



வார்டிக கார்டலாடன வார்டல
வருடாந்த ஸெயலாற்றுகை அறிக்கை
Annual Performance Report

2024



கமீகர்டு டெயார்டமென்டல
தொழில் திணைக்களம்
Department of Labour



Annual Performance Report

For the year 2024

Expenditure Head No 221

Department of Labour

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Chapter One

Institutional profile / Executive Summary

Institutional profile / Executive Summary

1.1 Introduction of the institution

Guaranteeing the rights of the worker community of private sector and semi-government sector of Sri Lanka provided for by labour legislation and creating a decent work environment by securing industrial peace through the promotion of employer-employee relationships are the principal functions of the Department of Labour.

A slew of activities were conducted in the year 2024 with a view to identifying areas where the Department of Labour needs to be more efficacious and proactive in the delivery of service to its clientele and recognize future course of activities connected therewith. Having established committees comprising officials of the Department to propound recommendations and suggestions for this purpose, necessary action was taken for the implementation of suitable suggestions.

1.2 Vision. Mission and Objectives

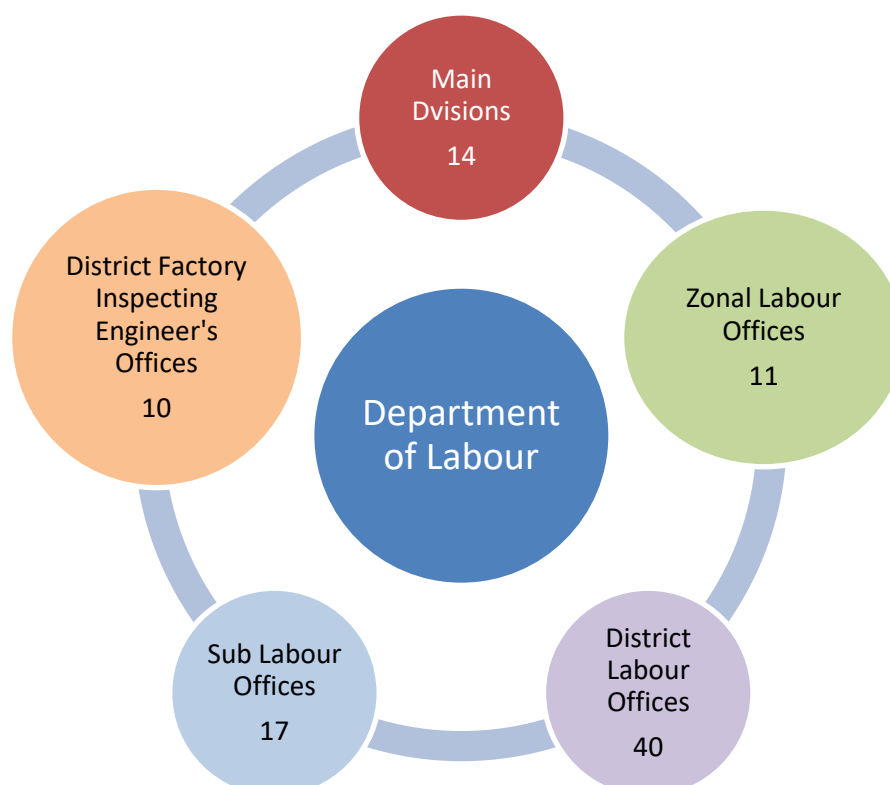
VISION	MISSION
A country with everlasting industrial peace for an internationally competitive economy.	To contribute to the socio-economic development of Sri Lanka, through establishment of a decent work environment within secured industrial peace, while protecting labour rights.
OBJECTIVES	
• Consolidating everlasting industrial peace in private and semi government sector workplaces. • Improving the conditions of work for the worker by establishing a decent work environment and formulating labour standards. • Securing social protection for the worker • Guaranteeing employment security for women and young persons and eliminating child labour. • Creating a work environment conducive to health of workers and free of accidents.	

1.3 Key Functions

- Pursuing action to strengthen employer-employee relationships at the institutional level by promoting social dialogue.
- Protecting the rights of workers through the enforcement of labour laws.
- Settling industrial disputes by means of collective agreements and arbitration.
- Initiating action for the social security of workers through the Employees' Provident Fund.
- Dealing with the occupational safety and health of employees.
- Eliminating child labour
- Pursuing action for the safety of female employees.
- Taking measures to safeguard labour standards by strengthening salaries and conditions of work.
- Collecting, analyzing and publishing necessary data and statistics for making decisions related to the labour sector

1.4 Structure and main divisions of the Department

1.4.1 Structure of the Department



1.4.2 Main Divisions of the Department

✓ Industrial Relations Division	✓ Employees' Provident Fund Division
✓ Social Dialogue and Workplace Cooperation Promotion Division	✓ Enforcement Division
✓ Special Investigations Division	✓ Administrative Division
✓ Labour Standards Division	✓ Finance Division
✓ Industrial Safety Division	✓ Planning, Research, Training and Publications Division
✓ Occupational Hygiene Division	✓ Statistics Division
✓ Women and Children's Affairs Division	✓ Internal Audit Division

1.4.3 Role of the Divisions of the Department

1.4.3.1 Industrial Relations Division

The Industrial Relations Division is responsible for maintaining industrial peace in the country while safeguarding the rights of employees and also establishing a decent work environment for boosting the economic growth and development of the country. Industrial Relations Division consists of the Termination of Employment Branch and the Trade Union Branch and is also responsible for coordinating the functions of arbitration and industrial court.

Accordingly, establishing the industrial peace required for uplifting economic productivity, safeguarding terms and conditions stipulated by labour legislations, registration of collective agreements and promotion of such registration, minimizing strikes and industrial disputes and establishing a legal personality through the registration of trade unions are the main objectives of this division seeks to achieve.

The following legislations are enforced by this division.

- Industrial Disputes Act No. 43 of 1950

- Gratuity Act No. 12 of 1983
- Termination of Employment of Workers' (Special Provisions) Act No. 45 of 1971
- Trade Unions Ordinance No. 14 of 1935
- Minimum Retirement Age of Workers' Act No. 28 of 2021

1.4.3.2 Social Dialogue and Workplace Cooperation Promotion Division

For enhanced productivity and efficiency in private and semi government sector institutions established throughout the country, the Human Resources Development Division guides the process of establishing a conducive work environment that would strengthen industrial peace between the two parties. Accordingly, the division executes the following functions:

- Establishment of workplace cooperation at the institutional level by introducing and implementing policies and strategies for the promotion of social dialogue.
- Building industrial peace whilst functioning as a facilitator for establishing collective agreements.
- Educating both employers and employees on labour laws through awareness programmes for private and semi government sector institutions aimed at creating favourable working environment.
- Building tripartite relationships via regional labour offices in partnership with employers, employees, and the Department of Labour, collating data requisite for policy making, sharing knowledge and conducting zonal/district consultations and social platforms programmes for settling issues between the two parties, employers and employees as to labour laws.
- Publication of journals for promoting social dialogue and workplace cooperation and enhancing knowledge.

1.4.3.3 Special Investigations Division

In cases where the Commissioner General of Labour decides that any complaint hearing or investigation should be conducted by the Special Investigations Division, such complaints shall be conducted by this division.

Either the employee or the employer who is dissatisfied with the manner in which a complaint has been or is being investigated in a labour office, can submit a request to Special Investigations Division for re-examination of the complaint.

According to the order of the Commissioner General of Labour, the Special Investigations Division has the powers to conduct a labour investigation wherever there is an employer-employee relationship in Sri Lanka.

1.4.3.4 Labour Standards Division

Formulating policies, standards, terms and conditions of work, giving legal effect thereto and monitoring their implementation in order to ensure the welfare and job security of the workers employed by the private sector is an ongoing process of the Department. Providing relevant interpretations for the settlement of problematic issues that arise in respect of terms and conditions of service, and securing the rights of workers by monitoring the progress of the implementation of labour standards is an integral part of this process, and discharging this overall responsibility is carried out by the Labour Standards Division of the Department.

The following Acts and ordinances are enforced by this division.

- ✓ Wages Boards Ordinance No. 27 1941
- ✓ Shop and Office Employees Act No. 19 of 1954
- ✓ Budgetary Relief Allowance of Workers Act No. 36 of 2005
- ✓ National Minimum Wages of Workers Act No. 03 of 2016
- ✓ Budgetary Relief Allowance of Workers Act No. 04 of 2016

1.4.3.5 Industrial Safety Division

The danger of physical injuries and even death exists for workers in factories due to electricity, heat, air pressure, excessive light or sound, and minimizing such accidents is one of the primary responsibilities of the Industrial Safety Division. The legislation relevant to the occupational safety, health, and welfare of workers working in factories of Sri Lanka is

the Factories Ordinance No. 45 of 1942 and regulations made thereunder. It is expected to improve the efficiency of workplaces by creating a safe workforce with no fears of accidents through the establishment of a hazard-free working environment and thereby increasing the domestic production and enhancing the contribution made to the national economy.

Engineers attached to 10 District Factory Inspecting Engineer's Offices established covering the entire island inspect factories to discharge this function, and since risky situations identified during labour inspections conducted by Labour officers are reported to the District Factory Inspecting Engineer's Offices, such information are used to provide a safe environment for workers.

Basically, the following activities are carried out to ensure industrial safety:

- Registration of new factories
- Inspection and approval of building plans
- Inspection of factories
- Inquiries into accidents and dangerous situations
- Constituting legal action
- Regulating the inspection of high-risk machinery
- Investigating into complaints
- Conducting awareness workshops
- Referring the victims of occupational accidents and diseases to the Commissioner of Workmen's Compensation and the Shrama Vasana Fund
- Other programmes
- Carrying out engineering works of the Department of Labour and the Ministry

1.4.3.6 Occupational Hygiene Division

In terms of the Factories Ordinance currently in force, It is a mandatory responsibility of the employer to create workplace environment so as to protect the health of workers and workers are entitled to the right to work in a safe and secure service environment.

The operational process of the Occupational Hygiene Division is to impart the knowledge required for the creation of an environment with the highest degree of physical, mental, social and spiritual wellbeing for the professionals thereby minimizing the risk of workers becoming victims of diseases while engaged in their work due to unhealthy work environment and inspect the service conditions available in workplaces.

Inspecting using scientific methods to determine whether there are conditions in the work environment that could cause health problems to workers immediately or in the long run and quantifying such probable health issues qualitatively and quantitatively under an accepted scientific method and creating awareness of measures to be adopted for the prevention of such accidents are the primary responsibilities of this division.

Primarily, the following functions are discharged by this division:

- Inspecting healthcare status of workplaces
- Providing education required for promoting health in workplaces
- Giving evidence in courts regarding working conditions and the occurrence of diseases, on behalf of persons claiming compensation as a result of being exposed to poor occupational hygiene
- Assessing the status of diseases of workers who apply for funds from the Employees' Provident Fund and the Employees' Trust Fund as a result of being unable to continue employment due to poor health

1.4.3.7 Women and Children's Affairs Division

Increasing women's contribution within the Sri Lankan labour force and eliminating child labour is a statutory responsibility of the government of Sri Lanka and these are the two-fold functional responsibilities of the Women and Children's Affairs Division.

One of the prime responsibilities of this division is to offer productive women's labour contribution to the country by enforcing labour legislation applicable to working women, and reviewing such legislation in a timely manner and recommending necessary amendments.

Similarly, it is the prime responsibility of this division to eliminate child labour with the contribution of all stakeholders, enforce labour laws applicable to persons below 18 years of age and make recommendations as to amendments that should be introduced to labor laws in relation to the existing socioeconomic conditions.

Accordingly, the following tasks are carried out by this Division.

- Enforcing the provisions of existing laws applicable to employed women and children and guiding the zonal, district and sub labour offices towards this end.
- Conducting island-wide awareness programmes regarding labour laws applicable to women and children.
- Submitting recommendations for the strengthening of existing laws having studied and identified weaknesses and deficiencies of laws applicable to employed women and children.
- Making an effective contribution to child development committees held at the national, provincial, district and divisional levels.
- Maintenance of women's hostels of the Department of Labour established at Free Trade Zones for women employees.
- Fulfilling national and international obligations for the elimination of all forms of child labour.

The following Acts are enforced by this Division.

- ✓ Employment of Women, Young Persons and Children Act No. 47 of 1956
- ✓ Maternity Benefits Ordinance No.32 of 1939
- ✓ Relevant sections of the Shop and Office Employees Act No. 19 of 1954

1.4.3.8 Employees' Provident Fund Division

The Employees' Provident Fund has been established under the Employees' Provident Fund Act No. 15 of 1958, with the principal objective of ensuring a secured retired life free of economic burdens for the country's workforce in the private and semi government sectors. The fund is administered by the Department of Labour and the Monetary Board of the Central Bank is in charge of the management of its funds. The role is expected to be

performed under this Act, which was subject to amendments from time to time is as follows.

- Registration of establishments under the Employees' Provident Fund
- Registration of employees as members under the Employees' Provident Fund
- Recovering arrears from employers who default the contributions
- Issuing payment orders for the payment of benefits to employees
- Recommending requests submitted for obtaining loans for housing purposes by placing the Employees' Provident Fund deposits of the employee as a guarantee
- Issuing clearance certificates for private security service providers enabling them to obtain security license.
- Issuing payment orders for the payment of money up to 30% of the account balance of the member for housing purposes or seeking medical treatment.
- Monitoring the approved provident funds

1.4.3.9 Enforcement Division

The Enforcement Division of the Department of Labour pursues action with the objective of establishing industrial peace by more efficient enforcement of labour laws across the island. In order to ensure compliance through the provisions of labour legislation required to be enforced by the Department of Labour throughout the island. The Enforcement Division constitutes legal action against violators of such laws, thereby safeguarding the rights of workers while fostering employer-employee cooperation.

Accordingly, the main functions of the Enforcement Division are outlined below.

- Initiating action for the prosecution in Magistrate's Courts in instances where statutory labour laws are violated leading to such cases.
- Maintaining necessary coordination with the Attorney General's Department in lawsuits filed against or by the Department of Labour in the District Courts, Commercial High Court, Provincial High Court, Court of Appeal or Supreme Court.
- Supervision of court proceedings initiated by the District and Sub Labour Offices under the supervision of zonal offices, offering necessary instructions and reviewing the progress of such court proceedings.

- Legal officers attached to the zonal offices offer necessary instructions in cases where judicial proceedings have to be initiated by the District/Sub Labour Offices located in the zone and in the process of reactivating dormant cases and appear for the Department whenever necessary.
- Coordinating the discharging of responsibilities on the part of the Department of Labour in matters relating to the amendment of labour legislations.

1.4.3.10 Administration Division

The Administrative Division consists of four branches. They are the administration branch, establishment branch, building maintenance unit and the library.

Of them, the Administration Branch deals with all the services and supplies of the Department. Identifying land requirements for the construction of buildings in the Department, guiding the building construction activities, handling activities relating to rehabilitation and upgrading of buildings, procuring buildings on rent as per requirements, administering vehicles for the Department, providing infrastructure facilities required for the divisions and regional offices of the Department, managing capital goods and equipment, approving overtime, holiday payments, Agrahara insurance and distress loans are carried out by this branch.

The Establishments Branch is responsible for identifying staff requirements for the Department, handling all activities relating to recruitment, promotion of officers, conducting efficiency bar examinations, appraisals of performance and granting salary increments, implementing transfer procedures, handling the retirement of officers, leave of officers and disciplinary matters.

The Building Maintenance Unit assists in the preparation of annual budgetary estimates and procurement plans for the construction of building and rehabilitating and upgrading existing buildings of the Department, coordinates with the Department of Buildings and other institutions, supervises activities pertaining to the rehabilitation and upgrading of buildings and deals with all maintenance activities of the head office and regional offices.

The Library of the Department of Labour is the foremost library in Sri Lanka with a large collection of legislation, books, publications and journals on the field of labour. The library offers facilities for the staff of the Department of Labour and other institutions affiliated to the Ministry of Labour as well as for external readers for the perusal of all legislation, books and publications for study and reference purposes.

1.4.3.11 Finance Division

Physical resources as well as financial resources are vital for the successful implementation of annual activities and attainment of expected outcomes of the Department of Labour. Accordingly, the Division adopts measures for efficient, effective and economical administration of financial resources allocated to the department from the budget in compliance with state policies.

The Finance Division handles the following activities for effective and transparent management of finances of the Department.

- Preparing and implementing the procurement plan of the Department.
- Distributing goods and services obtained through the procurement process
- Issuing imprest for regional offices and monitoring financial activities thereof.
- Preparing monthly, biannual and annual account reports and submitting same to the relevant parties on the due date.
- Handling all activities connected with receipts and payments to external parties in compliance with rules and regulations.
- Conducting capital assets survey and disposing of assets of the department
- Paying personal emoluments and advances and allowances of officials of the Department.

1.4.3.12 Planning, Research, Training and Publication Division

Drafting the Annual Action Plan and the Strategic Plan of the Department and coordinating activities for guiding all divisions and regional offices of the Department to attain targets

thereunder, coordinating the affairs of the monthly meeting of the Commissioners of Labour held to discuss the progress of different divisions and scheduled future activities of the department, preparing the monthly progress reports for the progress review meeting convened monthly by the Ministry of Labour and coordinating such meetings, submitting reports requested by the Ministry of Labor and other ministries are the key functions of the Planning, Research, Training and Publication Division.

This division holds responsibility for steering the progress review activities of regional offices of the Department and the preparation and monitoring of the annual progress review plan of regional offices thereunder too is handled by this division. Progress review is carried out through Deputy Commissioners of Labour in charge of zones and progress is assessed through monitoring teams in each regional office.

Thus, this Division monitors the operations of all district and sub-labour offices as well as all divisions of the Department for the attainment of the vision and mission and the reaching of relevant annual targets of the Department of Labour. The supervisory function of this division is to monitor the activities of the divisions of the department and district offices and making recommendations required for sustaining the progress having analyzed the data obtained therefrom.

Provision of training required for the entire staff of the department, referring officials to training programmes conducted by external institutions, allocation of financial provisions required for degrees and postgraduate degrees followed by employees, carrying out coordination activities required for foreign training are the human resources development functions performed by this Division.

Further, this division handles printing activities such as printing legislations relating to labour laws and determinations of the Wages Boards required for the officials of the Department and printing labour inspection reports, monthly diaries and the general forms required for field activities of labour officers.

1.4.3.13 Statistics Division

Collection and analysis of data relevant to the labour sector to develop an understanding on the orientation of the labour sector of Sri Lanka, identifying the need for amending labour legislation, collecting and analyzing data on the labour sector to make projections for the future are the primary functions of the Statistics Division.

Accordingly this division compiles and publishes reports such as the Labour statistics of Sri Lanka, Survey on Working Hours and Labour Cost, Outlook on Labour Needs of Private Sector, Annual Survey of Private and Semi Government Sector Employment, Key Indicators of Labour Market either annually or as per requirements.

1.4.3.14 Internal Audit Division

Similar to all other public sector institutions, the Department of Labour too has to carry out its activities in conformity with the Financial Regulations, circulars issued from time to time by the government and circulars issued by the Department. To supervise whether such activities are carried out optimally using resources gainfully and with transparency, the Internal Audit Division has been established under the direct supervision of the Commissioner General of Labour.

1.5 Funds under the purview of the Department

The Employees' Provident Fund has been established by the Employees Provident Fund Act No. 15 of 1958 and the Monetary Board of the Central Bank of Sri Lanka is tasked with the management of the fund.

Chapter Two

Progress and Future Outlook

Progress and Future Outlook

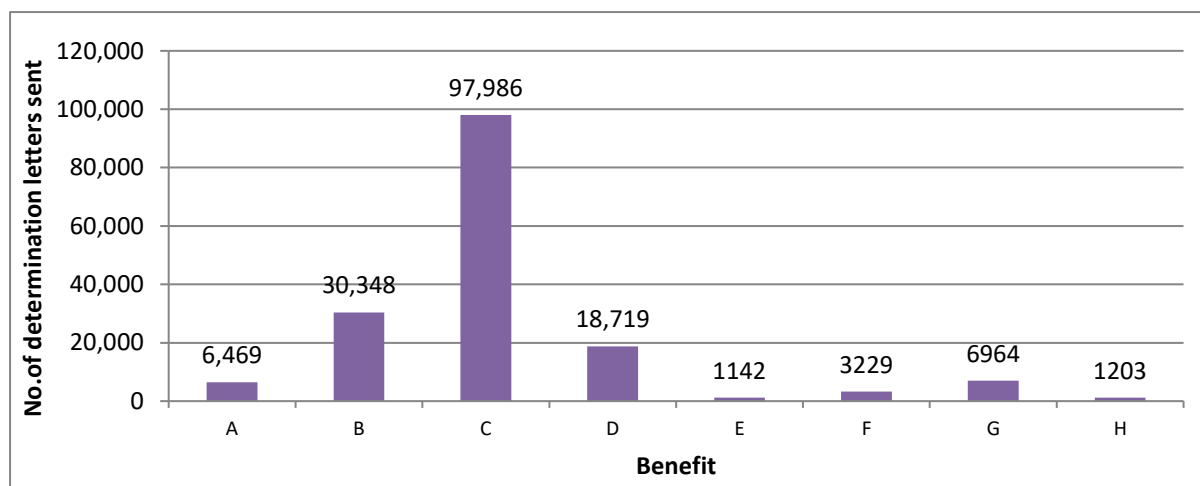
2.1 Social security of workers

The Employees' Provident Fund has been established by the Employees Provident Fund Act, No. 15 of 1958 for social security of workers employed by the private sector and semi-government sector of Sri Lanka. The administrative affairs of the fund is handled by the Department of Labour and the Monetary Board of the Central Bank is in charge of the management of the fund. Accordingly, the activities carried out by the Department of Labour from 01.01.2024 to 31.12.2024 are as follows.

2.1.1 Payment of benefits of Employees' Provident Fund

The number of determination letters in respect of the payment of benefits of the EPF from 01.01.2024 to 31.12.2024 was 166,060 and details thereof are given in the following graph.

Graph 2.1 – Number of determination letters sent from 01.01.2024 to 31.12.2024 for the payment of benefits of EPF



Category Description Key	
A	Benefits for deceased members
B	30% pre-retirement benefits
C	Payment of benefits on leaving service having reached retirement age
D	Payment of benefits to female employees leaving service upon marital reasons
E	Payment of benefits for leaving service due to total disability

F	Payment of benefits for taking up permanent residence in a foreign country
G	Payment of benefits upon leaving service having received a permanent and pensionable appointment in public or provincial public service
H	Payment of benefits to workers upon leaving service due to the closure of public corporation/board, retrenchment of employees to reduce costs or conversion into a company

2.1.2 Sending notices to recover contributions from employees who default contributions

First notices and red notices are issued for employees who fail to make contributions as stipulated and if such notices are not properly responded to, action is taken to constitute legal action and recover the contributions together with the surcharge and account them.

Figure 2.1 – Progress of sending notices from 01.01.2024 to 31.12.2024			
Number of first notices sent	Amount recovered from first notices	Number of red notices sent	Amount recovered from red notices
14,412	7247 million	7040	3914 million
			

2.1.3 Measures taken for the promotion of Employees' Provident Fund and optimizing the efficiency of service delivery

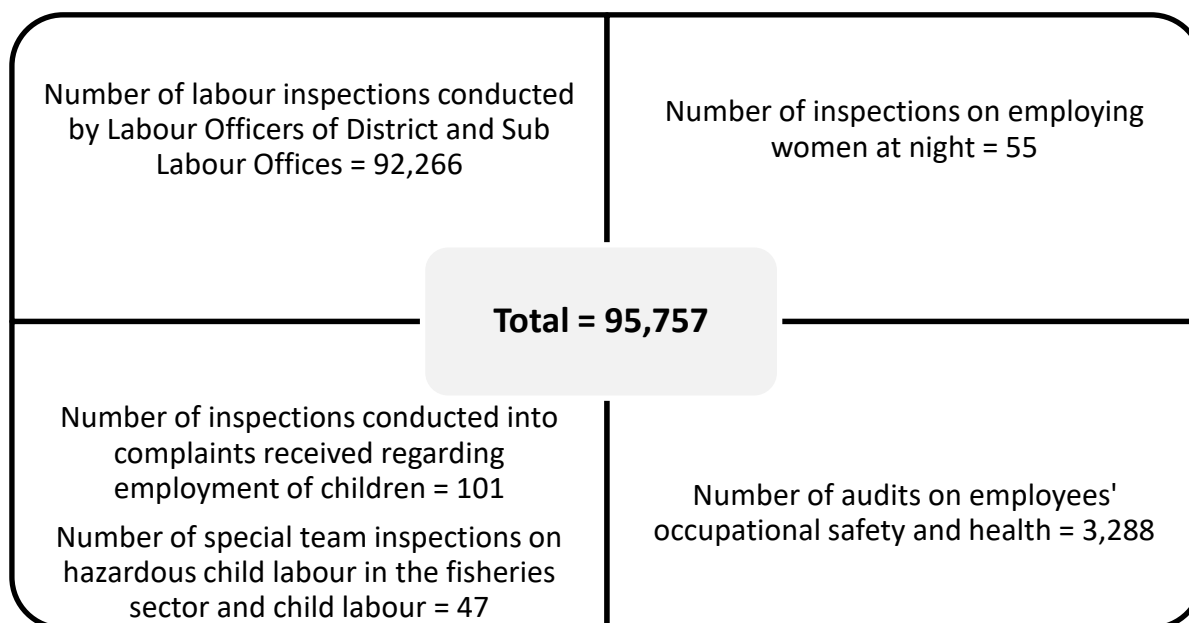
- ✓ The new office premises on the first floor of the Labour Secretariat for clients to obtain all EPF related services under one roof was declared open on 06.08.2024. Accordingly, the Full Benefit Payment Section, Deceased Members' Benefit Payment Section (L Section), 30% Pre-benefit Payment Section and Central Filing Section are housed on the first floor for an efficient service delivery. Further, new system of registering employees in EPF in respect of the district labor offices of Colombo North, Colombo South, Colombo East, Colombo West and Colombo Central too is being carried out at this location.

- ✓ A mobile service programme was held during the year 2024 in collaboration with the Central Bank of Sri Lanka for creating awareness amongst members as well as employers to minimize problems caused by members' lack of awareness on the EPF.
- ✓ Development of a new software for the registration of employees in the EPF was initiated in the year 2023 and further activities relating thereto were carried on during the year 2024. Accordingly, the installation of this software in all District and Sub Labour Offices was finalized by December 2024. This is aimed at further improving the efficiency of registrations under EPF.
- ✓ Requisite measures for promoting employer registration and institutional documentation were taken. Consequently, conducting at least 04 team inspections per month was commenced by labour offices. Furthermore, preliminary arrangements to carry out other identified activities such as raising public awareness through social media including mass media, promoting the conduct of field inspections using information available in other governmental and semi-governmental databases such as the Employees' Trust Fund Board in the year 2025 have been made.
- ✓ Having identified amendments to be made to the EPF claim applications and amendments to be made with regard to the entry of data into databases in order to simplify the EPF benefit payment system, the necessary actions were taken to operationalize them.

2.2 Conducting field inspections

Details of workplace inspections conducted from 01.01.2024 to 31.12.2024 to check whether the rules and regulations imposed for the protection of statutory rights of workers in workplaces are complied with by employers are given below.

Figure 2.2 – Conducting of field inspections - from 01.01.2024 to 31.12.2024



Further, labour inspection report used by Labour Officers for presenting labour inspection details was amended to incorporate more information and the use of amended version was started from November 2024.

A system for conducting 04 team inspections by the District Labour Offices and 02 inspections by the Sub-labour Offices per month for streamlining and optimizing the inspection of institutions located at the areas of authority (especially within urban limits) of Labour Offices was put into practice.

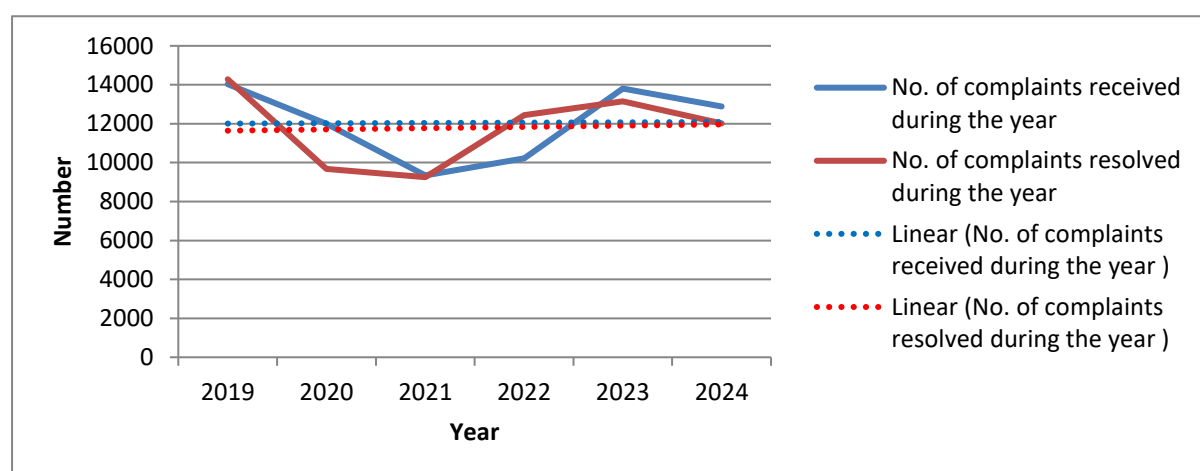
A preliminary round of discussion was held with representatives of the International Labour Organization to enlist its technical assistance to regularize the labour inspection system to be attuned with the prevailing socioeconomic environment. Consequently, a Comprehensive Framework for Labour Inspection is expected to be formulated in the year 2025.

2.3 Industrial Relations

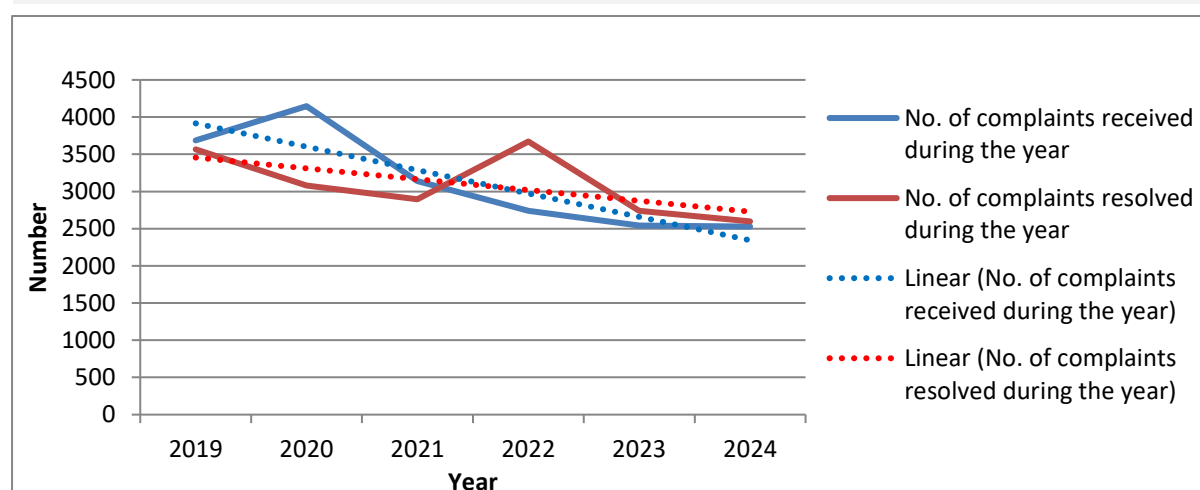
2.3.1 Resolving complaints on the violation of statutory entitlements and settling industrial disputes

Action was taken to resolve complaints regarding the violation of statutory laws and industrial disputes lodged with the head office, district offices and sub offices by employees or trade unions. Similarly, reinvestigations were conducted as and when necessary upon a request made for an independent inquiry to the Commissioner General of Labour by any party aggrieved by the way an investigation was conducted into a complaint by a division of the Ministry or a labour office or an investigation conducted by an institution.

**Graph 2.2 – Complaints received and resolved on violation of statutory rights
– from 2019 to 31.12.2024**



**Graph 2.3 – Complaints received and settled on industrial disputes
- from 2019 to 31.12.2024**



Should any employee of the private or semi-government sector wish to submit a complaint of any type relating to the employment to the Department of Labour, online facilities have been made available from March 2022 through e- service <https://cms.labourdept.gov.lk>. Accordingly, software development process for incorporating the Occupational Safety and Health Module and Legal Module into this complaint management system (CMS) is now in progress.

Similarly, by adopting a standard procedure to resolve complaints and petitions received by the Department of Labour, the process can be executed more efficiently with improved quality. Hence, as a guideline for the resolution of complaints and petitions received by the Department of Labour, a standard procedure for the resolution of complaints and petitions and a set of instructions applicable thereto were drafted and the said procedure was put into operation from November 2021 by the relevant offices and divisions. In order to maximize the efficiency of these activities, plans are on the drawing board to formulate a Comprehensive Guide for handling of Inquiries on Labour Related Complaints for the settlement of complaints and petitions received by the Department of Labour with the technical assistance of the International Labour Organization in the year 2025.

2.3.2 Conducting arbitration activities

Industrial disputes that could not be resolved despite the interventions of the regional offices of the Industrial Relations Division of the Head Office are referred to arbitration or a labour tribunal. Action was due to be taken in the year 2024 regarding 219 disputes including 81 disputes referred for arbitration from 01.01.2024 to 31.12.2024. Of them, inspection activities into 111 disputes were finalized in the year 2024 and 70 arbitral awards were made and 41 awards are to be made in future. Accordingly, proceedings in regard to 108 disputes were underway by 31.12.2024.

2.3.3. Persuading employers and employees to enter into collective agreements

By entering into collective agreements as a means of settlement of industrial disputes, a more permanent solution is offered to both the employer and the employee and they enable employees to secure greater privileges than the rights and privileges conferred through labour legislations.

Entering into such collective agreements between employees and employers is promoted through social dialogue. The total number of collective agreements in force as at 31.12.2024, including the 14 collective agreements extended during the period from 01.04.2025 to 31.12.2024 was 225.

2.3.4 Registration of Trade Unions

Under the Trade Unions Ordinance, it is compulsory for all trade unions to register with the Registrar of Trade Unions of the Department of Labour. Accordingly, the total number of trade unions registered with the Department from 01.01.2024 to 31.12.2024 was 123. The number of trade unions cancelled during the year 2024 was 100. Accordingly, the total number of valid trade unions as at 31.12.2024 was 2141.

2.3.5 Making interventions to settle strikes

No sooner an industrial dispute that could possibly lead to a strike action is observed, the Department makes immediate interventions to contain the situation and if a strike is launched, necessary interventions are made to settle the strike. Details of strikes reported from 01.01.2024 to 31.12.2024 are as follows.

Table 2.1 – Data reported on strikes 01.01.2024 to 31.12.2024			
Sector	Number of strikes reported	Number of workers participated	No of man days lost
Estates	04	1199	5879
Construction	-	-	-
Manufacturing	08	6675	35,170
Mines and excavations	-	-	-
Lodging and food supply	-	-	-
Semi government	01	260	5720
Other services	-	-	-
Total	13	8134	46,769

2.3.6 Maintaining a dialogue between employers and employees

The Department organized and conducted programmes to create awareness amongst both employers and employees on social dialogue, workplace cooperation and labour legislations

with a view to creating a work environment that fosters industrial peace between employers and employees of the private sector and semi government sector institutions.

Accordingly, the details of awareness programmes conducted by the Social Dialogue and Workplace Cooperation Promotion Division from 01.01.2024 to 31.12.2024 are as follows.

Nature of programme	Name of programme	No. of programmes held	No. of participants/beneficiaries
Promoting social dialogue	Social dialogue promotion programmes	155	9544
	Social platform programmes	24	2140

Apart from the above mentioned awareness programmes, certificates of excellence for industrial harmony were awarded to relevant institutions in the years 2023 and 2024 with the objective of propagating social dialogue and workshop cooperation at the institutional level and the ceremony for awarding certificates of excellence for industrial harmony was held on 06.11.2024 at the 10th floor auditorium of the Labour Secretariat.



Photograph 2.1 – Ceremony for awarding certificates of excellence for industrial harmony – 06.11.2024

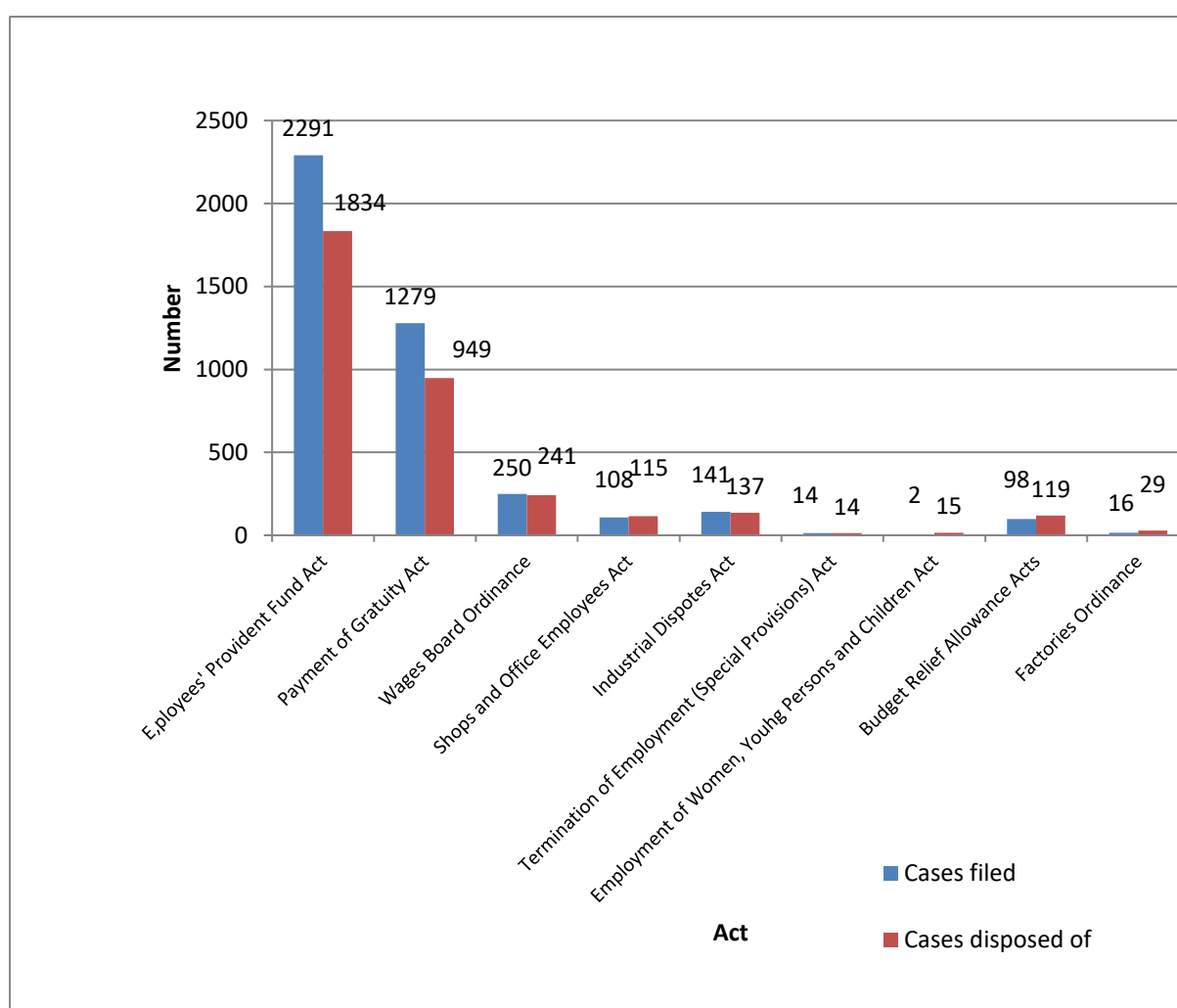
Self-compliance with labour legislations by employers fosters sustainable employer-employee relationship which in turn brings a slew of economic benefits to employers. Therefore, the Department of Labour at all times promotes employers' self-compliance with labour legislations. Accordingly, groundwork has been laid to enlist technical assistance of the International Labour Organization to develop a programme to guarantee employers'

self-compliance to labor laws and future activities relating thereto are slated to be carried out in the year 2025.

2.4 Legal protection for safeguarding the occupational rights of workers

The Department enforces a host of legislation for the protection of occupational rights of workmen. Accordingly, in order to ensure the uniform execution of the provisions of such legislation required to be enforced by the Department of Labour, action is pursued by the Department to constitute legal action against perpetrators of such violations thereby safeguarding the rights of workers. Accordingly, the progress of legal action constituted by the Department from 01.01.2024 to 31.12.2024 is tabulated below.

Graph 2.4 – Cases filed and disposed of in magistrate’s courts from 01.01.2024 to 31.12.2024



Note- The above graph has presented details of judicial action constituted by regional labour offices

Court	Number of cases existed at 31.12.2023	Number of cases filed from 01.01.2024 to 31.12.2024	Number of cases ended as at 31.12.2024	Number of remaining cases as at 31.12.2024
Supreme Court	133	19	9	143
Appeals court	425	66	51	440
High Court	107	23	26	104
Commercial High Court	224	11	9	226

Note: The above table shows the details of court proceedings (except Magistrate's Courts) constituted with the direct intervention of the Enforcement Division

The progress of amending Acts and brining in new Acts applicable to labour sector is as follows.

Name of the Act	Objective of the Amendment
Shop and Office Employees (Regulation of Employment and Remuneration) (Amendment), Act No.28 of 2024	Amending the Shop and Office Employees Act, No.19 of 1954 to provide for the employment of women at night by institutions engaged in business, based on information technology and knowledge process outsourcing or business process outsourcing
National Minimum Wage of Workers (Amendment) Act, No 48 of 2024	The amendment specifically updates the national minimum monthly wage from 12,500 rupees to 17,500 rupees, while also increasing the national minimum daily wage from 500 rupees to 700 rupees.

2.5 Safeguarding and Promoting Labour Standards

Updating salaries and service conditions of employees of the private sector is a foremost process of the Department. Accordingly, the following activities have been conducted from 01.01.2024 to 31.12.2024 in respect of this subject matter.

2.5.1 Updating minimum salaries of Wages Boards

Wages Board	Steps taken to update minimum wage
1. Tea growing and manufacturing trade	The minimum daily wage payable for the work of time measure has been amended as Rs.1350.00 and Rs.50.00 for each kilogram of tea plucked more than the standard amount (Over Kilo rate) (This decision will come into effect from 10.09.2024)
2. Rubber growing and rubber processing industry	The minimum daily wage payable for the work of time measure has been amended as Rs.1350.00 and Rs.50.00 for each kilogram of rubber being brought exceeding the standard amount (Over Kilo rate) (This decision will come into effect from 10.09.2024)

2.5.2 Granting approval for 05-day work week

From 01.01.2024 to 31.12.2024			Number regarding which action being taken as at 31.12.2024 for granting approval
No. of requests received	No. of approvals granted	No. of rejections	
339	320	(08)	11

2.5.3 Examining the legal validity of collective agreements

From 01.01.2024 to 31.12.2024			Number being examined as at 31.12.2024
No. of requests received	No. of approvals granted	No. of rejections	
39	21	-	18

2.5.4 Granting approval for requests made for deductions from salary under the Wages Board Ordinance and Shops and Office Employees Act

Balance as at 01.01.2024	From 01.01.2024 to 31.12.2024			Balance as at 31.12.2024
	No. of requests received	No. of approvals granted	No. of rejections	
119	262	124	(128)	129 (For these 129 institutions which have submitted incomplete documents have been notified to submit the relevant documents)

2.5.5 Submitting explanations and interpretations for inquiries made by people and various institutions about enactments

From 01.01.2024 to 31.12.2024		Balance as at 31.12.2024 to which replies were being prepared
No. of requests received	Number to which replies were given	
70	69	01

2.6 Safeguarding the occupational rights of employed women and young persons and eliminating child labour

One of the primary responsibilities of the Department is to promote productive contribution of women's labour as well as to eliminate child labour from Sri Lanka by enforcing labour laws covering women at workplaces and recommend necessary amendments to such laws by reviewing them periodically.

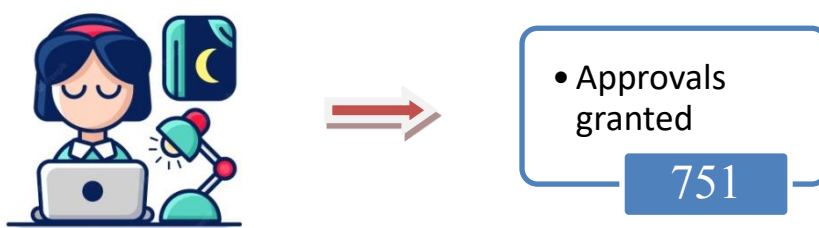
Accordingly, the following activities were carried out from 01.01.2024 to 31.12.2024

Balance as at 01.01.2024	From 01.01.2024 to 31.12.2024		Balance as at 31.12.2024
	No .of complaints received	No. of complaints resolved	
13	100	101 (Necessary activities are being carried out to initiate legal proceedings in respect of 02 complaints in which the existence of child labour was disclosed)	12

2.6.2 Investigations into complaints regarding violation of service conditions applicable to the employment of women at night

Balance as at 01.01.2024	From 01.01.2024 to 31.12.2024		Balance as at 31.12.2024
	No .of complaints received	No. of complaints resolved	
02	07	09	-

2.6.3 Granting approval for employing women at night



2.6.4 Details of programmes conducted from 01.01.2024 to 31.12.2024 under the project for eliminating child labour from Sri Lanka

a) Working in partnership with Community Police Committees for eliminating child labour from Sri Lanka

Taking the message on the elimination of child labour and citizen responsibility to the grass roots level through community police committees of Sri Lanka Police has been identified as a more pragmatic approach. Accordingly, it has been decided to work collaboratively to fulfill this national responsibility initially covering the Colombo District in 2024 and the entire island in the year 2025.

Having conducted a training of trainers' session as the preliminary stage of this endeavor for officers in charge of Community Police Divisions in the Colombo District, officers in charge of community police units operating thereunder and the relevant Deputy and Assistant Labour Commissioners of the Labour Department to create awareness amongst them, activities for taking the message on the elimination of all forms of child labour from Sri Lanka to the grass root level were launched during the third quarter of the year 2024.

Photograph 2.2 - Programme organized by Awissawella Community Police Division on 27.12.2024



As the second stage thereof, programmes were planned and conducted at the police station level jointly by the relevant officials of the Labour Department with 52 community policy advisory committees attached to each police station of the Colombo District to educate all members of advisory committees. A progress review meeting was held on 10.12.2024 to assess the progress of these meetings.

The third stage was a special programme held on 18.12.2024 to explain the process of implementing this programme from the year 2025 covering the entire island. This event was attended by the Senior Deputy Inspector General of Police in charge of the Community Police Division, the Deputy Inspector General of Police in charge of the Community Policing and Environment Police, all offices in charge of community police committees of all police divisions of the island and all zonal Deputy Labour Commissioners and Assistant Labour Commissioners, District Assistant Labour Commissioners and senior labour officers.



b) Making a pledge not to employ child labour in formal sectors



Concurrent to World Day against Child Labour which falls on June 12 every year, the Department of Labour conducts a commemorative ceremony and the commemoration of the year 2024 was held on 18.06.2024. A programme was launched to secure a pledge from employers of the formal sector, particularly in institutions established at industrial parks under the purview of the Industrial Development Board not to employ child labour in their respective institutions. Parallel to this, a QR code was introduced by the official website of the Department for obtaining this pledge from all institutions of the island.

Further, Labour Officers engaged in field inspections commenced activities to obtain a pledge from employers of all other sectors with particular emphasis on informal sector not to use child labour.

2.6.4 Conducting awareness programmes

The Department organized and conducted programmes for creating awareness on labour legislations pertaining to women and children amongst both employers and employees of the private and semi-government institutions. Awareness raising programmes on labour laws applicable to women and children were also organized and conducted by the Department for officials of the other public institutions who should be well versed with such legislations as part of their duties. Accordingly, the details of awareness programmes carried out by the Women and Children's Division from 01.01.2024 to 31.12.2024 are as follows.

Table 2.2. – The details of awareness programmes carried out by the Women and Childrens’ Affairs Division from 01.01.2024 to 31.12.2024			
Nature of the programmes	Name of the programme	No. of programmes held	No. of participants/ beneficiaries
Protection of employment rights of women and young persons and elimination of child labour	Awareness programmes for female employees of private sector on labour laws applicable to women and children.	12	418
	Awareness on hazardous child labour and awareness programmes concurrent to special team inspections for fisheries communities about hazardous child labour and the law on child labour.	47	2176
	Aawareness programmes for small and medium scale employers in the tea and plantation crops sector about hazardous child labour and the law on child labour.	62	1532
	Special training programme on taking the message on the elimination of child labour and citizen responsibility to the grass root level for officers in	01	142

	charge of Community Police Divisions in the Colombo District, officers in charge of community police units operating thereunder and the relevant Deputy and Assistant Labour Commissioners of the Labour Department.		
	Awareness raising on hazardous child labour and the law on child labour for members of the advisory committees by officers of the Labour Department in collaboration with the Community Police Advisory Committees.	14	587

2.7 Ensuring decent work environment for occupational safety of the employee

The danger of physical injuries and accidents exists for workers in factories and minimizing such accidents is one of the primary responsibilities of the Department. The main legal tool relevant to the occupational safety, health and welfare of workers employed by factories of Sri Lanka is the Factories Ordinance No, 45 of 1942.

The Department of Labour mainly carried out the following activities from 01.01.2024 to 31.12.2024 for ensuring an accident free work environment.

	2221 factories were registered from 01.01.2024 to 31.12.2024 under new regulations of the Factories Ordinance. Accordingly, the total number of factories registered as at 31.12.2024 under new regulations of the Factories Ordinance is 6614.
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No. of building plans checked and approved from 01.01.2024 to 31.12.2024 is 244.	
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	No of factories inspected from 01.01.2024 to 31.12.2024 by District Factory Inspection Engineers is 2578.
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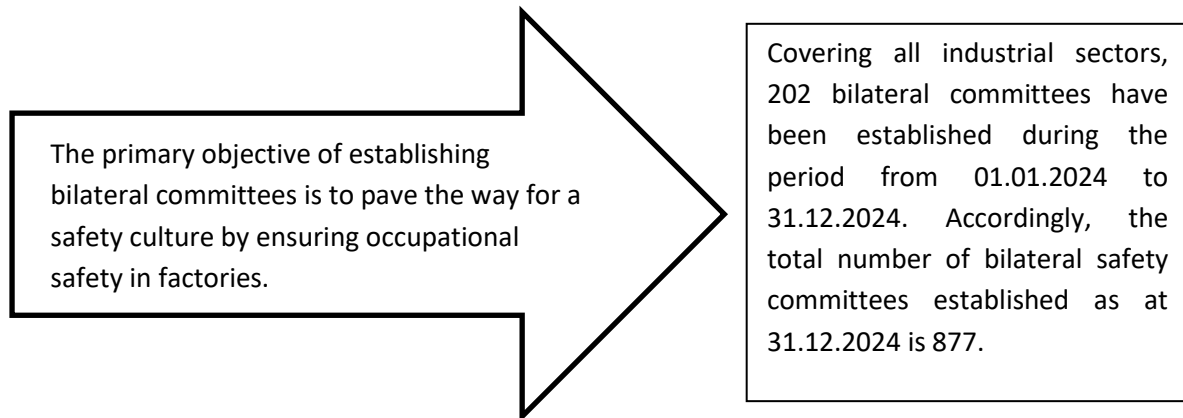
No. of fatal accidents reported and investigated into from 01.01.2024 to 31.12.2024 is 47 and the number of non-fatal accidents reported is 1606.	
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	Number of high risk machinery inspection reports inspected and submitted by authorized officers from 01.01.2024 to 31.12.2024 is 11,965.
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By organizing and conducting awareness programmes for employers and employees on occupational safety, it is possible to minimize workplace related incidents and create a safe and secure work environment. Accordingly, the details of employer employee awareness programmes conducted by the Industrial Safety Division from 01.01.2024 to 31.12.2024 are tabulated below.

Table 2.3 - The details of employer employee awareness programmes conducted by the Industrial Safety Division from 01.01.2024 to 31.12.2024			
Nature of the programmes	Name of the programme	No. of programmes held	No. of participants/beneficiaries
Promoting occupational safety	Awareness programmes conducted on occupational safety (covering apparel, manufacturing, plantation, construction sectors)	115	5288

- **Establishing bilateral safety committees for enhancing employee safety**



- **Developing training modules to be used for training employers and employees on occupational safety and health**

Training modules were drafted separately to be used for creating awareness amongst employers and employees on the 04 sectors, namely occupational safety in the construction sector, electricity safety, mechanical safety and chemical safety. Further activities thereof are to be carried out in the year 2024.

2.8 Activities carried out to ensure Occupational health of employee

It is the responsibility of the Department of Labour to assess using scientific methods whether there is a possibility of health issues or accidents in a workplace to ensure health safety of work places and create awareness on the measures that can be adopted to prevent such accidents. Accordingly, the following activities were carried out from 01.01.2024 to 31.12.2024.

Figure 2.3 – Activities carried out during the period from 01.01.2024 to 31.12.2024	
	No. of environmental measurements =233
	No. of biological inspections = 236
	No. of occupational health and safety audits = 241

Table 2.4 – Measures taken to resolve problematic situations connected with occupational safety and health in various institutions during the period from 01.01.2024 to 31.12.2024	
No. of institutions where problematic situations were resolved through interventions	Output of the intervention
08	Having made necessary interventions for occupational safety and health issues occurred mainly in 08 institutions, steps were taken to resolve the said issues, thereby taking measures to safeguard standards on occupational safety and health of 1752 employees.

The details of awareness programmes for employers and employees conducted by the Occupational Safety and Health Division from 01.01.2024 to 31.12.2024 are as follows.

Table 2.5 - The details of awareness programmes conducted by the Occupational Safety and Health Division from 01.01.2024 to 31.12.2024			
Nature of the programmes	Name of the programme	No. of programmes held	No. of participants /beneficiaries
Promoting occupational health	Training programmes organized and conducted for employers and employees	92	1101
	On the spot field training programmes conducted for employers and employees following onsite inspections	173	2832

Similarly, a project was launched in the year 2024 to elevate the working environment conditions (sound, light, heat, ventilation etc.) in small and medium factories in the Western Province to a standardized level. Accordingly, this project was put into operation in the

following selected industrial estate of the Colombo, Kalutara and Gampaha districts in the Western Province.

Colombo District - Panaluwa Industrial Estate and Panagoda Templeburg Industrial Estate of the Industrial Development Board

Gampaha District- Ekala Industrial Estate of the Industrial Development Board

Kalutara District- Nagoda Fullerton Industrial Estate, Horana Vaulagala Industrial Estate and Horana Aramanagolla Industrial Estate

At the preliminary survey of the project, details pertaining to the total number of employees, production, raw materials, working hours, employee welfare facilities and environmental conditions (light level, sound level, Wet Bulb Globe Temperature, etc.) were collected. Further, having identified instances of deviations from the standard level as per the measurements obtained on environmental conditions, recommendations were made to employers and awareness was made amongst employees as to how environmental conditions can be improved.

2.9 Website of the Department

The new official website of the Department of Labour (www.labourdept.gov.lk) was launched on 18.06.2024. Documents such as specimen applications and forms required for people to obtain services, various Acts and Ordinances and decisions of the Wages Boards to which attention should be paid by employers are posted on the website and could be downloaded as and when necessary and information posted on the website are updated regularly. Similarly, facilities for obtaining e-services of the Department have been incorporated into the website and are being developed.

2.10 Official social media activities of the Department

The Department maintains an official YouTube channel, a Facebook page and a Twitter account to provide updated information to the public.

  	YouTube Channel	Subscribers: 1.87K
		Number of Videos included : 130
	Facebook Page	Followers: 1.5K
	Twitter	Followers: 105

2.11 Library of the Department of Labour

The library of the Department of Labour is the foremost library in Sri Lanka on the field of labour with a large collection on legislations, books, publications and journals. The library offers facilities for the staffs of the Department of Labour and other institutions affiliated to the Ministry of Labour as well as for external readers for the perusal of all legislations, books and publications for study and reference purposes.

The installation of Library Information Management System (KOHA software) in order to further expand the facilities of the library have been planned to be carried out during the year 2025.

2.12 Information Dissemination Activities

2.12.1 Publications

- 'Kathikawa' magazine



The objective of launching the 'Kathikawa' magazine is to contribute to minimize disputes by providing knowledge required for fostering employer-employee relationship at the institutional level. The 23rd volume of the 'Kathikawa' magazine was unveiled in December 2024.

Development of AI Chatbot for advancing people's knowledge on the function of the Department of Labour and labour laws and development of a Self Learning Module for enhancing knowledge of officers on the field of labour legislation are expected to be carried out in the year 2025 enlisting technical assistance from the United Nations Development Programme.

2.12.2 Surveys and Studies relating to the field of labour

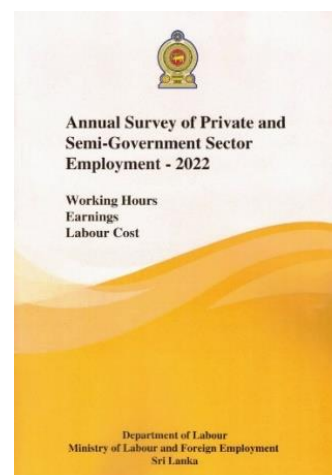
- **Survey on the number of hours worked and labour cost**

By this survey, data on labour cost, the number of hours worked and general earnings are gathered for the purpose of formulating development strategies of the country. The data thus collated are used for policy planning and decision making in the public and private sectors and formulation of future plans designed for the advancement of both employers and employees.

Computerizing data of the survey on the number of hours worked and labour cost relevant to the year 2023 is presently being carried out. Further, questionnaires for obtaining data relevant to the year 2024 were posted to the relevant institutions.

- **Annual survey of Private and semi-government sector employment -2022**

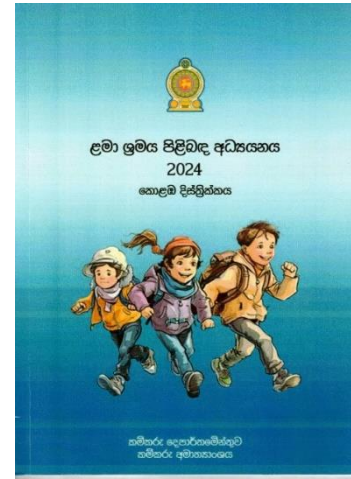
Information such as the average number of hours employees of the private and semi-government sectors work per week, their average nominal monthly income, average real monthly income, labour cost segregated in terms of gender and occupation have been published through this report.



- **Study on child labour 2024- Colombo District**

A study on child labour in the Colombo District was conducted in the year 2024 with the objective of gaining an understanding on child labour in the Colombo District, evaluating the progress of activities on the elimination of child labour, collecting data on socioeconomic situation of families with working children and studying measures to be adopted for the elimination of child labour.

A sample of 1000 housing units from 100 Grama Niladhari Divisions covering all Divisional Secretary Divisions in the Colombo District was selected for this study. The simple random sampling method as well as systematic sampling method were used for the survey and household survey method as well as rapid assessment method were employed for the collection of data.



Subsequent to the collection of data, the outcomes of the survey were submitted to the National Steering Committee on Eliminating Child Labour, action was taken to compile and print the "Study on Child Labour- Colombo District" report.

- **A study on the impact of factory Inspections on legal compliance and occupational safety and health standards in industries (Pilot Project conducted by Industrial Safety Division and Occupational Hygiene Division of the Department of Labour)**

By this study conducted jointly by the Industrial Safety Division and the Occupational Hygiene Division of the Department of Labour, the areas with deficiencies in factories such as the shortcomings in the registration of factories, shortcomings in the maintenance of General Registers used for registering information on accidents, shortcomings in first-aid facilities were identified. Accordingly, an Action Plan as to the future course of action to be adopted on the basis of recommendations submitted by this study report for minimizing the said shortcomings in the factories was prepared and it is planned to be implemented from the year 2025.

Conducting main commemorative days

- **International Women's Day 2024**

Concurrent to International Women's Day which fell on 08.03.2024, the Women's Day commemorative event organized by the Department of Labour was held on 07.03.2024 at the head office of the Labour



Department.

A short video competition to raise public awareness through social media platforms on "Labour laws affecting women" was held and the winners of the competition were awarded certificates. An open panel discussion sponsored by the Shrama Vasana Fund was also held for university students on labour laws affecting women.

- **World Day against Child Labour-2024**

The programme organized by the Department of Labour under the project for eliminating child labour from Sri Lanka by the year 2025, concurrent to World Day against Child Labour which fell on 12th June was held at the 10th floor auditorium of the Labour Secretariat on 18.06.2024. A Memorandum of Understanding was signed at the event between the Department of Labour and the Industrial Development Board and employers of 61 institutions located in industrial estates under the purview of the IDB gave a pledge to



maintain their institutions without employing child labour. Further, a QR Code was introduced through the new website of the Department to obtain a pledge on the elimination of child labour from the informal sector institutions.

World Children's Day Commemorative Programme -2024

With the objective of drawing public attention as to the requirement of extricating children from child labour, the Department of Labour conducts an annual commemorative ceremony. For the year 2024, the said programme was held on 01.10.2024 at the main hall of WP/Pili/Subodha Model Primary School at Dehiwala. The awarding of certificates and gifts to the winners of the poster competition held in the Colombo district on the theme "Eliminating Child Labour" took place during this ceremony. Further, an awareness programme for schoolchildren, teachers as well as parents on the legal implications of child

labour and the citizens' responsibility in extricating children from child labour was also conducted.

- **National Occupational Safety and Health Week**

Marking national occupational and health week, three workshops on occupational hygiene and health were conducted.

Date on which the workshop was held	Venue of training workshop	No. of employees/employers participated
23.10.2024	Industrial estate of IDB located at Panaluwa	35
29.10.2024	Industrial estate at Aramanagolla, Horana	45
25.10.2024	Vavuniya Divisional Secretariat (Tamil medium)	33

2.13 Human Resources Management of the Department

Routine staff administrative functions such as the identification of staff requirements, making recruitments as per requirements, promotion of officers, conducting efficiency bar examinations, evaluation of performance, granting salary increments, transfer of officers, retirement of officers, handling leave and disciplinary issues of officers of the Department were carried out in the year 2024.

Details of the staff of the Labour Department as at 31.12.2024 are as follows.

Post	Approved cadre	Number employed as at 31.12.2024	No. of vacancies
Senior level	217	126	91
Tertiary level	668	504	164
Secondary level	1928	1671	257
Primary level	476	410	66
Total	3289	2711	578

Details of recruitment of officers from 01.01.2024 to 31.12.2024 are tabulated below.

Post	No, of vacancies to be filled	Date proposed for the conduct of examination	Date on which examination was held	Recruitment of officers	
				The date of recruitment	No. of officers
Labour Officer Grade II	59	March 2022	29.04.2023	07.05.2024	57

Following an orientation training for the 57 newly recruited Labour Officers from 08.05.2024 to 06.09.2024, they were attached to regional offices of the Department on 09.09.2024.

Details of efficiency bar examinations conducted from 01.01.2024 to 31.12.2024 are as follows.

Post	Name of efficiency bar examination	No. of officers qualified to sit examination	Date of examination	No. of officers/employee who sat the examination
Asst. Commissioner of Labour (Departmental)	First efficiency bar examination	11	16.12.2024, 17.12.2024 and 18.12.2024	09
Labour Officer – Grade II	First efficiency bar examination	06	30.09.2024 and 01.10.2024	02
Human Resources Development Officer – Grade II	Second efficiency bar examination	01	26.08.2024	-
Human Resources Development Officer – Grade II	Second efficiency bar examination	01	25.11.2024	01
Office Employees' Service - Grade III, II and I	First, second and third efficiency bar examinations	44	18.12.2024 and 19.12.2024	42
Combined Drivers' Service	Second efficiency bar examination	03	17.01.2024	03
Carpenter - Grade II	Second efficiency bar examination	01	18.07.2024	01

Recruiting employees through interviews from 01.01.2024 to 31.12.2024

Post	No. of vacancies to be filled	Date of recruitment and no. of officers	
		Date	No. of officers
Office Employees Service (Grade III)	35	02.08.2024	09

Provision of training required for the entire staff of the department, referring officials to training programmes conducted by external institutions, allocation of financial provisions required for degrees and postgraduate degrees followed by employees, carrying out coordination activities required for foreign training are the human resources development functions that have been performed by the Department.

A provision of Rs. 10,400,000.00 was received for the year 2024 for local training programmes. Of this, the expenditure as at 31.12.2024 was Rs. 8,546,920.00 which as a percentage was 82% of the total allocation. A detailed description in this regard is given chapter 06.

A request was made to the Sri Lanka Institute of Development Administration seeking its technical assistance for the formulation of a Performance Evaluation System and a Non-financial Rewarding System for the staff of the regional offices and plans are afoot for future course of action in this regard as per the plan submitted by the Institute.

Similarly, a request was made for the technical assistance of the United Nations Development Programme for the formulation of a code of ethics for service delivery of the Department of Labour and plans have been drawn up to carry out future activities thereof in the year 2025.

Drafting training modules for the Divisions of the Labour Department was initiated in the year 2024. The drafted modules will be further improved by a committee in the year 2025 to meet the specific needs of the department.

2.14 Infrastructure development of Department of Labour

The Department of Labour took action to develop infrastructure facilities in its head office and regional labour offices island-wide with the objective of delivering a more efficient service to service recipients scattered across the country.

Accordingly, minor repairs required for regional offices were effected and internal architectural work was carried out at the Mehewara Piyasa building and the Labour Secretariat.

Accordingly, procurement activities for internal construction work on the 16th floor of Mehewara Piyasa building and internal construction work on floors 3,4,and5 of the Mehewara Piyasa building were being carried out by 31.12.2024.

Similarly, the new office premises established on first floor of the Labour Secretariat to provide all services associated with the Employees Provident Fund to the service recipients under one roof was declared open on 06.08.2024.

2.15 Guiding towards targets by monitoring the functions of the Department

The Annual Action Plan of the Department for 2024 was prepared and the methods employed by all divisions of the department to achieve targets thereunder and progress made in that regard were reviewed. Accordingly, the monthly meetings of Labour Commissioners were conducted every month wherein discussions were held on the progress of each division and action to be taken as to administrative issues that arose in carrying out activities of the divisions.

Deputy labour commissioners in charge of zones made arrangements to conduct progress review meetings to review the progress relevant to first, second and third quarters of the year 2024 of their respective district and sub-labour offices.

A committee comprising officials of the Department was formed to devise a mechanism and seek recommendations to monitor the progress of district labour offices and sub-labour offices by Deputy Zonal Labour Commissioners.

Similarly, a committee of officials was established to develop a formal mechanism for reviewing the progress of regional offices by the Head Office and by the end of the year

2024, the committee was engaged in discussions and as per the recommendations of the committee, future course of action will be determined in the year 2025.

2.16 Financial Management

The department adopted measures for the efficient, effective and economical administration of financial resources allocated to the department from the budget of 2024 in compliance with state policies.

Accordingly, 95.2% of recurrent provisions and 22.5% of capital provisions allocated to the Department as at 31.12.2024 had been utilized achieving the financial management targets.

	Provision for the year 2024 Rs.	Expenditure as at 31.12.2024 Rs.	Actual expenditure as a percentage of provisions
Recurrent expenditure	3,018,000,000	2,873,402,559	95.2 %
Capital expenditure	1,403,925,000	316,159,332	22.5 %

Though fifty building renovation activities had been planned to be implemented under capital expenditure, due to the shortage of engineers and technical officers in the Department of Labour, such activities had to be outsourced. Consequent to the delay by such institutions in the preparation of bill of quantities and price quotation documents, there had been a significant delay in the building repairing activities. It resulted in a decline in the progress of spending provisions for capital expenditure.

As a solution to this problem, it has been planned to select a suitable consultancy agency using the prescribed procurement process in the year 2025 and carry on these activities in a more efficient manner.

H.K.K.A.Jayasundara
Commissioner General of Labour

Chapter Three

Overall financial performance

for the year ended 31st December 2024

3.1 Statement of Financial Performance for the year ended 31 December 2024

						ACA - F
Statement of Financial Performance						
for the period ended 31st December 2024						
Revised Budget Allocations 2024		Note	Actual			
Rs.			2024 Rs.	2023 Rs.		
-	Revenue Receipts		-	-		
-	Income Tax	1	-	-	ACA-1	
-	Taxes on Domestic Goods & Services	2	-	-		
-	Taxes on International Trade	3	-	-		
-	Non Tax Revenue & Others	4	-	-		
-	Total Revenue Receipts (A)		-	-		
-	Non Revenue Receipts		-	-		
-	Treasury Imprests		1,702,735,000	1,405,846,000	ACA-3	
-	Deposits		4,164,557,714	3,876,444,205	ACA-4	
-	Advance Accounts		131,681,603	122,739,450	ACA-5	
-	Other Main Ledger Receipts		-	-		
-	Total Non Revenue Receipts (B)		5,998,974,317	5,405,029,654		
	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		5,998,974,317	5,405,029,654		
	Remittance to the Treasury (D)		-	83,240,565.36		
-	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		5,998,974,317	5,321,789,089		
	Less: Expenditure					
-	Recurrent Expenditure					
1,985,600,000	Wages, Salaries & Other Employment Benefits	5	1,967,273,776	1,708,472,497	ACA-2(ii)	
1,012,500,000	Other Goods & Services	6	892,596,065	813,472,042		
19,401,860	Subsidies, Grants and Transfers	7	13,034,578	13,863,206		
-	Interest Payments	8	-	-		
498,140	Other Recurrent Expenditure	9	498,139	-		
3,018,000,000	Total Recurrent Expenditure (F)		2,873,402,559	2,535,807,745		
	Capital Expenditure					
1,032,900,000	Rehabilitation & Improvement of Capital Assets	10	257,261,044	86,065,584	ACA-2(ii)	
359,625,000	Acquisition of Capital Assets	11	50,063,883	33,270,520		
-	Capital Transfers	12	-	-		
-	Acquisition of Financial Assets	13	-	-		
10,400,000	Capacity Building	14	8,546,920	4,062,418		
1,000,000	Other Capital Expenditure	15	287,485	346,275		
1,403,925,000	Total Capital Expenditure (G)		316,159,332	123,744,798		
	Deposit Payments		4,280,930,828	3,681,525,657	ACA-4	
	Advance Payments		125,267,485	139,905,842	ACA-5	
	Other Main Ledger Payments		-	-		
	Total Main Ledger Expenditure (H)		4,406,198,313	3,821,431,499		
	Total Expenditure I = (F+G+H)		7,595,760,204	6,480,984,041		
	Balance as at 31st December J = (E-I)		(1,596,785,887)	(1,159,194,953)		
	Balance as per the Imprest Adjustment Statement		(1,609,554,880)	(1,159,194,953)	ACA-7	
	Imprest Balance as at 31st December		12,768,993	-	ACA-3	
			(1,596,785,887)	(1,159,194,953)		

3.2 Statement on Financial Status as at 31 December 2024

				ACA-P
Statement of Financial Position				
As at 31st December 2024				
			Actual	
	Note		2024	2023
			Rs	Rs
<u>Non Financial Assets</u>				
Property, Plant & Equipment	ACA-6		17,989,260,234	17,824,004,744
<u>Financial Assets</u>				
Advance Accounts	ACA-5/5(a)		267,692,902	274,107,020
Cash & Cash Equivalents	ACA-3		12,768,993	-
Total Assets			18,269,722,130	18,098,111,763
<u>Net Assets / Equity</u>				
Net Worth to Treasury			(578,590,517)	(688,549,513)
Property, Plant & Equipment Reserve			17,989,260,234	17,824,004,744
Rent and Work Advance Reserve	ACA-5(b)			
<u>Current Liabilities</u>				
Deposits Accounts	ACA-4		846,283,419	962,656,533
Unsettled Imprest Balance	ACA-3		12,768,993	
Total Liabilities			18,269,722,130	18,098,111,763

Statement of Financial Position

As at 31st December 2024

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 1 to 46 and Annexures to accounts presented in pages from 47 to 60 form an integral part of these Financial Statements. The Financial Statements have been prepared in accordance with the Government Financial Regulations 150 & 151 and State Accounts Guideline No. 06/2024, dated 16.12.2024 and hereby certify that figures in these Financial Statements, notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.


 Chief Accounting Officer
 Name :
 Designation :
 Date : 2025.02.28

S.M. Piyatissa
 Secretary
 Ministry of Labour
 7th Floor, "Mehewara Piyesa"
 Narahenpila, Colombo 05.


 Accounting Officer
 Name :
 Designation :
 Date : 2025.02.28

H.K.K.A. Jayasundara
 Commissioner General of Labour
 Department of Labour
 Colombo 05.


 Chief Accountant
 Name :
 Date : 2025.02.28

T. V. Priyantha
 Chief Accountant
 Department of Labour
 Colombo 05.

3.3 Statement of cash flows for the year ended 31 December 2024

		ACA-C
Statement of Cash Flows for the Period ended 31st December 2024		
	Actual	
	2024 Rs.	2023 Rs.
Cash Flows from Operating Activities		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	-
Revenue Collected on behalf of Other Revenue Heads	1,612,476,844	1,153,377,936
Imprest Received	1,702,735,000	1,405,846,000
Recoveries from Advance	143,085,055	132,455,074
Deposit Received	4,164,557,714	3,876,444,205
Total Cash generated from Operations (A)	7,622,854,613	6,568,123,215
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	2,845,654,575	2,509,086,774
Subsidies & Transfer Payments	13,532,717	13,863,206
Expenditure incurred on behalf of Other Heads	36,886,503	29,565,347
Imprest Settlement to Treasury	-	83,240,565
Advance Payments	125,815,190	139,559,050
Deposit Payments	4,280,930,828	3,681,525,657
Total Cash disbursed for Operations (B)	7,302,819,814	6,456,840,600
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	320,034,799	111,282,615
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
Less - Cash disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	307,265,806	111,282,615
Total Cash disbursed for Investing Activities (E)	307,265,806	111,282,615
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	(307,265,806)	(111,282,615)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	12,768,993	0
Cash Flows from Fianacing Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
Less - Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	12,768,993	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	12,768,993	-

3.4 Notes to Financial Statements

Basis of Reporting

1) Purpose of Preparation

The Financial Statements have been prepared in accordance with the Government Financial Regulations 150 & 151 and State Accounts Guideline No. 06/2024, dated 16.12.2024.

2) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2024.

3) Basis of Measurement

The Financial Statements have been prepared on historical cost modified by the revaluation of certain assets and accounted on a modified cash basis, unless otherwise specified.

The figures of the Financial Statements are presented in Sri Lankan rupees rounded to the nearest rupee.

4) Recognition of Revenue

Exchange and non exchange revenues are recognised on the cash receipts during the accounting period irrespective of relevant revenue period.

5) Recognition and Measurement of Property, Plant and Equipment (PP&E)

An item of Property, Plant and Equipment is recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured.

PP&E are measured at a cost and revaluation model is applied when cost model is not applicable.

6) Property, Plant and Equipment Reserve

This reserve account is the corresponding account of Property Plant and Equipment.

7) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins in hand as at 31st December 2024.

* In cases where there are transactions which are specific to a particular reporting entity, relevant information can be entered in and revisions can be made as needed in the formats and the disclosure required for those specific transactions may be included under "Reporting Basis"

* Only the accounting policies relevant to the reporting entity should be disclosed under the reporting basis.

3.5 Performance of the revenue collection

Revenue Code	Description of the Revenue	Revenue Estimate		Collected Revenue	
		Original Estimate	Final estimate	Amount (Rs)	As a % of Final Revenue Estimate
Not Applicable					

3.6 Performance of the utilization of allocation

Type of Allocation	Allocation	Actual Expenditure	Allocation Utilization as a % of Final Revenue Estimate
Recurrent	3,018,000,000	2,873,402,559	95.2 %
Capital	1,403,925,000	316,159,332	22.5 %

3.7 In terms of FR 208 grant of allocations for expenditure to this Department as an agent of the other Ministries/ Departments

S.No.	Allocation received from which Department/ Ministry		Purpose of the allocation	Allocation		Actual Expenditure	Allocation utilization as a % of final revenue estimate
				Original	Final		
1	Ministry of Agriculture and Plantation Industries	118-1-2-0-1001	Recovery of excess salary paid to an officer who was employed in the Development Officer Service when he/she was released to the Administrative Service.	-	-	(19,220.97)	-
2	Ministry of Agriculture and Plantation Industries	118-1-2-0-1003		-	-	(13,874.19)	-
3	Ministry of Public Services, Provincial Councils and Local Government	130-1-2-0-1001-11	Payment of allowances of graduate trainees	1,091,250.00	1,091,250.00	654,750.00	60%
4	Ministry of Public Services, Provincial Councils and Local Government	130-1-2-0-1003-11	Payment of allowances of graduate trainees	1,543,500.00	1,543,500.00	1,088,100.00	70%
5	Ministry of Labour - Foreign Employment Section	193-1-14-0-1403-11	Bearing expenditure for water and electricity of the Ministry	5,377,281.43	5,377,281.43	5,377,281.43	100%
6	Ministry of Labour - Foreign Employment Section	193-1-14-0-1404-11	Bearing lease rents of the Ministry	1,295,910.00	1,295,910.00	1,295,910.00	100%
7	Ministry of Labour - Foreign Employment Section	193-1-14-0-1409-140-11	Facilities management fees of MehewaraPiyasa	3,362,951.17	3,362,951.17	3,362,951.17	100%
8	Ministry of Labour	193-1-2-0-1403-11	Bearing expenditure for water and electricity of the Ministry	9,456,035	9,456,035	9,456,035	100%
9	Ministry of Labour	193-1-2-0-1404-11	Bearing lease rents of the Ministry	1,555,092	1,555,092	1,555,092	100%
10	Ministry of Labour	193-1-2-0-1405-11	Bearing cleaning cosst of the Ministry	325,541.10	325,541.10	325,541.10	100%
11	Ministry of Labour	193-1-2-0-1409-140-11	Facilities management fees of MehewaraPiyasa	3,710,000.28	3,710,000.28	3,710,000.28	100%
12	Ministry of Labour	193-1-2-2-2509-11	Bearing expenditure for the Decent Work programme	8,488,000.00	8,488,000.00	6,182,352.22	73%

3.8 Performance of the reporting of non-financial assets

Assets Code	Code Description	Balance as per the Board of Survey Report as at 31st December 2024	Balance as per Financial Position Report as at 31st December 2024	Yet to be Accounted	Reporting Progress as a %
9151	Buildings and Structures	2,865,777,749.65	2,865,777,749.65		100%
9152	Machinery and Equipment	808,158,488.35	808,158,488.35		100%
9153	Land	2,262,720,000.00	2,262,720,000.00		100%
9154	Intangible Assets	52,351,728.54	52,351,728.54		100%
9155	Biological Assets	-	-		
9160	Work in Progress	12,000,252,267.79	12,000,252,267.79		100%
9180	Lease Assets	-	-		

3.9 Report of the Auditor General

My No: LSW/B/DOL/SR/01/2024

Date: 06 July 2025

Accounting Officer
Department of Labour

Head 221 - Summary report of the Auditor General in terms of Section 11(1) of the National Audit Report Act No.19 of 2018 on the financial statements of the Department of Labour for the year ended 31 December 2024

1. Financial Statements

1.1 Qualified Opinion

Head 221- The audit of the financial statements of the Department of Labour for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of financial performance and cash flow statement for the year then ended was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act, No.19 of 2018. The summary report containing my comments and observations on the financial statements of the Department was issued to the Accounting Officer on 29 June 2022 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report was issued to the Accounting Officer on 19 August 2023 in terms of Section 11(2) of the National Audit Act, No.19 of 2018. This report of the Auditor General in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka to be read in conjunction with Section 10 of the National Audit Act, No.19 of 2018, will be tabled in parliament in due course.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Department of Labour as at 31 December 2024, and its financial position, financial performance and cash flows for the year then ended in accordance with generally accepted accounting principles.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements is further described in the Auditor's Responsibilities Section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Emphasizing a fact – Basis of the preparation of financial statements

Attention is wished to be drawn to Note 1 relevant to financial statements that describe the basis for the preparation of financial statements. The financial statements have been prepared in terms of government Financial Regulations 150 and 151 and Public Accounts Guidelines No.06/2024 dated 16 December 2024 as amended on 21 February 2025 on the requirement of the Department of Labour, the General Treasury and the Parliament. Therefore, these financial statements may not be suitable for other purposes. My report is aimed at only for the use of the Department of Labour, the General Treasury and the Parliament. My opinion in this regard is not modified.

1.4 Responsibilities of the Chief Accounting Officer and the Accounting Officer for Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Section 16(1) of the National Audit Act, No.19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's summary report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.6 Comments of financial statements

1.6.1 Income

The money spent by the Department of Labour in the year 2024 for the affairs of the Employees Provident Fund is reimbursed monthly by the Central Bank of Sri Lanka and as a result of the sum of Rs. 967,027,707 thus reimbursed in the year 2024 being credited to a head of expenditure, a false value has been recorded as income in the financial statements of the Department.

1.6.2 Capital expenditure

- (a) Computer software amounting to Rs. 3,777,444 purchased in the year 2024 has been reported as assets of the Department and has also been reported as assets in the financial statements of the Employees' Provident Fund.
- (b) Though the Department shall cause the expenditure borne from the provisions for the affairs of the Employees' Provident Fund to be reimbursed by the Central

Bank and credit the money thus reimbursed to the relevant expenditure heads, as a result of not following that procedure, expenses amounting to Rs. 967,027,707 included in the financial statements of the year 2024, have been recorded again as expenses of the Employees' Provident Fund.

2. Report on Other Legal Requirements

I express the following matters in terms of Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

(a) The differences between final balances in the financial statements of 2023 included in the ACA format of the annual financial statements prepared for the year 2024 and submitted to the audit, have been recorded in 1.5.2 of this report. According to that audit observation, it was not consistent with the financial statements of the preceding year.

(b) The recommendations made by me on the financial statements of the preceding year had been implemented.

3. Financial Review

3.1 Management of Expenditure

(a) It was observed that hundred percent of provision savings due to no expenditure had been incurred during the year under review from the provisions of Rs.192,500,000 made in relation to 3 expenditure items.

(b) Only Rs.258,900,994 had been utilized out of the provision of Rs.1,157,501,540 provided to 14 expenditure codes by the end of the year under review. The percentage of this saving ranged from 44 percent to 96 percent.

2.5 Non-compliance with laws, rules and regulations

Reference to laws, rules and regulations	Non-compliance
(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka Sections 4.5 and 4.6	(i) The balance of loans to be recovered from officers who have vacated the post, interdicted and dismissed from service at the end of the year under review that could not be recovered in terms of the provisions of the Establishments Code was Rs. 1,914,316 of which 6 balances amounting to Rs. 384,060 had exceeded 10 years.

	(ii) Loan balance receivable from 4 deceased officers amounted to Rs. 287,752 of which balance between 1-3 years was Rs. 153,792, balance between 3-5 years was Rs. 10,000 and balance exceeding 10 years was Rs. 123,960.
(b) Section 3.1 of Public Administration Circular No. 30/2016 dated 16 December 2016	Though there were 87 vehicles belonging to the Department, fuel consumption inspections had not been carried out in 80 vehicles.
(c) Asset Management Circular 05/2020 and Public Finance Circular 01/2020	Though action should be taken to identify and dispose vehicles in uneconomical conditions belonging to the Department, this task had not been completed during the year under review.
(d) Extraordinary gazette No. 2142/90 dated 27 September 2019	A programme of work required for the proper implementation of the process of new registration of factories in terms of the provisions of the gazette had not been prepared.

3.3 Deposits

- (a) The balance of the Tender Deposit account of the Department as at 31 December 2024 was Rs. 24,313,744 and it was observed that Rs.16,327,781 within the said balance were deposits that had lapsed more than 2 years and made in respect of the construction of Mehewara Piyasa building deposits.
- (b) The balance in the general deposit account of the Department of Labour as at 31 December 2024 was Rs. 821,969,675 and action had not been taken to settle the sum of Rs. 7,022,106 which was the total of EPF (compensation & gratuity) that existed before 2015. Out of the sum of Rs.349,186,269 that existed between year 2016 to 2024, the balance that remained to be settled by April 2025 was Rs. 311,596,989.
- (c) Though the money of the claims accounts of the year 2024 had been sent to the relevant district offices, balances amounting to Rs.1,539,544, Rs.222,740 and Rs.403,600 remained to be paid respectively in Colombo Central, Colombo West and Colombo South offices even by May, 2025.

4. Operating Review

4.1 Performance

4.1.1 Vision and Mission

Even though the objective of constructing the Mehewara Piyasa building in terms of Cabinet Memorandum dated 12th May 2008 was to carry on all activities under one roof from the registration of members to file law suits against employers defaulting the payment of membership fees and allocation of spaces for the Employees'

Provident Fund Secretariat to facilitate the benefit claims of employees, an administrative unit comprising officers of the Central Bank, a magistrate's court to hear cases, a discussion hall and a cafeteria, that objective has not been realized. It was observed that the floors 24 and 25 and floors 26 & 27 were being respectively used by the Inland Revenue Department and the State Pharmaceuticals Corporation by December 2024 without being charged lease rent though they were not directly related the subject labour.

4.1.2 Abandoning projects without completion

Though provisions amounting to Rs. 6,000,000 had been allocated in the year 2023 and provisions amounting to Rs. 2,500,000 had been allocated during the year under review for renovating the hostels at Katunayake and Koggala, the expected task had not been performed.

4.1.3 Delays in project implementation

- (a) An estimated provision of Rs. 30,000,000 had been allocated for the internal constructions of the Mehewara Piyasa building in the year 2023 and a provision of Rs. 36,880,000 had been allocated during the year under review. Due to the delay in the commencement of the procurement process until October 2024, it was not possible to implement the project in the year 2024.
- (b) Though the Mehewara Piyasa building was declared open on 20th August 2019 and office activities were carried on, the garbage management performance programme had not been implemented even by the end of the year 2024. Provisions of Rs. 5,000,000 in the year 2023 and provisions of Rs. 13,000,000 of the year 2024 procured for this purpose had remained unspent.

4.1.4 Projects that had not achieved progress despite the allocation of funds

A sum of Rs. 11,177,000 had been paid to the Department of Buildings in the year 2019 upon a preliminary estimate for the repairs of the Ratnapura district labour office. In the preliminary estimate, Rs. 1,922,500 had been included for the renovation of the ceiling and roof and the nature of the repair had not been described in the preliminary estimate and the types of timber, asbestos etc. to be used had not been clearly mentioned. At the time of the audit, i.e. August 2024, water seeped from the roof through the ceiling during rain and though there a power disconnection was caused by the leakage of water along the electric fan, the management had failed to notify the Department of Buildings and take necessary action.

4.1.5 Not gaining expected benefits

Out of Rs. 8,488,000 allocated by the Ministry of Labour and Foreign Employment for the implementation of the 'Decent Work' programme, only Rs. 6,178,202 had been utilized. Accordingly, it was disclosed that the overall percentage of the saving was 27 percent. Of

the money so allocated was 44 percent of provisions allocated to the Social Dialogue and Workplace Cooperation Division.

4.1.6 Management Inefficiencies

- (a) During a sample inspection of loan documents maintained by the Department (CC10), it was observed that inaccurate reporting and false reporting of loan balances of 9 officers on 9 occasions as a result of not duly maintaining documents.
- (b) Though provisions mounting to Rs. 139,270,000 had been allocated for 7 goods and services procurement activities without a pre-study and evaluation, said activities could not be performed during the year 2024, due to issues pertaining to lands, suspension due to PPP schemes and introduction of digital methods.
- (c) Though the Hambantota district labour office and circuit bungalow had been repaired in the year 2023 spending Rs. 7,855,576, they remained unutilized as necessary furniture and equipment had not been procured.
- (d) Since the power supply from the generator at the Ratnapura district labour office which constantly experience power outages due to unfavourable weather conditions, was only sufficient for the EPF payment branch, routine office activities have been interrupted.
- (e) As documents could not be traced due to document files being destroyed in the floods of 2017, it was observed that Rs. 7,254,381 that was about to be credited to government revenue could not be credited and not taking action to maintain a backup information system or any other form of information system, since this office is located in a vulnerable location was observed as a management inefficiency.

5. Human Resources Management

- (a) The vacancy percentage of senior level officers was 42 percent and vacancy percentage at the tertiary level was 25 percent at the Department as at 31 December 2024. As a result of there being a higher percentage of vacancies, it was observed that practical issues could arise in the decision making within the institutional hierarchy, acceptance of responsibilities, monitoring and guidance.
- (b) The existence of vacancies of management service officers had adversely affected the efficiency as the Department was engaged in duties relating to 14 legislations applicable to the field of labour, investigation activities and routine duties pertaining to general public.

H.M. De Soysa
Senior Assistant Auditor General
For Auditor General

Chapter Four

Performance Indicators

Performance Indicators

4.1 Performance indicators of the institution (based on the Action Plan)

Specific indicators	Actual output as a percentage (%) of the expected output		
	100%-90%	75%-89%	50%-74%
Percentage of sending determination letters for payments of benefits of EPF within 14 days			71%
Percentage of activities carried out of those targeted to be carried out in 2024 with the sustainable objective of making Sri Lanka a child labour free country by 2025	98%		
Percentage of the number of Safety Committees established out of the Safety Committees targeted to be established in institutions		81%	
Percentage of solutions for complaints received regarding violations of conditions applicable to employment of women at night	100%		
Percentage of the number of programmes conducted out of the programmes targeted to be conducted at the institutional level for promoting social dialogue	100%		

Chapter Five

Performance in achieving Sustainable Development Goals (SDGs)

Performance in achieving Sustainable Development Goals (SDGs)

5.1 Identified Sustainable Development Goals

Out of the Sustainable Development Goals to be achieved by Sri Lanka by the year 2030, the goal with direct relevance to the Department of Labour as per the mission of the Department is goal 8, i.e. **promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**. Accordingly, the vision and mission of the Department of Labour is in harmony with this goal and the final outcome of all activities of the Department is the attainment of this goal. Thus, the overall progress of the Department reflects the progress in achieving Goal 8.

Aside from this, Goal 1 'End poverty in all its forms everywhere', Goal 5 'Achieve gender equality and empower all women and girls' and Goal 16 'Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels' are also relevant, albeit to a lesser degree, as per the activities of the Department.

5.2 Achievements in accomplishing SDGs

Goal/ objective		Target		Achievement indicators		Progress of achievements from 01 st January 2024 to 31 st December 2024
01	End poverty in all its forms everywhere	1.1	By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.	1.1.1	Proportion of the population living below the international poverty line by sex, age, employment status and geographic location (urban/rural)	Action was taken to update the minimum daily wage in the tea growing and manufacturing trade and rubber growing and processing
05	Achieve gender equality and empower all women and girls	5.1	End all forms of discrimination against all women and girls everywhere.	5.1.1	Whether legal frameworks are in place or not to promote, enforce and monitor equality and non-discrimination on the basis of sex.	Concurrent to International Women's Day which fell on 08.03.2024, the Women's Day commemorative event organized by the Department of Labour was held on 07.03.2024 at the head office of the Labour Department. A short video competition to raise public awareness through social media platforms on "Labour laws affecting women" was held and the winners of the competition

		5.2	Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation	5.2.1	Proportion of ever-partnered women and girls aged 15 years and older subjected to physical, sexual or psychological violence by a current or former intimate partner in the previous 12 months, by form of violence and by age	were awarded certificates. An open panel discussion was also held for university students on labour laws affecting women. - Investigations into 09 complaints received during the year regarding the violation of conditions of employment of women at night were conducted and finalized. - In terms of labour laws, average hourly earnings of employees of the private and semi-government sectors do not vary by sex, age, occupation and persons with disabilities.
		5.6 c	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	5.c.1	Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment	
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	8.5.1	Average hourly earnings of employees, by sex, age, occupation and persons with disabilities	In terms of labour laws, average hourly earnings of employees of the private and semi-government sectors do not vary by sex, age, equal value of work and persons with disabilities
				8.5.2	Unemployment rate, by sex, age and persons with disabilities	
		8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and	8.7.1	Proportion and number of children aged 5–17 years engaged in child labour, by sex and age.	Concurrent to World Day against Child Labour which fell on 12th June every year, a commemorative ceremony was held by the Labour Department on 18.06.2024. The

			elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms			programme to obtain a pledge from employers of the formal sector not to employ child labour, especially from those located at industrial estates under the purview of the Industrial Development Board was initiated at this ceremony. Further, a QR Code was introduced through the new website of the Department to obtain a pledge on the elimination of child labour from the informal sector institutions. • The Department organized and conducted programmes for creating awareness on labour legislations pertaining to women and children amongst both employers and employees of the private and semi-government institutions. Awareness raising programmes on labour laws applicable to women and children were also organized and conducted by the Department for officials of the other public
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						institutions who should be well versed with such legislations as part of their duties. • Labour Officers engaged in field inspections commenced activities to obtain a pledge from employers of all other sectors with particular emphasis on informal sector not to use child labour. • A study on child labour in the Colombo District was conducted in the year 2024 with the objective of gaining an understanding on child labour in the Colombo District, evaluating the progress of activities on the elimination of child labour, collecting data on socioeconomic situation of families with working children and studying measures to be adopted for the elimination of child labour. • Taking the message on the elimination of child labour and citizen responsibility to the grass roots level through community police committees of Sri Lanka
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						Police has been identified as a more pragmatic approach. Accordingly, it has been decided to work collaboratively to fulfill this national responsibility initially covering the Colombo District in 2024 and the entire island in the year 2025. • Investigations were conducted into 101 complaints received during the year 2024 relating to child labour. Of them, there were 02 complaints which disclosed the existence of child labour and necessary action is being pursued to constitute legal action in that regard.
		8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	8.8.1	Rates of fatal and non-fatal occupational injuries by sex and migrant status.	• During the year 2024, 47 fatal accidents and 1606 non-fatal accidents from workplace related incidents were reported to the Department. The Department took action to investigate into these accidents and take appropriate legal action and identify the reasons for accidents. Awareness

						was raised by the Department to prevent recurrence of such accidents. Accordingly, legal action was constituted during the year by the Department against 16 employers who had violated the Factories Ordinance. • Workers have been afforded the opportunity of forming and maintaining trade unions ensuring freedom of association and collective bargaining and accordingly to take action to safeguard their rights. Accordingly, the number of trade unions registered in the year 2024 was 123. With those newly registered trade unions, the total number of trade unions in the country as at 31.12.2024 was 2141.
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				8.8.2.	Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status.	Workers have been afforded the opportunity of forming and maintaining trade unions ensuring freedom of association and collective bargaining and accordingly to take action to safeguard their rights. The number of trade unions registered in the year 2024 was 123. As at 31.12.2024, the total number of registered trade unions in the country including the said trade unions was 2141.
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5.3 Challenges in fulfilling Sustainable Development Goals

Achieving sustainable development goals within financial provisions allocated to the Department of Labour for the year 2024 whilst managing the limited human and physical resources available became challenging.

Chapter Six

Human Resources Profile

Human Resources Profile

6.1 Cadre Management

6.2 How the shortage or surplus of human resources has affected the performance of the institution

Post	Approved cadre	Number employed as at 31.12.2024	No. of vacancies
Senior level	217	126	91
Tertiary level	668	504	164
Secondary level	1928	1671	257
Primary level	476	410	66
Total	3289	2711	578

Due to the vacancies that exist in the posts of Sri Lanka Administrative Service and the Sri Lanka Engineering Service as well as in departmental posts such as Assistant Commissioner of Labour, Legal Officer and Management Service Officer has had some impact on monitoring and administrative activities, effective handling of cases filed by the Department in courts, conducting field inspections, efficient resolution of complaints, efficiently carrying out the payment of benefits of the EPF Division, etc.

6.3 Human Resources Development

Developing professional knowledge, skills and attitudes as well as promoting productivity and efficiency in the delivery of service are the prime objectives of training programmes conducted for the officials of the Department. Through the training programmes it is also expected to motivate officers to apply modern technology in their duties whilst competently managing the limited provisions and resources available with the Department, improve language proficiency of officers to offer a friendlier service to the public and building more effective interrelations

within the Department. Accordingly, these training programmes are geared towards producing a well-experienced, efficient and contended group of officers.

The participation of departmental officers in the local and foreign training programmes during the year 2024 is as follows.

Table 6.1 Participation in local training programmes - 2024								
S. N o	Name of the programme	No. of employees trained		Duration of the programme	Overall investment (Rs.)		Nature of programme (local/foreign)	Knowledge acquired
		Post	Number		Local	Foreign		
Programmes conducted by Planning, Research, Training and Publication Division								
1	Training programme for officers on the new method of registering members in the EPF.	Officers of District Labour Offices belonging to Western zones II and III	18	11.01.2024	26,225.00		Local	Providing knowledge about the new method of registering members in the EPF.
2	Awareness programme on new labour law (conducted in two stages using Zoom technology)	All Labour Officers	A programme conducted through zoom	08.02.2024	-		Local	Officers becoming aware of the latest amendments made to labour laws
3	Training programme on salary conversion and preparation	The relevant officers in charge of the subject in the Establishments Division	34	29.02.2024	12,890.00		Local	Officers becoming aware of salary conversion and preparation
4	Training programme on maintaining the case register	Heads of branches and relevant officers in charge	A programme conducted through zoom	17.04.2024	-		Local	Making officers aware how to maintain the case register

5	Training programme on settling the Labour Commissioner's account	Heads of branches and relevant officers in charge	A programme conducted through zoom	25.04.2024	-		Local	Improving knowledge on settling the Labour Commissioner's account
6	Training programme on the maintenance of complaint management system and petitions register.	Subject officers of Zonal deputy Labour Commissioner's offices, district labour officers and sub-labour offices.	A programme conducted through zoom	22.04.2022	-		Local	Enhancing knowledge on maintaining complaint management system up to date and maintaining petitions register.
7	Orientation programme of newly recruited Labour Officers	Labour Officers	57	From 08.05.2024 to 06.09.2024	2,329,850		Local	Provision of required knowledge to discharge duties and induction training
8	Residential training workshop- Leadership training programme series for executive level officers of the Labour Department (conducted in two phases)	Additional Labour Commissioner Generals, Labour Commissioners, deputy Labour Commissioners, Deputy Director (Planning), Assistant Labour Commissioners, Expert Factory Inspection engineers, District Factory	35 officers participated in the first phase and 80 officers participated in the second phase	The first phase was conducted from 30.05.2024 to 01.006.2024 and second phase was conducted	1,785,095		Local	Developing soft skills such as leadership qualities, ability to work as a team, ability to take strategic decisions of Executive level officers along with qualities of an officer with integrity.

		Inspection Engineers, Factory Inspection Engineers, Research Officers, Accountants, Assistant Director (IT) and Legal Officers		from 29.08.2024 to 31.08.2024				
9	Training programme on the payment of 30% pre- benefits of EPF	Subject officers of all Zonal Deputy Labour Commissioners' offices and subject officers of the Kurunegala District labour office	A programme conducted through zoom	08.08.2024	-		Local	Enhancing knowledge on the payment of 30% pre-benefits of EPF
10	Training programme on the process of paying benefits of EPF (Conducted in two stages)	All officers handing the subject of EPF benefit payments	A programme conducted through zoom	31.07.2024 to 07.08.2024	-		Local	Enhancing knowledge on the payment of benefits of EPF
11	Training programme on inventory register management, annual board of survey and conducting auctions	All Chief Management Service Officers and heads of branches	A programme conducted through zoom	06.08.2024	-		Local	Improving knowledge on maintaining inventory register and the process of conducting board of survey and auctions.
12	Workshop for training officers of the Drivers'	All drivers	76	12.10.2024 to	272,477		Local	Providing knowledge on drivers' responsibilities and

	Service of the Labour Department on drivers responsibilities and ethics			07.12.2024				ethics
13	Training programme for Management Service Officers (Two programmes were conducted in two stages for the Northern Zone and Eastern Zone)	Development Officers and Management Service Officers of the Northern Zone	76	12.10.2024 and 07.12.2004	272,477		Local	Enhancing knowledge on the process of EPF payment process and EPF data system and improving skills on public relationships
14	Workshop on procurement activities	Officers handling the subject of procurement	30	10.12.2024	65,995		Local	Enhancing officers' knowledge on procurement process
15	Training on Personal data protection and Cyber Security	Officers of IT branch	18	20.12.2024	25,600		Local	Improving knowledge on computer data safety and legislation relevant thereto.
16	Training workshop on developing skills of Labour Officers (Conducted in 07 stages covering all zones)	Labour Officers	371	21.08.2024 05.10.2024 09.10.2024 19.10.2024 23.10.2024 23.11.2024 and 27.11.2024	781,455		Local	Development of leadership skills, communication skills and soft skills and qualities of a public servant with integrity

Referring officers to training programmes of external training institutes								
Workshops								
1	One day workshop on digitalization of library resources and technical trends thereof	Librarian	1		2,500.00		Local	Optimization of library activities
2	One day training programme on information indexing for the staffs of special and university libraries	Librarian	1		5,000.00		Local	Optimization of library activities
3	Training programme on the preparation of bid documents	Accountants and subject officers of the Finance Division	4		48,000.00		Local	Regularizing bid document preparation activities
4	Government Payroll System (GPS)	Accountantsv(Salaries) and subject officers of the Finance Division	4		72,000.00		Local	Improving knowledge on Government Payroll System
5	One day training programme on the method of granting leave and allowances for foreign trainings	Assistant Labour Commissioner of the Establishments Branch and subject officer of the Planning, Research, Training and Publications Division	2		14,000.00		Local	Improving knowledge on the method of granting leave and allowances for foreign trainings

6	Roundtable on Strengthening Social Dialogue in Sri Lanka	Labour Commissioners, Deputy Labour Commissioners. Asst. Labour Commissioners and Labour Officers	10		A programme conducted by the National Institute of Labour Studies		Local	Sharing knowledge and experiences for promoting social dialogue
Referring to Diploma, Graduate and Postgraduate courses								
1	Postgraduate degree in Rural Development and Planning	Asst. Labour Commissioner	1		200,000.00		Local	Knowledge of officers required for discharging duties improved.
2	Postgraduate degree in Social Science	Asst. Labour Commissioner	2		310,500.00		Local	
3	Postgraduate degree in Law	Asst. Labour Commissioner	1		250,000.00		Local	
4	Msc. in Computer Science (Cyber Security)	Management Service Officer	1		450,000.00		Local	
5	Msc in Occupational Safety and Health Management	Expert Factory Inspection Engineer and District Factory Inspection Engineer	1		1,750,000.00		Local	
6	Course on Information Systems Management	Asst Labour Commissioner	1		87,500		Local	

7	Process Safety and Asset Integrity	District Factory Inspection Engineer	1		17,200.00		Local	
8	Diploma in Networking and Cyber Security	Asst. Director (IT)	1		45,000.00		Local	
9	English Diploma Courses	Labour Commissioner and Asst. Labour Commissioner	2		81,000.00		Local	
Workshops, Seminars and Training Programmes conducted under the patronage of International Labour Organization								
1	Law Reforms and International Labour Standards : South Asia Information and Knowledge Ledge Sharing Event	Asst. Labour Commissioner, Legal Officer and Labour Officer	3	19.11.2024 to 21.11.2024	-	-	Local	Sharing knowledge on best practices regarding the relevant subjects, international standards, etc.
2	Labour Inspection in Sri Lanka (With Focus on Occupational Safety and Health)	Additional Labour Commissioner General (Engineering), Asst. Labour Commissioners, District Factory Inspecting Engineers and Labour Officers	63	09.10.2024 to 11.10.2024			Local	
3	Capacity Building Training on Collective Bargaining, Social Dialogue,	Deputy Labour Commissioners. Asst. Labour Commissioners and	30	29.05.2024 to 30.05.2024			Local	

	Workplace Cooperation and Grievance Handling	Labour Officers						
4	Training of Trainers in WIND and WISE Methodologies for Occupational Safety and Health	District Factory Inspecting Engineers and Research Officer	8	04.06.2024 to 06.06.2024			Local	
5	Dispute Resolution Diagnostic Workshop	Commissioner General of Labour, Deputy Labour Commissioners, Asst. Labour Commissioners and Labour Officers	22	27.05.2024 to 28.05.2024			Local	
6	Validation Workshop on Unemployment Insurance Scheme in Sri Lanka	Commissioner General of Labour, Deputy Labour Commissioner, Asst. Labour Commissioner	5	13.02.2024			Local	

Table 6.2 – Participation in foreign training courses -2024					
S.No	Name of the programme	No. of workers trained		Duration of the programme	Total investment
		Post	No.		
01	Tripartite High – Level Visit to to India for Strengthening Social Protection System in Sri Lanka From 13th -15th March 2024	Commissioner General of Labour, Deputy Labour Commissioner	2	2024.03.13 to 2024.03.15	A foreign investment
02	Asia Pacific Regional Meeting on Child Labour and Forced Labour 18 – 21 March 2024, Bangkok, Thailand	Deputy Labour Commissioner	1	18.03.2024 to 21.03.2024	A foreign investment
03	Seminar on Social Security and Poverty Reduction for Developing Countries – from 23 May to 05 June 2024	Deputy Labour Commissioner	1	23.05.2024 to 05.06.2024	A foreign investment
04	Seminar on Capacity Building for Female Officials Participating in Social Management from Developing Countries	Deputy Labour Commissioner	2	04.06.2024 to 18.06.2024	A foreign investment
05	Training Course on Productivity - Linked Wage Systems	Deputy Labour Commissioner	1	01.07.2024 to 05.07.2024	A foreign investment
06	Forth Mid - Career Training Programme for Island Services Officers of Sri lanka Under the Indian Technical and Economic Co-Operation (ITEC) 2024/2025	Deputy Labour Commissioner and Asst. Labour Commissioner	2	19.08.2024 to 30.08.2024	A foreign investment
07	International Certificate Programme on Social Welfare Administration from 18th September to 08th October 2024	Asst. Labour Commissioner	1	18.09.2024 to 08.10.2024	A foreign investment
08	KOICA Capacity Building for Old - Age Income Scheme and National Pension Scheme Management in Korea	Deputy Labour Commissioner	1	22.09.2024 to 02.10.2024	A foreign investment
09	Occupational and health Management for Asian Countries Under the Third Country Training Programme	District Factory Inspecting Engineers	2	14.10.2024 to 25.10.2024	A foreign investment
10	The 19th meeting of Alliance 8.7's Global Coordinating Group, 5-6 December 2024 Turin, Italy and Online	Labour Commissioner	1	05.12.2024 to 06.12.2024	A foreign investment

Chapter 07

Compliance Report

Compliance Report				
No.	Applicable Requirement	Compliance Status (Complied/Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
1	The following Financial statements/accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not relevant		
1.4	Stores Advance Accounts	Not relevant		
1.5	Special Advance Accounts	Not relevant		
1.6	Others	Not relevant		
2	Maintenance of books and registers (FR 445)			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018.	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and updated.	Complied		
2.3	Register of Audit queries has been maintained and updated.	Complied		
2.4	Register of Internal Audit reports has been maintained and updated.	Complied		

2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date.	Complied		
2.6	Register for cheques and money orders has been maintained and updated.	Complied		
2.7	Inventory register has been maintained and updated.	Complied		
2.8	Stocks Register has been maintained and updated.	Complied		
2.9	Register of Losses has been maintained and updated	Complied		
2.10	Commitment Register has been maintained and updated.	Complied		
2.11	Register of Counterfoil Books (GA — N20) has been maintained and updated.	Complied		
3	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institution.	Complied		
3.2	The delegation of financial authority has been communicated within the institution.	Complied		
3.3	Authority has been delegated so that each transaction is signed by two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11 th May 2014 in using the Government Payroll Software Package.	Complied		
4.	Preparation of Annual Plans			
4.1	The annual action plan has been prepared.	Complied		

4.2	The annual procurement plan has been prepared.	Complied		
4.3	The annual Internal Audit plan has been prepared.	Complied		
4.4	The annual estimate has been prepared and submitted to the National Budget Department (NBD) on due date.	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time.	Complied		
5	Audit queries			
5.1	All the audit queries has been replied within the time specified by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019.	Complied		
6.2	Answers have been submitted to all internal audit reports within a period of one month.	Not Complied	More than one month is taken when receiving answers from the relevant offices.	Relevant divisions and offices have been briefed.
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018.	Complied		
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019.	Complied		

8	Asset Management	Complied		
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017.	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular.	Complied		
8.3	The board of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016.	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular.	Complied		
8.5	The disposal of condemned articles had been carried out in terms of FR 772.	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date.	Complied (Daily running charts and monthly summaries of pool vehicles have been		

		prepared and are submitted to the audit division when required as per the instructions of the Auditor General)		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning.	Not complied	A committee inclusive of a motor vehicle examiner should be appointed for the disposal of vehicles and the appointment of the committee and disposal process take a considerable time	A committee was appointed for vehicle disposal and the Chairman of the Committee has requested approval to appoint another examiner instead of the examiner of the Motor Traffic department. Accordingly, necessary future action is being pursued.
9.3	The vehicle logbooks had been maintained and updated.	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident.	Complied		
9.5	The fuel consumption of vehicles has been restricted in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29 th December 2016.	Complied (Fuel testing in six vehicles was carried out and arrangements have been made to carry out fuel testing of remaining vehicles in 2025)		

9.6	The absolute ownership of the leased vehicle logbooks has been transferred after the lease term.	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by due date.	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled.	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month.	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit.	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the Financial Regulation 94(1).	Complied		
12	Advances to Public Officers Account	Complied		
12.1	The limits had been complied with.	Complied		
12.2	A time analysis had been carried out on the loans in arrears.	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied (Loan balances in		

		arrears have been written off in terms of Public Finance Circular 2024/01)		
13	General Deposit Account			
13.1	The action had been taken as per Financial Regulation 571 in relation to disposal of lapsed deposits.	Complied		
13.2	The control register for general deposits had been updated and maintained.	Complied		
14	Imprest Account	Complied		
14.1	The balance in the cash book at the end of the year under review remitted to Treasury Operations Department.	Complied		
14.2	The ad-hoc sub imprests issued as per Financial Regulation 371 settled within one month from the completion of the task.	Complied		
14.3	The ad-hoc sub imprests had been issued without exceeding the limit approved as per Financial Regulation 371.	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly.	Complied		
15	Revenue Account	There is no revenue account for the Department		
15.1	The refunds from the revenue had been made in terms of the regulations.	Not relevant		

15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account.	Not relevant		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of Financial Regulation 176.	Not relevant		
16	Human Resource Management			
16.1	The staff has been maintained within the approved cadre.	Complied		
16.2	All members of the staff have been issued a duty list in writing.	Complied		
16.3	All reports have been submitted to MSD in terms of their circular No. 04/2017 dated 20 th September 2017.	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right to Information Act and Regulation.	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures.	Complied		
17.3	Biannual and Annual reports have been submitted as per section 08 of the Right to Information (RTI) Act.	Not complied	Regional offices were notified to submit required information but all the required information has not been received.	Arrangements have been made to submit reports as soon as the relevant information is received from regional offices.

18	Implementing citizens charter			
18.1	A Service Recipients Charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management.	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Service Recipients Charter as per paragraph 2.3 of the circular.	Complied		
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No. 02/2018 dated 24 th January 2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan.	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular.	Compiled (By Public Administration Circular 02/2018(I), dated 30.11.2023 paragraph (i) of Public Administration Circular has been amended. The said circular instructed that signing of "Annual		

		Performance Agreement” was no longer necessary and requested to use the performance appraisal forms introduced by Public Administration Circular 07/98< 08/98(i) and 09/98 (ii) meaningfully. Accordingly, action was taken to use the relevant performance appraisal forms.		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity-building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular.	Complied		
20	Responses to Audit Paragraphs			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

End.

