms of operated kilometrage marginally declined to 7.5 million kilometers. Similarly, passenger kilometrage dropped marginally to 2,634 million kilometers. However, the freight services indicated by cargo ton kilometrage at 173 million in 1992 recorded an increase of 2 per cent over the previous year. The drop in both operated kilometrage and passenger kilometrage of SLR was largely due to the disruptions to train services on the main line on account of the subsidence of rail track at Watawela since July 1992. In addition, as in the previous year, the SLR was precluded from operating the normal services to the North and Eastern provinces due to the continued civil disturbances that prevailed in those regions. However, the overall adverse impact of the reduced scale of operations of the SLR was partly mitigated by an improvement in train services in the rest of the country. The measures such as the provision of more comfortable passenger carriages on long distance trains, the operation of through trains from Anuradhapura and Kandy to Matara, introduction of new power sets into the suburban service and broadgaging of the Kelani Valley line from Maradana to Nugegoda largely contributed to improve the patronage level of the SLR during 1992. Meanwhile, there was an expansion in the freight market for cement and flour during the year.

As a consequent to these developments, the total revenue of the SLR during the year at Rs. 871 million recorded an increase of 8 per cent compared with the previous year. Meanwhile, the total expenditure rose marginally to Rs. 1,211 million. Reflecting these revenue and expenditure flows, operational loss of the SLR declined from Rs. 391 million in 1991 to Rs. 340 million in 1992.

Passenger services provided by the private sector expanded further in 1992. The total number of omnibuses newly registered with the Department of Motor Traffic was 2,449 during the year 1992. Meanwhile, the Departments of Private Omnibus Transportation of seven Provincial Councils excluding the North and East Provincial Councils issued new route permits totalling 3,253 to private bus operators during the year. The expansion of the activities of the private omnibus transportation was further facilitated by the availability of credit facilities to purchase buses through BPL Loan Scheme of the National Development Bank (NDB) which was fully utilised by end -1992. Under this scheme, a total of 1,816 loans were disbursed to purchase 1,911 buses by the end of 1992. A further 94 loans had been approved for the purchase of buses by the NDB under SMI(IV) Loan Scheme which has been in operation since January, 1992.

## HOUSING

The One Point Five Million Houses Programme (OPFMHP) completed its third year in 1992, recording considerable progress over the previous year. Under the programme, ten sub programmes\* are in operation to assist 1.5 million families within a six year period by providing loans and grants to construct new houses, upgrade existing houses and improve the shelter conditions of the poor.

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\* Ten Sub-programmes are Rural Housing Sub Programme (RHSP), Urban Housing Sub Programme (UHSP), Disaster Housing Sub Programme (DHSP), Provincial Council Housing Sub Programme ((PCHSP), Mahaweli Housing Sub Programme (MHSP), Plantation Housing Sub Programme (PHSP), Co-operative Housing Sub Programme (CHSP), Employee Housing Sub Programme (EHSP), Individual Housing Sub Programme (IHSP) and Private Developers Sub Programme (PDSP)

TABLE 1.27

Performance of One Point Five Million Houses Programme 1990 - 1992

Sub-Programme	No. of families reached			No. of units completed			Value of loans disbursed (Rs. Mn.)		
	1990	1991	1992 <sup>(a)</sup>	1990	1991	1992 <sup>(a)</sup>	1990	1991	1992 <sup>(a)</sup>
Rural Housing Sub Programme (RHSP)	26,157	30,434	38,457	13,656	24,659	23,022	157.0	245.5	258.5
Urban Housing Sub Programme (UHSP)									
Low Income families	5,377	5,808	6,016	2,954	5,627	3,509	32.6	50.3	53.1
Urban (Special) Middle income families	-	16	590	-	16	590	-	222.7	211.9
Provincial Council Housing Sub Programme (PCHSP)	1,070	1,422	2,013	128	1,160	955	3.9	10.0	12.0
Disaster Housing Sub Programme (DHSP)	9,727	14,002	17,014	3,142	5,197	10,443	77.5	143.5	159.0
Plantation Housing Sub Programme (PHSP)(b)	121	313	228	121	313	228	-	-	-
Mahaweli Housing Sub Programme (MHSP)	9,751	4,721	3,505	4,129 <sup>(c)</sup>	3,714 <sup>(c)</sup>	5,968 <sup>(c)</sup>	31.1 <sup>(d)</sup>	15.6 <sup>(d)</sup>	17.2 <sup>(d)</sup>
Employee Housing Sub Programme (EHSP)	1,644	1,214	249 <sup>(e)</sup>	130	145	-	34.7	260.5	3.6 <sup>(e)</sup>
<b>Total</b>	<b>53,847</b>	<b>57,930</b>	<b>68,072</b>	<b>24,260</b>	<b>40,831</b>	<b>44,715</b>	<b>336.8</b>	<b>948.3</b>	<b>715.3</b>

(a) Provisional

(b) JEDB & SLSPC only

(c) Units completed under MEA & NHDA and own construction undertaken by sub-families. With respect to 1990 & 1991 includes units completed under EEC also.

(d) Units provided by MEA for the new settlers

(e) NHDA only

Sources : National Housing Development Authority, Mahaweli Economic Agency, Janatha Estate Development Board & Sri Lanka State Plantations Corporation.

The National Housing Development Authority (NHDA) which had its direct involvement in implementing Rural Housing Sub Programme (RHSP) and Urban Housing Sub Programme (UHSP) made considerable headway in 1992. Under the RHSP, the largest single sub programme of the OPFMHP, credit facilities were provided to 38,457 families and a total of 23,022 housing units was completed with the loan disbursement of Rs. 259 million during the year. Under the UHSP a total of 6,016 low income families was provided with credit facilities amounting to Rs. 53 million with a view to improving the housing conditions of urban poor. In 1992 the coverage of this programme was expanded to include upper middle income families in the urban sector as well. Accordingly, under the sub-programme named Urban (Special) Middle Income families, a total of 590 units was completed in and around Colombo during 1992. The value of loans disbursed under this programme was Rs. 212 million.

The Disaster Housing Sub Programme manifested a tremendous improvement during the year. Under this programme, NHDA reached 17,014 families and the value of loans

and grants disbursed to beneficiaries amounted to Rs. 159 million in 1992. The units completed during the year amounted to 10,443 which exceeded the number targetted for the year.

The Plantation Housing Sub Programme implemented by the Sri Lanka State Plantations Corporation (SLSPC) and Janatha Estates Development Board (JEDB) showed satisfactory progress during the year. The JEDB was able to complete 166 new houses while upgrading 461 housing units in 1992. Meanwhile, the SLSPC completed 62 new houses and upgraded 1,494 housing units. A further 3,739 houses in JEDB and 979 houses in SLSPC were also provided with latrine facilities during the year under review. In 1992, Mahaweli Economic Agency (MEA) made considerable progress under the Mahaweli Housing Sub Programme by completing 5,968 housing units in System B, C & H.

As in the previous year, the major banking and financial institutions continued their loan schemes towards the development of housing activities in the private sector. The Bank of Ceylon, People's Bank, State Mortgage & Investment Bank (SMIB), National Savings Bank (NSB) and Housing Development Finance Corporation (HDFC) were the major state owned financial institutions which extended financial facilities for private sector housing development activities under OPFMHP. The Bank of Ceylon was the leading lending institution in providing housing loans in 1992. The number of loans given increased by 20 per cent to 2,306 while the loan disbursement rose by 3 per cent to Rs. 710 million. The People's Bank also provided Rs. 514 million for housing purposes in respect of 12,983 individuals, as against Rs. 384 million granted to 11,507 applicants during 1991. Meanwhile, the SMIB disbursed 1,978 loans amounting to Rs. 301 million, an increase of 43 per cent over the previous year. During the year under review, the NSB granted housing loans to 728 applicants amounting to Rs. 97 million as compared with 565 loans to the value of Rs. 66 million given in the previous year. In the meantime, HDFC disbursed housing loans to 1,520 applicants in a sum of Rs. 100 million recording the highest number of loans approved during a single year since its inception. Moreover, Co-operative Rural Banks and Thrift & Co-operative Credit Societies also extended financial assistance to private sector construction activities during the year under review.

## **URBAN DEVELOPMENT**

Activities undertaken by the Urban Development Authority (UDA) declined during 1992. The total investment on urban development dropped to Rs. 338 million in 1992 from Rs. 1,184 million in 1991. The high level of expenditure in 1991 was largely due to the construction of the Sugathadasa Indoor Stadium Project. Of the total expenditure, Rs. 124 million or more than one third was spent on Integrated projects. A sum of Rs. 86 million was spent on the construction of Warehouse Complex at Peliyagoda under the Integrated Projects. A further sum of Rs. 118 million was spent on the projects undertaken on behalf of the clients. Meanwhile, a sum of Rs. 68 million was incurred on the purchase of under-developed or unutilised land by the land bank of UDA.

## **ROADS AND RAIL TRACKS**

In 1992, Road Development Authority (RDA) expanded its road network by 276 kms. to 10,855 kms. The RDA also maintained 3,760 bridges. Meanwhile, the total expenditure on the construction of roads amounted to Rs. 1,236 million while expenditure on the maintenance of roads totalled Rs. 171 million.

During the year under review, RDA continued its activities on road rehabilitation and improvement. The work on the Asian Development Bank funded First Road Improvement Project, consisting of improving Ambepussa-Kurunegala-Trincomalee road from Ambepussa to Habarana and Kandy-Jaffna road, from Matale to Galkulama and Galkulama to Anuradhapura was completed by end 1992. The rehabilitation work of 145 kms. under the Second Road Improvement Project funded by the ADB continued during 1992. In addition, rehabilitation of 176 road kms. under the IDA funded Third Road Project commenced during the year under review. Meanwhile, the construction of dual carriage way road from Moratuwa to Panadura via Egoda Uyana was completed while work on the improvements to Waskaduwa-Bandaragama-Kesbewa road to provide an alternative road to existing Galle road from Kalutara to Colombo continued in 1992.

As in the previous year, the rail track kilometerage remained unchanged at 1,944 kilometers in 1992. However, certain preliminary activities of the rehabilitation work on rail tracks from Galle to Kandy and from Ragama to Negombo have been completed. Meanwhile, the Phase II of the broad gauging of Kelani Valley line from Nugegoda to Homagama commenced in 1992.

## COMMUNICATION SERVICES

In 1992, the Post and Telecommunications sector recorded a moderate improvement in terms of capacity and services provided to the nation.

The Post Office network expanded to 4,018 in 1992 from 3,982 in the previous year. Accordingly, area served by a Post Office fell marginally from 16.5 square kilometers in 1991 to 16.3 square kilometers in 1992 showing an improvement in the availability of postal services to the general public. Meanwhile, the average number of letters per inhabitant dropped further to 25 in 1992 from 28 in 1991. The number of articles handled by the Postal Department, during the year under review, declined by 10 per cent to 469 million from 518 million in 1991. This was largely due to the drop of Inland Mail handling by 11 per cent to 398 million in 1992. Foreign Mail handling also dropped marginally to 70 million during the year. Meanwhile, both Inland and Foreign Parcel handling decreased by 1 per cent and 3 per cent, respectively.

The Sri Lanka Telecom Corporation (SLT) which took over the telecommunication operations from the Sri Lanka Telecommunication Department showed improved performance during the year under review. With the objective of expanding, upgrading and rehabilitating the existing telecommunication network, several major development projects were continued in 1992. The main projects in progress during the year were - General Development of Telecommunication Service, Contribution of capital to Global Commercial Communication Satellite System, Overseas Telecommunication Service, South East Asian Middle East Western Europe submarine cable project, Development of Telecommunication network in the Matara District, Second Telecommunication project with the component of International Switching Centre and Earth Station Trunk transmission network.

In addition to these on going major development activities, number of interim projects were identified and programmed on an accelerated basis to meet the immediate demand and to upgrade the services. Accordingly, a new Digital Exchange for Nugegoda, which will provide additional 8,000 lines was under installation during the year. Under



**TABLE 1:28**  
**Growth of Postal & Telecommunication Service 1989 – 1992**

	1989	1990	1991	1992*
<b>1. Postal Service</b>				
1.1 No. of delivery areas	6,630	6,636	6,729	6,729
1.2 Area served by a Post Office(Sq.Kms.)	16.8	16.6	16.5	16.3
1.3 Total No. of Post Offices	3,908	3,945	3,982	4,018
1.3.1 Public	3,841	3,864	3,884	3,891
1.3.2 Private	67	81	98	127
1.4 Population served by a Post Office	4,300	4,307	4,331	4,331
1.5 Number of letters per inhabitant	28	29	28	25
<b>2. Telecommunication Service</b>				
2.1 Inland Telephone Service				
2.1.1 No. of Telephone lines	105,007	121,388	125,834	135,398
2.1.2 New telephone lines given	6,087	20,226	6,579	10,607
2.1.3 No. of applicants in waiting list	48,400	47,945	61,313	96,207
2.1.4 Demand for telephone (Nos.)	153,407	169,333	187,147	231,605
2.1.5 Telephone density (Telephones per 100 persons)	0.62	0.71	0.73	0.78
2.2 Overseas Telecommunication Service				
2.2.1 No. of telex connections	1,591	1,666	1,740	1,583
2.2.2 No. of applicants in waiting list	59	89	84	103
2.2.3 Outgoing traffic (Nos.)				
2.2.3.1 Overseas telephone traffic <sup>(a)</sup>	8,038,000	9,006,000	14,624,355	17,883,482
2.2.3.2 Overseas telegrams <sup>(b)</sup>	3,023,000	2,720,000	2,348,803	2,497,552
2.2.3.3 Overseas telex traffic <sup>(a)</sup>	4,777,000	4,472,122	4,140,000	4,241,929

(a) Figures are given in number of minutes

(b) Figures are given in number of words

\* Provisional

Sources : Department of Posts and Sri Lanka Telecom.

the "Colombo Crash Programme", work was in progress to enhance the capacity of Exchanges at Havelock Town, Kotte, Ratmalana and Moratuwa. In addition, new exchanges with direct dialling services were installed and commissioned in a number of cities of the country. Meanwhile, during the year, foundation was made to introduce a "Cellular Mobile Network" by SLT, and Card Phone System was introduced for the first time in Sri Lanka.

The demand for telecommunication facilities continued to accelerate further during the year under review. Although the number of applicants in the waiting list rose by 58 per cent to 96,207 the SLT was able to provide only 10,607 new lines during 1992.

However, when compared with the previous year, the number of new lines provided expanded by 4,028 in 1992. Accordingly, the total number of telephones provided to the public increased by 8 per cent to 135,398. Meanwhile, the total overseas telephone traffic expanded by 22 per cent while the overseas telegrams and overseas telex traffic also rose by 6 per cent and 2 per cent, respectively, during the year under review. However, the number of telex connections provided, dropped by 9 per cent to 1,583 in 1992.

### **JANASAVIYA PROGRAMME**

The Janasaviya Programme (JSP) reached further 101,882 families with the commencement of its 3rd round activities in 22 Divisional Secretary's (DS) Divisions in February 1992. The second round of JSP which started in December, 1990 covering 103,664 families in 22 DS divisions completed its consumption support scheme in December, 1992. The Janasaviya First Round which completed its operations in September, 1991 had already reached 121,000 families in 28 DS divisions. Accordingly, a total of 326,546 families have so far benefited from the program under these three rounds.

During the year under review, the first round beneficiaries were able to receive accessibility to capital requirement as envisaged in the program at its inception. Accordingly, a total of 121,000 families who ceased to receive the consumption benefit of Rs. 1,458 per month per family by the end of 1991 were issued each with a capital entitlement certificate to the face value of Rs. 25,000 in September, 1992. This certificate helps the beneficiary to acquire a capital base worth of Rs. 25,000. It could be deposited as collateral and obtain a loan of Rs. 25,000 from a bank for a self employment project. The certificate ensures each beneficiary to draw a monthly interest of Rs.250/- from the National Savings Bank.

The total expenditure on account of providing consumption support to Janasaviya beneficiaries under the second and third rounds of the program in 1992 amounted to Rs. 3,096 million. Since its inception upto end-December, 1992 JSP has channeled a total sum of Rs. 10,113 million to provide consumption support for the poor. In the meantime, total cumulative savings generated out of the consumption allowance amounted to Rs. 1,986 million at the end of 1992.

The JSP efforts have helped to increase the living standards of the poor through the creation of new employment opportunities. The first round of the program which ended in September, 1991 provided employment opportunities to 100,475 families while the second round which ended in December, 1992 has provided such facilities to a total of 58,749 persons. These employment opportunities have been created among different sectors such as agriculture, fisheries, manufacturing industries, trade and commerce.

Since inception, the beneficiaries of JSP have been provided with a considerable amount of credit facilities to promote income generating activities on a sustainable basis. Under the first round of JSP, a total of 73,103 loans valued at Rs. 625 million was granted while in the second round a total of 33,820 loans valued at Rs. 322 million was provided. Meanwhile, under the 3rd round 13,153 JSP beneficiaries were assisted with credit facilities valued at Rs. 85 million. The main financial institutions involved in providing above credit facilities were the Bank of Ceylon, People's Bank and the Regional Rural Development Banks. In addition, Janasaviya Trust Fund (JTF) which was established in 1991 played an important role in providing financial facilities to the JSP beneficiaries. In 1992, the JTF spent Rs. 74 million on programmes for community

development, nutrition improvement, human resource and institutional development and provision for credit facilities.

## HEALTH

The total expenditure on health services rose from Rs. 5,230 million in 1991 to Rs. 6,591 million in 1992. This was an increase of 26 per cent over the previous year. Accordingly, its share in the total government expenditure rose from 4.5 per cent in 1991 to 5.4 per cent in 1992. While current expenditure on health rose by 11 per cent to Rs. 4,571 million, the capital expenditure grew by 81 per cent to Rs. 2,020 million in 1992.

During the year under review, National Health Policy was formulated by a task force appointed by the President which sets out to achieve certain measurable goals and objectives by the year 2000. Accordingly, the major thrust of the health policy centered around health promotion and prevention, strengthening quality and range of existing services, decentralization of health administration, etc. Meanwhile, investments on health infrastructure further expanded during the year. Under the Health and Family Planning Project funded by International Development Association (IDA)/World Bank, 63 Gramodaya Health Centres, several hospital drug stores and Divisional Health Centres were constructed. The project on the development of the General Hospital Colombo (Phase II), consisting of laying water supply and sewerage system, construction of ward blocks in the Ragama section, etc. commenced during 1992. Meanwhile, the work relating to rehabilitation of Bio-Medical Engineering Services Division financed by Japan International Corporate Agency (JICA) commenced in May, 1992.

**Table 1.29**  
**Health Services 1988 - 1992**

Item	1988	1989	1990	1991	1992*
1. Hospitals (Practicing Western Medicine)	498	502	502	504	504
2. Beds	45,406	46,620	42,079 (b)	42,437 (b)	n.a.
3. Central Dispensaries	350	361	278 (b)	275 (b)	275 (b)
4. Total No. of Doctors	2,316	2,456	2,440 (a)	2,934	2,824
5. Total No. of Asst. Medical Practitioners	1,100	1,193	1,074 (a)	1,201	1,265
6. Total No. of Auyurvedic Physicians	12,957	13,076	13,284	12,852	13,131
7. Total No. of Nurses	8,317	9,486	8,957 (a)	9,934	10,589
8. Total No. of Attendants	6,019	6,030	5,707	5,697	n.a.
9. No. of In-patients ('000)	2,543	2,525	2,533 (b)	2,629 (b)	n.a.
10. No. of Out-patients ('000)	31,407	31,781	28,401 (b)	28,575 (b)	n.a.
11. Current Expenditure (Rs. Mn.)	2,427	3,381	3,685	4,110	4,571
12. Total Health Expenditure (Rs. Mn.)	3,931	4,639	4,963	5,230	6,591

(a) Excludes the Northern Province  
(b) Excludes Northern & Eastern Provinces  
\* Provisional

Sources : Ministry of Health & Women Affairs,  
Ministry of Indigenous Medicine and  
Central Bank of Sri Lanka.

Several steps were taken in 1992 to expand the Indigenous medical system. Services provided at the Borella Hospital were extended by conducting special clinics in Ophthalmology, snake bites and treatment of burns and scalds and establishing a separate Unani treatment section and an Acupuncture section. Cultivation of medicinal plants was further expanded at Haldummulla, Giradurukotte and Pattipola.

In 1992, a total of 137 Auyurvedic Hospitals & Central Dispensaries provided health care facilities to 1.5 million outdoor patients and 17,685 indoor patients. In addition, a total of 747,963 patients were treated at the 235 free dispensaries run by local bodies.

## EDUCATION

In 1992, the total government expenditure on education rose by 6 per cent to Rs. 9,664 million from Rs. 9,129 million in 1991. Accordingly, its share in the total government expenditure rose from 7.8 per cent in 1991 to 8.0 per cent in 1992. Capital expenditure on education at Rs. 2,007 million in 1992 recorded a 70 per cent increase while current expenditure decreased by 4 per cent to Rs. 7,657 million in 1992. The latter included a sum of Rs. 2,239 million spent on provision of free school text books, mid-day meal programme and school season tickets. The mid-day meal programme was implemented with the objective of reducing malnutrition among school children while the programme for provision of free text books aimed at increasing daily attendance among school children. Under these two programmes, a total of 4.3 million school children in 10,588 schools benefitted in 1992.

**TABLE 1.30**  
**General Education 1988 - 1992**

Item	1988	1989	1990	1991	1992*
1. Total No. of Schools	10,261	10,296	10,382	10,520	10,588
1.1 Total No. of Government schools	9,771	9,805	9,864	9,998	10,042
1.2 Other schools	490	491	518	522	546
2. Total No. of Pupils	4,058,843	4,179,520	4,232,356	4,258,697	4,284,166
2.1 Government Schools	3,938,062	4,057,815	4,111,272	4,135,114	4,155,035
2.2 Other Schools	120,781	121,705	121,084	123,583	129,131
3. New Admissions	394,960	396,748	387,314	388,315	358,808
4. Total No. of Teachers	146,334	153,243	184,822	177,231	182,597
4.1 Government Teachers	140,061	146,997	178,333	170,735	175,682
4.2 Others	6,273	6,246	6,489	6,496	6,915
5. Pupil / Teacher ratio	27.74	27.27	22.89	24.03	23.46
6. Total Current Expenditure on Education (Rs. Million)	5,371	6,612	8,529	7,951	7,657

\* Provisional

Sources : Ministry of Education & Higher Education and Central Bank of Sri Lanka.

In 1992, the total number of schools under general education increased to 10,588 from 10,520 in 1991. The total number of students also rose from 4,258,697 in 1991 to 4,284,166 in 1992. However, the number of students per school remained unchanged at 405 in 1992. Meanwhile, the total number of teachers in all schools increased by 5,366 to 182,597 in 1992. Consequently, the pupil teacher ratio in all schools improved from 24.0 in 1991 to 23.5 in 1992.

During the year under review, several steps were taken to decentralize and strengthen the educational administration. In keeping with the concept of taking the administration to the people, Educational Divisions were re-demarcated to be co-terminates with the Divisional Secretariat areas. A total of 272 new educational offices were established by end-December 1992. In order to strengthen the school administration through effective community participation steps were taken to establish the School Development Boards and a total of 9,962 Boards were established by end December 1992. Meanwhile, with the aim of strengthening rural school network, three major foreign funded projects, namely the Primary School Development Project, General Education Project and the Plantation School Education Development Project were continued during the year under review.

#### **MAHAWELI PROGRAMME<sup>1/</sup>**

Work on settlement of farmer and non-farmer families in the different systems coming under the purview of the Mahaweli Programme and the work in connection with the social infrastructure and agricultural activities continued in 1992 as well. The total expenditure incurred under the Mahaweli Programme in 1992 amounted to Rs. 2,232 million. This accounted for 82 per cent of the budgetary allocation for the year. Of the total expenditure during the year, 52 per cent or Rs. 1,152 million was spent on the systems development activities: System "B" (Rs. 365 million), System "C" (Rs. 564 million), System "G" (Rs. 9 million), System "H" (Rs. 122 million) and System "L" (Rs. 92 million).

Total amount of power generated by the six hydro power projects coming under the Mahaweli project during 1992 was 1,559 gigawatt hours (gWh). This was 2 per cent higher than the total power generated by these plants in the previous year. The power generated by Kotmale and Victoria increased by 38 per cent and 22 per cent, respectively to 480 gWh and 588 gWh, while the power generated at Randenigala, Rantambe and Ukuwela declined by 30 per cent, 26 per cent and 11 per cent, respectively to 193 gWh, 126 gWh and 172 gWh in 1992. During the year, no power was generated at the Bowatenna hydro power plant. The total energy generated under the Mahaweli Programme in 1992 accounted for 44 per cent of the national power supply.

The total extent cultivated under the Mahaweli command Area during the 1992 cultivation year declined by 15 per cent to 100,653 hectares. The extent cultivated under the Maha 1991/92 season increased by 1 per cent to 68,947 hectares compared to the previous Maha season, while the extent cultivated during the Yala season which has been increasing steadily over the last three years, declined by 37 per cent to 31,706 hectares during the 1992 Yala season.

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1/ Based on information received from the Mahaweli Authority of Sri Lanka.

**TABLE 1.31**  
**Settlement under Mahaweli Development Programme**  
**('H', 'C', 'B', 'G' & 'L' Systems)**

Year	System					Total
	'H'	'C'	'B'	'G'	'L'	
1976	2,383	—	—	—	—	2,383
1977	3,141	—	—	—	—	3,141
1978	2,754	—	—	—	—	2,754
1979	5,290	—	—	—	—	5,290
1980	7,407	—	—	—	—	7,407
1981	2,389	2,777	—	—	—	5,166
1982	1,449	2,683	1,918	—	—	6,050
1983	1,077	1,988	1,938	1,319	—	6,322
1984	1,956	1,992	1,381	446	—	5,775
1985	44	823	3,423	1,045	—	5,335
1986	780	2,151	1,260	583	—	4,774
1987	182	1,407	857	274	—	2,720
1988	14	1,081	656	85	3,270	5,106
1989	9	1,008	324	1,305	94	2,740
1990	1,680	3,427	3,492	366	—	8,965
1991	1,151	3,240	1,468	126	—	5,985
1992(a)	754	2,005	1,716	6	—	4,481
<b>Total</b>	<b>32,460</b>	<b>24,582</b>	<b>18,433</b>	<b>5,555</b>	<b>3,364</b>	<b>84,394</b>

*Source : Mahaweli Authority of Sri Lanka.*

(a) Provisional.

Note : Data prior to 1991 were revised.

The total extent under paddy in the Mahaweli Command Area decreased by 8 per cent to 90,113 hectares, while the extent under other crops declined substantially by 48 per cent to 10,540 hectares in 1992.

The total number of families settled under the Mahaweli Programme which declined by 33 per cent in 1991 decreased by a further 25 per cent to 4,481 families in 1992. Of this, 2,005 families and 1,716 families were settled in system "C" and "B", respectively. The cumulative number of families settled under the Mahaweli Programme as at end of 1992 was 84,394 families.

## OTHER IRRIGATION DEVELOPMENT

Other irrigation development work during 1992 was confined largely to the development of existing irrigation schemes and the promotion of effective irrigation management systems with active participation of farmer organizations in all areas other than those coming under the Mahaweli Programme.

Work on all major irrigation activities, viz. Kirindi Oya Irrigation and Settlement Project (KOISP) - Phase I, KOISP - Phase II, Nilwala Ganga Flood Protection Scheme, Minipe Nagadeepa Irrigation Rehabilitation Project, National Irrigation Rehabilitation Project and North Western Province Special Irrigation Project continued in 1992. The total expenditure during 1992 on the above projects was Rs. 417 million in comparison to Rs. 312 million incurred in 1991.

TABLE 1.32

New Land Cultivated under Mahaweli Development Programme

Hectares

Item	Maha 1988/89	Yala 1989	Total 1989	Maha 1989/90	Yala 1990	Total 1990	Maha 1990/91	Yala 1991	Total 1991	Maha 1991/92 (a)	Yala 1992 (a)	Total 1992 (a)
System 'H'	22,897	3,767	26,664	30,362	10,874	41,236	31,385	19,806	51,191	31,931	4,312	36,243
Paddy	21,694	1,383	23,077	27,893	7,594	35,487	29,392	9,176	38,568	29,294	1,262	30,556
Other Crops	1,203	2,384	3,587	2,469	3,280	5,749	1,993	10,630	12,623	2,637	3,050	5,687
System 'B'	9,013	9,311	18,324	10,606	10,508	21,114	11,551	10,347	21,898	11,786	11,221	23,007
Paddy	8,688	8,691	17,379	10,207	9,721	19,928	10,912	9,837	20,749	11,175	10,624	21,799
Other Crops	325	620	945	399	787	1,186	639	510	1,149	611	597	1,208
System 'C'	13,136	12,919	26,055	17,374	14,718	32,092	19,026	15,687	34,713	18,599	15,934	34,533
Paddy	12,329	12,408	24,737	14,085	14,274	28,359	15,632	15,008	30,640	16,760	15,098	31,858
Other Crops	807	511	1,318	3,289	444	3,733	3,394	679	4,073	1,839	836	2,675
System 'G'	4,403	3,467	7,870	4,749	4,532	9,281	5,063	4,668	9,731	5,180	174	5,354
Paddy	4,104	1,773	5,877	4,546	2,702	7,248	5,017	2,613	7,630	4,959	117	5,076
Other Crops	299	1,694	1,993	203	1,830	2,033	46	2,055	2,101	221	57	278
System 'L'	-	-	-	545	453	998	1,071	152	1,223	1,451	65	1,516
Paddy	-	-	-	346	137	483	700	84	784	824	-	824
Other Crops	-	-	-	199	316	515	371	68	439	627	65	692
Total	49,449	29,464	78,913	63,636	41,085	104,721	68,096	50,660	118,756	68,947	31,706	100,653

(a) Provisional.

Source : Mahaweli Authority of Sri Lanka

The work on the Domestic Water Supply Scheme - Stage I of the KOISP - Phase I was completed in March, 1992. Under the KOISP - Phase II, the work programmed for 1992 was to complete 60 per cent of the Domestic Water Supply Scheme Stage II of which 18 per cent was completed during the year. The expenditure of Phase I of the KOISP in 1992 was Rs. 69 million, while that of Phase II of the KOISP was Rs. 101 million. Under the KOISP, the total irrigable area is 9,120 hectares both in Phase I and II and lies in the Hambantota District.

**TABLE 1.33**  
**Expenditure On Selected Major Irrigation Schemes**

Project	Source of Aid	Total foreign Aid Commitment (In Mn.)	Actual Expenditure in 1991 (Rs. Mn.)	Expenditure in 1992(a) (Rs. Mn.)	Cumulative Expenditure upto end 1992(a) (Rs. Mn.)
1. Kirindi Oya Irrigation and Settlement Project (K.O.I.S.P)- Phase I	ADB KFW IFAD IFAD	30.0 (US \$) 43.5 (D.M) 5.5 (SDR) 12.0 (US \$)	115	69	1,882
2. Kirindi Oya Irrigation and Settlement Project (K.O.I.S.P)-Phase II	ADB	22.2 (SDR)	62	101	486
3. Nilwala Ganga Flood Protection Scheme - Stage II	France	200.0 (F.Fr.)	82	6	1,687
4. Minipe-Nagadeepa Irrigation Rehabilitation Project	Japan	1,295.0(Yen)	12	136	172
5. North Western Province Special Irrigation Project	-	-	41	56	114
6. National Irrigation Rehabilitation Project (NIRP)	-	-	-	49	49

(a) Provisional.

Source : Irrigation Department.

The work programmed for 1992 of the Stage II of the Nilwala Ganga Flood Protection Scheme, was to complete the balance work on the provision of drainage facilities to benefit 150 hectares. The expenditure of this project in 1992 amounted to Rs. 6 million. Under the Minipe-Nagadeepa Irrigation Rehabilitation Project, Rs. 136 million was spent during the year. The total cost incurred in respect of the North Western Province Special Irrigation Project and National Irrigation Rehabilitation Project amounted to Rs. 56 million and Rs. 49 million, respectively. Of the ten schemes covered by the North-Western Province Special Irrigation Project in 1992, 7 were completed.



## **INTEGRATED RURAL DEVELOPMENT PROGRAMME**

The Integrated Rural Development Programme (IRDP) commenced in 1979 with the objective of widening economic opportunities, enhancing the general living standards in the rural areas and to reduce the intra and inter district disparities promoting balanced growth.

At present the IRD Programme covers 13 districts. Matale district IRD Programme which commenced in 1981 was completed in 1992. Two new IRD Programmes commenced during the year. The Anuradhapura IRD Programme commenced its operations with SIDA aid and the Integrated Basic Services Project funded with UNICEF aid commenced in the Puttalam district during the year. The main focus of the Integrated Basic Services Project was on improving the nutritional status of the low income families living in the district.

The total expenditure incurred during 1992 under the IRD Programme amounted to Rs. 631 million compared to Rs. 814 million spent during the previous year.

TABLE 1.34

**District-wise Expenditure on Integrated Rural Development Programme  
1991 - 1992**

Rs. Million

District / Projects (a)	Source of Foreign Aid	Estimated Cost			Expenditure to date cumulative		Expenditure	
		Foreign Aid Commitment	Local	Total	As at end 1991	As at end 1992(b)	During 1991	During 1992 (b)
1. Matara (1979)	SIDA	338	37	375	308	375	66	67
2. Hambantota (1979)	NORAD	766	18	784	685	769	108	84
3. Nuwara Eliya (1979)	Netherlands	510	10	520	391	447	42	57
4. Badulla (1981)	IFAD/SIDA	500	110	610	434	496	70	62
5. Ratnapura (1984)	Netherlands	263	5	268	197	241	39	44
6. Monaragala (1984)	NORAD	413	8	421	300	376	62	76
7. Kegalle (1986)	IFAD	262	147	409	253	321	84	67
8. Kalutara (1987)	FINNIDA(Finland)	371	66	437	316	371	71	55
9. Kandy (1987)	GTZ	120	4	124	30	55	10	25
10. Gampaha (1989)	JICA	521	38	559	511	538	251	27
11. SPRDP (1991) (c)	ADB	1,520	400	1,920	11	42	11	31
12. Anuradhapura (1992)	SIDA	5	44	49	0	9	0	8
13. Integrated Basic Services Project Puttalam (1992)	UNICEF	106	53	159	-	27	-	27
<b>T O T A L</b>		5,694	942	6,636	3,436	4,067	814	631

Source : Ministry of Policy Planning and Implementation.

- (a) Year of implementation is shown within parenthesis.  
 (b) Provisional.  
 (c) SPRDP - Southern Province Rural Development Project.