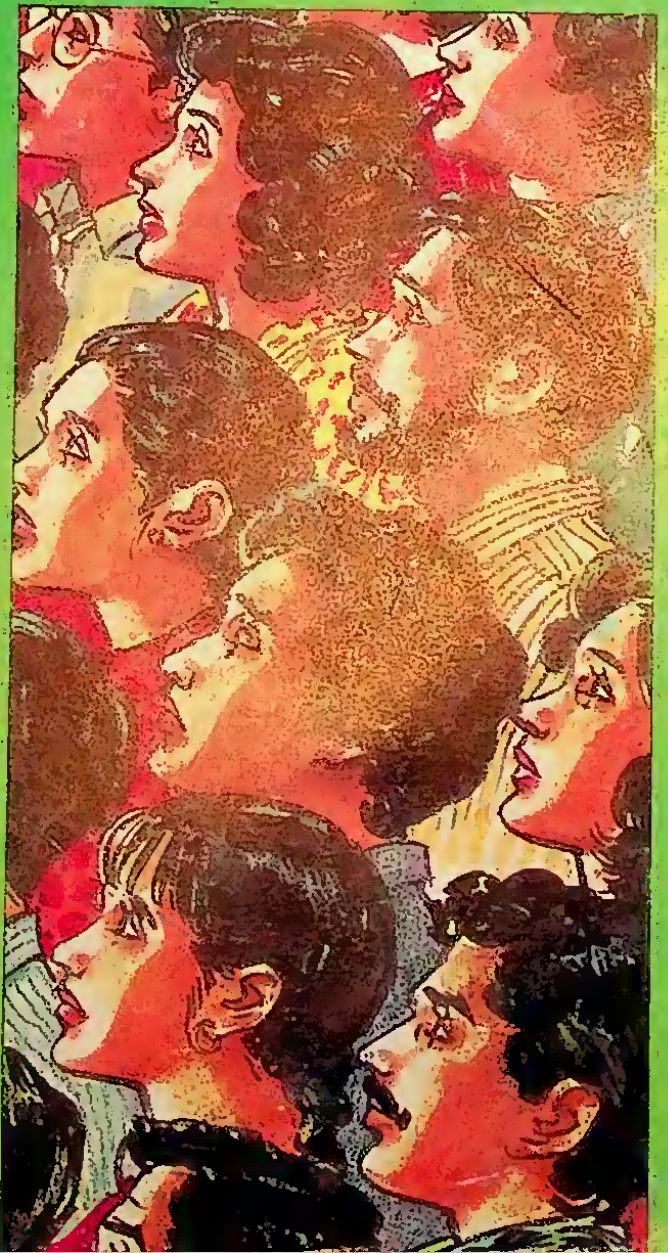
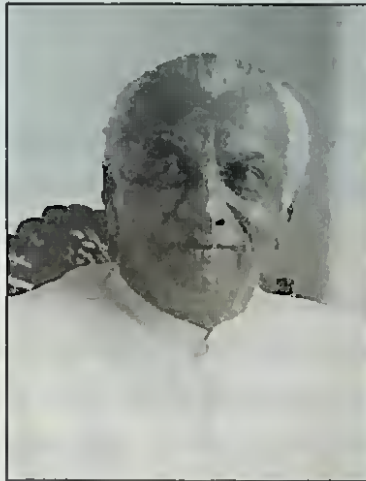


**TOWARDS
THE YEAR 2000
AN ERA OF
THE YOUTH**



UNP MANIFESTO 1994

LEADER'S MESSAGE



Dear Friends,

It befell me to assume the leadership of the Nation last year. The responsibility was handed over to me in accordance with the procedures laid down in our Constitution. I was elected unanimously as President by the members of Parliament on 7th May, 1993.

I have been in public life for nearly forty years, and in the course of my public life I have had the privilege of serving as a member of Parliament, as a Minister, as a Governor, and as Prime Minister. The experience I had gathered through these years was of immense assistance to me when I assumed national responsibility, for the well being of our people.

I am a simple man of the people. I reject violence, rancour and hatred. I stand for peace, understanding and goodwill among all the people. Although, we have many different political parties and diverse political differences, I feel these should not prevent us from appreciating various well-meaning measures that have been adopted and followed by successive Governments. This should be the basis of our political approach.

Since 1977, the development efforts launched under President J.R. Jayewardene, consolidated under the leadership of our late President Ranasinghe Premadasa, and now pursued by me, have opened up new vistas and ushered in a better quality of life for our people. We are no more a nation living on rations, quotas and controls. Our people no longer stand in queues to obtain their bare essentials. We are marching into the future with great expectations – the result of realistic economic policies and pragmatic measures undertaken since 1977. Since I took over, the economy has remained buoyant. Continuity of sound policies produced nearly seven per cent growth in 1993.

A substantial section of our people have stepped out of poverty since 1977. Whilst they need to be further encouraged, we have to be mindful that poverty still exists. There is still malnutrition, unemployment, the homeless and landlessness amongst our people. These unfortunate ones must be helped and must be protected until they can stand on their own feet.

The society in which we live must be free of fear and be free from want. Hungry people cannot live on slogans, and unemployed cannot live on promises. It is my firm conviction that all steps should be taken to establish a well contented society.

It is no doubt a formidable challenge, but I believe the gigantic strides made by the pragmatic policies that are being followed by the UNP Government give us confidence for the future. I need the support, encouragement and cooperation of every citizen, Sinhala, Tamil, Muslim or Burgher, to ensure the continuity of these policies and programmes, which even the Opposition has been reluctantly compelled to accept.

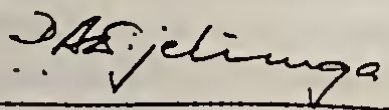
Franchise, the right to vote, is the birth right, of every citizen of Sri Lanka. This right must be exercised without fear or intimidation. In an election every voter is a judge. We have exercised this right continuously for over sixty years. Since nomination day, the peace loving people of this country have witnessed a challenge to law and order and the threat to their independent judgement. We must condemn all direct and indirect efforts to create a cult of violence and a fear psychosis to intimidate innocent voters. Your vote can prevent the recurrence of such anti-democratic attempts.

To continue the economic programme and policies of the Government, I require a majority of members in Parliament. I appeal to you to give your fullest support to all the United National Party candidates at the forthcoming General Elections. A vote for the UNP would be a vote for continuity of a Government that cares for the people and values their aspirations, as also a vote for national stability.

I promise you no wonders. I promise you no instant solutions. But I do make a solemn pledge to rededicate ourselves to continue our efforts to consolidate a society free from want and fear.

I need your support to achieve this noble goal.

Yours in service,



D.B. Wijetunga,
(Leader - United National Party).

INTRODUCTION

On August 16th 1994, a momentous decision has to be taken by you, the voter. Do you want our nation to continue on the path of prosperity and stability it is now enjoying under the Government of the United National Party, or do you want to run the grave risk of going back to the stagnation and insecurity of the pre-1977 era?

Today we have a fast growing economy, providing new employment opportunities for lakhs of youth, new fields of development and the hope of a better tomorrow. Our leaders, such as President J.R. Jayewardene, President Ranasinghe Premadasa and now President D.B. Wijetunga have given our people a new and better meaning in life.

The dangers that faced us have however, not disappeared. The same elements that were responsible for the chaos of the past have re-emerged today. They have succeeded in infiltrating the so-called People's Alliance. Having failed to gain power through the bullet, they now hope to gain power through the ballot. They are poised to usurp power at an opportune moment. The People's Alliance is nothing but the United Front of 1970-1977 under a new label.

The SLFP Members of Parliament who resigned their seats and crossed over to the UNP voiced a single concern. They told the country that the SLFP had been taken over by Marxist elements who would dictate the policies and actions of the party. The forces of destruction the SLFP had taken under the motley gang known as the People's Alliance are guiding it towards chaos.

Today it is the philosophy and objectives of the JVP that form the foundation of the SLFP. It's true policy is one of nationalization, restriction of trade and private enterprise, and of dictatorship. We will be setting the clock back twenty-four years to 1970. We will be returning to queues and shortages of the basic requirements of everyday living, we will be returning to gross unemployment and stark poverty.

The people rejected this unholy Alliance in July 1977; in October 1982; in December 1982; in December 1988 and in February 1989. Apart from these national polls, the Alliance was also defeated at all Provincial Council, Local Authority and Pradeshiya Sabha elections held at a national level. Today they understand that the only way to gain the confidence of the voters is to voice their support of a free economy and make big financial promises to youth. These are only empty and unreal promises; like those they made to win the general elections of 1970 and were never able to implement, resulting in their being defeated by the people in 1977.

in its 1977 manifesto the SLFP re-dedicated itself to a continuing policy of Nationalization and State Control. They said,

"We will continue as a fundamental premise for the development of an independent national economy, the policy of Nationalisation which was initiated with a take-over of private business ventures. Our next government will continue this policy of Nationalisation."

in its 1977 manifesto, the SLFP had this to say of its Alliance partners:

"But within the United Government Front, conflicts and contradictions arose due to the utterly selfish attitude of the LSSP and the CP. Both the LSSP and the CP acted in opportunistic and narrow, partisan ways which were in conflict with national interests. It was impossible for them to remain in our government."

Now these very people have joined hands again! shameless hypocrisy!

The vital question before the voter is whether to risk voting for a motley Alliance that is leftist-orientated, a coalition with different ideologies and objectives. Remember the coalition governments we had in 1956, in 1960 and in 1970 were all failures.

Since 1956 they have fanned the flames of communal disharmony. It was the SLFP who put the Sinhalese against the Tamils and created communal riots. They carried out a systematic campaign of harassment against the Muslim community.

In sharp distinction to this, the UNP has been a force of stability and progress from its very inception. It was the UNP under leaders such as Sir Baron Jayathilaka, Sir Ponnambalam Arunachalam, the Rt. Hon. D.S. Senanayake and Sir T.B. Jayah who laid the foundation for the liberal socio-political structure that we enjoy today. This structure recognizes the rights of all citizens irrespective of their community or religion, to act as equals and work together towards the progress of Sri Lanka.

In every respect, the Sri Lanka of 1994 is a different world to the Sri Lanka of 1977. Many of us have forgotten what it was like then. Some of us are too young to remember the hardships our parents faced. And what is most notable is we have made these achievements despite a severe global recession mounting expenditure on defence.

Where errors of judgement or mistakes have taken place along the way, we had the humility to acknowledge them. But we also have the strength not to repeat them.

We are now poised on the threshold of the 21st Century, which holds promise and opportunity. We set out in this manifesto our political, economic and social policies for Sri Lanka for the remaining six years of the

Seventy per cent of Sri Lanka's population is under 35 years of age. The challenge before us is to provide maximum opportunities for the advancement and aspirations of youth in order to take Sri Lanka into the year 2000 as a Newly Industrialised Country. Giant strides have already been made in this direction. Whereas Sri Lanka's exports comprised 80 per cent agricultural produce and 20 per cent industrial produce in 1977, today industrial products account for 80 per cent of our exports. The conversion of Sri Lanka into an industrialised country must proceed without interruption if the socio-economic aims and aspirations of our people are to be fulfilled. Bearing these factors in mind, we have set goals for our next term in office.

1. The institution of a just, equitable and permanent solution to the situation prevailing in the Northern and Eastern Provinces as approved by the people.
2. On the premise that the strength of our nation is reposed in the strength of our youth and that it is they who will determine the future of our country, our next term of government will usher in an Era of Youth.
3. Equality of opportunity, Equity, Social Justice and full employment are our goals.
4. Further strengthening the role played by women in the environment of the family in their unique capacity as mothers, and socio-economically as the equals of men in all respects.
5. The implementation of the new *Yovun Udanaya* Programme for the development of the reservoir of youth resources in the age group 18 to 30 years.
6. The continuation of the *Janasaviya* poverty alleviation programme with renewed vigour and emphasis.
7. A greater re-direction of funds into public investment, particularly infrastructural development such as roads, electricity, telecommunications, water supply and drainage.
8. The further development of a stable and growing industrial infrastructure that can absorb the growing availability of manpower.
9. The establishment under the Constitution of an independent Commissioner for the Prevention of Bribery and Corruption, answerable to and removable only by Parliament.

10. The continuing maintenance of law, order and stability.
11. The reinforcement of the religious, cultural and moral values of our society.
12. Paving the way to achieving Newly Industrializee Country status by the year 2000.

**The time has come
When the progress of nations
Is judged not by their military or economic strength
Nor by the splendor of their capital cities and public buildings
But by the well-being of their peoples:
By their levels of health, nutrition and education;
By their opportunities to earn a fair reward for their labours;
By their ability to participate in the decisions that affect their lives;
By the respect that is shown for their civil and political liberties;
By the provision that is made for those who are vulnerable and disadvantaged;
And by the protection that is afforded to the growing minds and bodies
Of their children.**

UNICEF (1994)

PART 1. CONSTITUTIONAL REFORM AND NATIONAL POLICY

Constitutional Reform

Our present Constitution was enacted in 1978 at the instance of the United National Party. It introduced two major constitutional changes which were considered useful to the nation. The first was the Executive Presidential system. The other was the system of Proportional Representation in Parliament. Experience has shown that on the whole both these new systems have been beneficial.

Nevertheless, the Government considered it useful to appoint a Select Committee of Parliament on the Constitution in August 1993 in order to ascertain whether any modifications were considered necessary in the light of fifteen years experience of working of the new system. The Select Committee was representative of all Parties in Parliament. It had not concluded its deliberations at the time of the dissolution of Parliament. We intend reviving and continuing this Select Committee in the next Parliament. The Select Committee will consider the different points of view put forward and suggest any modifications or variations which are considered to be necessary both for the Executive Presidency and Proportional Representation. We shall adopt the recommendations of the Select Committee.

The Executive Presidency

A review of the effectiveness of the Executive Presidency as a political and administrative system establishes that it has been of undoubted benefit to the people. This form of Government has accelerated and placed on a firm footing the economic and social development of Sri Lanka since 1977. It has also created political stability. The UNP therefore advocates the continuance of this system, subject to any modifications suggested by the Select Committee referred to above.

The Cabinet of Ministers

In order to establish on a firm footing the far reaching and varied economic reforms introduced by the UNP from and after 1977, it became necessary to appoint a number of Cabinet Ministers, Project Ministers and State Ministers in charge of various sectors to ensure supervision and proper implementation of these reforms. Now that these have been largely achieved, it is intended to rearrange and rationalise the subjects and functions of the Ministries, which will result in a substantial reduction in their numbers in the next Parliament.

The Electoral System

The general consensus is that the system of Proportional Representation in Parliament introduced by the United National Party and by which system the last

Parliament was elected should be continued. The composition of Parliament determined by this system of voting represents more fairly the overall intention of the country's voters as to the strength they desire each party to have in Parliament. The system is also fairer by the minority ethnic and religious groups.

However, we recognise the fact that electors suffer the disadvantage of not having a Member of Parliament who is directly responsible to represent and look after the interests of a particular area. Where a candidate was elected to represent a particular constituency or electorate, electors were in a better position to have their civic needs met and grievances addressed. The district system of representation lacks this practical advantage to electors.

We therefore propose to modify the present system by combining the former electoral or constituency system with proportional representation. Such a combined system will have the advantage of electing a Parliament which reflects the overall voting pattern of the country (i.e. proportional representation); it also has the advantage of having representatives chosen by the people of each electorate to represent each electorate.

The total number of members of Parliament will not be increased. But since the number of members elected on proportional representation will be reduced in this new combined system, the number of preferences given to each voter could also be reduced. This will help to simplify voting.

Youth Representation in Parliament

We appointed a Commission to investigate and report on the causes of youth unrest and to recommend measures to eliminate the same. Several of the recommendations made by this Commission to advance the prospects of youth have already been implemented.

In 1990 we amended the law regulating elections to Local Authorities (i.e. Municipal Councils, Urban Councils and Pradeshiya Sabhas) so as to enable youth representation at the grassroots level of government. The law made it compulsory for the nomination list of any party or independent group to include at least forty per cent of candidates between the ages of eighteen and thirty-five years. In consequence, youth has found representation in the Local Authorities elected since 1991.

We propose to enhance youth representation in Parliament by introducing the necessary Constitutional amendments to make provision for a prescribed percentage of candidates nominated for elections to Parliament to be of the age group eighteen to thirty five years. This will then grant youth the opportunity of participating in policy making and legislation at the highest level.

Cut-off Point

The Constitution provides that any Party or independent group which contests at a Parliamentary election polling less than one twentieth of the total votes in any electoral district shall be disqualified from having any candidate being elected for that district. Similar cut-off points existed in elections to Provincial Councils and Local Authorities. We abolished those cut-off points. It is proposed to do likewise for elections to Parliament so that smaller parties and groups could also secure representation in Parliament.

Election Commission

We propose that all elections should be conducted by the Commissioner of Elections with the assistance of an Election Commission to be established under the Constitution. The Commission will be headed by a retired judge of the Supreme Court. Its other members will consist of persons nominated by the Leaders of the political parties in Parliament. The Commission will come into existence at the commencement of each election. This Commission, in addition to ensuring that elections are conducted freely and fairly, will also take necessary steps to secure the effective enforcement of election laws.

The jurisdictions of the local Magistrates' Courts and the High Courts of the provinces will also be enlarged by amendments to the law to enable them to enforce with speed during the period of an election the observance of election laws, and to punish transgressors. This will be done under the supervision of the Election Commission, which will be representative of all the political parties in Parliament. The Commission will submit a report to Parliament at the conclusion of each election.

Elimination of Bribery and Corruption

We propose to amend the Constitution to establish the office of a Commissioner for the Prevention of Bribery and Corruption as an office created by the Constitution. The Commissioner (like the Auditor-General and the Commissioner of Elections) will be answerable only to Parliament, and will not be removable except upon a vote of Parliament passed against him for proved misconduct. The Commissioner will therefore be able to function freely and independently. The need to obtain the consent of the Speaker to investigate a complaint of corruption against a Member of Parliament will be removed.

Abuse and misuse of power by Ministers, Members of Parliament and high ranking public officials will also be made an offence which the Commissioner will be entitled to investigate and initiate prosecutions. Up to now, there is no legal provision for this. The draft of the law covering this aspect has already been prepared; it will be made part of the Bribery Act.

The declaration of Assets and Liabilities Act will continue to be in operation. This law was amended by our government in 1988 to enable any member of the public to obtain a copy of a declaration filed by any politician or public officer under this Act, upon payment of a nominal fee. Any member of the public is also entitled to initiate a prosecution in Court (without the need for the prior sanction of the Attorney-General) against a politician or public officer for making a false declaration. We intend to continue these salient provisions, as a check against corruption.

The Commissioner for the Prevention of Bribery and Corruption will table an annual Report in Parliament which will be debated if Parliament so desires.

Ombudsmen

The concept of the Ombudsman, already established by the UNP Government, will be further strengthened and rendered more effective. The public will have direct access to Ombudsmen, who will be appointed with greater powers. There will be a separate Ombudsman for different subjects such as grievances of the security forces, government officials, teachers and employees of the State sector, and the conduct of persons holding political office.

The Judiciary

The Judiciary and its relevant mechanisms are perceived as the fountain of justice in a democratic nation. For the full realisation of the objectives of equality and justice, the Judiciary must necessarily be independent, efficient and impartial. Acknowledging the importance of Justice, our Government developed its programme of activities since 1977 to facilitate the citizens to derive maximum benefits from the existing system and to give judges working conditions which would strengthen their independence.

While continuing efforts were made to minimise delays in courts, both by legislation and practical measures, the need to divert minor disputes away from the courts was recognised. Accordingly, mediation was introduced as an effective method of non-formal settlement of minor disputes outside the courts of law. The success of mediation which has been able to settle 67% of cases will be extended to the appellate stage. The infrastructure provided by the Legal Aid Law - 1978 for the granting of legal aid throughout Sri Lanka will be further strengthened to enhance the provision of legal aid to the needy.

Role of the Opposition in Parliament

Apart from the Constitutional changes referred to above, we also have in mind changes in Parliamentary procedure which will enable the Opposition parties in Parliament to play a more real and active role in policy and law making. It is our belief that the existing system in Parliament, wherein there is a rigid division

between the Government and the Opposition, is not conducive to unity and nation building.

Parliamentary procedures will be remodelled in a manner that will enable the Opposition itself to participate in Government. This will strengthen Parliament. The establishment of a Second or Upper Chamber of Parliament will also be considered if there is consensus that such a body will be of benefit. If such is considered necessary, it could be structured so as to enable the Provincial Councils to have representation in it, thereby giving them a voice at the centre. These matters will also be considered by the Select Committee of Parliament on the Constitution.

North and East Issue

It is the firm view of the Government that a political solution must be found to the North East problem. The Government has demonstrated this position in no uncertain terms. The initiatives taken by the Government in summoning the LTTE for talks, the initiatives taken by the All Party Conference and the initiative taken by the All Party Parliamentary Select Committee are well known.

We are of the view that any political solution reached must be endorsed by the people. Further the question of the merger must be decided by a referendum. This can be only achieved in a society where citizens can exercise their franchise, without fear or intimidation. We have reiterated our appeal to the LTTE to enter the democratic process. The doors are still open.

Until a fair and just political solution acceptable to all Parties concerned is reached the Government is charged with the responsibility of ensuring the security and well-being of the people in these areas. This responsibility is being carried out by our heroic soldiers and Police Officers.

The Government is quite conscious of the sufferings faced by the people, specially in the North because of the dictatorial attitude and atrocities committed by the LTTE. We have taken every step to ensure that the civil administration in the North is kept operative and the people are supplied with the basic necessities. Indeed, it speaks of the Government's care and concern for the people.

It is our view that the political solution should not be detrimental to the sovereignty and territorial integrity of Sri Lanka. We reject the demand for permanent merger of the northern and eastern provinces or treating both those provinces as one on communal grounds. It is our position that the whole of Sri Lanka is the homeland of all the communities inhabiting her and also oppose the redemarcation of the country. We support the broadest form of devolution, subject to land ownership and land use policy, defence, maintenance of law and order, administration and control of all harbours and airports continuing under the purview of the government.

Law Enforcement and Police

Effective law enforcement is essential for stability and progress. It is essential that the public reposes the highest confidence in the integrity, impartiality and efficiency of the Police. In order to further strengthen the independence of the police, political interference in the functioning of the police force will not be tolerated. Stern action will be taken against any politician attempting to interfere or obstruct the police in any way. The police force will also be strengthened by encouraging the recruitment of officers with a wide diversity of educational backgrounds.

Religion

We gave practical expression to the Constitutional duty of the government to promote and foster Buddhism by establishing a separate Ministry of Buddha Sasana. A supreme Advisory Council was established, which provides a regular forum for the Most Venerable Mahanayaka Theros of the three Nikayas and representatives of major Buddhist organizations to exchange views with the Head of Government on matters pertaining to Buddhist activities.

We celebrated the 2300th Anniversary of the Introduction of Buddhism in a fitting manner. 2300 Samanera Bhikkus who entered the Order are being given assistance for their education. 2300 temples which are in need of financial assistance have been selected on the basis of recommendations made by the Most Venerable Maha Nayaka Theros and these temples are now being assisted.

Vihara Karya Committees have been set-up in many parts of the country to promote healthy interaction between the Temples and village devotees. Funds have been provided from the Buddha Sasana Fund to bring out new religious publications, re-print rare manuscripts as well as to assist Buddhist scholars in publishing their scholarly works. We continue to promote religious instruction through Dhamma schools and despite many difficulties the student population in Dhamma schools has now increased by 57 per cent.

Steps have been taken to make available the Tripitaka in simple and easy language. The work of the Buddhist Encyclopedia is now more than half complete.

The Buddhist and Pali University of Sri Lanka established by us is awarding degrees to Bhikkus and laymen.

Economic and social development of the country cannot but go hand in hand with spiritual and cultural development. We will continue to look to the Maha Sangha for guidance and direction in order to ensure that our society retains and strengthens its unique traditional, religious and cultural identity.

We will continue to extend our support to all religions in consultation with religious dignitaries and laymen. We will also continue to develop religious education with a view to reinforcing strong religious and moral values in our people, especially children. Religious education will be given an important place within and outside the curricula of both pre-schools and primary schools.

Women

The right of women to play a role equivalent to that of men in all walks of life is universally recognised. This equality will be further emphasised by the active assurance that women will continue to contribute increasingly to every sphere of work and responsibility, irrespective of rank. Conditions will be created whereby all remaining prejudices against women are rapidly eroded.

A special scheme will be started for the welfare of single-parent families. It is recognised that most of these families are headed by women. Assistance will be given by way of counselling, easing the entry of children into schools, assisting by way of nutritional supplements, and ensuring that their day-to-day needs are catered for.

Increasing numbers of women have entered the labour force and are making a crucial contribution to economic development and family advancement. Special attention will be paid to plantation women, who will be encouraged to enter the wider socio-economic mainstream and participate more fully in all walks of life.

The Women's Charter approved by Cabinet in 1993 will be put into effect through a National Commission on Women, to be created by Act of Parliament. The Commission will function through the Ministry responsible for government policy planning and will, among other functions, work to achieve equality of remuneration for women, establish the principle of joint ownership of state-allocated housing and land and ensure that appropriate safety standards for women working in industry are maintained.

The Citizenship Act and its regulations, applicable divorce law and Land Development Ordinance will be amended to provide gender equality for women in all respects. The minimum age for marriage will be raised from twelve to sixteen years of age. Legislation will be enacted more effectively to prevent and punish offenders in respect of custodial rape, domestic violence, incest and sexual harassment. Women will be guaranteed of equal opportunity of employment in all fields.

Legislation will be introduced to ensure that the minimum age of employment is 15 years. Applicable labour laws will be strictly enforced and the trade union rights of women encouraged.

We will work towards bilateral agreements with the countries receiving Sri Lankan workers to ensure that minimum standards for recruitment, working conditions and repatriation are met.

Art and Culture

The conservation and development of the indigenous fine arts and cultural base of the nation will be given the highest priority. We consider it of the greatest importance that these developments should go hand in hand with economic development, each benefitting from the other. The government will support all artists and cultural workers on as broad a base as possible.

All religions have an important role to play in fostering cultural values, giving moral guidance, and imparting these to the people, especially the younger generation. This will receive every support from government.

The Central Cultural Fund will be sustained and supported. Its scope of activities will be widened to bring into the cultural mainstream as rapidly as possible all archaeological sites of importance. The restoration of all archeological sites will be carried out with the advice of and under the guidance of the clergy and religious experts in the various fields.

Every assistance will be given to artists to promote and develop their chosen art. Many artists are handicapped by having to practise their art as a secondary occupation. Others are disadvantaged by not having sufficient access to training, skills development and the international literature. These problems will be addressed through the establishment of a National Arts and Culture Trust for the purpose of extending support to all artists and cultural workers.

The richness of our literature is one of the cornerstones of our culture. The development of Sinhala literature will be given every encouragement. Work on the Sinhala Dictionary is now complete. It is intended to publish a comprehensive series of technical bilingual dictionaries and glossaries in several languages starting with Sinhala-Tamil, Tamil-Sinhala, Sinhala-English and English-Sinhala.

Special attention will be paid to the development of the cinema and theatre as founts of culture and entertainment. Actors and technical personnel involved in the film and theatre industry will be assisted in every way possible to achieve the highest standards possible. An Arts and Culture Fund will be established to sponsor and sustain the cinema and theatre industry.

We will continue our policy of permitting the duty free import of books and journals with a view to maximising the available literature. Tariff structures for raw materials for the printing of books in Sri Lanka will be rationalised to make locally printed competitive with imported books of similar quality.

The Media

We are proud to have restored the freedom of the media to levels unprecedented in recent Sri Lankan history. There is no censorship or control of news and comment. The media has an important role to play not only in the dissemination of news, but also in providing criticism of government policies and actions. Today, we have a situation in which even Opposition political parties have access to television for the purpose of party political broadcasts.

We will further strengthen the freedom of the electronic media by establishing an independent Media Commission.

We rededicate ourselves to continue with the programme of liberalising the media. Recognising the need for complete impartiality of the print media, we will also peoplize Lake House, ensuring the broadest possible shareholder base.

Devolution of Power

Provincial Councils provide an opportunity for the people of the Provinces to decide on all development and service projects, and to implement them through the Provincial Councils which are elected by them.

Action will be taken to further improve the local Government system reintroduced in 1979, where people were given the opportunity to elect their local representatives directly. We will enhance the administration to make it an effective instrument of the government policy for the full development of the nation. We will devolve more power, authority and resources to Provincial and Divisional units for meaningful decentralization, and encourage the establishment of a National-Provincial-Divisional policy dialogue to meet the needs and aspirations of the people. We will continue to encourage people's democratic participation in matters of public importance as citizens, members of local authorities, special interest groups and non-governmental organizations.

The decentralization of administration effected after 1977, where the role of the Government Agents confined to 25 districts was expanded to 267 Divisional Secretariats, will be further strengthened to fully implement the Government's objective of bringing the administration to the doorstep of the citizens.

Foreign Policy

An important criterion of the success of the country's foreign policy is its standing in the international community. By this reckoning Sri Lanka's foreign policy has been an outstanding success. We are represented in all important decision-making international organizations and fora. In 1978 we were selected to serve on the 38-Nation Conference on Disarmament. Since 1991 a Sri Lankan judge has been on the International Court of Justice. Sri Lanka is currently on the

United Nations Economic and Social Council, the FAO's Governing Body, the Commission on Sustainable Development and the Commission on Human Rights.

Since 1977 we have opened diplomatic missions in Bangladesh, the Republic of Korea, Kuwait, the Maldives, the Netherlands, Oman, Saudi Arabia, Singapore and the United Arab Emirates. This shows a major expansion in our diplomatic representation abroad. We shall soon be opening a diplomatic mission in post-apartheid South Africa. Many of these new Missions, especially in the Gulf area are intended to look after the welfare of Sri Lankans employed abroad. In 1977 only 125,000 Sri Lankans had passports. Today the number exceeds two million. Approximately 10,000 Sri Lankan nationals now leave the country for employment abroad every month.

Sri Lanka's foreign policy will give pride of place to the further strengthening of ties with the countries of the SAARC region. We will continue to develop our traditionally close friendship with India.

Sri Lanka will also continue to play a more visible and dynamic role in the United Nations, the Commonwealth, and the league of non-aligned nations. Sri Lanka's representatives to these organisations will be men and women of the highest calibre.

At least two thirds of posts in the Foreign Service at all levels will be reserved for career officers.

Non-government Organisations

Non-government organisations (NGOs) are playing an increasingly important role in areas such as social services and nature conservation. Every encouragement will be given to NGOs in order that their impact and benefits to society could be maximised. All NGOs will be encouraged to work hand in hand with relevant government departments, and be assured of independence and non-interference.

All NGOs will be encouraged to operate under a single umbrella organisation, The National Guild of Non-Government Organisations, to be established. The Guild will establish a code of conduct for NGOs and their employees, identify areas of importance for their work and ensure that there is adequate and effective liaison between government agencies and NGOs. All disciplinary matters pertaining to NGOs will be determined by the Guild in order to ensure the highest possible standards of conduct. While government would seek representation in the Guild for the purposes of information transfer and co-ordination, the Guild will be completely independent of the government in the same way that professionals' institutions are.

Nature Conservation

We will work towards the goal of having fifteen percent of the land area of Sri Lanka designated as natural reserves in the various categories by the Year 2000. The improved management of these areas, with active monitoring of rare species populations and more intensive scientific research on the propagation of endemic and rare species are our targets for the development of a well managed environment.

We also dedicate ourselves to the concept that it is morally wrong to exploit any wild faunal or floral resource for commercial purposes. Where such exploitation is continuing at present, technologies for culture and farming will be developed so as to eliminate pressure on our natural habitat. Where this is not possible, such exploitation will be prohibited.

Forestry

Forestry has hitherto been viewed largely from the angle of silviculture. While timber and firewood are necessary, emphasis will be shifted from afforestation *per se* to the concept of habitat restoration by the regeneration of degraded forests and the afforestation of waste lands. Monoculture forestry projects will be discouraged, and encouragement given to the replanting of high-diversity indigenous flora.

Environmental Management

All government agencies associated with environmental management and research, such as the Central Environmental Authority, the Department of Forest Conservation, the Department of Wildlife Conservation, the National Museum of Natural History, the zoological gardens, the botanic gardens and the National Herbarium will be brought under the umbrella of a single Ministry in order to allow for better planning, policy development and improved interaction between their cadres. The National Universities will be encouraged to play a greater role in environmental management and research.

Every effort will be made, by education, legislation and other deterrents, to minimise soil erosion, coast erosion, deforestation and environmental pollution.

The growing industrial base also results in increasing possibilities of pollution and habitat destruction. We will not permit short term industrial goals to conflict with long term conservation targets. Our policy on the environment will have as its cornerstones the broad-basing of environmental impact assessments, greater public participation in the planning process and full disclosure of all pertinent information on development projects both at the planning and implementation stage. Existing environmentally unfriendly projects will be given advice on reform, failing which they will be shut down.

PART 2. YOUTH AND HUMAN RESOURCES DEVELOPMENT

Youth Welfare Programmes

The Yovun Udanaya Programme

The opportunity of employment is one of the fundamental expectations of every citizen. We are proud of our record of having created approximately two million new jobs since 1977. However, we recognise that the provision of jobs in the public and private sectors alone is not a complete solution to the problem of unemployment. We also recognise that the creation of opportunities and the provision of facilities for self-employment is of great importance.

Everyone has the right to choose a trade, vocation or profession of his or her choice. Everyone is capable of excellence in some field of human endeavour. However, the pressure on school-leaving youth to fend for themselves, thereby reducing the burden on their family, is so great that many young people accept employment for which they are not suited and cannot therefore give of their best. At the same time, having finished their secondary education, they have neither the resources nor the avenues to learn a trade or vocation of their choice.

In order to address this reality, we will implement the Yovun Udanaya Programme, specially designed for youth between the ages of 18 and 30 years.

The basic philosophy of the programme is that the dignity of employment or training for employment be afforded to all youth, from the time of leaving school. This dignity would not only help young people not to be treated as burdens on their families, but also enable them to enjoy at least the basic social benefits of being young, while at the same time creating for every young person a future of opportunity that was otherwise unavailable to him or her.

Sri Lanka is progressively becoming more economically prosperous. It is now a focus for foreign investment and a centre for industrial growth. The youth trained through the Yovun Udanaya Programme would not only benefit themselves but also make Sri Lanka more attractive for local and foreign investment.

The Yovun Udanaya Programme recognises that all young people have a right to be gainfully employed or made employable; they have a right to earn an income adequate for their needs; in order to do this, most people need education and training beyond that which is provided by the secondary school curriculum. Many young people cannot afford to enter a training programme, and the expanding industrial and services sectors are unable to absorb them because they lack the necessary skills. There are also good opportunities for trained workers in the Middle East and other foreign countries.

The Yovun Udanaya Programme will be implemented by the establishment of a Skills and Opportunity Development and Training Fund with an initial capital of not less than ten billion rupees.

In order to accelerate the Yovun Udanaya Programme, all the on-going vocational training programmes including the NAITA programme will be rationalised and brought under one apex agency. The existing training centres will also be strengthened to accelerate the Yovun Udanaya Programme. The country's private sector and the non-governmental organisation sector will also be drawn into the scheme. Trainees in these institutions will also be entitled to the benefits of this scheme.

The scope of the Yovun Udanaya Programme will include areas such as Entrepreneurship development, vocational training, training for skilled workers for overseas employment, garment factory machine operators, carpentry, masonry, heavy machinery operation, motor mechanics, driving, agriculture, computer literacy, electronics, book keeping and accounting, typing.

All trainees admitted to the Yovun Udanaya Programme will be entitled to receive a monthly allowance of Rs 1,200, for a period depending on the nature and type of training.

All trainees under the Yovun Udanaya Programme will be further assisted to obtain job placements upon completion of training through an Employment Placement Service operated under the Ministry implementing the Yovun Udanaya Fund. The monthly allowance of Rs. 1,200 will be continued for a period of at least three months after completion of training for this purpose, unless employment is obtained earlier.

As far as possible, training opportunities under the Yovun Udanaya Programme will be decentralised to each AGA Division. For some skills however, training centres will be made available on a District basis.

The Yovun Udanaya Programme is open to all youth, men and women, irrespective of political affiliation, race, religion, or place of residence.

Yovun Sampath Sahatikaya

Youth participating in volunteer rural programmes for the conservation and development of natural resources, such as rehabilitation of village tanks and irrigation channels, and re-afforestation, will each receive a Capital Entitlement Certificate "Yovun Sampath Sahatikaya" for a designated sum, dependent on the nature and duration of their participation in such programmes. Such certificates will be encashable and could be used by youth as the initial capital to set themselves up in trade or other self-employment. This scheme will be imple-

mented systematically on approved criteria so as to benefit both young men and young women at village level.

Advisory Services for Youth

Youth who desire to set themselves up in their own businesses, small industry, animal husbandry or cash crop agriculture often lack technical advisory services. A Youth Advisory Service (which will be centrally co-ordinated) will operate in the Districts through the District Secretaries to provide this service.

Youth Savings and Credit

The National Youth Savings and Credit Cooperative (NYSCO) will be converted into a bank for young entrepreneurs and called the National Youth Bank. In addition to offering low interest loans, the Bank will also offer counselling on small business administration.

Education and Child Welfare

Education

Our entire educational process will be geared more towards skills related to employment than knowledge for its own sake. This will not be done at the expense of the arts and humanities. However, priority will be given to science and technology in order to ensure that the educational system produces qualified young people to meet the growing needs of industry and the professions.

The school education curriculum will undergo a continuing evolution to keep pace with developments in science and technology, lifestyle and socio-economic factors. School and university curricula will be geared to these needs. The highest priority will be given to the teaching of computer technology and use in our schools.

All schools, and particularly primary schools, will be encouraged further to ensure that children have been immunised as required, that their nutritional status is adequate, and that effective dental health programmes are followed.

Every AGA Division will be provided with at least one fully equipped school.

English is now recognised as a Link Language by the Constitution. There is no doubt that an entire generation of youth have been seriously disadvantaged as a result of English being down-graded in the primary and secondary school curriculum. English continues to be the key to many categories of employment including much overseas employment. In an era of rapidly developing science and technology, it is essential that our scientists and professionals have access to the enormous international literature, much of which is in English. The large numbers of our youth who enroll for private classes in English at great expense is evidence of this fact.

We will undertake a rapid programme of teaching English in all schools at all ages. Foreign aid will be sought for further expanding school libraries and increasing access to English literature.

School Entrance

Each year, some 375,000 children enter schools in Year One. While the number of school places available nationally at present is sufficient for our needs, there is increasing demand for entrance to the premier urban schools. The reason for this is that growing industrialisation brings with it a shift in employment to urban areas, particularly those in which industries are sited. We have taken major steps to move new industry out of urban areas. However, commerce inevitably centres around cities and this increases pressure on the capacity of urban schools.

A large-scale upgrade of national schools in general, and urban schools in particular, will be launched in the period 1995 to 1997. The primary aim of this is to ensure that supply meets demand. The most acute need is to cater to the Year One intake of children. All national schools in which demand for entrance exceeds the number of places available for Year One entrance will from the 1996 academic year operate two sessions. The first session will be from 7.30 a.m. to 11 a.m. (as at present), and the second session from 11.30 a.m. to 3 p.m. There will be no differential treatment of children attending the two sessions.

Children will be allocated to a session of their choice as far as possible, and the Parent Teacher Association of each school will determine the roster applicable to each session. This procedure will be followed from Year One to Year Three, from 1995 to 1997. The Schools Upgrading Programme will be completed by 1997, providing sufficient capacity for a return to a single session from Year Four onwards, and a phasing out of the two-session system for Years One to Three.

The views of School Committees and PTAs will be carefully considered to ensure that school development projects do not harm the identity or traditions of schools. Many of our older schools are institutions of excellence, and they should continue to be so.

Any administrators found to be meting out preferential or partisan treatment in the matter of school admissions will be prosecuted and removed from the education system. All school admissions will be subject to public scrutiny, and be based solely on merit and no other consideration.

Teaching Service

We will create the necessary environment for a highly motivated and contended teaching profession. Towards this end, a Combined Teachers Service will be created by a Minute which will spell out the Cadre for different grades and the salaries structure. These will be comparable to the rest of the Public Service and

will be implemented from the beginning of 1995 after a full discussion with all relevant organizations.

Child Welfare

The school plays a pivotal role in the welfare of every child. The school is also a place in which the social and economic disparities that exist between children of different backgrounds can cause deep scars in the growing mind of a child. It is of the utmost importance that every child has access to the basic requirements for a happy life at school. It is in order to achieve this that we have provided for every child a free school uniform, a mid-day meal and exercise books. These programmes will be continued and strengthened.

Probation and child care services were considered a priority area in the programme of activities of the Government. With the adoption of a Charter to protect the child, a new awareness concerning the Rights of the Child was built-up in the country.

Relevant amendments to all legislation pertaining to children will be made to strengthen preventive measures to safeguard the Rights of Children and eradicate child abuse. The new legislation on adoption introduced in 1992 to eliminate trafficking of children will be implemented fully to achieve the desired objectives.

The establishment of free schools for disabled children will be encouraged and promoted.

The Education Ordinance will be amended to ensure universal compulsory education for the 5 to 11 age group by 1996, the 11 to 14 age group by 1998 and the 14 to 16 age group in schools or vocational institutions by the Year 2000.

School textbooks will be revised to eliminate gender role stereotypes.

Young Children's Education

The growing importance of education for children in the age group thirty to sixty months is reflected by the existence of more than five thousand kindergartens operating throughout the island. A Young Child Education Policy will be developed in order to monitor and regulate pre-schools and kindergartens, and ensure that teachers are properly qualified and competent. The schools will be urged to provide more than mere education by taking an active role in monitoring and advising on child nutrition and welfare. Government will be closely associated with this important sector of education and provide every assistance to its development.

Non-governmental organisations will be encouraged and assisted to provide the facilities of pre-schools and creches for young children, particularly those with working parents.

Religious Education

We see the effective teaching of religion also as a reinforcement of moral, social and cultural values. Continuing emphasis will be placed on religious education in schools, with curricula being formulated in consultation with religious dignitaries and laymen.

Higher Education

The higher education system will gradually be attuned to the increasing demand from industry for qualified personnel in the professions, science and technology. While due consideration will be given to the arts and humanities, our economic growth demands that science and technology, and the professions, receive increasing attention. We will strive to attain higher standards and aim to transform our universities into centres of excellence which will contribute directly and indirectly to the development of the nation.

Mahapola

The Mahapola Scholarship Scheme will be further enhanced to include all full time undergraduate and postgraduate university students and ensure that every full time student in an institution of higher education receives an increased monthly stipend of not less than Rs 2,000. This will be paid subject to attendance, and for a maximum of three years for undergraduate studies and a further three years for postgraduate studies.

Youth Services

We established a separate Ministry to promote the activities of the youth. The National Youth Services Council was re-organized and the activities undertaken by it have been increased. During the period 1978-1993, 2367 National Service Projects were implemented with the participation of nearly 140,000 youths as compared to 46 projects undertaken in 1977. The number of youth training institutions have been increased from three in 1977 to twenty one at present. There are almost 6,000 youths clubs spread throughout the island with a membership in excess of 600,000. We have provided loans to a total of Rs 200 million to promote self employment of youths.

National Apprenticeship and Industrial Training Authority was set up to provide technical and vocational training on more streamlines basis. More and more apprentices are being trained in diversified fields. The national intake has increased in craft level apprentices to 8,000 from 1,000 in 1977. We have also started a training programmes at village level and annual intake is now nearly 5,000.

An Automobile Engineering Training Institute was set up in 1989 to train motor mechanics. In addition to three national level training institutions we have set up

district level training institutes in seven provinces during this period. Nearly 5,000 youths are being trained annually in these Institutions.

Sports

The development of sports, like many other forms of recreation, is closely linked with the availability of leisure, and therefore economic prosperity. In a growing economy such as ours, sports deserves and requires sponsorship, whether by government or private agencies. We will continue to ensure that adequate funds are available for the growth of sporting activities of all kinds.

We continued the conduct of the National Sports Festival to promote sports talents from the grassroots level. We successfully hosted the SAF Games in 1991. Sri Lanka has won 84 gold medals at the six successive SAF Games held since 1984. Opportunities have been provided since 1977 to 26 sportsmen and women to participate in Olympics. Sri Lanka has been able to attain test cricket status during this period. In view of our proven excellence in this sport, it will be further encouraged by the establishment of a Cricket Academy. A National Sports Complex, a Sports Laboratory, a Sports Medical Center, as well as an Indoor Sports Stadium are being established.

We will also actively encourage the development of sports by facilitating greater competition at inter-school, inter-district and inter-province level. Sports apex bodies will be encouraged to organise themselves accordingly.

The development of sports will on the one hand emphasize maximum participation, and on the other, increasing competitiveness and excellence.

The Sri Lanka Federation of Youth Clubs which was established by our government now has an extensive network with branches in every Grama Niladhari Division will be converted into a National Authority. The National Youth Services Council will co-ordinate its activities in close collaboration with the Federation.

Controlling bodies for sports and the National Olympic Committee will be insulated from political interference. Men and women who achieve excellence in sports will be provided with grants and enhanced facilities for training and preparation, and access to international coaching facilities in order that they may concentrate exclusively on improving their performance without facing personal or financial difficulties.

Sports equipment will continue to be exempt from customs duty and other tariffs.

Employment

Every employable citizen has a *right* to work for a living. Industrial growth is the key to full employment of the country's work force. Today, industrial growth is at seven per cent per annum, while population growth is just over one per cent per annum. It is essential that the momentum of economic growth be maintained. For this to be achieved, a stable economic and industrial environment will be maintained, in order that investment opportunities are maximised.

Enhanced vocational training, and the development of trade and entrepreneurial skills will naturally open out new vistas of employment for our people. We will take all steps necessary to ensure an adequate infusion of investment capital in order that maximum use could be made of the nation's skills base.

We will continue to add new Free Trade Zones to the existing base with a view to achieving our target of at least one FTZ for every province.

Employee Benefits

Employee benefits have improved dramatically since 1977. For example, whereas only 42 days maternity leave was allowed in 1977, now mothers get more than three months. It is significant that no demands have been made by the trades unions for enhanced employee benefits during the past six years. This alone is an indication that the government has taken the lead and afforded all employees a truly meaningful and adequate package of benefits.

Our programme of employee benefits for the coming term of government are two-fold.

1. Day care centres will be established to ensure that children of pre-school age are cared for adequately while their parents are at work.
2. A comprehensive employment security insurance scheme for casual and short-term employees will be implemented.

Employment Insurance

We will, in consultation with trades unions and professionals' organisations, develop a comprehensive contributory employment insurance scheme to insure against loss of employment.

Career Guidance

Career Guidance Units (CGU) will be set up in the vocational training centres established in each AGA Division. The CGU will be responsible for advising

young people, especially those freshly out of secondary school, on the career and training opportunities available to them.

In addition to this, district level seminars on career guidance will also be held in order to assist young people to make the best choice as to what they are best suited to do for a living.

Skilled Worker Certification

A system of examining and certifying skilled workers such as construction workers, mechanics etc., whose skills are primarily manual, will be established. This will increase the dignity of these workers as a whole, and also enable them to work more closely together as a trade. Each skill category will have a range of expertise ranks ranging from Apprentice to Master. The methodology of examining and certifying workers will be established by a Trade Skills Board to be established under the Ministry of Labour, in consultation with trades unions and the workers themselves.

Foreign Employment

Sri Lanka has the highest rate of literacy in South Asia. Many of our people are better equipped both educationally and socially to make a handsome living overseas. It is the duty of the government to render such assistance as they may need to secure overseas employment.

The Sri Lanka Bureau of Foreign Employment was established during this period and provided foreign employment for a total of 329,050 persons, and a number of welfare measures for Sri Lanka migrant workers abroad including compensation, repatriation and job training. It is proposed to decentralize the Foreign Employment Bureau with a branch in every province to facilitate access for the rural population. A massive employment promotional campaign will be launched to add about 650,000 new opportunities in the next five years.

Public Services and Wages

A Wages and Salaries Commission will be appointed on a permanent basis to review the salaries for public servants and to eliminate anomalies, if any, in the salary structures of different services. The UNP Government has increased the total salaries and allowances of a lower paid employees in the public service from Rs 212.50 in 1977 to Rs 2610 per month as at the end of December 1993. During the seven year period of the United Front Government, lower paid employees received a total salary increase of only Rs 97.50, compared to an increase of Rs 2,235 under the UNP administration.

The Salaries and Wages Commission will make an annual award in the form of allowances to cushion public servants against increases in the cost of living. The Commission will determine the rate of compensation for increase in the cost of

living index having regard to the rate of compensation paid to other sectors. This compensation will also be extended to employees of Public Corporations where there is no automatic increases in the allowances based on the cost of living.

Professionals

The "brain drain" of the SLFP government has been effectively stopped by the UNP government by encouraging professionals in all fields to remain in Sri Lanka and serve their motherland. This has been done not by force, but by offering professionals a wide range of incentives by way of tax reductions, concessionary duty vehicles, private practice, paid and unpaid overseas leave and attractive salaries.

The government will continue to attract professionals by further enhancing these incentives.

Greater emphasis will be placed on attracting professionals to participate in the national decision making process in order that their expertise, knowledge and experience could strengthen government policy.

ETF

The Employees' Trust Fund (ETF) was established in 1981, as a unique initiative with no parallel in the Asian region which provides enormous benefits to 1.8 million workers in the private sector and state corporation sector. Some of these benefits are: free life insurance cover, free total and permanent disability cover; free heart surgery up to Rs 200,000 at Sri Jayewardenepura General Hospital; reimbursement of the cost of cataract surgery. Yet more benefits are being planned for the future.

EPF

The rate of return on monies invested by the Employees Provident Fund will be aligned to the Treasury Bill rate.

Labour

Issues related to labour, ranging from employment creation, enactment of legislation, provision of welfare services and skills training received high priority during the period 1977-1994.

Never has there been a period, since Independence in 1948, during which such a significant number of enactments in the field of labour laws has been passed by the Parliament affecting a broad spectrum of the working population as between 1977 and 1994. As a result of the many benefits extended there has been progressive decrease in the number of disputes notified to the Department during this period and industrial peace has been maintained.

PART 4. INFRASTRUCTURE DEVELOPMENT

Health

Curative Services

Our successive governments have made giant strides in the development of the health care infrastructure. The hospital network, for most parts of the country, are now adequate.

During our next term of government, it is our intention to:-

- * improve the quality of curative services, particularly for surgery
- * implement a comprehensive programme for the prevention and cure of cancer
- * reduce waiting time in OPDs by adopting more efficient procedures and improved staff attendance
- * ensure more prompt access to surgery and other specialised services by prioritising patients according to the urgency of their medical needs
- * establish a friendlier patient interface, especially in rural areas
- * strengthen preventive care services

These will be achieved by means of improved monitoring of health care delivery. A scheme of monitoring the performance of individual doctors and health care administrators will be introduced. The transfer of doctors to preferred centres such as Colombo will depend on the results shown by doctors and staff and not on seniority alone.

Manpower

The number of doctors now joining the work force is adequate for the country's present needs. However, a restructuring will be carried out in order to provide incentives to medical personnel in rural or difficult areas. An effort will also be made to make the general practitioner and not the specialist the first recourse for medical attention. Greater incentives will be offered to the general practitioner, whether in government or private service, especially those practising in rural and difficult areas.

Preventive Services

The existing system of preventive care and child and maternity monitoring has shown spectacular results during the past 17 years. Sri Lanka's immunisation, infant and maternal mortality records are far ahead of other countries in the

SAARC region. Continued implementation of the existing programmes will ensure that Sri Lanka reaches all its preventive health care goals by the year 2000.

Nutrition

A special programme will be implemented to monitor the nutritional status of every child under the age of five years on a continuing basis. This monitoring will be done by the local Medical Office of Health (MOH) in each area. Children found to be underweight will be monitored more intensively and given free nutritional supplements such as *Triplosha* where necessary. It is found that in many cases, under-nutrition is not solely the result of poverty or the non-availability of food. It is because parents are unaware of the child's nutritional requirements or the child is continually sick. A special parent education programme will be launched to eliminate child undernutrition for these reasons.

Communicable diseases

Apart from the treatment of under-nutrition, our preventive targets for the next term of government are the eradication of malaria and a rapid programme to upgrade dental clinics and improve dental health. The on-going public health programme will be continued and strengthened.

Very high priority will be given to minimising the impact in Sri Lanka of the world AIDS epidemic. Special educational programmes will be conducted to ensure that the people in general, and the high risk groups in particular, are aware of the risks. Continual monitoring will be done to ensure that the status of the disease in Sri Lanka is well known and understood. Every effort will be made to ensure that AIDS patients are treated humanely. Confidentiality of AIDS tests will be guaranteed.

Indigenous Medicine

Indigenous medicine is essential for the health and well-being of our people, especially in rural areas. It has the advantages of being affordable and safe. We will continue to strengthen Indigenous Medicine as a parallel and alternate system of health care. Emphasis will be placed on the preservation, documentation, systematization and further development of the vast traditional base of knowledge in this field.

The status of Ayurvedic medical practitioners will continue to be uplifted to ensure the highest possible standards of professionalism and expertise. Assistance for the establishment of ayurvedic dispensaries will be enhanced. Fresh vigour will be added to pharmaceutical and therapeutic research in this field. Assistance will be given for the development of methodologies for the cultivation of ayurvedic herbs and plants.

Power and Energy

While our population has increased by 25% since 1977, electricity generation has increased by 250%. Five times as many households have electricity now than in 1977. Power cuts and shortages are a thing of the past. Growing industrialisation however, requires that we keep increasing our electricity generation capacity on a continuing basis.

The means of generation will, as far as possible, be friendly to the environment. Already, much of our supply is generated by hydro-power. A national assessment is already under way to examine the potential of using wind power. Solar power too, is being increasingly used today. Not only do these methods of generation cost less, they do not harm or pollute the environment.

Mahaweli Development

The Accelerated Mahaweli Development Programme was evolved from a thirty-year master plan in 1979, as a policy response to urgent national priorities of power generation for industrial growth, food security, quality of life improvement and as a means of improving rural unemployment, landlessness, low incomes and overall under-development.

The major multipurpose dam projects, the Maduru Oya, Victoria, Kotmale, Randenigala and Rantambe along with a 31 km long Minipe Trans-basin canal and Ulhitiya, Ratkinda storage reservoirs were completed by 1986. The upstream relocatee settlements in Kotmale and Victoria have been completed by early 1984 while provision of additional facilities for the upliftment of those settled continues to the 1990s.

Nearly 60% of the total cost of the Accelerated Programme was met from foreign aid. A substantial part of this aid was met from outright grants while the balance was obtained at extremely concessionary rates. The burden on the domestic economy for financing the Programme is significantly low.

102,000 ha. of irrigable lands have been opened up for agriculture while 86,327 farmer families, 30,675 non-farmer families, 5,095 sub families and 375 cashew settlers were provided lands upto end of March 1994.

With an installed hydroelectric power generating capacity of 671 MW which was about 52% of the total national installed capacity, the power projects of the Mahaweli generated about 1,442 gigawatt hours or 50% of the national power generation up to end of 1993. In addition, the cumulative value of hydrel power generated by the Mahaweli upto the end of 1993 was about Rs 26 billion representing a substantial foreign exchange savings in oil and coal imports.

Mahaweli waters also augment water supplies of a number of other reservoirs and irrigated settlement projects outside of the accelerated Mahaweli Project areas in the North Central and Eastern Provinces.

About 550,000 MT of paddy are being produced annually within Mahaweli areas, accounting for about 21% of the total domestic production. The Mahaweli farmers cater to about 70% of the domestic demand in chillies. Annually 1.6 million litres of milk are produced by the Mahaweli areas and annual egg production has reached 1.2 million.

The Mahaweli Project has provided 85,880 settler houses, 28,005 open wells, and 1,005 tube wells to serve 120,492 settler families up to the end of September 1993. This amounts to nearly 71 permanent houses, 23 wells and 1 tube well for every 100 settler families in the Mahaweli areas.

The settler quality of life has been uplifted by the establishment of fully equipped 309 new schools, 260 new health centers, 112 new post offices and 215 post boxes, 215 new cooperatives and 51 Banks in the different Systems. The access of households of the Mahaweli Systems and their encompassing regions to public services, facilities and commerce have been enhanced through the addition of 1,427 kilometers of high quality roads besides a complex network of village and market roads that have been created. The number of outgrowers for agri-business increased 7 fold between 1990 and 1993 to reach a position of 6,662 outgrowers by end 1993.

A census of Enterprises in the Mahaweli Systems conducted in 1992 record around 8,899 distinct enterprises employing a total of 20,423 persons.

Recent statistics of the Mahaweli Project (1993) reveal a real average household income of around Rs 4,420 per month while an estimated real total income of Rs 6,434 million was being generated in the project by 121,285 settler families in the downstream systems.

Capital investment on the Mahaweli Project to date is about Rs 59 billion of which 51% was from foreign grants and loans while the balance came from the Consolidated Fund. Of the total investment, 49% was devoted for the headworks while the remainder was for downstream development. Over Rs 59 billion have already been recovered from agriculture and power generation. The cumulative capital cost-direct benefit ratio at 1.02 at present reveals a position of full cost recovery.

Science and Technology

The exploitation of science and technology is essential for accelerating economic development and improving the quality of life of our people. For science

and technology to make a meaningful contribution to national development, scientists and technologists will be involved in planning and policy making at the highest levels.

We will make a continuing effort to diversify the industrial base so as not to be overly dependent on any one sphere. Renewed emphasis will be placed on making our industries globally competitive. The local technology base will be strengthened in order to cater to the rapidly increasing demand from industry. Every encouragement will be given to the development of an indigenous science and technology base.

The strategy to be followed in developing the country's professional, scientific and technological manpower base will have three areas of special attention. The base will be built and strengthened through the educational system. It will be retained by ensuring that there are adequate employment opportunities to take up available manpower. The remuneration available to these categories of employees will be enhanced in order to assure their retention within the system.

A Science City will be constructed and developed as a matter of priority. This will work closely with institutions of tertiary education, research and development orientated industry and research institutions. The Science City will be a residential institution and designed to form a self contained "brain pool" on the lines of the Tea Research Institute. The Sri Lanka Institute of Technology will be based in the Science City and provide post-graduate, research orientated education with a view to attracting the cleverest of the undergraduate university output.

Land Distribution

Redistribution among the people the land acquired by the United Front Government of 1970-1977 has been one of the cornerstones of our policy. One and a half million acres of land have been distributed to more than one million families under the Swarna Bhoomi and Village Expansion Programmes. These families, who were landless earlier, are today proud land owners. We are dedicated to the principle that every citizen has a right to own at least a small parcel of land in his country.

Under the Up Country Peasantry Rehabilitation programme, several projects on education, rural roads, water supply, rural electrification and health services have been carried out at a cost of Rs 200 million. These infrastructural development efforts will be further expanded and strengthened while vocational training programmes for the youth in the up country region will be specially implemented in addition to the facilities presently available. The UNP Government will continue to provide aid to farmers and agricultural land owners to

maximize the productivity of their lands. The recommendations of the Land Commission of 1987 will continue to be implemented.

All outstanding encroachments will be regularized subject to there being no planning objections.

The Unified Land and Human Settlement Policy will be implemented at a local level. The Land Acquisition Act will be amended to make Provision for payment of realistic rates of compensation promptly when private lands are acquired for public purposes. A mechanism to assist the recipients of land from the Government to develop their allotments will be established. This would include organizing credit, extension services and marketing services. A system of scientific Land Use Planning will be introduced to assist all users of land to achieve optimum and sustainable levels of production.

Plantations

The long-term viability of the plantations sector is of paramount importance to Sri Lanka because of the vast acreage of land utilised and the large number of employees involved directly and indirectly. The future of the tea industry will be re-examined in a completely new perspective.

Although the tea industry is more than one hundred years old, it has not yet been properly integrated into the social structure of our nation. Two separate economies, the estate and the village, continue their courses separately. All efforts will be made to accomplish a full integration of the estate and the village. Both have rich cultures that can be shared. Both have economies that can strengthen each other. Both have problems and sensibilities that can only be addressed synthetically, treating the estate and village as a single socio-economic entity. This integration will be given the highest priority. The focus of integration will be in building a localised economy on which both sectors are dependent, and accelerating the growth of an industrial base at village level.

The management of plantations will be reviewed further. In the case of marginal and profitable lands, longer term leases will be given to the private sector on the basis of full equity participation in the economic development of the land. The land parcels leased to a company will be around 2,500 hectares or less, and will, as far as possible be localised. This will in turn simplify management and administration. Every effort will be made to encourage worker participation in equity through direct investment, through co-operative investment and shares allocated under the peoplization programme.

The future of unprofitable tea lands will be determined in consultation with the workers and their trades unions. A strategy of crop diversification, afforestation

for timber and afforestation for habitat conservation will be developed. Worker overflow will be addressed by the allocation of land for cash crop cultivation.

Fisheries

One of the most important and most acceptable forms of nutrition in Sri Lanka is fish. Because of this, and the traditional value of fisheries in our society, we have greatly subsidised and assisted the fisheries sector. From 1978-1993, more than 13,000 fishing craft and 14,000 boat engines have been supplied to fishermen. Fishing nets are now produced locally at the Lunuwila plant, and in addition to privately-owned ice plants, the government has also established cold storage facilities at Minneriya, Hambantota, Modera and Trincomalee.

769 fisheries co-operative societies have been established, with a combined membership of 89,000 people. These will be developed and strengthened further. The present programme of providing community centres, toilets, day care centres, water supply units and housing will continue.

The live fish and associated produce export sector will be further strengthened. Export control and quarantine procedures will be streamlined in order to maximise efficiency.

We will increase support to the fisheries sector in the following areas:

1. Land will be allocated from available State Lands to all people involved in coastal and inland fisheries, in the areas they presently occupy. Encroached State land, where this does not conflict with local planning requirements, will be regularised by the allocation of deeds. Assistance will be given by way of low-interest housing loans, and a 50% subsidy allocated for the construction of hygienic latrines in houses lacking such facilities.
2. In view of the growing demand for fish, and the limited resources of the coastal fishery, assistance will be given by way of low interest loans for the purchase of vessels for mechanised trawling and oceanic fishing.

Agriculture and Food

Agriculture

The land extent of Sri Lanka is limited. Our population is still expanding, increasing the demand for land. It is essential therefore that the demand for land is met, while ensuring that all land is put to the most profitable use. Every inch of arable land outside of the environmental reserves will be cultivated, and we will ensure that we achieve the highest possible yields from these lands.

Sri Lanka now leads the SAARC region countries in paddy production per hectare. In 1977, a hectare of paddy yielded less than 1,900 kg of rice. Today, one hectare yields 2,850 kg of rice. This is a good example of maximizing land usage. By comparison, the yield in India is 2,600, Bangladesh 2,700, Malaysia 2,820, Philippines 2,815, Thailand 1,960 kgs.: all lower than in Sri Lanka.

Export earnings from spices and beverage crops have increased from Rs 308 million to over Rs 2,000 million. 11,190 Farmer Organizations with a total membership of 356,767 farmers have been established. The farmers in these organizations are trained in water management, maintenance of minor schemes and other agricultural infrastructure, increasing production through the adoption of improved technology.

The Young Farmers Clubs, whose objective is to provide scientific training in agriculture, operate in all districts. There are now 1,312 clubs with a membership of 38,346. Youth are encouraged to participate in production-related agricultural activities.

The Agricultural Trust Fund established in 1990 caters to small farmers who are not in a position to obtain agricultural credit from the banks. From 1990 to-date, 87,596 loans averaging Rs 1,772 per season have been provided. The Agricultural Revolving Fund operated in 56 Divisional Secretariat areas has disbursed Rs 283 million as loans to over 200,000 small to medium scale farmers.

The Agricultural Insurance and Social Security scheme was implemented in 1987 for the benefit of the farming community. Already 240,000 persons have been enrolled in this scheme, while 1,300 farmers who joined the scheme are already receiving a pension.

We will continue to develop and maximize the productivity of our agricultural land. This will be done by way of better agriculture training programmes; improved fertilizer and pest-control strategies; more freely available agricultural credits; and the encouragement of value added exports and local sales.

Every assistance will be given, by way of loans, credits and grants for our agricultural exports to be converted to "value added" items wherever possible. This means, for example, instead of exporting latex, we manufacture and export rubber gloves or tyres. Similarly tinned fruits, packeted chillie, etc.

We are aware of the problems of the farmer, particularly in the case of rice cultivation. With effect from the 1995 Maha season, rice cultivation will be given fertilizer on the basis of a delayed payment scheme of up to Rs 5,000 per hectare. Fertilizer will be issued on a credit voucher from the Paddy Marketing Board, which will be deducted at the time of harvesting and sale of paddy.

Research into alternate crops will be intensified. The agricultural extension programme will be enhanced and decentralised further.

The Farmer Organizations will be further strengthened with additional resources and credit facilities, such as the establishment of a Farmers Bank, to enable them to become financially more secure. Five thousand two-wheel tractors will be made available to the Farmer Organizations.

The export crop sub-sector would be revamped through the increase supply of improved planting material, enhanced subsidy for replanting of cinnamon, cocoa and cardamoms.

Restructuring of Co-operative Rural Banks

Developing rural areas and boosting agricultural production is one of our highest priorities in the next term of government. Co-operative Rural Banks will be recapitalized and restructured to simplify borrowing at competitive rates of interest and preferential terms of repayment. The processing of loans will be expedited. Every encouragement will be given to increasing savings in the rural areas so that these could enhance the capital base available for lending.

Farmers Pensions and Social Security

The Farmers Pensions and Social Security system will be expanded to cover all self-employed people.

Livestock

The livestock sector too, has benefitted through the programmes of the government. The dairy sub-sector was boosted by the importation of over 600 superior breeds of cattle and buffaloes for breeding purposes. Over 6,000 heads of improved animals from government farms were provided to the farmers.

The milk collecting network has been improved. 235 dairy co-operative with 50,596 dairy farmers are now in operation. A special scheme to import milk cows to augment rural dairy farming stocks will be implemented.

Every assistance will continue to be given to develop and expand the livestock base. Encouragement will be given to farmers to engage in integrated crop and animal husbandry. Livestock farmers will be provided with better veterinary services and animal health education. The production of milk will be given greater encouragement with establishment of more storage and processing centers.

Cooperative Movement

The Cooperative Movement has been transformed to a genuine people's movement by streamlining the bureaucracy and eliminating political interference. Rural banking has been expanded to mobilize rural savings and lending for the

economic development of the rural sector. This network has expanded from 503 Rural Bank branches in 1976 to 1178 in 1993. The amount of savings mobilized increased from Rs 116 million in 1976 to Rs 5,470 million in 1993.

Food

The privatization of food imports (rice, wheat-grain and sugar) has saved Rs 14,000 million to the government and has led to freer availability and more efficient distribution. Total rice imports have declined sharply as local rice was freely available to meet the requirements of the country. The Food Stamp Scheme has provided an opportunity to the needy to select a wide range of food items instead of being restricted to a particular item such as rice.

Irrigation

It is our view that the right to agricultural water is fundamental to a successful agricultural policy. The vast improvements that have been made in the irrigation of the dry zone during the past decade have resulted in an agricultural revolution in Sri Lanka.

Since 1978, the major emphasis was laid on rehabilitation of irrigation systems coupled with the establishment of farmer organizations and greater involvement of farmers in irrigation management. Irrigation development schemes carried out in several districts have made thousands of acres of land available for agricultural purposes thereby providing sources of employment for the masses.

The emphasis on irrigation management and participation of farmers in decision-making both in operation and maintenance of the irrigation systems and also crop production will be encouraged and intensified. Incentives will be provided for new conveyance systems such as use of drip irrigation, sprinklers etc., to maximize the use of water. Assistance will continue to be provided for village level irrigation, particularly on a participatory basis.

All taxes on water for irrigation will be abolished.

Posts and Telecommunications

Posts

Because of efficient management, the cost of postage has been controlled at very low rates. The number of post offices was increased from 2,895 to 4,053 between 1977 and 1993. On average, each post office serves an area of sixteen square kilometres: we aim to achieve an average of one post office per every twelve square kilometres by the Year 2000.

Similarly, while there is now an average of one post box for every 3.8 square kilometers, we aim to achieve an average of one post box for every three square kilometers by the Year 2000.

Our goal is to have a postal system whereby at least eighty per cent of the population has a post office or sub-post office within ten kilometres of their residence by the year 2000.

Telecommunications

Another area of rapid advancement has been telecommunications. Today, it is possible to dial direct to any country in the world, even from a public telephone booth in a rural area. In 1977, there were only 45,590 telephones installed in Sri Lanka. Today, there are more than 215,000, including 25,000 mobile telephones. The on-going telecommunications projects will make available a further 500,000 telephones by 1996, and one million telephones by the year 2000.

In addition to conventional telecommunications, every encouragement will be given to the establishment of commercial, industrial and scientific data communication networks.

The number of pay-phones, presently 800, will be increased to 5,000 by end 1995.

The telecommunications network will be extended, in terms of on-going programmes, to cover at least eighty per cent of Sri Lanka's population by the year 2000.

Housing and Public Utilities

Housing

The UNP government is proud of its achievement in providing housing for 1.8 million families through an integrated shelter strategy during the last 17 years. The programme will be continued with the object of providing adequate shelter for all by the year 2000.

We have already identified the most needy 5,000 villages in Sri Lanka. It is our aim, during the next six years, to provide each of these villages with adequate housing, electricity, sanitation and safe water. A village-by-village action plan will be drawn up and implemented through the ministry of Housing Construction and Urban Development. Broad-based flats and apartment projects will also be undertaken at suburban and village level.

Public Utilities

Water is one of the most fundamental needs of man. Water can also carry disease specially in urban areas. Safe water is therefore a prime requirement of a healthy society. Today, according to World Health Organization standards, 73% of our population has access to safe water compared with 19% in 1977. The number of water supply schemes has risen from 68 in 1977 to 249 at the end of 1993.

Our goal is to ensure that 100 per cent of our population has access to safe water by the year 2000. With this purpose in mind major water supply schemes both in urban areas and rural areas will continue to be implemented in the coming years.

Town Planning and Development

Because of increasing industrialisation, urbanization as an irreversible process. Therefore urban problems, specially urban shelter, infrastructure, urban land, and redevelopment of inner city areas will be addressed on a planned basis.

Ports, Tourism and Travel

Ports

As a single institution, the Port of Colombo is one of the great success stories of our administration. In 1977, the port was handling less than four million metric tonnes of cargo per annum. Today, the port handles almost twenty million metric tonnes. The port of Colombo has also become one of the main trans-shipment points in Asia. In 1977, less than 1,000 containers were trans-shipped through the port. Today, this figure exceeds 700,000, and the port has a reputation for efficiency comparable with Singapore, with profits in excess of Rs 1,000 million per year.

Our programme of developing further the efficiency and container handling throughput of the Port of Colombo will continue.

The Galle Port will be developed with deep-water berthing facilities for bulk and container cargo, but only after a comprehensive environmental impact assessment is made.

Trincomalee has the potential to attract foreign investment on an unprecedented scale. It will be developed on an integrated, multi-sectorial basis, with a view to generating employment opportunities on a large scale. Special consideration will be given to environmental factors, to protect and preserve its natural beauty and unique characteristics.

Tourism

We have taken a serious interest in developing tourism. This not only earns foreign exchange for the country, but also employs directly and indirectly more than 75,000 Sri Lankan people. While only 150,000 tourists visited Sri Lanka in 1977, more than 400,000 tourists now visit the island annually.

We will undertake a systematic and planned expansion of the tourist industry, aiming at one million tourist arrivals by the year 2000. This will be done in a way to minimise any negative impact on the traditional religious and cultural values

of our society. No major tourist project will be implemented without the consent of the people of the area.

Foreign Travel

Many of us remember the dark days of the 1970-1977 period, when foreign travel was forbidden. Everyone had to get an "Exit Permit" from the government in order to travel abroad, a luxury reserved for the very rich and powerful. Today, there is not a single village in Sri Lanka from which at least a few people have not travelled abroad. Now, more than 450,000 Sri Lankan citizens travel overseas each year for work, holidays or business. Despite this great increase in traffic, Katunayake Airport has become the most efficient airport in the South Asian region.

We will continue to promote both internal and external tourism. The increasing number of Sri Lankan citizens travelling overseas, and the increasing number of foreigners visiting Sri Lanka have both positive and negative effects. The increasing exposure to the outside world broadens the outlook of our people and exposes them to new ideas. At the same time, care has to be taken that we do not undermine the values and traditions of our cultural and social heritage as a result of over-exposure to external influences.

Transport

Public Transport

Today we have 47,270 buses in Sri Lanka. In 1977 there were only 14,200. However, most commuters will say that the number of buses is inadequate. This is true. But the reason for overcrowding in buses is that more people are travelling. They are travelling to work. This is because they have jobs. If you do not have a job, there is no need to travel. But the massive employment that has been generated as a result of our liberal economic policies has stressed the transport sector to its maximum.

We will give more incentives to the peoplized and private bus companies to encourage them to put more buses on the road. Government will participate directly in improving the management and efficiency of the peoplized transport companies. A minimum size of bus will be specified by law. Strict controls will be enforced in order to ensure that buses run in accordance with time tables, and to prevent reckless driving, overloading. Bus timetables will be set by the Central Transport Board, which will ensure that the service runs effectively also outside peak hours and on weekends. Strict checks will be carried out to ensure that all public transport vehicles are road worthy and safe.

Motor Traffic

The rapidly increasing number of vehicles on our roads necessitates a rationalisation of road and traffic regulations, particularly in inner city areas. A Metropolitan Traffic Authority will be established to develop, regulate and enforce improved traffic discipline with a view to greater efficiency. While the existing road network will continue to be developed, greater attention will be paid to increased efficiency of road usage. A Road Courtesy Drive will also be initiated.

Private Transport

The government will continue to encourage the private ownership of vehicles, maintaining affordable duty structures for vehicles other than luxury vehicles. The import of reconditioned cars not more than five years old will be permitted. All used vehicles imported to Sri Lanka will be subject to a road worthiness and safety test based on criteria to be laid down by the Registrar of Motor Vehicles.

Preferential duty rates for any section of the community, including members of Parliament, will be abolished, the only exception being the concessions given to companies certified by the Board of Investment.

PART 5. SOCIAL SECURITY AND SERVICES

Janasaviya

The Janasaviya Programme introduced by our government is a unique scheme aimed at poverty alleviation and mobilization of human resources. To date, more than 700,000 families have benefitted from the scheme and over Rs 14 billion have been invested in people under this programme.

This programme has resulted not only in individual advancement, but also in community and village development under the Saragama Programme and the 15,000 Village Programme. The programme extended also to the estate sector. The Janasaviya Trust Fund (JTF) was established as a support to the ongoing Janasaviya Programme for the purpose of formulating and implementing projects for alleviating poverty based on the concept of participatory development. Projects worth Rs 800 million have been undertaken utilizing JTF funds.

The 5th round of Janasaviya is now in operation and this programme will be continued till all those eligible have benefitted from this scheme. A strong network of non-governmental organisations has been built around the Janasaviya Programme. Janasaviya has therefore acted also as a catalyst for participatory development and collaboration.

The Rs 25,000 bank deposits made in respect of Janasaviya beneficiaries will be disbursed for capital investment purposes such as self-employment or housing, while interest will continue to be paid to those who have completed 24 months under the programme.

Food Stamps

We consider poverty alleviation to be the central issue in restructuring the economy. In keeping line with this concept, the Food Stamps Scheme was introduced in 1979 and today benefits more than one and a half million families.

Food stamp coverage will be expanded to cover families whose income is less than Rs 1,500 per month. Food stamp coverage will be extended to all children, irrespective of age.

The Security Forces

Sri Lanka is proud of the heroism and dedication of its Security Forces. Despite being involved in a violent and painful conflict with terrorism, our Security Forces have performed magnificently and with courage against every threat. Whereas increasing militarisation in many countries brings about public hatred and contempt for their security forces, we have widespread sympathy and

affection for the men and women who serve their motherland in our army, navy, air force and police.

The rapid expansion our security forces have seen during the past decade cannot have been achieved if not for the dedication, discipline and commitment of the men and women who serve in them.

War Veterans

The welfare of war veterans and their families is of paramount importance. In order to give effect to a comprehensive programme of benefits to war veterans, a Department of Veterans Affairs will be established under the Ministry of Defence. The Department will administer all matters relating to the welfare of both serving security forces personnel and also those that have retired from service or been discharged as a result of injury or disablement. The welfare of families of deceased service personnel will also be administered by the Department.

The Department of Veterans Affairs will, in addition to other schemes, offer low interest loans for housing and self-employment. Grants will also be made available for skills development, relocation and contingencies.

The children of service personnel will continue to gain preferential admission to schools.

The Ranaviru Pranamaya Programme

It is of paramount importance that personnel of the security forces, many of whom brave death or injury in the performance of their duty, be recognised and treated as true heroes of our society. With this in mind, we will provide every person who retires from service in the forces with a parcel of land of between two and five acres for cultivation, or smaller parcels in the case of housing, according to the preference of the individual. The extent of land given will depend on its agricultural or housing value, and no other criterion. The minimum agricultural land parcel will be two acres, if in an area with adequate fertility and irrigation. For areas restricted to slower crops with less irrigation, such as coconut, the parcel will be up to five acres in extent. Land parcels for housing will be of a minimum of six perches in urban areas, where available, and forty perches in rural areas. Housing land allocations will be made on the basis of rank and seniority.

The above scheme will also apply to the families of service personnel who die or are killed while in service, or who retire from service because of injury or disablement.

Senior Citizens

Our society has a long tradition of respect for elders. We will translate this into action by providing a range of privileges for those over sixty years of age. Senior citizens will also be permitted travel on public transport, including buses and trains, at a concessionary rate of half the normal fare. They will also be eligible cinema tickets at half-price.

Special identity cards will be issued to senior citizens, who will receive preferential treatment in hospitals and other public institutions. An allowance of Rs 500 per month will be paid to senior citizens whose monthly income is less than Rs 1,000. With-holding tax on the investment of provident fund proceeds in financial institutions will be abolished. Pensions will be index-linked to the cost of living.

As already scheduled, the training course for Care of Elders and a Graduate Course in Social Work, will commence in 1995.

Special attention will be paid to ensuring that pensioners have adequate means for their needs. Pensions will be revised annually to ensure close parity with the cost of living. Problems arising with regard to pensions and provident funds will be referred to and resolved by a special Ombudsman who will be appointed for this purpose.

Rehabilitation

Out of 510,000 families displaced due to violence 349,000 families have been resettled. Resettlement of all the balance displaced families with government assistance by way of grants and the provision of loans for reconstruction of damaged/destroyed houses and recommencement of economic activities and concessionary rates of interest will be effected.

Drug Abuse

The world-wide spread of the menace of narcotics can no longer be ignored. Sri Lanka too, is prey to this threat. Anti-Narcotics campaigns will be given the highest priority. Offenders will be dealt with using the full force of the law. We will establish special centres for rehabilitating addicts and also assist and encourage non-governmental organisations to provide relief to victims of drug and alcohol abuse.

The advertising of tobacco and alcohol products in the media and in public places will be phased out.

PART 6. ECONOMIC POLICY

The Economy

We are justly proud of the economic achievements of our government. Despite enormous expenditure on defence (Rs 23,000 million per year), our economy is today growing at 7% per year in real terms, compared with 1.7% per year in 1970-1977. And this is despite an international recession, where the economies of many developed countries are shrinking instead of growing. Today, Sri Lanka has the highest economic growth out of all the countries in the SAARC region.

Because of our sound policies, the nation is today wealthier than it ever was. The country can afford the policies and programmes outlined in this manifesto only because of the progress made by our government.

During the term of the next government we will develop further the economic principles we have fostered up to now. A liberal economy. A freely convertible rupee by the end of 1995. A flourishing stock market. A policy of taxation that is just and equitable, and that cushions the needy in our society to the maximum. We will encourage saving and re-investment. Interest rates will be brought down further. Inflation will be controlled at present levels for the next two years and thereafter reduced to our target of six per cent by the year 2000.

Investment Policy

Investment is the key to economic growth. Our development strategy will continue to place special emphasis on export-led growth with the private sector taking the leading role. The private sector will be consulted at all levels of micro- and macro-economic planning. The government will encourage and facilitate local and foreign private sector investment by stable, transparent, predictable market-orientated policies. Reducing the role of government will be done through restructuring the government budget and private enterprise reform.

Taxes and Duties

In accordance with the on-going reform in this sphere, the Business Turnover Tax (BTT) will be replaced by a Value Added Tax (VAT). Efforts will continue to lower import duties, especially on imports necessary for industry, be they machinery and equipment, or raw materials.

Exchange Controls

We are committed to the removal of all exchange controls. All controls on current account transactions have already been removed, and we have accepted Article VIII status with the International Monetary Fund. We will also continue to place the management of capital account transactions through the commercial banks with simplified rules.

Peoplization

We do not believe that the State Sector should engage directly in enterprise except in the case of essential services. We also do not believe that the burden of providing increasing amounts of capital for these enterprises should be thrust upon the people, especially in an environment where an efficient and adequately capitalized private sector could manage them successfully. We will continue to divest government of unprofitable state enterprises without loss or prejudice to their employees. As before, this will be done in full consultation with the employees and the trades unions that represent them.

A common feature of government-owned business was that they rapidly became economically and technologically stagnant. In contrast to this, the private sector has shown far more initiative in keeping up with new technology and management methodologies. Peoplization enables industry to achieve maximum levels of efficiency, innovativeness and competition.

Small and Medium Enterprises

The country's small and medium scale enterprises hold great potential for rapid growth and employment creation. They are the economy's agents for development and growth. We are therefore dedicated to assisting these enterprises with entrepreneurship training, technical assistance, access to raw materials, the removal of tax-related impediments and improving access to credit.

Greater incentives will be made available for the provision of common, shared facilities such as fax machines, typing, photocopying and telephones. Encouragement will be given for these enterprises to diversify and expand.

Investment Protection

We recognise that the security of investments is of paramount importance. We assure investors that we will avoid using any measures that will adversely affect the security of their investments or their rights. We will continue actively to pursue and conclude additional bilateral investment treaties with other countries. We continue to guarantee that the capital or assets employed by any body corporate will not be liable to acquisition, expropriation or nationalisation.

Finance

A Taxes and Tariffs Commission will be established to examine the bases of taxes and customs duty in Sri Lanka. The Commission will also receive the views of the public on problems and grievances relating to taxes and customs duties, and advise the Minister of Finance on proposed remedies and revisions.

Public companies with a government equity participation of more than fifty per cent will be made accountable to Parliament.

Industry

Industry is the key to full employment and economic growth. The momentum of industrialisation will be increased further.

Domestic industrial sector prior to 1977 was characterized by restrictions and monopoly advantage to state corporations. These, among other evils, bred inefficiency and in turn resulted in high cost to the consumer. The quality of products was low. Industries neither expanded nor modernized. The initiatives taken by the Government after 1977 were with a view to promote and facilitate rather than regulate industrial development.

Export oriented industries grew in large numbers. Infrastructure development has been facilitated and we see the emergence of industrial estates. Sri Lankan industrial exports increased twenty two fold from US\$ 95 million earned in 1977 to US\$ 2,081 million in 1993.

Ten free trade zones will be operational, with at least one in every province, by the Year 2000.

As the development process in general and industrialization in particular will essentially depend on the availability of trained manpower at all levels, a special Skill Development Fund (SDF) will be operational by 1995 to support demand driven training and skill development activities by the private sector. This programme will also enhance the opportunities for the rural youth to enter the industrial labour market.

Construction Industry

The rapidly growing construction industry is one of the largest single industrial sectors in Sri Lanka. The government will play an active role in the development and structuring of the construction sector, which is a vital contributor to development. Representatives of the sector will be consulted on matters such as the development of a National Construction Policy; tariff structures; building materials imports, local production and standards; and employment benefits. Problems facing the sector, such as credit facilities, the lack of a Construction Law, hazard insurance etc., will also be addressed. Construction sector policy will be the subject assigned to a single ministry.

Gem and Mineral Industry

Modernisation of the gem industry, with the introduction of new technologies for cutting and polishing stones, will be accelerated. Value addition by improved processing methodologies is essential to the industry, and information dissemination on developments in this area will be carried out through seminars and workshops in relevant areas. A stepped export tariff structure will be introduced

to dissuade the export of rough stones. A Mineral Products Information Unit will be established under the Export Development Board.

Textile and Handloom Industry

We will give the highest priority to further developing the local production of textiles. The handloom sector too, will be enlarged and broad-based. Extensive credit facilities will be offered to textile and handloom manufacturers, whether for the local or export markets, to modernise their technology base and increase their production capacity.

Trade

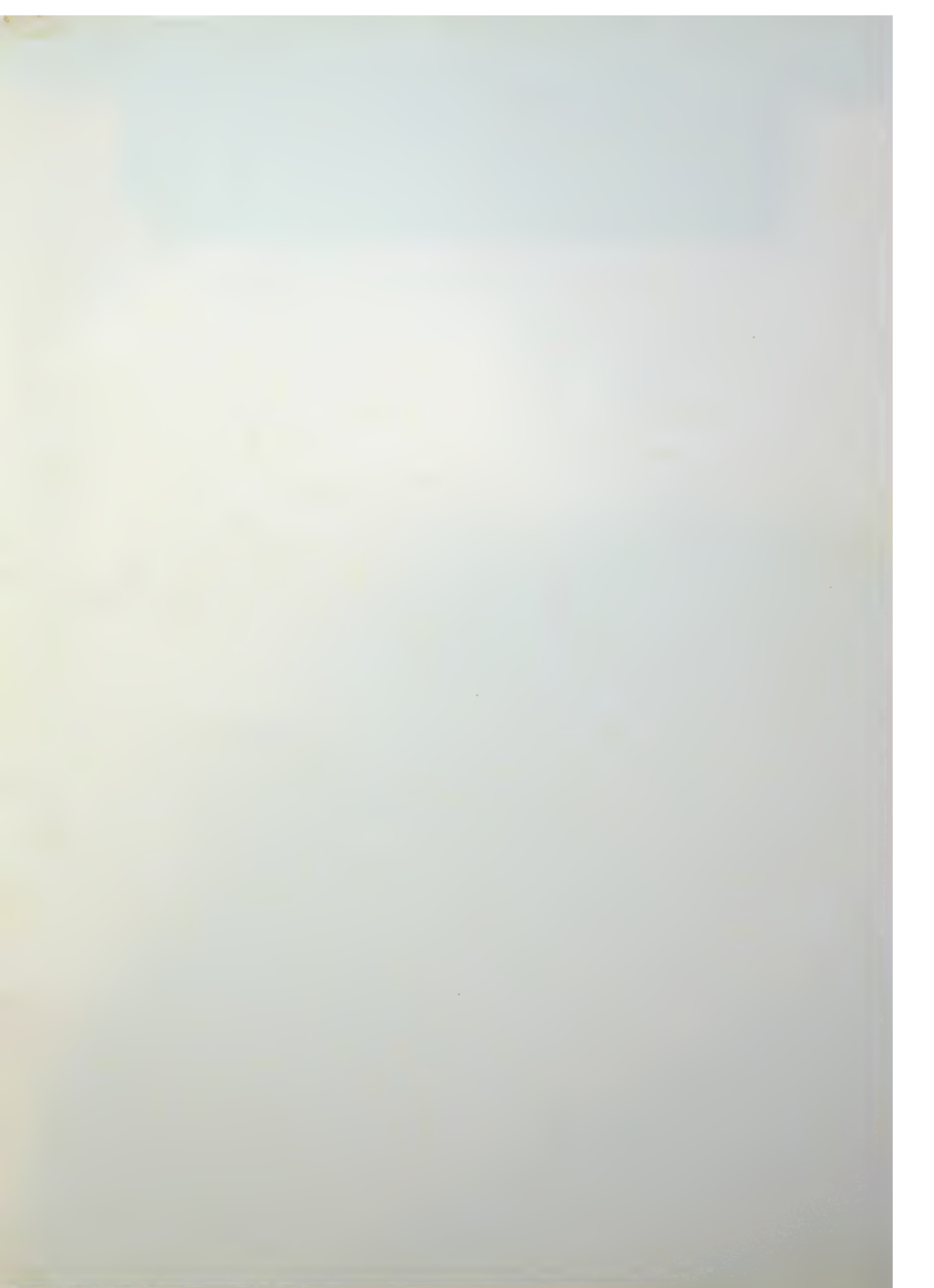
The Trade policy, both domestic and international is of paramount importance to the national economy. The trade restrictions of the pre-1977 era have now all been eradicated. The country has been made a part of the growing global economy. All import restrictions have been removed for bringing in capital and technology, and the economic atmosphere is being created for the intended economic atmosphere of the newly industrialized country.

The economy of Sri Lanka has given the priority for exports and the international markets are opening up to the growing industrial base.

The Fair Trading Commission is effectively dealing with monopolies, mergers and anti-competitive practices. The policy has been to maintain the price levels beneficial to both consumer and producer. The Consumer Protection Law was introduced to protect the consumer.

Commercial law and company law, and their accompanying regulations have been updated. The institutional framework has been provided for the development trade and further steps will be taken where such measures are called for and beneficial to the growth of the economy.

The agricultural trade will be given special attention to ensure that producers obtain sufficiently high prices to make cultivation worthwhile. Import duties on agricultural products that are also produced locally will be reviewed to ensure that the local producers are able to attract the prices they deserve without risk of unfair competition from imports.



**“Let us
continue the
march towards
greater stability
and prosperity”**

