

## ECONOMIC AND SOCIAL OVERHEADS

### ENERGY

The rapid growth in commercial energy consumption was the salient feature of the energy sector during 1994. The demand for electricity rose by almost ten per cent during the year, despite a significant increase in electricity tariffs. On the supply side, the Ceylon Electricity Board (CEB) was able to meet the bulk of the demand through hydro power. An increase in thermal power generation was required during the third quarter of the year, due to the persistent growth in electricity demand, coupled with unfavourable weather conditions. Meanwhile, the total demand for petroleum products expanded significantly in 1994 due to increased demand for auto diesel, heavy diesel, petrol and kerosene. The adverse impact of the increased consumption of petroleum products on the oil bill was mitigated to a great extent by the lower prices of crude oil in the international markets during the year. The developments in the energy sector in 1994 point to the need for a sound demand management policy in the short run and a strategy for planned expansion in supply in the long run.

Reflecting a significant growth in demand, the share of commercial energy (petroleum, electricity and liquefied petroleum gas) in the total energy consumption increased to 34 per cent in 1994 from 32 per cent in 1993. Non-commercial energy sources consisting of fuel wood, agricultural residues and animal waste and other ligno-cellulosic matter continued to be the major source of energy, representing 5.0 million tons of oil equivalent (t.o.e.) or 66 per cent of the total energy supply (7.6 million t.o.e.) in the country.

### Electricity

The total installed capacity of electricity at 1,409 MW, comprising 1,137 MW of hydro power and 272 MW of thermal power, has remained unchanged since 1992. However, the total power generated by the CEB grew from 3,979 GWh in 1993 to 4,364 GWh in 1994. This was a growth of 10 per cent compared with an expansion of 12 per cent in the previous year. Hydro power generation increased by 21 per cent during the first half of 1994. However, due to a reduction in hydro power generation during the third quarter of the year following a reduction in the water levels in some of the hydro reservoirs, the overall increase in hydro power generation in 1994 was only 8 per cent. Consequently, thermal power generation rose by 50 per cent to 275 GWh, to meet the additional demand during the year under review. Reflecting these developments, the cost of fuel for power generation increased from Rs.347 million in 1993 to Rs.801 million in 1994. Meanwhile, the losses involved in power generation, transmission and distribution increased marginally from 17.6 per cent of total generation in 1993 to 17.8 per cent in 1994. The CEB has undertaken a major project called the "Distribution, Expansion and Rehabilitation Project" to reduce the losses on transmission and distribution. In addition two projects (Local Authority Takeover I & II) have been undertaken to rehabilitate the distribution systems of Local Authorities.

Electricity tariffs were revised by the CEB on two occasions in 1994. In February, tariff rates applicable to the domestic category were raised within a range of 1 per cent to 183 per cent, depending on the level of consumption. Tariffs in the other categories rose by about 30 per cent. However, in May 1994, the tariff rate on the first 100 units in respect of the domestic category was brought down to the level that prevailed in July 1993, reducing the rates by a range of 29 per cent to 65 per cent. Consequent to these tariff revisions, the average tariff rate per unit increased by 39 per cent to Rs.3.68 in 1994, from Rs.2.64 in 1993. The revised electricity rates and the previous rates are shown in Table 1.30.

Despite the significant increase in electricity prices, sales of electricity by the CEB totalled 3,582 GWh in 1994 indicating an increase of 10 per cent over the previous year. The expansion in

**TABLE 1.29**  
**Salient Features of the Energy Sector 1993 – 1994**

Item	Unit	1993	% Change over 1992	1994*	% Change over 1993
<b>1. Petroleum Products</b>					
1.1 Quantity of Exports	MT.	589,929	46.0	611,791	3.7
1.2 Value of Exports	Rs. mn. SDR mn.	3,801.0 56.5	37.2 25.6	3,958.9 56.0	4.2 -0.9
1.3 Quantity Imported					
1.3.1 Crude Oil	MT.	1,799,597	38.8	1,897,629	5.4
1.3.2 Refined Products	"	294,090	-55.5	288,328	-2.0
1.3.3 L.P. Gas	"	37,560	19.7	50,193	33.6
1.4 Value of Imports (C&F)					
1.4.1 Crude Oil	Rs. mn. SDR mn.	11,222.37 166.53	46.4 34.1	11,407.45 161.24	1.6 -3.2
1.4.2 Refined Products	Rs. mn. SDR mn.	2,553.63 37.89	-53.8 -57.7	2,446.36 34.58	-4.2 -8.7
1.4.3 L.P. Gas	Rs. mn. SDR mn.	545.00 8.09	10.0 0.9	704.00 9.95	29.2 23.0
1.5 Average Price of Crude Oil (C&F)	Rs./Barrel US \$/Barrel	842.71 17.47	4.9 -4.6	806.11 16.31	-4.3 -6.6
1.6 Local Sales	MT	1,417,712	-4.6	1,567,918	10.6
1.6.1 Super Petrol	"	172,812	4.8	183,680	6.3
1.6.2 Auto Diesel	"	666,513	9.9	727,923	9.2
1.6.3 Heavy Diesel	"	18,020	-85.6	53,902	199.1
1.6.4 Super Diesel	"	23,216	2.2	24,274	4.6
1.6.5 Kerosene	"	191,629	1.2	206,929	8.0
1.6.6 Furnace Oil	"	219,918	-12.6	228,345	3.8
1.6.7 Avtur	"	72,563	-11.0	78,443	8.1
1.6.8 Avgas	"	164	-12.8	165	0.6
1.6.9 L.P. Gas	"	52,877	18.3	64,257	21.5
1.7 Local Price					
1.7.1 Super Petrol	Rs./Litre	35.00	6.1	35.00	-
1.7.2 Auto Diesel	"	12.20	4.7	11.40	-6.6
1.7.3 Heavy Diesel	"	11.60	4.0	10.70	-7.8
1.7.4 Super Diesel	"	15.00	3.1	14.20	-5.3
1.7.5 Kerosene	"	11.80	34.1	9.50	-19.5
1.7.6 Furnace Oil	"				
500 seconds	"	7.10	-	7.10	-
800 seconds	"	6.80	-	6.80	-
1,000 seconds	"	6.50	-	6.50	-
1.7.7 Bitumen	"	15.15	-	15.15	-
1.7.8 L.P. Gas	Rs./kg.	20.00	20.9	19.23	-3.9
<b>2. Electricity</b>					
2.1 Installed Capacity	MW	1,409.65	-	1,409.65	-
2.1.1 Hydro	"	1,137.45	-	1,137.45	-
2.1.2 Thermal	"	272.20	-	272.20	-
2.2 Units Generated	GWh	3,979.0	12.4	4,364.0	9.7
2.2.1 Hydro	"	3,796.0	30.9	4,089.0	7.7
2.2.2 Thermal	"	183.0	-71.4	275.0	50.3
2.3 Total Sales	GWh	3,270.1	12.1	3,582.0	9.5
2.3.1 Domestic	"	826.0	17.3	933.0	13.0
2.3.2 Industrial**	"	1,223.4	15.7	1,404.0	14.8
2.3.3 Commercial	"	641.1	10.4	593.0	-7.5
2.3.4 Local Authorities	"	536.4	-1.5	612.0	14.1
2.3.5 Street Lighting	"	43.2	50.0	40.0	-7.4

\* Provisional

\*\* From February, 1994 onwards electricity sales to Hotels are also included.

Sources : Ceylon Petroleum Corporation,  
Ceylon Electricity Board,  
Colombo Gas Company Ltd., and  
Lanka Marine Services (Pvt) Ltd.

electricity sales is partly explained by the rise in the total number of electricity consumers from 1,266,250 in 1993 to 1,413,041 in 1994. In particular, the total number of domestic consumers rose by 12 per cent to 1,221,095 in 1994 with the expansion in rural electrification schemes. The sales to domestic consumers expanded by 13 per cent to 933 GWh in 1994. Prompted by increased economic activity, sales to industrial and commercial sectors expanded by 7 per cent during the year under review. Bulk sales to local authorities and Lanka Electric Company (LECO) by the CEB increased by 14 per cent in 1994 over the previous year. Sales by LECO expanded by 12 per cent, largely due to increased sales to the domestic and commercial sectors.

During the year under review, the CEB invested a sum of Rs.3,700 million on the expansion, upgrading and rehabilitation of electricity infrastructure. Of the total investment, more than 50 per cent was spent on two main projects namely, the Transmission System Augmentation and Development Project (Rs.1,132 million) funded by the Overseas Economic Co-operation Fund (OECF) and the Distribution Expansion and Rehabilitation Project (Rs.810 million) funded by

**TABLE 1.30**  
**Revised Electricity Rates**

Category	with effect from 01.07.93	with effect from 01.02.94		with effect from 01.05.94	
	Previous Rate (Rs./kWh)	Revised Category	Revised Rate (Rs./kWh)	Revised Category	Revised Rate (Rs./kWh)
<b>1. Domestic Purposes</b>					
Units 0- 10	0.60			0 - 10	0.60
11- 50	1.20	0 - 60	1.70	11- 50	1.20
51-100	2.40			51-100	2.40
101-450	3.90	61 - 180	4.40	101-180	4.40
>450	5.20	>180	5.25	>180	5.25
<b>2. Industrial Activities</b>					
Small	3.05		4.00		4.00
Medium	2.90		3.80		3.80
Large	2.80		3.65		3.65
<b>3. General Purposes</b>					
Small	4.05		5.30		5.30
Medium	4.00		5.20		5.20
Large	3.85		5.00		5.00
<b>4. Hotels *</b>					
Small	4.05		-		-
Medium	4.00		-		-
Large	3.85		-		-

*Note:-*

Small: Supply of electricity at 400/230 volts and contract demand is less than 50 KVA.

Medium: Supply of electricity at 400/230 volts and contract demand is equal or more than 50 KVA.

Large: Supply of electricity at 11KV, 33KV and 132 KV.

Time of Day tariff is applicable only to the industrial and hotel categories. Peak rates and off-peak rates were revised upward by 30-31 per cent.

\* From February, 1994 onwards the industrial sector tariff is applicable to hotels.

Source : Ceylon Electricity Board.

the International Development Association (IDA). The other major development projects undertaken were the Power Distribution and Transmission Project (Rs.538 million), Upper Kotmale Project (Rs.385 million), New Rural Electrification Scheme Phase II (Rs.329 million), Second Power Distribution and Transmission Project (Rs.220 million) and Rantambe Power Project (Rs.136 million). In 1994, the CEB spent only 59 per cent of the allocated expenditure on its development projects. A high rate of under-expenditure was recorded in respect of the Transmission and Grid Substation Development Project (97 per cent) and the Sapugaskanda Diesel Extension Project (99 per cent).

### **Petroleum Products**

In 1994, the volume of crude oil imports rose by 98,032 metric tons (5 per cent) to 1,897,629 metric tons, when compared with 1993. The average international price of crude oil (per barrel) dropped from US\$ 17.47 in 1993 to US\$ 16.31 in 1994, the lowest recorded for the past five years. Reflecting the favourable price trends in 1994, total expenditure on crude oil increased only by 2 per cent in rupee terms and dropped by 3 per cent in SDR terms. The imports of refined products in 1994 at 288,328 metric tons, were 2 per cent lower than the imports in 1993. The volume of Liquefied Petroleum Gas (LPG) imported by the Colombo Gas Company increased by 34 per cent to 50,193 metric tons and the value of such imports rose by 29 per cent to Rs.704 million in 1994. Reflecting these developments, the total expenditure on petroleum imports, which accounted for 7.7 per cent of the total import bill in 1993, dropped to 6.2 per cent in 1994.

Prices of certain major petroleum products were revised on several occasions during 1994. The price of auto diesel was increased on two occasions. The price was raised from Rs.12.20 to Rs.12.30 per litre in February and to Rs.12.40 per litre at the end March, 1994. With effect from end September 1994, the price of auto diesel was revised downward by Rs.1 per litre to Rs.11.40 per litre, while the price of kerosene was reduced by Rs.2.30 per litre to Rs.9.50 per litre. These reduction in prices passed on to domestic consumers, a part of the additional profits that had accrued to the Ceylon Petroleum Corporation (CPC) on account of reduced world Petroleum Prices.

In 1994, domestic consumption of petroleum products recorded a significant increase of 11 per cent in contrast to a decline of 5 per cent in the preceding year. The growth in consumption was witnessed in all varieties of petroleum products. The consumption of auto diesel, which began to grow significantly from 1992, expanded by 10 per cent in 1994. Following the same trend, the demand for petrol in 1994, at 183,680 metric tons, recorded a 6 per cent increase. It rose by 5 per cent in the previous year. The consumption of heavy diesel, at 53,902 metric tons in 1994, recorded a nearly three-fold increase over the previous year. This resulted from the increased use of heavy diesel for thermal power generation. The sales of furnace oil rose by 4 per cent to 228,345 metric tons in 1994. The consumption of furnace oil by the non-electricity sector was 192,100 metric tons, an increase of 9 per cent when compared with the previous year. The demand for kerosene in 1994 at 206,929 metric tons, grew by 8 per cent, compared with a marginal increase in the previous year. The growth in the consumption of kerosene was most prominent in the fourth quarter of the year, where it rose by 14 per cent when compared with the demand in the corresponding quarter of 1993. Meanwhile, the demand for LPG at 64,257 metric tons, grew by 22 per cent in 1994, the highest increase recorded for the past 5 years. More than 70 per cent of this rise is attributed to the increased use of gas by the domestic sector.

### **TRANSPORTATION**

The transport sector recorded a mixed performance in 1994. In terms of the scale of operations, the peopled companies and the private sector passenger transport service expanded further during the year. However, the operations of the Sri Lanka Railway (SLR) remained more or less unchanged for the third consecutive year.

**TABLE 1.31**  
**Salient Features of the Transport Sector 1993 – 1994**

Item	Unit	1993	% Change over 1992	1994*	% Change over 1993
<b>1. New Registration of Motor Vehicles</b>					
1.1 Private Omnibuses**	Nos.	1,835	-26.0	3,347	82.4
1.2 Private Cars***	"	16,802	-16.7	22,517	34.0
1.3 Motor Cycles	"	53,934	-18.1	36,791	-31.8
1.4 Goods Transport Vehicles	"	4,948	19.3	5,195	5.0
1.5 Land Vehicles	"	6,646	21.1	7,160	7.7
1.6 Others	"	8	-94.0	34	325.0
1.7 Private Coaches	"	295	-30.6	476	61.4
<b>2. Sri Lanka Railways (SLR)</b>					
2.1 Operated Kilometers	Million	8.2	-	8.2	-
2.2 Passenger Kilometers	"	2,821.6	8.0	3,229.6	14.5
2.3 Freight ton Kilometers	"	159.2	-10.1	151.3	-5.0
2.4 Total Revenue	Rs. mn.	820	-7.3	900	9.8
2.5 Total Cost	"	1,236	-0.2	1,686	36.4
2.6 Surplus/Deficit (+/-)	"	-416	17.8	-786	88.9
<b>3. Peoplised Companies</b>					
3.1 Operated Kilometers	Million	272.2	1.5	306.5	12.6
3.2 Passenger Kilometers	"	13,608.0	6.0	15,613.1	14.7
3.3 Total Revenue	Rs. mn.	3,043.7	11.2	3,528.5	15.9

\* Provisional

\*\* Includes buses registered under peoplised companies too

\*\*\* Includes dual purpose vehicles

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

## Bus Transport

### Peoplised and Private

By the end of the year, a total of 93 peoplised companies were in operation. As in the previous year, concerted efforts were made by these companies to strengthen the effective fleet by purchasing new buses and rehabilitating the existing fleet. In 1994, a total of 1,600 buses was added to the existing fleet of the peoplised companies. As a result of the expanded bus fleet, the average number of buses operated per day by these companies increased from 3,709 in 1993 to 4,261 in 1994. However, even with this expansion, by end of 1994, the available effective fleet of the peoplised companies was only 75 per cent of the optimum fleet which is required to provide an efficient service to the public. Following these developments, the operated kilometerage of the peoplised companies rose by 13 per cent over the previous year to 307 million in 1994. In terms of traffic carried, peoplised companies accounted for an estimated passenger kilometerage of 15,613 million indicating an increase of 15 per cent between the two years. The estimated revenue of the peoplised companies rose by 16 per cent to Rs.3,528 million in 1994. Meanwhile, bus imports and activities relating to the bus assembly scheme continued throughout the year. By the end of 1994, the project provided 2,397 buses to the peoplised companies and the private sector.

During the year under review, the National Transport Commission (NTC) introduced certain measures towards the improvement of passenger services. The management of many of the companies was changed and the necessary guidance was provided to run the companies as

commercial entities. Differential rates for route permits were introduced with a view to encouraging the spread of bus services to the rural areas. Meanwhile, in order to improve passenger services, steps were taken to encourage private owners to purchase high roof buses and buses with over 30 seats. In addition, Provincial Councils were encouraged to ensure better co-ordination of bus services operated by private operators and the peopled companies.

The passenger services provided by the private sector too further expanded during the year under review. The total number of omnibuses (including the buses registered under the peopled bus companies) newly registered with the Department of Motor Traffic rose from 1,835 to 3,347. This was an increase of 82 per cent over the previous year. Meanwhile, the number of new permits issued to private operators by the seven Provincial Councils and the NTC was 2,417 during the year under review. The activities of the private omnibus transport services were further facilitated by the credit facilities provided by the two State Banks and the National Development Bank under the Bus Import and Assembly Scheme.

### **Rail Transport**

The operated kilometerage of the SLR remained almost unchanged at 8.2 million kilometres, the level reported in the year 1993 and 1992. Despite the fact that the scale of operations remained unchanged, the passenger kilometerage of the SLR, at 3,230 million kilometres, rose by 15 per cent in 1994, reflecting the increasing demand for passenger services provided by the SLR. The scale of goods transportation, indicated by the cargo ton kilometerage, declined by 5 per cent to 151 million in 1994 compared to a decrease of 10 per cent in the previous year.

During the year under review, the scale of operations of the SLR was affected by several factors. Restrictions on train services to the North continued as in the past several years. Trains on the Northern line operated up to Thandikulam, while there were no train services on the Talaimannar line. The Colombo-Batticaloa train service commenced its daily operations in August 1994. Meanwhile, punctuality and adequacy of the service were heavily affected by the unsatisfactory condition of the existing railway tracks and insufficient availability of locomotives for service. Towards the end of the year, the SLR introduced a crash programme to rehabilitate the tracks in dense traffic areas and suburban areas with a view to arresting further deterioration of the service. In addition, construction work on the Matara-Kataragama railway track was in progress during the year, the first phase of which is the laying of railway lines between Matara and Walasgala. The broad gauge work of the Kelani Valley line up to Padukka had been completed with the commissioning of the third phase, by the end of the year.

The current expenditure of the SLR increased by 36 per cent to Rs.1,686 million in 1994. This was mainly due to an increased wage bill and high costs of repairs & maintenance. The total revenue for the year rose only by 10 per cent to Rs.900 million. The slow growth in revenue and the rapid growth in current expenditure resulted in an operational loss of Rs.786 million in 1994, compared to Rs.416 million in 1993.

The Bill on the proposed Railway Authority had been passed by Parliament on 9th November 1993. The World Bank has agreed to provide the necessary technical assistance for the conversion of the SLR into a Railway Authority.

### **ROADS AND RAIL TRACKS**

In 1994, the Road Development Authority (RDA) maintained a road network of 11,076 kilometres and 3,760 bridges. The RDA spent a sum of Rs.2,936 million on construction, rehabilitation and improvement of its road network, and Rs.177 million on maintenance during 1994.

During the year under review, the RDA continued its activities on rehabilitation and improvement of the road network covering A and B category roads. The rehabilitation work of the

Avissawella-Hatton section (72.5 kilometres) of the Avissawella-Hatton-Nuwara Eliya Road and the Homagama-Ratnapura section (74 kilometres) of the Colombo-Ratnapura-Wellawaya-Batticaloa Road continued in 1994 under the Second Road Improvement Project funded by the Asian Development Bank. Meanwhile, the rehabilitation of the Panadura-Galle section (92 kilometres) of the Colombo-Galle-Hambantota-Wellawaya Road was completed by end 1994, under the Third Road Project funded by the International Development Association (IDA). Rehabilitation of the Thoppu-Dankotuwa-Giriulla Road, the Katunayaka-Veyangoda-Nittambuwa, the Seeduwa-Udugampola Road, the Biyanwila-Ganemulla Road and town roads in Negombo (total 79.5 kilometres) were in progress under the same project. Construction work on improving the Waskaduwa-Bandaragama-Kesbewa Road to provide an alternative road to Galle Road from Kalutara to Colombo and Sri Jayawardenapura, and rehabilitation of the Peliyagoda to Katunayaka section of the Peliyagoda-Puttalam Road continued during the year under review. The work on repairs to the New Kelani Bridge was completed in 1994 at a cost of Rs.176 million. In addition to the ongoing development projects, the RDA commenced some new road/bridge development projects during 1994. The construction of Lewella Bridge across the Mahaweli River, rehabilitation of the Ambepussa-Kurunegala-Trincomalee Road, the Allai-Kantale road, the Maradankadawala-Habarana-Thirukkondaimadu Road and the widening of the Orugodawatta-Ambatale Road were the projects initiated in 1994.

The rail track kilometerage remained unchanged at 1952 kilometres during the year under review. The construction of a new track from Matara to Walasgala spanning a distance of 17 kilometres was in progress during the year. Towards the end of the year urgent measures were taken to improve the unsatisfactory conditions of the existing rail tracks.

## HOUSING

There was a slowing down of activities in the major public sector shelter programmes, implemented under the One Point Five Million Houses Programme (OPFMHP)\*, during 1994. However, credit facilities provided by the major banking and financial institutions towards the development of housing activities in the private sector showed a considerable improvement when compared with the previous year.

The National Housing Development Authority (NHDA) as the major implementing agency of the OPFMHP, has directly undertaken the two public sector shelter programmes, the Rural Housing Sub Programme (RHSP) and the Urban Housing Sub Programme (UHSP). These two programmes are targeted to improve housing conditions of low income families in rural and urban areas. In 1994, the performance of these two housing sub programmes recorded a considerable setback compared with the previous year. The activities under the RHSP in terms of families reached recorded a decline from 31,368 in 1993 to 23,911 in 1994. The number of units completed too dropped from 31,641 in 1993 to 23,439 in 1994. The value of loans and grants disbursed under this programme also showed a decline of 27 per cent over the previous year. Following a similar trend, the performance of the UHSP too deteriorated considerably in terms of new loans provided and units completed. In 1994, the UHSP was able to provide credit facilities to only 4,707 families, a 38 per cent decline over the previous year. The number of units completed under this programme dropped from 5,652 in 1993 to 4,764 in 1994. Consequently, the value of loans disbursed under the UHSP programme too declined from Rs.313 million in 1993 to Rs.282 million in 1994. The setback in the NHDA assisted public sector housing programmes was mainly due to the non-availability of funds and the low recovery rates experienced particularly in the latter half of the

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\* The ten Sub-programmes under the OPFMHP 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 1.32

## Performance of One Point Five Million Houses Programme 1990 – 1994 (a)

Sub-Programme	No. of families reached					No. of units completed					Value of loans disbursed (Rs. Mn.)				
	1990	1991	1992	1993	1994 <sup>(b)</sup>	1990	1991	1992	1993	1994 <sup>(b)</sup>	1990	1991	1992	1993	1994 <sup>(b)</sup>
Rural Housing Sub Programme (RHSP)	25,496	30,429	38,710	31,368	23,911	13,655	24,071	22,846	31,641	23,439	154.6	243.4	259.5	296.2	217.7
Urban Housing Sub Programme (UHSP)															
Low Income Families	5,377	5,806	6,170	7,268	4,423	2,954	5,627	3,487	5,357	4,480	32.6	54.2	87.9	96.9	72.1
Urban (Special) Middle Income Families Programme	–	16	590	295	284	–	16	590	295	284	–	222.7	211.9	215.5	210.7
Provincial Council Housing Sub Programme (PCHSP) <sup>(c)</sup>	1,070	1,422	2,141	1,639	776	128	1,160	1,006	1,202	934	3.9	10.0	12.9	13.5	8.4
Disaster Housing Sub Programme (DHSP) <sup>(c)</sup>	15,344	14,094	13,969	8,538	9,758	3,862	6,161	9,163	7,821	10,109	99.0	142.7	169.0	256.5	205.8
Plantation Housing Sub Programme (PHSP) <sup>(d)</sup>	121	313	228	570	363	121	313	228	570	363	–	–	–	7.0	7.2
Mahaweli Housing Sub Programme (MHSP)	9,751	4,721	3,505	3,735	1,188	4,129 <sup>(e)</sup>	3,714 <sup>(e)</sup>	5,968 <sup>(e)</sup>	3,105 <sup>(e)</sup>	2,225 <sup>(e)</sup>	31.1 <sup>(f)</sup>	15.8 <sup>(f)</sup>	25.4 <sup>(f)</sup>	14.7 <sup>(f)</sup>	5.9 <sup>(f)</sup>
Employee Housing Sub Programme (EHSP) <sup>(c)</sup>	–	–	249	274	–	–	–	–	146	96	–	–	3.6	11.7	2.3
<b>T O T A L</b>	<b>57,159</b>	<b>56,801</b>	<b>65,562</b>	<b>53,687</b>	<b>40,726</b>	<b>24,849</b>	<b>41,062</b>	<b>43,288</b>	<b>50,137</b>	<b>41,930</b>	<b>321.2</b>	<b>688.9</b>	<b>770.2</b>	<b>912.0</b>	<b>730.1</b>

(a) Table covers only certain sub-programmes which comes under the OPFMHP.

(b) Provisional.

(c) NHDA's performance only.

(d) From 1990 - 1992 PHSP was under JEDB & SLSPC. Since 1993 the programme has been transferred to the "Plantation Housing & Social Welfare Trust".

(e) Units completed by MEA & own construction undertaken by sub-families; for years 1990, 1991 and 1992 include units completed under EEC Loan Scheme too.

(f) Assistance provided by the MEA and EEC for the new settlers.

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



year. By the end of 1994, the loan recovery rate of the NHDA assisted programme was only 37 per cent. Meanwhile, the NHDA formulated a new workplan in keeping with the housing policies of the new government.

The Disaster Housing Sub Programme (DHSP) was carried out mainly in the Northern and Eastern provinces and the assistance was provided by the NHDA, the Housing Development Finance Corporation (HDFC), commercial banks and Government Agents under the sponsorship of the Ministry of Reconstruction, Rehabilitation and Social Welfare. The programme was able to provide loan facilities to 9,758 families in 1994 compared with 8,538 families in 1993. Under the programme, 10,109 housing units were completed in 1994. Meanwhile, the NHDA continued to assist the Provincial Councils in the implementation of the Provincial Council Housing Sub Programme (PCHSP). During the year under review, the PCHSP was able to cover only 776 families, a drop of 53 per cent over the previous year. The total number of units completed during the year under the programme stood at 934.

The performance of the Plantation Housing Sub Programme too recorded a setback. During the year, the Plantation Housing and Social Welfare Trust has been able to complete only 363 units under the workers' housing re-roofing scheme and the self-help scheme. Meanwhile, the Mahaweli Economic Agency completed 2,225 housing units in Systems B, C and H under the Mahaweli Housing Sub Programme during the year under review.

In 1994, credit facilities provided by the major banking and financial institutions for housing construction activities in the private sector showed a considerable improvement. Total loans provided by the commercial banks and other financial institutions for housing construction and upgrading increased from Rs.2,212 million in 1993 to Rs.2,707 million in 1994, recording an increase of 22 per cent. As in the previous year, loan disbursement was continued throughout the island by Bank of Ceylon, People's Bank, State Mortgage & Investment Bank (SMIB), National Savings Bank (NSB), Housing Development Finance Corporation (HDFC), National Insurance Corporation and Co-operative Rural Banks. The number of loans given by Bank of Ceylon increased by 17 per cent to 2,622 in 1994, while loan disbursements rose by 27 per cent to Rs.1,214 million. The number of loans disbursed by the SMIB increased by 26 per cent to 4,474, while the value of loan disbursements rose by 64 per cent to Rs.763 million. The NSB too provided Rs.239 million for housing purposes to 1,024 applicants, as against Rs.156 million granted to 985 applicants in 1993. Meanwhile, the number of loans given by People's Bank in 1994 dropped to 6,291 from 10,258 in 1993. The value of loans dropped from Rs.414 million to Rs.226 million. The HDFC, which is a major source of housing loans, provided credit facilities amounting to Rs.259 million to 2,738 applicants\* recording the highest number of loans provided during a single year since its inception. Moreover, Co-operative Rural Banks, Regional Rural Development Banks and Thrift and Credit Co-operative Societies also extended financial assistance to private sector housing construction activities during the year under review.

## URBAN DEVELOPMENT

Activities undertaken by the Urban Development Authority (UDA) expanded significantly in 1994. Total expenditure incurred on various projects by the UDA rose by 52 per cent to Rs.1,071 million, when compared with the previous year.

Of the total investment, Rs.482 million or 46 per cent was spent on the construction of the Administrative Complex at Battaramulla. A sum of Rs.460 million was spent on projects undertaken on behalf of clients. The main projects undertaken on behalf of clients during the year were the Housing Development Project at Madiwela (Rs.118 million) and the construction of the Warehouse Complex (Stage 2) at Peliyagoda (Rs.221 million). An expenditure of Rs.60 million was

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\* This excludes the involvement of (DHSP) under the 1.5 million Programme.

incurred by the UDA on the construction of commercial complexes, town improvement projects, industrial complexes, integrated projects and socio cultural projects. A further sum of Rs.50 million was incurred on the purchase of under-developed or unutilised land by the Land Bank of the UDA.

## **COMMUNICATION SERVICES**

Activities relating to the postal sector further expanded during 1994. The number of articles handled by the Postal Department increased by 6 per cent to 517 million in 1994 from 486 million in 1993. This was largely due to enhanced inland mail handling by 9 per cent to 449 million in 1994. In contrast, foreign mail handling dropped by 6 per cent to 67 million. Foreign parcel handling increased by 7 per cent to 74,000 between 1993 and 1994, while inland parcel handling dropped marginally to 579,000 in 1994. The post office network expanded from 4,042 post offices in 1993 to 4,105 in 1994. Accordingly, the area served by a post office came down marginally to 16.0 square kilometres in 1994 from 16.2 square kilometres in 1993 reflecting increased access to postal services to the general public. The average number of letters per inhabitant showed only a marginal increase between the two years, partly reflecting the increased usage of speedier communication modes by the public.

The telecommunication sector showed a moderate improvement in terms of capacity and services provided. Sri Lanka Telecom (SLT) executed several development projects with a view to expanding and upgrading the existing telecommunication network. The main development projects undertaken during the year were the International Network Improvement, Trunk Transmission Network, Supply and Installation of Exchanges for Colombo and Regions, Improvement of the Telecommunication Network in the Greater Colombo Area (Phase II), Network Development in the Gampaha and Katunayaka Exchange Area, Development of the Telecommunication Network in the Matara District, South East Asian Middle East Western Europe Submarine Cable Project (SEA-ME-WE 2), the Exchange Rehabilitation Project and the Public Switched Packet Data Network Project. Under the project for the supply and installation of telephone exchanges for Colombo and regions funded by the World Bank, a total of 14,800 lines was added to the existing switching network during the year under review.

In 1994, demand for telephones rose by 30 per cent, compared with a 22 per cent rise in 1993. With the improved infrastructure, telephone lines provided to the public rose significantly by 25,322 to 180,724 by end 1994. This was the highest number of new telephones provided during the past 10 years. Consequently, the telephone density (telephones per 100 persons) rose from 0.90 to 1.01 between 1993 and 1994. However, reflecting the inability of the supply to keep pace with the accelerating demand for telephone facilities, the number of applicants on the waiting list increased by 62,179 to 186,245 at the end of 1994. SLT was able to meet only 49 per cent of the country's demand for telephone facilities by the end of 1994. The increased availability of cellular communication facilities eased, to a certain extent, the accelerating demand for telephone facilities. The Mobitel Cellular Mobile Telephone System installed and operated on a "Build, Operate and Transfer" (BOT) basis was able to provide approximately 10,000 telephones by end 1994. The areas covered under this system were Anuradhapura, Ratnapura, Kurunegala, Kuliyaipitiya, Chilaw, Negombo, Ja-ela, Colombo, Matara, Kalutara, Galle, Moratuwa and Kandy. Meanwhile, SLT has introduced new supplementary services such as call waiting, call transfer, abbreviated dialling and conference calling to the public, in 1994.

The total number of telex connections increased by 59 to 1,685 at the end 1994. Total overseas telephone traffic rose by 9 per cent while telegram traffic grew marginally during the year. Overseas telex traffic dropped by 6 per cent in 1994.

## **JANASAVIYA PROGRAMME**

In 1994, the activities of the Janasaviya Programme (JSP) were concentrated on the fourth and fifth rounds and on some of the remaining families of the third round. Under the fourth round, the

**TABLE 1.33**  
**Growth of Postal and Telecommunication Service 1990 – 1994**

	1990	1991	1992	1993	1994*
<b>1. Postal Service</b>					
1.1 No. of delivery areas	6,636	6,729	6,729	6,729	6,729
1.2 Area Served by a Post Office (Sq.Kms.)	16.6	16.5	16.3	16.2	16.0
1.3 Total No. of Post Offices	3,945	3,982	4,018	4,042	4,105
1.3.1 Public	3,864	3,884	3,891	3,895	3,932
1.3.2 Private	81	98	127	147	173
1.4 Population Served by a Post Office	4,307	4,331	4,332	4,359	4,352
1.5 Number of Letters per Inhabitant	31	29	27	28	29
<b>2. Telecommunication Service</b>					
2.1 Inland Telephone Service					
2.1.1 No. of Telephone Lines	121,388	125,834	135,504	157,774	180,724
2.1.2 New Telephone Lines Given	10,241	6,579	10,607	22,270	25,322
2.1.3 No. of Applicants in Waiting List	47,945	61,313	96,207	124,066	186,245
2.1.4 Demand for Telephone (Nos.)	169,333	187,147	231,711	281,840	366,969
2.1.5 Telephone Density (Telephones per 100 Persons)	0.71	0.73	0.78	0.90	1.01
2.2 Overseas Telecommunication Service					
2.2.1 No. of Telex Connections	1,666	1,740	1,583	1,626	1,685
2.2.2 No. of Applicants on Waiting List	89	84	103	59	34
2.2.3 Outgoing Traffic (Nos.)					
2.2.3.1 Overseas Telephone Traffic <sup>(a)</sup>	9,006,000	15,599,912	17,775,066	19,900,000	21,600,000
2.2.3.2 Overseas Telegrams <sup>(b)</sup>	2,720,000	2,465,682	2,483,002	2,220,000	2,230,000
2.2.3.3 Overseas Telex Traffic <sup>(a)</sup>	4,472,122	4,346,467	4,230,994	3,300,000	3,100,000

\* Provisional

(a) Figures are given in number of minutes

(b) Figures are given in number of words

*Sources : Department of Posts and  
Sri Lanka Telecom.*

JSP covered a total of 100,816 families in 25 Divisional Secretary (DS) Divisions. After June 1994 the programme was extended to a further 119,548 families with the commencement of the fifth round activities in 26 DS Divisions. The JSP also provided benefits to the remaining 18,208 families of the third round. Accordingly, the number of families benefiting from the consumption support of the Janasaviya Programme during the year totalled 238,572. Meanwhile, 251,677 families who completed the first two rounds of the Janasaviya Programme received benefits under the Capital Entitlement Certificate Scheme.

The expenditure on account of the provision of consumption support to Janasaviya beneficiaries during the year amounted to Rs.2,863 million. The cost incurred under the savings component for the year 1994 amounted to Rs.1,311 million. A sum of Rs.755 million was spent on interest payments to 251,677 beneficiaries of the first and second rounds under the Capital Entitlement Certificate Scheme. Accordingly, the total expenditure during the year on account of the implementation of the third, fourth and fifth rounds, and the interest paid to the Capital Entitlement Certificate holders, amounted to Rs.4,929 million.

During the first half of the year, the third and fourth round beneficiaries received credit facilities amounting to Rs.270 million to initiate self-employment projects and income generating activities. These loans were disbursed by Bank of Ceylon, People's Bank, the Regional Rural Development Banks, Co-operative Rural Banks and the Janashakthi Bank.

As in the previous year, the Janasaviya Trust Fund (JTF) continued its activities to improve the economic potential of the community and the nutritional status of persons in the deprived areas of the country. The JTF, under its four main projects, i.e. community projects, human development projects, credit projects and nutritional projects, utilized a sum of Rs.605 million during the year. The projects implemented by the JTF showed an increased participation by Non-Governmental Organisations (NGO) in 1994. By the end of the year, 2,029 rural infrastructure development projects, 38,868 micro enterprises and self-employment projects, 324 nutrition projects and social mobilisation programmes were in operation under the direction of the JTF.

## **THE SAMURDHI PROGRAMME**

The Government has taken steps to launch a new poverty alleviation and income generating programme known as the Samurdhi Programme (SAMURDHI) or prosperity movement. The concept of the programme is to alleviate poverty at the national level, starting with the family unit. This goal is to be achieved by broadening opportunities for increased income and employment, integrating the poor into economic and social development activities and linking family level economic activities with community development projects, at village, divisional, district and provincial levels. The Samurdhi Programme will supersede the existing poverty alleviation schemes in the country such as the Janasaviya Programme, the food stamp and the mid-day meal schemes.

The Samurdhi Movement, which is expected to be launched towards the middle of 1995, will cover one third of the population of the country. It will benefit about 1.2 million families, which are considered to be at the bottom of the income scale. Out of this total, the Programme expects to raise the income level of 100,000 families to about Rs.1,500 per month by a direct income transfer of Rs.1,000 per month. The remaining 1.1 million families who are estimated to earn an average income of around Rs.1,000 per month will be given an income supplement of Rs.500 per month. Thus, the effect of this Programme will be to raise the income of the poor families to about Rs.1,500 per month. With the additional income that would arise from the Samurdhi Programme's self-employment activities, this income is expected to rise to Rs.2,000 per month.

One of the main objectives of Samurdhi is to promote self reliance on the basis of nurturing the savings habit and the development of income generating self-employment. All Samurdhi

beneficiaries will be encouraged to save a part of the income supplement - Rs.200 per month by the poorest and Rs.100 per month by the rest-in order to develop the habits of thrift and saving. These savings, together with external supplementary finance will be utilised to finance new income generating activities among the beneficiaries. Meanwhile, those Samurdhi beneficiaries who have identified viable and durable income generating activities, will be given the option to convert two year's Samurdhi payments into a single capital grant for investment ranging from Rs.25,000 to 50,000. This could be supplemented by a loan of an equivalent amount.

When the income of beneficiaries exceeds Rs.2,000 per month for a continuous period of six months or when at least one member of the family finds employment the family will exit from the Programme. As some Samurdhi beneficiaries exit from the programme, new entrants will be able to join the movement.

The administrative structure of the Samurdhi Programme would be set up to extend from the centre right down to the periphery, to reach each family unit that is poor and in need of economic upliftment. For this purpose, a Samurdhi Authority would be set up by the Government. This would be the executive and administrative arm of Samurdhi. It is expected to carry out operations through the District Samurdhi committees, which would be responsible for implementing and monitoring the progress of the Samurdhi National Programme as well as other poverty alleviation programmes. A Commissioner-General of Samurdhi will be appointed and would be expected to select approximately 40,000 unemployed youth with G.C.E. Ordinary Level qualifications to function as "Samurdhi Niyamakas" or animators. These Niyamakas are expected to conduct a family profile survey of the villagers on the basis of a process of participatory identification. This survey would identify family needs and would help to work out an economic development programme for each family on the basis of its potential abilities, skills and available resources.

## HEALTH

In 1994, the Government channelled a total sum of Rs.9,185 million or 5 per cent of its total expenditure to health services. This was an increase of 30 per cent over the previous year. In relative terms, the share of expenditure on health in GDP rose from 1.4 per cent in 1993 to 1.6 per cent in 1994. While current expenditure on health rose by 34 per cent to Rs.7,666 million, capital expenditure grew by 12 per cent to Rs.1,519 million in 1994. Meanwhile, the number of medical officers in the curative and preventive services increased marginally from 21 per 100,000 persons in 1993 to 22 per 100,000 persons in 1994. The number of nurses rose from 67 to 74 per 100,000 persons.

As in the previous year, in 1994 too the health policies were targeted at promoting the health status of the population, preventing and controlling diseases and improving the quality of existing services. During the year under review, health policies focused on developing facilities for the under-served areas and under-privileged population groups. With a view to strengthening patient care services and improving community health services, special projects on developing health infrastructure were undertaken with foreign assistance in 1994. The foreign funded projects executed during the year included the Second Health Population Project funded by the ADB, Health & Family Planning Project funded by the IDA/World Bank, Development of the General Hospital funded by FINNIDA and the Development of the Lady Ridgway Hospital funded by the Government of China.

The programmes launched to improve community health services consisting of the control of communicable diseases, improvement in sanitation, epidemiological surveillance and promotion of family health, continued during 1994. The incidence of Japanese Encephalitis and Dengue Haemorrhagia Fever recorded a decline during 1994. The Malaria control programme was modified in line with the "New Global Malaria Control Strategy" recommended by the World Health Organization. Under this programme, in 1994, Malaria control activities were executed by adopting

**TABLE 1.34**  
**Health Services 1990 – 1994**

Item	1990	1991	1992	1993	1994*
1. Hospitals (Practicing Western Medicine)	502	504	506	504	n.a
2. Beds	42,079 (b)	42,437 (b)	48,061	48,949	n.a
3. Central Dispensaries	278 (b)	275 (b)	350	365	n.a
4. Total No. of Doctors	2,440 (a)	2,934	3,345	3,713	3,967
5. Total No. of Asst. Medical Practitioners	1,074 (a)	1,201	1,253	1,305	1,298
6. Total No. of Auyurvedic Physicians	13,284	12,852	13,131	13,454	13,562
7. Total No. of Nurses	8,957 (a)	9,934	11,214	11,818	13,142
8. Total No. of Attendants	5,707	5,697	5,710	5,772	5,469
9. No. of In-patients ('000)	2,533 (b)	2,629 (b)	3,023	3,174	n.a.
10. No. of Out-patients ('000)	28,401 (b)	28,575 (b)	36,827	36,892	n.a.
11. Total Health Expenditure (Rs. mn.)	4,964	5,229	6,541	7,064	9,185
(a) Current Expenditure (Rs. mn.)	3,685	4,110	4,518	5,711	7,666
(b) Capital Expenditure (Rs.mn.)	1,279	1,119	2,023	1,353	1,519

\* Provisional

(a) Excludes the Northern Province

(b) Excludes Northern & Eastern Provinces

Sources : Ministry of Health, Highways &  
Social Services,  
Ministry of Indigenous Medicine and  
Central Bank of Sri Lanka.

regular indoor spraying methods, strengthening early detection activities, promoting self-protection methods such as the use of insecticide impregnated bed nets and increasing health education programmes. Consequently, there has been a significant reduction in the total incidence of Malaria from 363,197 cases in 1993 to 259,221 cases in 1994.

## EDUCATION

The Government spent Rs.18 billion or 11 per cent of its total expenditure on education in 1994. This was an increase of 26 per cent over the amount spent in the previous year. Educational expenditure in relation to GDP increased from 2.8 per cent in 1993 to 3.1 per cent in 1994. During the year under review, capital expenditure on education at Rs.2,877 million, increased by 1 per cent. Current expenditure on education also rose by 32 per cent to Rs.14,836 million in 1994. This included a sum of Rs.3,594 million incurred on the provision of mid-day meals, school text books, school season tickets and free school uniforms. A total of 4.3 million school children in 10,760 schools benefited from these programmes.

In 1994, the total number of schools increased to 10,760 from 10,710 in 1993. The student population in schools rose from 4,303,493 in 1993 to 4,312,508 in 1994. Accordingly, the number of students per schools decreased from 402 in 1993 to 401 in 1994. Meanwhile, during the year under review, 2,645 teachers were recruited to the education service thereby increasing the total number of teachers to 195,243. Consequently, the pupil teacher ratio declined marginally to 22.1 in 1994 from 22.3 in 1993. With a view to regularising the education service, a Teacher Education Service was established in 1994.

More emphasis was placed on improving educational infrastructure in rural areas in 1994. The Education Development Project, General Education Project, Primary School Development Project,

Plantation School Education Development Project and German Technical Co-operation Project and the Project for Improvement of Schools by Divisions (ISD), were some of the foreign funded projects continued in 1994 to expand the rural educational infrastructure. Under the National School Development Project, 160 schools were upgraded to national school status by end 1994. The project aimed at establishing at least one school with all facilities in every electoral district.

With respect to university education, the academic year 1992/93 which was delayed due to the closure of universities for two years in 1988 and 1989, commenced in the year 1994. During the year under review, 8,540 new students were admitted to the universities, while a total of 5,368 graduated. The new enrolment of students to the faculties of Arts, Commerce and Management Studies amounted to 4,369 while the students intake into the Science, Engineering and Medical faculties was 3,370. By the end of 1994, there were 30,764 students in the nine main universities. The academic staff strength of the nine universities increased to 2,319 in 1994 from 2,090 in 1993. Consequently, the student-teacher ratio improved to 13 in 1994 from 15 in 1993. A total of 11,314 students were admitted to the Open University in 1994. As a result, the total number of students enrolled in the Open University reached to 20,022 by the end of 1994. The total teaching staff strength in the Open University increased to 382 in 1994 from 355 in 1993.

**TABLE 1.35**  
**General Education 1990 – 1994**

Item	1990	1991	1992	1993	1994*
1. Total No. of Schools	10,382	10,520	10,588	10,710	10,760
1.1 Government schools	9,864	9,998	10,042	10,160	10,193
1.2 Other schools	518	522	546	550	567
2. Total No. of Pupils	4,232,356	4,258,697	4,286,275	4,303,493	4,312,508
2.1 Government Schools	4,111,272	4,135,114	4,156,254	4,172,897	4,197,642
2.2 Other Schools	121,084	123,583	130,021	130,596	114,866
3. New Admissions	387,314	388,315	359,003	354,390	339,006
4. Total No. of Teachers	184,822	177,231	182,756	193,924	195,243
4.1 Government Teachers	178,333	170,735	175,813	186,926	187,937
4.2 Others	6,489	6,496	6,943	6,998	7,306
5. Pupil / Teacher ratio	22.9	24.0	23.5	22.2	22.1
6. Total Expenditure on Education (Rs. Million) (a)	9,571	9,129	12,541	14,070	17,713
6.1 Current	8,529	7,951	10,533	11,225	14,836
6.2 Capital	1,042	1,178	2,008	2,845	2,877

\* Provisional

(a) Includes Government expenditure on higher education too.

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

## MAHAWELI PROGRAMME

Settlement activities of farmer and non-farmer families in the Mahaweli Command Area continued in 1994 as well. The total expenditure incurred under the Mahaweli Programme

TABLE 1.36

## New Land Cultivated under Mahaweli Development Programme

(hectares)

Item	Maha 1990/91	Yala 1991	Total 1991	Maha 1991/92	Yala 1992	Total 1992	Maha 1992/93	Yala 1993	Total 1993	Maha 1993/94 (a)	Yala 1994 (a)	Total 1994 (a)
System 'H'	31,385	19,806	51,191	31,931	4,312	36,243	33,390	11,660	45,050	33,481	22,996	56,477
Paddy	29,392	9,176	38,568	29,294	1,262	30,556	29,117	2,291	31,408	29,950	11,205	41,155
Other Crops	1,993	10,630	12,623	2,637	3,050	5,687	4,273	9,369	13,642	3,531	11,791	15,322
System 'B'	11,551	10,347	21,898	11,786	11,221	23,007	13,591	12,594	26,185	20,174	17,908	38,082
Paddy	10,912	9,837	20,749	11,175	10,624	21,799	12,513	11,956	24,469	18,321	16,007	34,328
Other Crops	639	510	1,149	611	597	1,208	1,078	638	1,716	1,853	1,901	3,754
System 'C'	19,026	15,687	34,713	18,599	15,934	34,533	21,521	19,976	41,497	23,868	20,148	44,016
Paddy	15,632	15,008	30,640	16,760	15,098	31,858	19,289	19,089	38,378	20,256	19,427	39,683
Other Crops	3,394	679	4,073	1,839	836	2,675	2,232	887	3,119	3,612	721	4,333
System 'G'	5,063	4,668	9,731	5,180	174	5,354	5,414	3,732	9,146	-	-	-
Paddy	5,017	2,613	7,630	4,959	117	5,076	5,096	2,269	7,365	-	-	-
Other Crops	46	2,055	2,101	221	57	278	318	1,463	1,781	-	-	-
System 'L'	1,071	152	1,223	1,451	65	1,516	1,095	82	1,177	1,135	148	1,283
Paddy	700	84	784	824	-	824	684	42	726	705	139	844
Other Crops	371	68	439	627	65	692	411	40	451	430	9	439
Total	68,096	50,660	118,756	68,947	31,706	100,653	75,011	48,044	123,055	78,658	61,200	139,858

(a) Provisional.

Source : Mahaweli Authority of Sri Lanka



during 1994 amounted to Rs.1,888 million as against Rs.2,642 million in 1993. The expenditure incurred during the year accounted for 96 per cent of the budgeted allocation for 1994. Of the total expenditure, 61 per cent or Rs.1,156 million was spent on systems development activities: System "B" (Rs.528 million), System "C" (Rs.376 million), System "H" (Rs.95 million) and System "L" (Rs.157 million).

The total amount of power generated by the hydro power plants coming under the Mahaweli Project, which increased by 22 per cent in 1993 recorded a further 16 percent increase to 2,207 gigawatt hours (Gwh.) in 1994. Favourable weather conditions that prevailed in the hydro catchment areas contributed to this improved performance. The Bowatenna power plant, which was closed for repairs in 1993, was recommissioned in April 1994, and generated 38 Gwh. The performance of all the power plants except Ukuwela was better in 1994 than in the previous year. Power generated at Randenigala, which rose by 87 per cent in 1993, recorded a further 27 per cent increase to 468 Gwh. in 1994. Power generated at Victoria, Kotmale and Rantambe too rose by 12 per cent, 14 per cent and 19 per cent, respectively to 819 Gwh., 512 Gwh. and 224 Gwh. Victoria, Kotmale, Randenigala and Rantambe recorded the highest ever generation recorded in any particular year since the commissioning of these plants. In contrast the power generated at Ukuwela dropped by 18 per cent to 146 Gwh. Power generated by the six power plants coming under the Mahaweli Programme accounted for 51 per cent of the total supply to the national power grid in 1994 as against 48 per cent recorded in 1993.

The total extent cultivated under the Mahaweli Command Area, which rose by 22 per cent in 1993, recorded a further 14 per cent increase to 139,858 hectares in 1994. The extent cultivated during both seasons improved. The extent cultivated during Maha 1993/94 increased by 5 per cent to 78,658 hectares when compared with the previous Maha season. Meanwhile, the

**TABLE 1.37**  
**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	754	2,005	1,716	6	-	4,481
1993	283	1,500	3,190	-	-	4,973
1994(a)	30	332	841	-	-	1,203
<b>TOTAL</b>	<b>32,773</b>	<b>26,414</b>	<b>22,464</b>	<b>5,555</b>	<b>3,364</b>	<b>90,570</b>

(a) Provisional.

Source : Mahaweli Authority of Sri Lanka.

extent cultivated in Yala, which rose by 52 per cent in 1993, recorded a further 27 per cent improvement to 61,200 hectares in 1994. The total extent under paddy in the Mahaweli Command Area during the 1994 cultivation year increased by 13 per cent to 116,010 hectares. Meanwhile, the extent under other crops, which recorded a 96 per cent increase in the previous year, rose by a further 15 per cent to 23,848 hectares in 1994.

The total number of families settled under the Mahaweli Programme in 1994 was 1,203 as against 4,973 families settled in the previous year. This was the smallest number of families settled in any particular year since the settlement programme under the Mahaweli System began in 1976. Of this, 841 and 332 families were settled in Systems "B" and "C", respectively. The cumulative number of families settled under the Mahaweli Programme as at end 1994 was 90,570.

## OTHER IRRIGATION DEVELOPMENT

Work on the major irrigation activities, viz. Kirindi Oya Irrigation and Settlement Project (KIOSP) Phase II, Minipe Nagadeepa Irrigation Rehabilitation Project, North Western Province Special Irrigation Project and National Irrigation Rehabilitation Project (NIRP) continued in 1994. According to provisional data provided by the Irrigation Department, the total expenditure incurred during 1994 on the above projects was Rs.430 million, an increase of 25 per cent over Rs.344 million incurred in 1993. Three major irrigation projects, viz. Kirindi Oya Irrigation and Settlement Project (KOISP) Phase I, Village Irrigation Rehabilitation Project (VIRP) and Nilwala Ganga Flood Protection Scheme - Stage II, terminated their activities during the reference year.

The expenditure on the KOISP Stage II during 1994 amounted to Rs.60 million, bringing the cumulative expenditure under this project to Rs.692 million as at end of the year.

Under the Special Irrigation Project in the North Western Province, Rs.22 million was spent on the work on Neela Bemba, Tuttaneriya and Radavi Bendi Ela Schemes.

In addition, the rehabilitation work on 35 minor irrigation schemes was completed during the year, incurring an expenditure of Rs.157 million, under the National Irrigation Rehabilitation Project (NIRP). The project included 174 minor irrigation schemes in 17 districts.

**TABLE 1.38**  
**Expenditure On Selected Major Irrigation Schemes**

Project	Source of Aid	Total foreign Aid Commitment (mn.)	Actual Expenditure in 1993 (Rs. mn.)	Expenditure in 1994 (a) (Rs. mn.)	Cumulative Expenditure upto end 1994 (a) (Rs. mn.)
1. Kirindi Oya Irrigation and Settlement Project (K.O.I.S.P) - Phase II	ADB	SDR 22	119	60	691
2. Minipe-Nagadeepa Irrigation Rehabilitation Project	Japan	Yen 1,295.0	63	190	416
3. North Western Province Special Irrigation Project	CEC	ECU 6.3	21.5	22.8	122.8
4. National Irrigation Rehabilitation Project (NIRP)	IDA CEC	Rs. 1,406.9 Rs. 1,622.6	140.41	157.40	348.01

(a) Provisional.

Source : Irrigation Department.

TABLE 1.39

**District-wise Expenditure on Integrated Rural Development Programme  
1993 - 1994**

(Rs. Million)

District / Projects (b)	Source of Foreign Aid	Estimated Cost			Expenditure to date cumulative		Expenditure	
		Foreign Aid Commitment	Local	Total	As at end 1993 (a)	As at end 1994 (c)	During 1993 (a)	During 1994 (c)
1. Matara (1979)	SIDA	497.00	55.00	552.00	440.02	497.29	64.70	57.27
2. Hambantota (1979)	NORAD	1,330.00	50.00	1,380.00	833.46	893.99	64.63	60.53
3. Nuwara Eliya (1979)	Netherlands	578.00	14.00	592.00	480.40	524.30	33.15	43.90
4. Badulla (1981)	IFAD/SIDA	1,116.50	297.00	1,413.00	527.95	577.23	31.94	49.28
5. Ratnapura (1984)	Netherlands	351.50	18.50	370.00	281.58	308.68	40.09	27.10
6. Monaragala (1984)	NORAD	588.00	12.00	600.00	443.47	5,110.46	67.43	67.98
7. Kegalle (1986)	IFAD	408.00	228.00	636.00	400.05	494.47	79.48	94.42
8. Kalutara (1987)	FINNIDA (Finland)	397.00	70.00	467.00	404.98	414.89	33.73	9.91
9. Kandy (1987)	GTZ	254.00	26.00	280.00	77.47	104.37	22.26	26.90
10. Gampaha (1989)	JICA	786.00	98.00	884.00	77.47	104.37	22.26	26.90
11. SPRDP (1991) (d)	ADB	1,520.00	400.00	1,920.00	112.02	303.08	70.53	191.06
12. Anuradhapura (1992)	SIDA	145.80	16.20	162.00	30.14	64.50	21.43	21.29
13. Integrated Basic Services Project Puttalam (1992)	UNICEF	106.00	52.50	158.50	46.03	67.32	18.60	21.29
14. Dry Zone Participatory Development Project (1993)	IFAD/GTZ	571.00	274.00	845.00	29.28	80.45	29.28	51.17
15. Irrigation & Community Development Project (1994)	CEC (e)	355.00	67.00	422.00	0.00	9.02	0.00	9.02
<b>T O T A L</b>		<b>9,003.30</b>	<b>1,678.20</b>	<b>10,681.50</b>	<b>4,649.06</b>	<b>5,403.39</b>	<b>581.82</b>	<b>754.33</b>

- (a) Revised.  
 (b) Year of implementation is shown within parenthesis.  
 (c) Provisional.

- (d) SPRDP - Southern Province Rural Development Project.  
 (e) CEC - Commission of European Communities.

Source : Ministry of Finance, Planning, Ethnic Affairs and National Integration.

Under the Integrated Management of Irrigation Systems (INMAS), nine new farmer organizations were formed in 1994, bringing the total number of such organizations to 715 as at the end of the year.

### **INTEGRATED RURAL DEVELOPMENT PROGRAMME**

The Integrated Rural Development Programme (IRDP) is a district programme with heavy investment in infrastructure development. The IRDP continued to improve rural areas and the standard of living of the rural people by decentralizing development activities with effective co-ordination at the centre.

Currently, 15 IRDP Projects covering 14 districts are in operation. The Monaragala Irrigation and Community Development Project funded by the Commission of the European Community (CEC) commenced in 1994. The total expenditure of the IRDP during 1994 amounted to Rs.754 million, compared with Rs.582 million in 1993.