

**Investment Trends and Economic  
Growth Sectors in the Central Province**

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## LIST OF ABBREVIATIONS

BOI Board of Investment

IDA Industrial Development Authority

IDB Industrial Development Board

EDB Export Development Board

ESSP Enterprise Service Support Programme

REAP - Regional Economic Advancement Programme

RISC Regional Industrial Service Centre

SMAP Small & Medium Enterprise Assistance Programme

SMI Small and Medium Industries

SMILE Small & Micro Industries Leader and Entrepreneur Promotion Project

RISC - Regional Industry Service Centre.

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## 1. INTRODUCTION

The purpose of this study, undertaken for the Joint Initiative for Monitoring Development Trends in the Central Province (JIMOD), was to analyse investment trends at the mezzo (regional) level in order to identify growth sectors within the province. As national data on economic growth at district level is not available, the study attempted to make an inventory of investments in the three districts of the Central Province within the last decade and benchmark the sources of growth within this time period.

### 1.1 Objectives

- Study of the economic growth sectors in relation to investment trends in the districts of Kandy, Matale and Nuwara Eliya (N'Eliya) during the last decade. Investment trends would incorporate both private and public sectors.
- Identification of the current and potential sources of economic growth in the Province.

### 1.2 Scope and coverage

The study took into consideration investment trends in the following areas:

- Manufacturing sector. This comprises the relevant sub-sectors including food processing, light engineering, garments, repair and maintenance workshops and foundries
- Most recent growth sectors and the causes for the growth of particular industries - an attempt was made to identify any which have declined in recent years and the causes for such decline
- Foreign investments in the Province and the factors conducive to such investments as well as constraints to foreign investment
- Developments in economic infrastructure at the Provincial and District levels, particularly the expansion of financial institutions in the districts. The constraints to increased investments, as well as the extent to which new industries were established for district, provincial or national markets, were assessed
- Construction sector
- Service sector, including computer based services and transport
- Trading activities

The growth trends analysed covered the period from 1990 2000

An analysis of investment by sectors and sub-sectors was attempted on the basis of data available with the Provincial Council, Regulatory Organisations, Chambers of Commerce, and other organisations in the Province. This analysis explores:

- The type of investments that have occurred;
- The extent of such investment;
- The economic sectors and sub-sectors in which such investments have occurred and
- Their impact on each district and the Province as a whole

Although the data available do not enable a calculation of economic growth rates for the Province, a quantitative assessment of the sources of growth and their ordinal contribution to Provincial economic growth has been attempted.



### 1.3 Methodology

A number of organisations were visited to gather data and interview personnel. Annex IV provides details of organisations visited.

## 2. BACKGROUND

The districts of Kandy, Matale and Nuwara Eliya comprising the Central Province consists of a number of Divisional Secretarial Divisions (DSD) characterised by diversity of size, geographical conditions and varied levels of economic development. Each DS division is further sub-divided into Grama Niladhari Divisions (GND) for purposes of administration. The DS divisions for each district and the population based on the Census of 2001, are given below which indicates the size and diversity of the district. Annex I, II, III provides the maps showing the DS divisions

| <b>Kandy</b> | <b>DSD</b>           | <b>Population</b> | <b>Square km</b> |
|--------------|----------------------|-------------------|------------------|
|              | Piyapitiya           | 53644             | 54               |
|              | Akurana              | 5917              | 32.4             |
|              | Patha Dumbara        | 80224             | 45.5             |
|              | Panwila              | 26687             | 96.8             |
|              | Uda Dumbara          | 22651             | 280.2            |
|              | Minipe               | 47760             | 242              |
|              | Mada Dumbara         | 58216             | 165.9            |
|              | Kundasale            | 106473            | 84.8             |
|              | Gangawatte Korale    | 161395            | 76.2             |
|              | Harispatuwa          | 78207             | 59.4             |
|              | Thumpane             | 35306             | 109.2            |
|              | Yatinuwara           | 96946             | 70               |
|              | Udunuwara            | 98879             | 66.8             |
|              | Path Hewaheta        | 53107             | 122.9            |
|              | Udawalatha (Gampola) | 86134             | 182              |
|              | Gangahala Korale     | 50706             | 98.8             |
|              | Pasbage Korale       | 56934             | 119.4            |
|              | Galagedera           | 35306             |                  |
|              | Doluwa               | 45102             |                  |
|              | Delthota             | 10254             |                  |
|              | Hatharaliyadde       | 29005             |                  |

| <b>Matale</b> | <b>DSD</b> | <b>Population</b> | <b>Square km</b> |
|---------------|------------|-------------------|------------------|
|               | Ambanganga | 15542             | 52.3             |
|               | Dambulla   | 61230             | 456.3            |
|               | Galewela   | 61999             | 192.4            |
|               | Laggala    | 12450             | 389              |
|               | Matale     | 68826             | 163.8            |
|               | Naula      | 28208             | 250.1            |
|               | Palepola   | 27553             | 80.5             |
|               | Rattota    | 49395             | 92.7             |
|               | Ukuwela    | 61663             | 53.3             |
|               | Wilgamuna  | 26885             | 262.9            |
|               | Yatawatte  | 28676             |                  |

| N'Eliya | DSD           | Population | Square km |
|---------|---------------|------------|-----------|
|         | Ambangamuwa   | 201972     | 477.8     |
|         | Kotmale       | 96331      | 219.7     |
|         | N'Eliya       | 206951     | 488.4     |
|         | Walapane      | 106 63     | 303.6     |
|         | Hanguranketha | 87733      | 231       |

Source: Census of Population and Housing 2001

The population is predominantly rural with agriculture and plantation crops as the mainstay of the economy. The breakdown of the components of population by urban, rural and estate sectors as given in Table 2.1 provides an insight to the type of activities that characterise the economy of the province.

**Table 2.1 Population distribution by category and district**

|               | Kandy     | %    | Matale  | %    | N'Eliya | %    |
|---------------|-----------|------|---------|------|---------|------|
| Total         | 1,272,463 |      | 442,427 |      | 700,083 |      |
| <b>Urban</b>  | 156,923   | 12.3 | 36,352  | 8.2  | 43,050  | 6.2  |
| % Male        | 77432     |      | 15737   |      | 21959   |      |
| Female        | 79,491    |      | 18815   |      | 21091   |      |
| <b>Rural</b>  | 1,022 895 | 80.4 | 384,209 | 86.8 | 283,870 | 40.5 |
| Male          | 493,668   |      | 191,490 |      | 139,596 |      |
| Female        | 529227    |      | 192,719 |      | 144,274 |      |
| <b>Estate</b> | 92 645    | 7.3  | 21866   | 4.9  | 373 163 | 53.3 |
| Male          | 45,530    |      | 10,863  |      | 183 281 |      |
| Female        | 47,115    |      | 11,003  |      | 189,882 |      |

Source: Dept of Census & Statistics, 2001

According to the last census, 66.3% of the total population is over 18 yrs of age. The same trend is evident in Matale and N'Eliya where 66.09% and 63.39% consists of a population over 18 years of age respectively. The unemployment rate in the Central Province in 1998/99 and 2000 were 10.1%, 9.6% and 13.3% respectively. The Province had the second highest rate of unemployment in the year 2000. This is suggestive of a need for well-planned programmes for the development and diversification of the economy.

Agriculture forms the mainstay of the economy in all three districts, although the ecological and geological resources offer considerable potential for agro-based and mineral industries. The mineral resources of the districts can contribute towards manufacture of value added products if systematically exploited and utilised. Tables 2.2 and 2.3 in Annex V provide details of the mineral resources available in Kandy and Matale districts. There is no data available for Nuwara Eliya district. In the Kandy district clay and granite are available in many of the D.S. divisions. Other minerals of economic value are available in Panwila, Ududumbara, Madedumbara and Gangahala Korale. Quartz veins are also found in Kundasale.

The distribution of mineral resources in the Matale district offer interesting prospects for manufacturing enterprises. The main mineral resources are mica, limestone, gems and clay as indicated in Table 2.3. Matale also has high quality quartz. Quartz is utilised for the manufacture of glass, electronic components, porcelain ware, crystal glass, and silicon products. These together with other available deposits in other provinces could offer opportunities for the manufacture of value added products.

<sup>1</sup> Ministry of Industry, Trade & Tourism. Central Province: An Emerging Growth Centre, 2000  
<sup>2</sup> Report on the research estimates of vein quartz occurrence in Medapihilla area in Matale district by, Ajith Perera & A.M.M Ratnayake. 1998



A study carried out on the occurrence of mica in the Nalanda, Kamburawa and Moragahakande areas indicate that there is high-grade mica. Although the study highlights the need for detailed surveys to identify the extent of occurrence, it is significant in terms of potential for development. Mica is currently exported in semi-processed form and in many areas primitive techniques are used in mining, which are detrimental to the veins.

contribution to it. Unfortunately, the study does not assess the contribution to regional level. The study also does not assess the development used in the country. This however does not make the study a contribution to regional planning assessing growth trends. The study also does not assess the

- Investment in infrastructure, particularly in the area of roads, electricity, and telecommunications, is essential for economic growth. The government should provide a policy framework that encourages private investment in infrastructure.
- Level of technology and human resources are also important factors in economic growth. The government should invest in education and training to improve the skills of the workforce and to attract foreign investment.

Investments in the Private Sector: The private sector is the main source of investment in the country. The government should create a favourable environment for private investment by providing incentives, such as tax breaks, and by improving the legal and regulatory framework. The government should also provide information and advice to private investors.

### 3.2 Investment in the Private Sector

There is considerable evidence to suggest that investment among the districts of Kandy and N'Elaya is significantly higher than in the Middle district as depicted in Fig 7. The higher investment in Kandy and N'Elaya districts may be due to the availability of infrastructure, particularly roads and electricity, and to the presence of a skilled workforce. The government should continue to invest in infrastructure and human resources in these districts to further attract investment. The government should also provide incentives to private investors in these districts.



### **3. FINDINGS AND OBSERVATIONS**

#### **3.1 Introduction**

In analysing the growth trends in identified areas, an ideal measure would have been to consider the increase in the gross domestic product for the province and the sector wise contribution to it. Unfortunately even the Central Bank does not assess the development at regional level. The data is aggregated to reflect the development trend in the whole country. This however does not make an effective contribution to regional planning or assessing growth trends. The study takes into consideration -

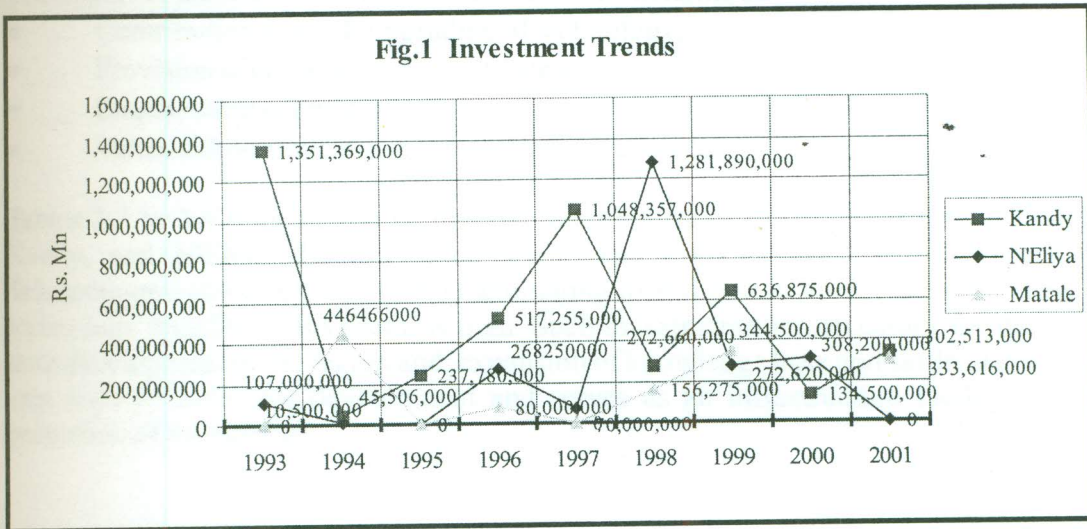
- Investment in enterprises, number established over the period, employment and qualitative assessment of investment. These facilitate inference of the ability of the economy of the districts to sustain enterprises in terms of physical, human and other resources. It also provides a perspective of potential areas for development.
- Level of technological input where it contributes to upgrading the knowledge base and skills. The importance of technology lies in its direct impact on gaining a competitive edge in the market and the capacity of the region to absorb technology that will enable it to meet future demand. The assessment of technological input of investments is constrained due to the lack of such studies.

Investments in the Province can be best considered under two categories investments that enjoy BOI status and other investments that do not enjoy BOI status. The data that is available also facilitates such a categorisation.

#### **3.2 Investments with BOI Status**

There is considerable variance in BOI promoted investment among the three districts. Kandy and N'Eliya have a higher incidence of investment than Matale district as depicted in Fig.1. The higher incidence of investment in the Kandy district has been attributed to the availability of better infrastructure facilities and distance from the commercial centre. The establishment of the Industrial Park in Pallekelle with the objective of providing adequate off site infrastructure facilities and promoting development of backward linkages has also attracted investments. Investments in the Central Province go back to 1983. In N'Eliya it has commenced as far back as 1983 and in Kandy and Matale districts in 1993/94.

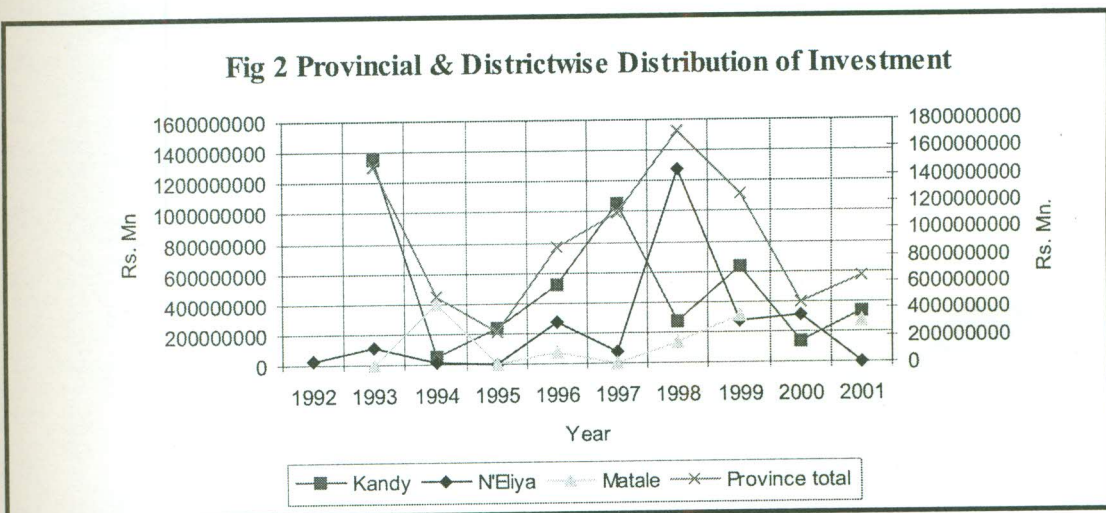
A comparative analysis of investment relative to the Province is indicated in Table 3.1 and Fig.2. The Figure indicates the upward trend in investment in the province reaching a peak in 1998 and gradually declining from 1999 to a very low level in 2000. 2001 shows a slight increase in investment. No specific reason was given by BOI for this trend except that it was a reflection of investment throughout Sri Lanka. It is attributed to the political and economic instability of the country at the time. The year 1993 also indicates a high level of investment within the province.



**Table 3.1 Comparative Analysis of Investments Relative to the Province (%)**

|         | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---------|------|------|------|------|------|------|------|------|------|
| Kandy   | 93   | 9    | 100  | 60   | 94   | 16   | 22   | 30   | 52   |
| N'Eliya | 0    | 2    | 0    | 31   | 6    | 75   | 22   | 70   | 0    |
| Matale  | 0    | 89   | 0    | 9    | 0    | 9    | 27   | 0    | 48   |

Central Province has comparatively low investment compared to the whole country. According to the data available with BOI, investments in all sectors comprising manufacturing, agriculture and services, amounted to 6 percent of the total investment in the whole country. In 1998 it was around 3 percent. In comparative terms much of the investment has been in the Western Province but it is clear that the Central Province has potential that could be systematically exploited.





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The impact of these investments can be considered in terms of:

- Contribution towards upgrading of technology,
- Provision of communication infrastructure,
- Employment generation,
- Value addition and utilisation of existing resources.

Tables 3.2 to 3.4 indicate the sector wise distribution of BOI investments in Matale, Kandy, and N'eliya districts since 1993. The highest investment has been in Telecommunication Services (1993) amounting to Rs1,322,914,000. Input in terms of technology transfer in this sector is high. Such investments are necessary for the long-term development of the region and, expansion of knowledge base and skills. It is also an area with potential for development and serves as an infrastructure facility for the promotion of investment.



**Table 3.2 Distribution of BOI Investments Matale (Rs.Mn)**

| Category              | 1994   | 1995 | 1996 | 1997 | 1998   | 1999   | 2000 | 2001  | 2002  | Total Emp. | Total |
|-----------------------|--------|------|------|------|--------|--------|------|-------|-------|------------|-------|
| Ceramic & Glassware   |        |      |      |      | 11.40  |        |      |       |       | 11.40      | 23    |
| Garments              |        |      |      |      | 87.88  |        |      |       |       | 87.88      | 176   |
| Quartz, Glassware     |        |      |      |      |        | 300.0  |      |       |       | 300.0      | 600   |
| Silica Quartz         |        |      |      |      | 57.0   | 44.50  |      | 41.50 | 110.0 | 253.0      | 506   |
| Tourism               | 446.47 |      | 80.0 |      |        |        |      |       |       | 526.47     | 606   |
| Vegetables Processing |        |      |      |      |        |        |      |       |       | 0.0        | 0.0   |
| Total                 | 446.47 | 0.0  | 80.0 | 0.0  | 156.28 | 344.50 | 0.0  | 41.50 | 110.0 | 1178.74    | 1911  |

Source: BOI

**Table 3.3 Distribution of BOI Investments in the Kandy District (Rs.Mn)**

| Description                              | 1993    | 1994  | 1995   | 1996   | 1997    | 1998   | 1999   | 2000   | 2001   | Total    | Total Emp. |
|--|---------|-------|--------|--------|---------|--------|--------|--------|--------|----------|------------|
| Bags, Tents                              |         |       | 15.00  |        |         |        |        |        |        |          | 15         |
| Bio-Tea                                  |         |       |        |        |         |        | 12.50  |        |        |          | 12.5       |
| Bottled Water                            |         |       |        |        |         |        |        | 99.50  | 12.52  | 112.02   |            |
| Buying House                             |         |       |        | 230.78 |         |        |        |        |        | 230.78   |            |
| Computer Hardware (memory modules)       |         |       |        |        | 673.90  |        |        |        |        | 673.9    | 1800       |
| Computer Software                        |         |       |        |        |         |        |        | 18.00  |        | 18       | 47         |
| Cotton Yarn                              |         |       | 171.05 |        |         |        |        |        |        | 171.049  | 388        |
| Electrical Equipment-safety devices etc. |         |       | 225.50 |        |         |        |        |        | 225.5  |          | 2133       |
| Nucleus Farm                             |         |       | 25.20  |        |         |        |        |        |        | 25.201   | 39         |
| Fruit & Vegetable Processing             |         |       |        |        | 11.81   |        |        |        |        | 11.807   | 30         |
| Garments                                 |         |       |        |        | 51.30   | 218.75 |        | 17.00  | 30.00  | 317.05   | 4220       |
| Golf Course                              |         |       |        |        |         |        | 207.00 |        |        | 207      | 115        |
| Handicrafts                              |         | 8.40  |        |        |         |        |        |        |        | 8.4      | 75         |
| Hatcheries & Breeding Farm               |         | 69.35 |        |        |         |        | 69.35  |        |        |          | 136        |
| Hospitals                                |         |       |        |        |         |        |        |        | 100.00 | 100      | 52         |
| Jewellery & ornamental items             |         |       |        |        |         |        |        |        | 10.00  | 10       |            |
| Mini Hydro Power                         |         |       |        |        |         |        |        |        | 149.14 | 149.14   | 50         |
| Pine Oleoresin                           |         |       |        |        |         |        | 65.92  |        |        | 65.92    | 2035       |
| Processed Silica, Quartz, Gems           |         | 30.93 |        |        |         |        |        |        |        | 30.931   | 495        |
| Recreation Centre                        |         |       |        |        |         | 53.91  |        |        |        | 53.91    | 110        |
| Shopping Centre                          |         |       |        | 61.475 |         |        |        |        |        | 61.475   | 52         |
| Silica Quartz                            |         |       |        |        |         |        |        |        | 42.00  | 42       | 191        |
| Spices, Tea                              |         | 6.18  |        |        |         |        |        |        |        | 6.175    | 39         |
| Stuffed Toys, 18.184                     |         |       |        |        |         |        |        |        | 18.184 |          |            |
| Cane Products, Baskets                   |         |       |        |        |         |        |        |        |        | 169      |            |
| Telecomm-unication Services              |         |       |        |        |         |        |        |        |        | 1322.914 | 125        |
| Tourism                                  | 10.270  |       | 26.530 |        | 242.00  |        | 186.70 |        |        | 465.5    | 794        |
| Total                                    | 1351.37 | 45.51 | 237.78 | 517.76 | 1048.36 | 272.66 | 482.12 | 134.50 | 333.66 | 4423.71  | 13095      |

Source: BOI

The textile and apparel sector as indicated in the above tables is an area that has attracted considerable amount of investment and is important in terms of its capacity for employment generation and export earnings. Although investment in this sector is scattered over the years, all three districts have benefited in some measure. The 200 Garment Factory Programme saw the establishment of units in all three districts and the generation of employment in Kandy, Matale and N'Elia was 3000, 200 and 5500 respectively. The future however lies in the competitive advantage it gains in the international markets where the removal of the quota system will affect our position adversely if amelioratory measures are not taken immediately.

Tourism has been an attractive area and the Province offers a very high potential in terms of climate and scenic beauty. Investment has been directed towards building or renovating hotels. Kandy and N'Elia has a higher input in investment in this area as indicated in Tables 3.1/3.3. In terms of the capacity for employment generation, promotion of backward linkages and development of feeder enterprises tourism has a very high potential. Serious measures must be taken to develop this sector with private and public sector intervention.

Table 3.4 Distribution of BOI Investment Nuwara Eliya (Rs. Mn)

| Category                         | 1983   | 1984 | 1992  | 1993   | 1994  | 1995 | 1996   | 1997  | 1998    | 1999   | 2000   | Total   | Total Emp. |
|----------------------------------|--------|------|-------|--------|-------|------|--------|-------|---------|--------|--------|---------|------------|
| Artificial Eye Lashes            |        | 8.33 |       |        |       |      |        |       |         |        |        | 8.33    | 16.654     |
| C T C Tea Collection Centres (T) |        |      |       | 107.60 |       | 5.50 |        |       |         |        |        | 107.60  | 215.2      |
| Cul. of Grapes & mfg of wine     |        |      |       |        |       |      | 59.0   |       |         |        |        | 59.00   | 118        |
| Floriculture-Cut Flowers         |        |      | 20.60 |        |       |      |        |       |         |        |        | 20.60   | 41.2       |
| Floriculture-leather ferns       |        |      |       |        |       |      |        |       | 20.50   | 68.45  |        | 88.95   | 177.9      |
| Fruits & Vegetable Processing    |        |      |       |        |       |      |        |       |         | 4.17   |        | 4.17    | 8.34       |
| Garments                         | 108.62 |      |       |        |       |      |        |       |         | 75.0   | 50.0   | 233.62  | 358.616    |
| Horticultural Produce            |        |      |       |        |       |      |        |       | 10.0    | 31.39  |        | 41.39   | 82.78      |
| Horticulture-Plants & Seeds      |        |      |       |        |       |      |        |       |         |        |        | 0.0     | 0.0        |
| Milk Products & Cattle Feed      |        |      |       |        |       |      |        |       | 1200.0  |        |        | 1200.00 | 2400       |
| Mini Hydro Power Plant           |        |      |       |        |       |      | 77.75  |       |         | 125.00 | 140.00 | 342.75  | 685.5      |
| Packaging & Collection           |        |      |       |        | 5.0   |      |        |       |         |        |        | 5.0     | 10.0       |
| Spices                           |        |      |       |        |       |      |        |       |         |        | 118.20 | 118.20  | 236.4      |
| Tourism Hotels                   |        |      |       |        |       |      | 131.50 | 60.00 | 30.00   |        |        | 221.50  | 443        |
| Total                            | 108.62 | 8.33 | 20.60 | 107.60 | 10.50 | 0.0  | 268.25 | 70.00 | 1281.89 | 272.62 | 308.20 | 2456.60 | 4804.6     |

Source: BOI

BOI facilities vary according to the category of investment. Industries under BOI Section 17 enjoy tax holidays and other facilities that those under Section 16 do not. There are fewer investments under the latter. Given below is a breakdown as published in the Central Bank Annual Report for the varied years, but the reliability of the information cannot be assured.

|         | Investments under Section 17 |    |    |    |    |    |    |    |    |    | Investments under Section 16 |    |    |    |    |    |    |    |  |  |
|---------|------------------------------|----|----|----|----|----|----|----|----|----|------------------------------|----|----|----|----|----|----|----|--|--|
|         | 93                           | 94 | 95 | 96 | 97 | 98 | 99 | 00 | 01 | 93 | 94                           | 95 | 96 | 97 | 98 | 99 | 00 | 01 |  |  |
| Kandy   | 3                            |    |    |    | 19 | 30 | 36 | 40 | 40 | 8  | 8                            | 9  | 9  |    | 14 | 14 | 14 |    |  |  |
| Matale  |                              | 1  | 2  | 3  | 3  | 5  | 5  | 6  | 8  |    |                              |    |    |    |    |    |    |    |  |  |
| N'Eliya | 3                            | 5  | 6  | 8  | 10 | 15 | 20 | 21 | 22 |    |                              |    |    | 3  | 5  | 5  | 5  |    |  |  |

Source: BOI

The sources of foreign investment range from Singapore, Sweden, Netherlands, Japan, Switzerland, Korea, Germany, U.S.A, UK, Austria, Belgium and Maldives. A larger percentage appears to have gone into garments, and electronic sectors as evident from Annex V.

Table 3.5 gives a detailed breakdown of exports by the district. Garments, Porcelain ware and Electronics products have the largest markets. There is more scope for expansion of markets.

**Table 3.5 Exports from BOI Companies by Sector and District**

| Description                             | District | 1990           | 1991         | 1992           | 1993          | 1994          | 1995          | 1996           | 1997           | 1998          | 1999         | 2000           | 2001           |        |
|---|----------|----------------|--------------|----------------|---------------|---------------|---------------|----------------|----------------|---------------|--------------|----------------|----------------|--------|
| Food & Beverage                         | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                |               |               |               | 194.72         | 4.282          |               |              | 0.142          | 0.69           |        |
|   | Kandy    |                |              |                |               |               |               | 1.142          | 0.622          | 3.671         |              | 0.181          | 2.278          |        |
| Textile & Wearing Apparel               | Matale   |                |              |                |               |               |               | 35.445         | 77.92          |               |              | 304.645        | 375.585        |        |
|   | N'Eliya  | 1127.25        | 905.7        | 1054.73        | 1291.6        | 841.304       | 1028.5        | 1047.23        | 1141.27        | 917.77        | 172.7        | 3.296          | 220.524        |        |
|   | Kandy    |                |              |                |               |               | 10.706        | 55.651         | 88.921         | 0.419         | 1.05         | 24.277         | 18.349         |        |
| Wood & Wood Products                    | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | Kandy    |                |              |                |               | 1.478         | 2.922         | 3.293          | 6.016          | 5.254         | 9.064        | 8.254          | 11.771         |        |
| Paper & Paper Products                  | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | Kandy    |                |              |                |               |               |               |                |                |               |              |                |                |        |
| Petroleum, Rubber, Chemicals & Plastics | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  | 23.962         | 24.17        | 44.287         | 55.237        | 27.925        | 30.642        | 26.117         | 37.872         | 41.339        | 38.38        | 41.189         | 46.451         |        |
|   | Kandy    |                |              |                |               |               |               |                |                |               | 0.565        | 11.191         | 33.77          |        |
| Non Metallic Mineral Products           | Matale   |                |              |                |               |               |               |                |                | 10.263        | 544.3        | 738.227        | 808.593        |        |
|   | N'Eliya  |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | Kandy    |                |              |                |               | 19.068        | 49.099        | 43.332         | 38.163         | 29.449        | 1.342        | 1.692          | 3.59           |        |
| Basic Metals & Metal Products           | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | Kandy    |                |              |                |               |               |               |                |                |               |              |                | Manufac-       |        |
| Agriculture                             | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | Kandy    |                |              |                | 4.239         | 38.09         | 88.373        | 108.324        | 18.219         | 94.721        | 160.8        | 163.713        | 88.707         |        |
| Total                                   | Matale   |                |              |                |               |               |               |                |                |               |              |                |                |        |
|   | N'Eliya  |                |              |                | 17.101        | 93.427        | 9.444         | 19.862         | 21.237         | 5.895         | 3.283        | 0.387          | 8.05           | 34.679 |
|   | Kandy    |                |              |                | 0.246         | 0.682         | 0.08          | 54.309         | 0.573          | 0.613         | 1.056        | 0.374          | 0.652          |        |
| <b>Total</b>                            |          | <b>1151.22</b> | <b>929.9</b> | <b>1116.12</b> | <b>1444.2</b> | <b>937.99</b> | <b>1230.2</b> | <b>1359.49</b> | <b>1336.93</b> | <b>1103.1</b> | <b>929.6</b> | <b>1000.26</b> | <b>1267.09</b> |        |

Source: BOI



### 3.3 Other Investments

The growth of the industrial sector is characterised by small, medium and micro level enterprises. Although there are investments that fall within the category defined as 'large scale' the backbone of growth has been Small and Medium Enterprises (SMEs).

The micro enterprises have gained considerable importance over the last decade with many Non-Governmental Organisations (NGO's) and banks channelling resources to the development of this sector. There are micro-enterprise credit schemes that are being operated by these institutions. Micro enterprises have the potential to form the seedbed for larger enterprises. Their advantage lies in the ability to provide supplementary employment and income to the rural sector especially women. They also provide avenues to making the rural sector market conscious. However, the lack of data makes it difficult to identify the number of such enterprises. 80.4% of the population of Kandy and 86.4% of Matale constitutes the rural sector. In N'eliya 46.5% of population constitutes the rural and 53.3% the estate sector. Micro enterprise development also forms an important adjunct of poverty alleviation programme.

Among the many constraints to analysis of the trends in development is the lack of consistency in definition, which contributes to lack of compatible data. Organisations tend to maintain data in varied forms. Even the financial institutions do not maintain disparate data. There is no common base for comparison and as far as it concerns organisations, they maintain data that is relevant to their activities. Hence, in this study data obtained from different organisations is analysed separately to assess growth trends. This inevitably gives rise to a certain measure of overlapping.

A brief look at the definitions is pertinent in considering the sector.

| Organisation   | Definitions   |
|--|---|
| 1. Industrial Development Board<br>Premier organiser in the promotion and development of SMEs        | Medium scale enterprises where the (and buildings) investment in fixed assets (excluding lands is between Rs10m-20m Small enterprises being those where the investment is between Rs5m - 10m. Anything below Rs5m is considered a micro-enterprise  |
| 2. National Development Bank Donor Funds for development of the Sector is disbursed through the bank | a. For the Small Micro Industries Leader and Entrepreneur Promotion Project (SMILE 11) fixed assets (excluding land and buildings) that do not exceed Rs14 m.<br>b. SMILE 1 fixed assets (excluding land and buildings) was Rs:10m. There was no distinction between small and micro.   |
| 3. Export Development Board (EDB)  | a. Export turnover less than Rs25m categorised as small and medium<br>b. Also uses the NDB definition in promotional work   |
| 4. Department of Census and Statistics.  | Classification is based on employment<br>a. Those employing more than 25 persons are categorised as large.<br>b. Those below 25 employees as small and medium.<br>c. There is also a category where employment is below 5 persons and one can infer that this could fall under the category of micro enterprises and informal sector. |

A plethora of organisations have been established to assist enterprise development. See Annex VI. Apart from the Industrial Development Authority established under the Provincial Administration there are a number of institutions of the Central Government such as the Industrial Development Board, Export Development Board, National Designs Centre that assist these enterprises. Other organisations like the ESSP established as donor assisted projects, and the different Chambers of Commerce in each District also assist enterprises. This in itself bears out the importance of micro, small and medium enterprises to economic development although the uncoordinated efforts of too many organisations often negate the prime objective.

The Industrial Development Board, the premier organisation in the promotion and development of SMEs has a wide network of Regional offices. This enables them to be in direct touch with the entrepreneurs. Although numerous constraints such as finance, lack of personnel have affected their activities they have a good knowledge of the growth pattern of development in the districts. The assistance is channelled mainly to the SME sector and the information on industries assisted and established is categorised as 'Existing Units' and 'New Units'. 'Existing Units' are enterprises that are already in existence but seek IDB assistance to expand operations, markets or diversify. 'New Units' are those that have been established with IDB assistance. See Annex VII



The pattern of growth of IDB assisted enterprises since 1991 indicated that there was a gradual increase in the number of units established and investment therein over the years. The negative pattern in the early 1990's may be attributed to political factors and slow rate of economic growth. After 1993 there was a gradual increase in the number of SMEs established in all three districts. The same pattern was evident in employment. The period 1998-99 showed increased activity in the industrial sector. In Kandy, 35.5% and 22.5% of the new units for the period between 1991-2001 had been established during the year 1999 and 1998 respectively. In Matale, 27% of the new units had been established in 1998 while 40.4% of the existing units had sought IDB assistance for expansion. This was the highest incidence of industrial activity between the period 1991 and 2001. In N'eliya 44% of the new units had been established in 1998. All three districts show similar characteristics as depicted in Figs 3 to 5. There has been no definite reason attributed to this trend. According to the views expressed, it can be surmised that the economic environment has been favourable for investment. The comparison of aggregate distribution of investment in the three districts for the period 1991-2001 and this as a percentage of the total investment for the Province given in Table 3.6 emphasises the importance of Kandy district in the overall economic development of the Province

**Table 3.6 District Investments Relative to Province**

| District | Existing Industries |       |                   |         | New Industries |                   |         |
|----------|---------------------|-------|-------------------|---------|----------------|-------------------|---------|
|          | Distribution        | Units | Investment (RsMn) | Employ. | Units          | Investment (RsMn) | Employ. |
| Kandy    | Total               | 763   | 170,168,073       | 2708    | 444            | 86,814,585        | 1209    |
|          | % of total          | 46    | 40                | 48      | 43             | 41                | 45      |
| Matale   | Total               | 442   | 192,625,930       | 1599    | 403            | 67,374,246        | 984     |
|          | % of total          | 27    | 45                | 29      | 39             | 32                | 36      |
| N'eliya  | Total               | 450   | 60,763,858        | 1303    | 187            | 56,190,340        | 2713    |
|          | % of total          | 27    | 14                | 23      | 18             | 27                | 19      |

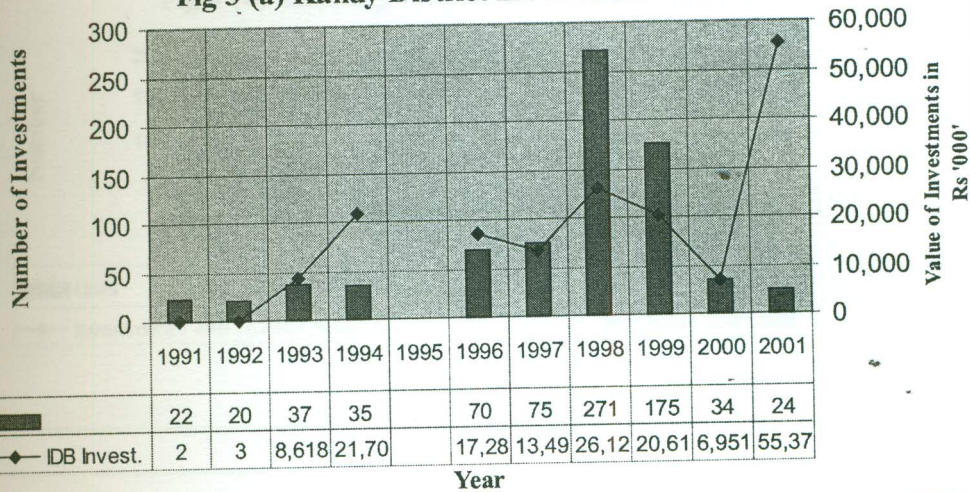
Source: IDB

The salient aspects of relevance to the growth of enterprises based on the information provided by IDB:

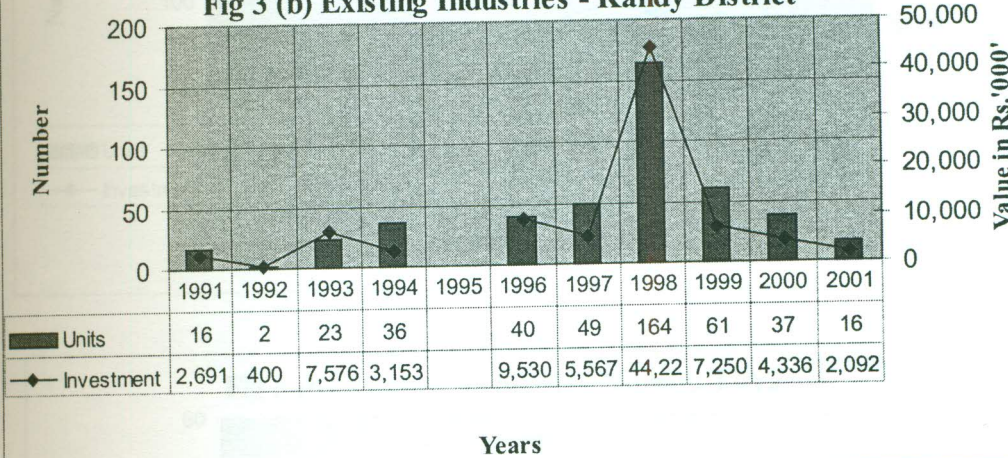
- Fluctuations in the pattern of growth. There is no steady growth in the number of establishments. The lack of systematic information makes it difficult to determine the rate of growth or mortality rate of enterprises. Based on the knowledge of officials, one can state that the mortality rate of enterprises is high. The lack of markets, poor quality and competition from imports has affected the survival rate of small and micro enterprises. Annex VII gives details of the enterprises developed by the IDB since 1991.
- Despite the adverse economic trend of the 1990s, the high degree of competition and other limiting factors, there has been some form of development in enterprises, which is indicative of entrepreneurial and innovative skills. Developments have been mainly through private sector initiative.
- Neither the Central nor Provincial Government Institutions have been able to play a dynamic role due to lack of clear-cut economic and industrial policies, financial facilities and a host of other political and economic factors.



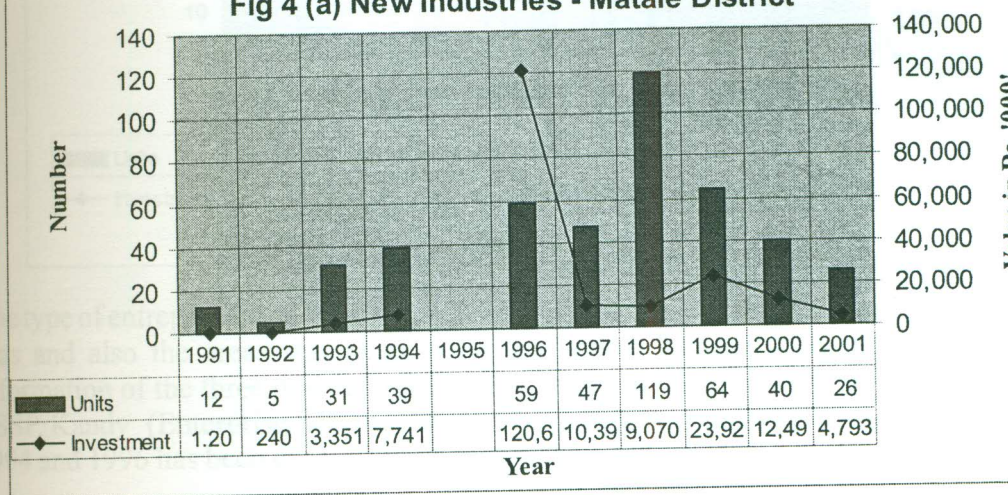
**Fig 3 (a) Kandy District Investment - New**



**Fig 3 (b) Existing Industries - Kandy District**

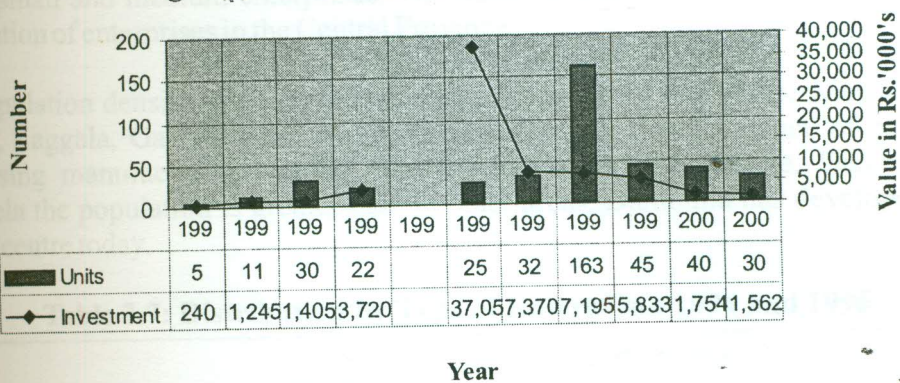


**Fig 4 (a) New Industries - Matale District**

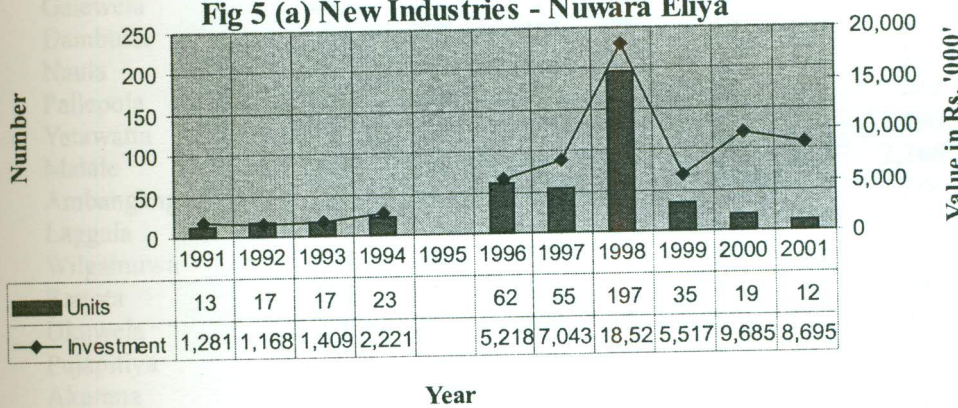




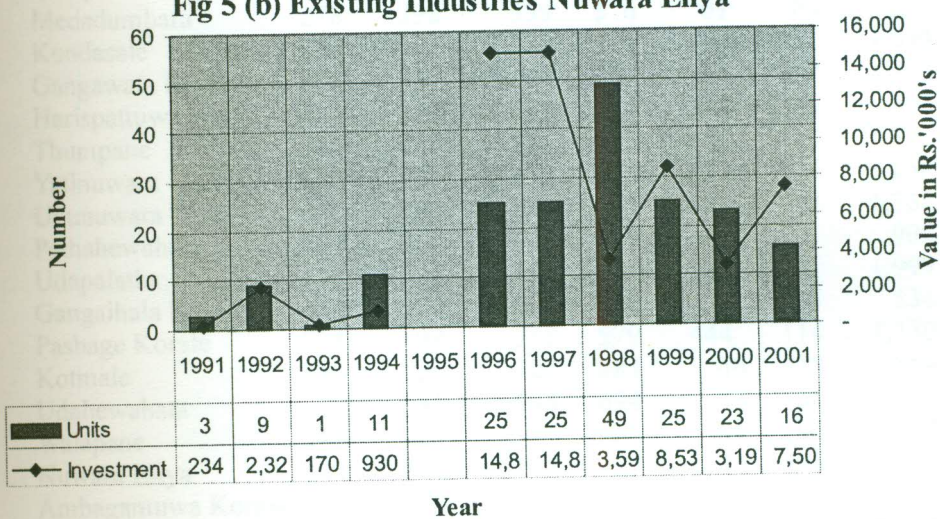
**Fig 4 (b) Existing Industries - Matale District**



**Fig 5 (a) New Industries - Nuwara Eliya**



**Fig 5 (b) Existing Industries Nuwara Eliya**



The type of entrepreneurial activities of the D.S divisions is germane since it indicates the bias and also the areas that need to be developed. The only organisation that has information of the three main activities, namely production, trading and services is the ESSP, Kandy (Enterprise Service Support Program). A comparative study of two years 1994 and 1996 has been carried out under the three main categories. Table 3.7 gives the



comparative data. The scale of operations has not been specified but ESSP incorporates micro, small and medium enterprises. The maps, prepared by ESSP gives the spatial distribution of enterprises in the Central Province

The population density of enterprises is indicated in Table 3.8. In The Matale district; Matale, Laggala, Galewela and Yaawatte manifest a higher incidence of enterprises comprising manufacturing, trading and service sectors. In Matale, Dambulla and Galewela the population is greater than in other areas. Dambulla has developed into a market centre today.

**Table 3.7: Distribution by Type of Enterprises 1994 and 1996**

| District          | DS Division       | No. of Enterprises |              |               |               |              |              |               |               |
|-------------------|-------------------|--------------------|--------------|---------------|---------------|--------------|--------------|---------------|---------------|
|                   |                   | Production         |              | Trade         |               | Services     |              | Total         |               |
|                   |                   | 1994               | 1996         | 1994          | 1996          | 1994         | 1996         | 1994          | 1996          |
| Matale            | Galewela          | 243                | 216          | 724           | 792           | 158          | 154          | 1,125         | 1,162         |
|                   | Dambulla          | 91                 | 213          | 402           | 586           | 110          | 169          | 603           | 968           |
|                   | Naula             | 48                 | 127          | 145           | 294           | 24           | 114          | 217           | 535           |
|                   | Pallepola         | 112                | 138          | 291           | 308           | 41           | 59           | 444           | 505           |
|                   | Yatawatta         | 137                | 137          | 396           | 349           | 57           | 39           | 590           | 525           |
|                   | Matale            | 398                | 296          | 1,547         | 1,410         | 321          | 262          | 2,266         | 1,968         |
|                   | Ambanganga Korale | 75                 | 73           | 120           | 165           | 9            | 9            | 204           | 247           |
|                   | Laggala           | 81                 | 134          | 116           | 143           | 15           | 20           | 212           | 297           |
|                   | Wilgamuwa         | 95                 | 106          | 202           | 258           | 50           | 66           | 347           | 430           |
|                   | Rattota           | 154                | 124          | 583           | 594           | 45           | 43           | 782           | 76            |
|                   | Ukuwela           | 250                | 206          | 893           | 676           | 207          | 205          | 1,350         | 1,087         |
|                   | Pujapitiya        | 237                | 192          | 514           | 587           | 87           | 82           | 838           | 861           |
|                   | Akurana           | 86                 | 136          | 372           | 524           | 152          | 139          | 610           | 799           |
|                   | Pathadumbara      | 284                | 375          | 641           | 927           | 153          | 201          | 1,078         | 1,503         |
|                   | Panwila           | 60                 | 21           | 316           | 354           | 33           | 29           | 409           | 404           |
|                   | Udadumbara        | 330                | 408          | 211           | 233           | 22           | 27           | 563           | 668           |
|                   | Minipe            | 127                | 231          | 280           | 540           | 68           | 96           | 475           | 867           |
| Medadumbara       | 278               | 298                | 559          | 576           | 61            | 64           | 898          | 938           |               |
| Kundasale         | 466               | 301                | 1,030        | 778           | 198           | 131          | 1,694        | 1,210         |               |
| Gangawata Korale  | 488               | 445                | 3,448        | 2,907         | 967           | 732          | 4,903        | 4,084         |               |
| Kandy             | Harispattuwa      | 201                | 232          | 488           | 614           | 116          | 110          | 805           | 956           |
|                   | Thumpane          | 442                | 444          | 844           | 993           | 85           | 110          | 1,371         | 1,547         |
|                   | Yatinuwara        | 292                | 294          | 832           | 1,173         | 127          | 175          | 1,251         | 1,642         |
|                   | Udunuwara         | 326                | 382          | 911           | 1,003         | 125          | 94           | 1,362         | 1,479         |
|                   | Pathahewahata     | 164                | 269          | 662           | 918           | 80           | 101          | 906           | 1,288         |
|                   | Udapalatha        | 264                | 285          | 1,534         | 1,601         | 201          | 271          | 1,999         | 2,157         |
| N'Eliya           | Gangaihala Korale | 94                 | 94           | 407           | 436           | 33           | 35           | 534           | 565           |
|                   | Pasbage Korale    | 231                | 99           | 755           | 579           | 444          | 114          | 1,130         | 783           |
|                   | Kotmale           | 81                 | 124          | 727           | 883           | 46           | 118          | 854           | 1,125         |
|                   | Udahewahata       | 92                 | 131          | 508           | 694           | 33           | 56           | 633           | 881           |
|                   | Walapane          | 285                | 407          | 914           | 865           | 98           | 96           | 1,297         | 1,368         |
|                   | Nuwara Eliya      | 141                | 165          | 1,817         | 1,727         | 342          | 408          | 2,300         | 2,300         |
| Ambagamuwa Korale | 99                | 134                | 872          | 1,325         | 121           | 199          | 1,092        | 1,658         |               |
| <b>Total</b>      |                   | <b>6,752</b>       | <b>7,237</b> | <b>24,061</b> | <b>25,812</b> | <b>4,329</b> | <b>4,528</b> | <b>35,142</b> | <b>37,577</b> |

Source: ESSP, Kandy

**Table 3.8 Density of Enterprise Distribution based on Population Census 2001**

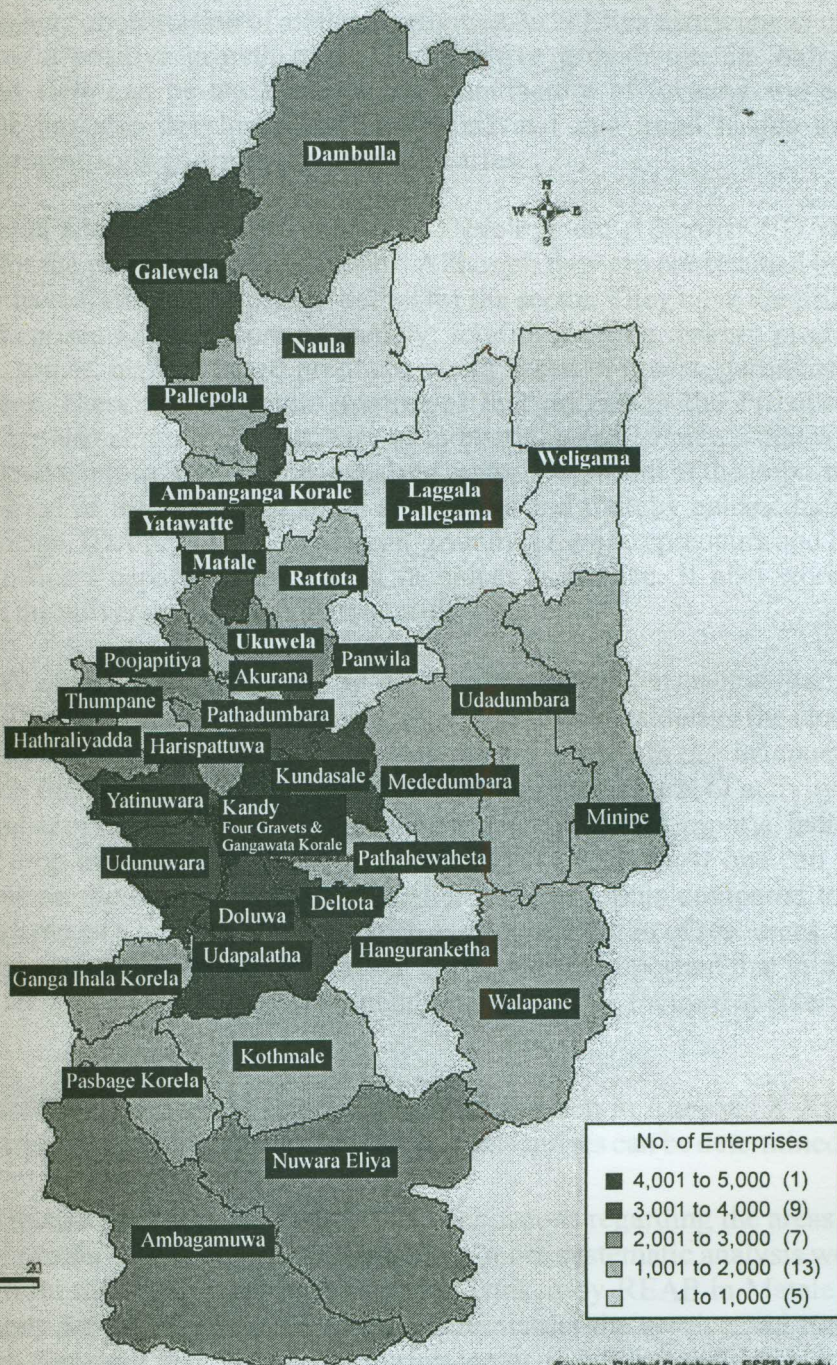
| District | DS Division         | Total Enterprises |       | Population<br>2001 | Density per 1000* |      |
|----------|---------------------|-------------------|-------|--------------------|-------------------|------|
|          |                     | 1994              | 1996  |                    | 1994              | 1996 |
|          | Galewela            | 1,125             | 1,162 | 61999              | 18                | 19   |
|          | Dambulla            | 603               | 968   | 61230              | 10                | 16   |
|          | Naula               | 217               | 535   | 28208              | 8                 | 19   |
|          | Pallepola           | 444               | 505   | 27553              | 16                | 18   |
|          | Yatawatta           | 590               | 525   | 28676              | 21                | 18   |
|          | Matale              | 2,266             | 1,968 | 68826              | 33                | 29   |
|          | Ambanganga Korale   | 204               | 247   | 15542              | 13                | 16   |
|          | Laggala             | 212               | 297   | 12450              | 17                | 24   |
|          | Wilgamuwa           | 347               | 430   | 26885              | 13                | 16   |
|          | Rattota             | 782               | 761   | 49395              | 16                | 15   |
|          | Ukuwela             | 1,350             | 1,087 | 61663              | 22                | 18   |
|          | Pujapitiya          | 838               | 861   | 53644              | 16                | 16   |
|          | Akurana             | 610               | 799   | 5917               | 103               | 135  |
|          | Pathadumbara        | 1,078             | 1,503 | 80224              | 13                | 19   |
|          | Panwila             | 409               | 404   | 26687              | 15                | 15   |
|          | Udadumbara          | 563               | 668   | 22651              | 25                | 29   |
|          | Minipe              | 475               | 867   | 47760              | 10                | 18   |
|          | Medadumbara         | 898               | 938   | 58216              | 15                | 16   |
|          | Kundasale           | 1,694             | 1,210 | 106473             | 16                | 11   |
|          | Gangawata Korale    | 4,903             | 4,084 | 161395             | 30                | 25   |
|          | Harispattuwa        | 805               | 956   | 78207              | 10                | 12   |
|          | Thumpane            | 1,371             | 1,547 | 35306              | 39                | 44   |
|          | Yatinuwara          | 1,251             | 1,642 | 96946              | 13                | 17   |
|          | Udunuwara           | 1,362             | 1,479 | 98879              | 14                | 15   |
|          | Pathahewahata       | 906               | 1,288 | 53107              | 17                | 24   |
|          | Udawalatha-Gampola  | 1,999             | 2,157 | 86134              | 23                | 25   |
|          | Gangaihalala Korale | 534               | 565   | 50706              | 11                | 11   |
|          | Pasbage Korale      | 1,130             | 792   | 56934              | 20                | 14   |
|          | Udahewahata         | 633               | 881   | 87733              | 7                 | 10   |
|          | Walapane            | 1,297             | 1,368 | 106631             | 12                | 13   |
|          | Nuwara Eliya        | 2,300             | 2,300 | 206951             | 11                | 11   |
|          | Ambagamuwa Korale   | 1,092             | 1,658 | 201972             | 5                 | 8    |

**Enterprise density index = (No. of enterprises/Total Population)\*1000**

In the Kandy district, Akurana reflects a higher density due to the comparatively low population. Gangawatte Korale, Thumpane and Udubumbara, which reflect a higher population, also have a higher density of enterprises as indicated under 'Central Province: Total Number of Enterprises'. Matale on the other hand is comparatively low.



# ENTERPRISE DISTRIBUTION - CENTRAL PROVINCE



Source: Digital Database - EISSP Kandy



In the Matale district except for a few DS divisions the service sector is small. Dambulla showed a growth rate of 13.4% between 1994/96, in production activities and a 9.4% growth in trading. This growth rate is attributable to Dambulla gaining predominance as a marketing and distribution centre where produce from other provinces is brought for distribution. The development of the road network has also facilitated this. The Dambulla Dedicated Economic Centre has also contributed to its development as a market centre. On the whole there is a higher concentration of trading activities than in the other DS divisions. The Kandy district is by far the most developed in the central province with a higher concentration of all these activities. In N'Eliya district most of the DS divisions show a positive growth trend. The positive growth rate in Walapane between 1994 and 1996 can be attributed to the manufacture of tobacco and allied products. Kotmale has also developed over the years and this trend is due to the development of garment, milk and milk products industries.

Under the Provincial administration, an Industrial Development Authority (IDA) has been established for the promotion of enterprises. Although they are constrained by the lack of funds they have formulated a plan of action for the sector. They have identified a number small enterprises for development namely; food processing, bakery products, light engineering, spices, cement based products, wood based products, garments and gems and jewellery. These are the main enterprises that prevail in the Province as discussed. They are also compiling a database of industrial establishments that would provide comprehensive information on the industrial sector. Cognisant of the importance of upgrading the level of technology of small enterprises and thereby enhancing their competitive advantage, IDA organises training programmes for entrepreneurs and has a cadre of trained officers capable of providing technical assistance. It also works in collaboration with the university and the Chambers of Commerce.

The Annual Survey of Industry carried out by the Department of Census and Statistics given in Annex VIII and IX indicate a reasonable trend in growth considering the fact that these years were not very favourable to industrial activities. The growth rate in inputs and outputs show much fluctuation over the years. Some years show a burst of activity and then a drop. A number of factors may be contributing to this. Increased imports, increase in cost of inputs, drop in demand for local products and such others. If one can base certain conclusions on the trends indicated, a higher level of inputs compared to the output can be indicative of a number of factors such as poor utilisation of resources, poor technology etc. that are inherent to the enterprises. However it is important that in-depth studies of sectors are undertaken and development programmes be focused at enterprise level.

From the information analysed above and the information given in Annexes X-XII the following salient aspects regarding clusters and type of enterprises can be determined.

- Within each district one can only form broad conclusions regarding the areas that seem to have greater potential for development. A more systematic analysis would be possible from the studies that have been undertaken by REAP in Matale and ESSP in Kandy for future planning. In the entire district the service and trading sector is more dominant than the manufacturing sector. In N'Eliya district, N'Eliya, Walapane and Kotmale reflect greater development. This can be attributed to the existence of vegetable processing, garment industries and tobacco related industries in these areas. As indicated in Annex XII the main areas of concentration are bakeries, tea factories, rice milling, tobacco drying, woodworking and garments.



- In the Kandy district, there are a fair number of clusters that can be identified. The major areas being Gangawata Korale, Udapalatha, Pathadumbara, Yatinuwara and Uduuwara. Here again, it is trading and the service sectors that predominate (see map). Bakery products, rice milling, carpentry, light engineering workshops and building materials also form a major component. Annex X indicates the distribution. While one can identify enterprises based on these, what would be required are new investments and this requires a deeper analysis based on the resources, skill levels etc. that are available. For example Kandy district has indicated a potential for the development of the IT industry, which is a new area. Matale, on the other hand which is predominantly in trading, can be improved as the supply base for spices and spice processing sector, which is still in a very primitive stage of development. Important area for consideration is the development of value added products. In Matale and N'Eliya there is considerable scope for the improvement of packaging of fruits, vegetables and spices. If the packaging techniques are developed, the products could be sent to the market minimising losses.

### 3.4 Infrastructure Facilities

#### 3.4.i Financial Institutions

The World Bank and the Asian Development Bank have done much to promote and develop small and medium scale enterprises in Sri Lanka and their efforts date back to the late 1980s. Stemming from these, the Hatton National Bank and the People's Bank have also initiated their own schemes to promote small and medium enterprises. The main donor assisted schemes that were operational during this period were the World Bank and ADB funded refinancing schemes namely, SMI I-IV, SMAP and SMILE I & II. Of the SMI schemes only SMI IV was operational in the 1990's. It would be pertinent to look at the overall effect of the schemes, since they provide a pattern in the development of the SME Sector in terms of investment and employment. The data available is aggregated and hence one cannot determine the thrust areas into which the finance would have been channelled in the district. The sectors can be determined from the overall information aggregated for the whole country.

Table 3.9 indicates the extent of loans channelled to the three districts under the schemes. Although a major segment of these loans were channelled to Colombo a significant dispersion to other areas indicates the impact of SMEs in regional development. There is an increase in the amounts disbursed in the Kandy district. In SMI IV, SMAP and SMILE schemes there have been an increase in the number of loans taken when taken as a ratio of the total loans disbursed.

**Table 3.9: Refinancing under Different Credit Schemes, Amt. Rs Mn)**

| District     | SMI I      |             | SMI II     |             | SMI III    |             | SMI IV      |              | SMAP       |              | SMILE      |              | SMILE II   |              |
|--------------|------------|-------------|------------|-------------|------------|-------------|-------------|--------------|------------|--------------|------------|--------------|------------|--------------|
|              | No         | Amt         | No         | Amt         | No         | Amt         | No          | Amt          | No         | Amt          | No         | Amt          | No         | Amt          |
| Kandy        | 152        | 9.4         | 108        | 31.6        | 144        | 44.1        | 719         | 245.4        | 315        | 163.50       | 378        | 211.30       | 278        | 170.70       |
| Matale       | 53         | 4.7         | 29         | 6.4         | 28         | 8.1         | 253         | 95.9         | 50         | 25.00        | 135        | 59.50        | 73         | 31.10        |
| N'Eliya      | 9.0        | 0.7         | 23         | 9.1         | 34         | 21.6        | 164         | 74.3         | 37         | 33.90        | 89         | 46.90        | 57         | 38.00        |
| <b>Total</b> | <b>214</b> | <b>14.6</b> | <b>160</b> | <b>47.1</b> | <b>206</b> | <b>73.8</b> | <b>1136</b> | <b>415.6</b> | <b>402</b> | <b>222.4</b> | <b>602</b> | <b>317.7</b> | <b>408</b> | <b>239.8</b> |
| G. Total     | 1741       | 229.5       | 2491       | 1058.6      | 2439       | 1114.0      | 8840        | 5074.1       | 3774       | 3423.9       | 5745       | 3568.2       | 3050       | 2751.3       |
| %of Total    | 12.3       | 6.4         | 6.4        | 4.4         | 84         | 6.6         | 129         | 8.2          | 107        | 6.5          | 105        | 8.9          | 134        | 8.7          |

Source: NDB

of the total number of loans disbursed in the Central Province, Kandy district has utilised the highest amount. Given below are the details of the number of loans utilised by each district indicated as a percentage

|          | SMI IV | SMILE  | ISMILE II | SMAP   |
|----------|--------|--------|-----------|--------|
| Kandy    | 63.3 % | 62.8 % | 68.1 %    | 78.1%  |
| Matale   | 22.2 % | 22.4 % | 17.9 %    | 12.4 % |
| N'Eliya. | 14.4 % | 14.8 % | 14. %     | 9.2 %  |

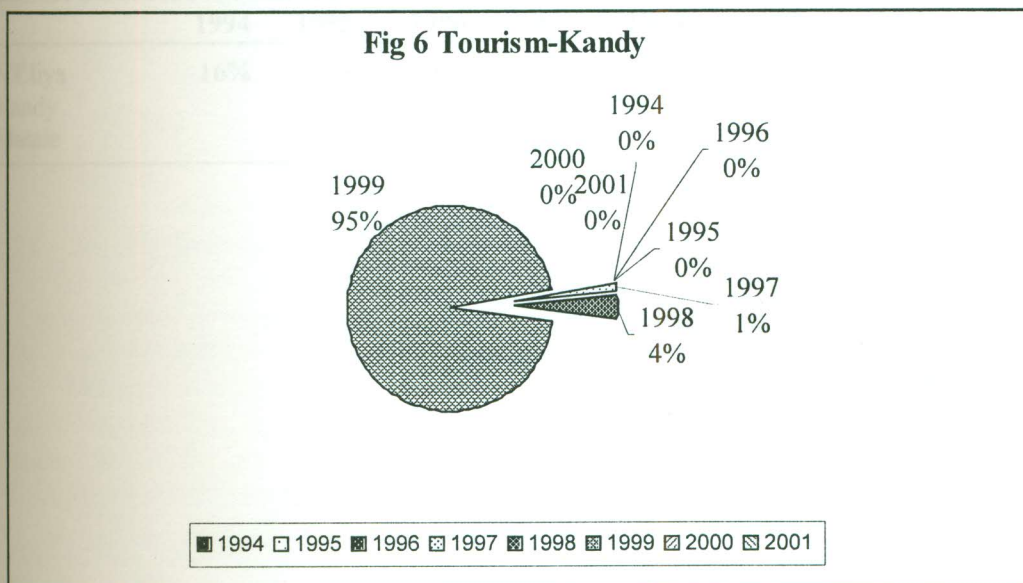
The SMAP refinance scheme, which was operational between 1997-2001 concentrated on small and medium enterprises. Matale and N'Eliya have low percentage of utilisation than Kandy while the numbers in terms of SMILE I, II are comparatively higher. The latter two schemes financed small and micro enterprises. The same feature is evident in terms of investment as shown in Table 3.10. The higher aggregation in Kandy is indicative of the fact that there is an active small and medium entrepreneurial group in addition to the fact that infrastructure facilities, access to markets and technology, and institutional services are greater.

**Table 3.10: Percentage Distribution of Amount Invested**

| District | SMAP  | SMI IV | SMILE I | SMILE II |
|----------|-------|--------|---------|----------|
| Kandy    | 73.50 | 59.0   | 66.5    | 71.00    |
| Matale   | 11.42 | 23.1   | 18.7    | 13.00    |
| N'Eliya  | 15.20 | 17.9   | 14.8    | 15.89    |

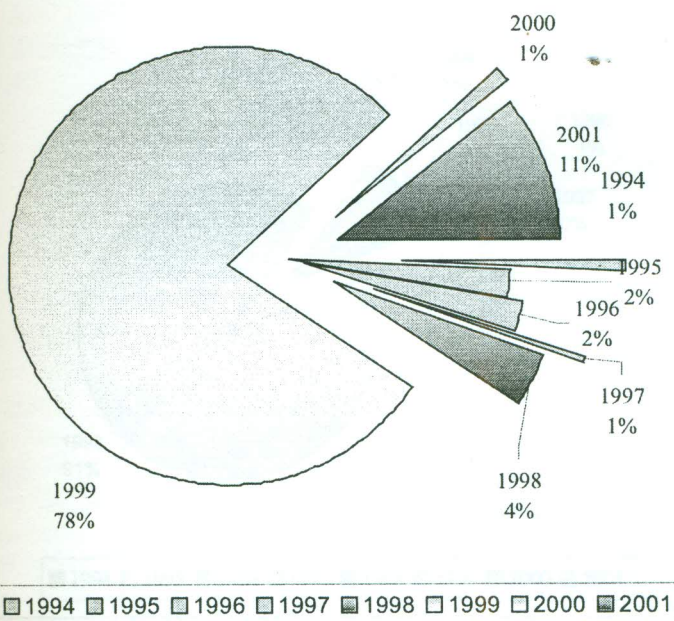
Source: NDB

Another avenue to determine growth trends and potential areas of investment is the transaction of individual banks. Here again, data was not available from all the banks for the specified time frame. According to the People's Bank, Kandy, the main sector financed by SMAP, SMILE, and the interim schemes for SMEs introduced by the bank were rubber products, garments, furniture, wood products and grain milling. 39% of the SMAP loans disbursed by the People's Bank were to the garments sector. 29% was utilised by producers of steel furniture and fabricated metal products. Of the SMILE loans 27% and 22% were taken into printing and saw milling respectively.





**Fig 7 Tourism-Nuwara Eliya**



Source: Hatton National Bank in Districts

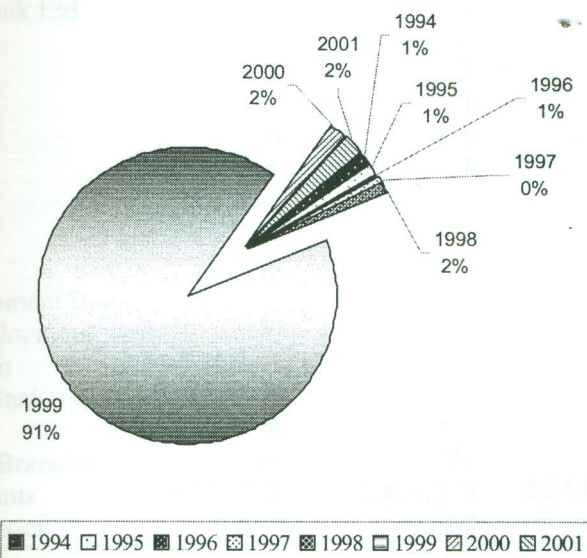
The information provided by the Hatton National Bank indicates that 1999 was a good year for all economic activities. Figs 6 and 7 indicate the percentage of credit extended to tourism and related activities in N'Elia and Kandy, which is a sector with a high potential for development. There were no transactions in this sector for Matale. Bank loans are categorised under Exports, Imports, Industry, Tourism, Housing and Services. An analysis of the loans to these categories indicate that from 1994 there was a negative trend in loans given to these sectors up to 1999. Loans disbursed to the industry sector as a percentage of the total disbursed to the above categories is indicated below. Fig. 8 and 9 show the disbursements for N'Elia and Kandy.

|        | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------|------|------|------|------|------|------|------|------|
| N'Elia | 16%  | 9%   | 3%   | 2%   | 2%   | 12%  | 10%  | 9%   |
| Kandy  |      |      |      | 30%  | 33%  | 3%   | 1%   | 9%   |
| Matale |      |      |      |      |      |      | 1%   | 9%   |

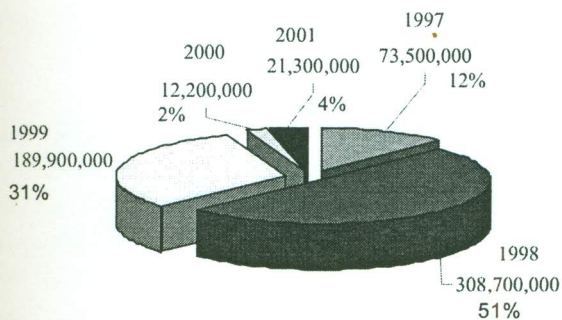
### 3.4.1. Banking Density

The development of banking in the area. The distribution of banks in the area indicates the trend in banking services. Tables 10 and 11 show the status of the private banking services available for N'Elia and Kandy.

**Fig 8 HNB Credit to Industry - Nuwara Eliya**



**Fig.9 HNB Loans to Industry - Kandy**



**3.4.ii. Banking Density**

The development of banking services is another indication of the extent of development of an area. The distribution of banks and also the number of institutions that have been established indicates the turnover of money through agriculture, trading, manufacturing, or providing services. Tables 3.11 and 3.12 indicate the density of banking in Kandy and Matale. Many of the private banks opened branches in Matale and N'Elia after 1996/7. Information available for N'Elia for the year 2000 is indicated below.



**Table 3.11: Banking Density in Kandy District**

| Name of Bank                   | 1997      | 1998      | 1999      | 2000      |
|--------------------------------|-----------|-----------|-----------|-----------|
| Bank of Ceylon                 | 14        | 18        | 1818      |           |
| People's Bank                  | 20        | 21        | 20        | 20        |
| Commercial Bank of Ceylon Ltd. | 2         | 2         | 2         | 2         |
| Hatton National Bank Ltd       | 3         | 4         | 4         | 2         |
| Sampath Bank Ltd               | 1         | 2         | 2         |           |
| Seylan Bank Ltd                | 3         | 3         | 3         | 2         |
| Hongkong Bank                  | 1         | 1         | 1         | 3         |
| Pan Asia Bank                  | 0         | 1         | 1         | 1         |
| Union Bank                     | 1         | 1         | 1         | 1         |
| D.F.C.C.Bank                   | 1         | 1         | 1         | 1         |
| Merchant Bank                  | 1         | 1         | 1         | 1         |
| Grindlays Bank                 | 0         | 0         | 1         | 1         |
| Kandurata Development Bank     | 16        | 16        | 15        | 15        |
| Co-operative Development Bank  | 96        | 93        | 107       | 110       |
| Vanik Incorporation            | 1         | 1         | 1         | 1         |
| National Savings Bank          | 6         | 6         | 5         | 5         |
| Nation Trust Bank              | 0         |           | 0         | 1         |
| Total No. of Bank Branches     | 166       | 171       | 183       | 185       |
| Total No. of Accounts          | 2,221,778 | 2,826,270 | 2,351,044 | 2,221,604 |
| Banking Density Index          | 12.39     | 12.58     | 13.17     | 14.54     |
| Population Per Branch          | 1,340     | 1,359     | 1,389     | 1,272     |

Source: Relevant Banks and Societies in Kandy district

**Table 3.12: Banking Density in Matale District**

| Name of Bank               | 1995       | 1996       | 1997       | 1998       | 1999       | 2000       |
|----------------------------|------------|------------|------------|------------|------------|------------|
| Bank of Ceylon             | 08         | 08         | 08         | 08         | 08         | 08         |
| People's Bank              | 08         | 08         | 08         | 08         | 08         | 08         |
| Commercial Bank            | 02         | 02         | 02         | 02         | 02         | 02         |
| Hatton National Bank       | 02         | 02         | 02         | 02         | 02         | 02         |
| Seylan Bank                | 01         | 01         | 01         | 01         | 01         | 01         |
| Sampath Bank               |            | 01         | 01         | 01         | 01         | 01         |
| Kandurata Development Bank | 06         | 05         | 06         | 06         | 06         | 08         |
| National Savings Bank      | 01         | 01         | 01         | 01         | 01         | 01         |
| Rural Bank                 | 27         | 27         | 27         | 27         | 27         | 27         |
| Sanasa Savings Bank        | 219        | 219        | 219        | 219        | 219        | 252        |
| <b>Total</b>               | <b>274</b> | <b>275</b> | <b>275</b> | <b>275</b> | <b>275</b> | <b>327</b> |

Source: Relevant Banks and Societies

#### **Bank Density Nuwara Eliya 2000**

| Name of Bank          | 2000 |
|-----------------------|------|
| Bank of Ceylon        | 11   |
| People's Bank         | 10   |
| Hatton National Bank  | 05   |
| Commercial Bank       | 01   |
| Seylan Bank           | 04   |
| National Savings Bank | 02   |
| Regional Dev. Banks   | 08   |
| Rural Banks           | 47   |
| Total No. of Branches | 88   |
| Population per Branch | 6898 |

#### 3.4.iii Industrial Estates

The government has provided facilities for the physical location of enterprises through the provision of developed plots in industrial estates. Apart from the Industrial Park in Pallekele, under the BOI, industrial estates have been established in Nalanda, Kaludawela, Pallekale and Kotagala. Developed plots are given over to the private sector. IDB, the Regional Industrial Services Centre (RISC) and the Provincial Ministry of Industries are the main organisations responsible for the development of the Industrial Estates. In Pallekele there are 43 units of which 10 can be categorised as small and medium and 33 as micro enterprises. In Kaludawela, there are 7 units comprising power looms, units manufacturing dolomite, shopping bags, steel furniture and such. In the Nalanda Industrial Estates there are a number of small and medium scale manufacturing units. These range from garments, foam cushions, spice products, wooden toys, and gem cutting and biscuit manufacture. The estate consists of 23 acres and can accommodate at least 10 plots.

#### 3.5. Investment Patterns and Sectors

Analysing the trends it is evident that there have been investments in almost all sectors whether they be small, medium or large. Given below are the main sectors and the sub-sectors where investment has taken place. Among these sub-sectors are those with the potential for sub-contracting for larger firms.



- Mining & Quarrying Stone quarrying, clay, chemical and mineral mining and gem mining
- Food Beverages & Tobacco Meat & meat products, canning & preserving of fruits & vegetables, grain milling, bakery products, tea, spices, kitul palm based products, fruit wine and tobacco
- Textile, Garments, & Leather Products Spinning, made up textile goods (bed spreads, pillowcases), wearing apparel, leather, leather products, footwear
- Wood & wood products Saw mills, cane products, furniture.
- Paper and Paper Products Printing and packaging
- Chemical, Rubber & Plastics Soap, battery acid, matches and other basic industrial chemical products, fertilizer and pesticides, rubber based products, plastic products, clay-based products, cement based products, limekilns etc.
- Basic metal industries Steel and aluminium products, wire, foundry, casting, machining etc.
- Fabricated metal products Metal and aluminium furniture and other products, blacksmith, brassware
- Electrical machinery and Watch repair Electrical components repair of electrical equipment,
- Musical Instruments
- Construction Buildings, marble and brick laying, roofing etc.

Food processing, Textiles and Wearing Apparel, Metal Products, Rubber and Plastics, Leather, Wood and Wood Products, Agro-based Products, Construction Materials, Printing, Transport and Service sectors are the main areas of investment. This is evident from the information available at the IDB and EDB, Industrial Development Authority and ESSP. The main areas of investment in each district and DS divisions are indicated in Annexes X, XI, XII

- Matale district - rice milling, bakeries, metal crushing, woodworking and spice processing. There is concentration of units for rice milling, furniture manufacture, bakery products, light engineering, wearing apparel in all the DS divisions as indicated in Annex XI. Spice processing is scattered over Matale, Naula, and Pallepola and does not appear to be a dominant activity although Matale district is well known for spices. This

could be an area that can be developed for value added products. It is evident that much of the spices are supplied in raw form and the supply is also limited. However, the Export Agriculture Department has carried out considerable research on value added products that could be manufactured from spices. There could be long term benefits if there is a strong link between this Department and the private sector in the development of value added products from spices. The salient factors that can be gathered from the type of investments and the bias are

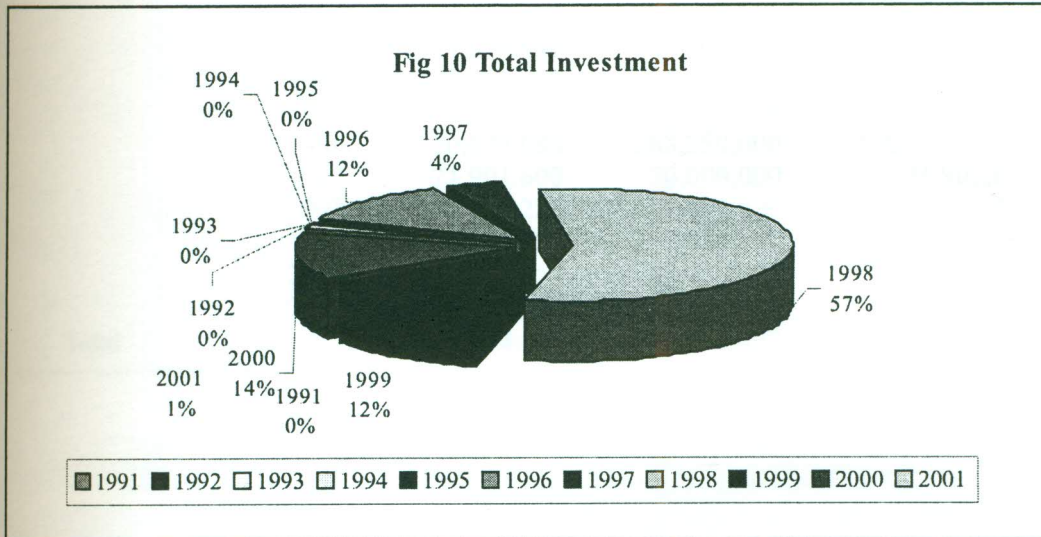
- Development should be geared towards improvement of the supply base of agro-based products and value added products with forward linkages to markets in other areas
  - Potential for development lies in agro-based products and other activities related to agriculture
  - If the supply base is developed, there is a need for upgrading the knowledge on packaging so that goods can be transported with minimum loss
  - More R & D should be done for preservation of perishable products so that seasonal gluts and losses could be minimised
  - Service sector has potential for development
  - Eco tourism and herbal products can be developed
  - Although certain DS divisions have a higher aggregation of units as indicated in Annex XI, all the DS divisions have enterprises related to agriculture or service sectors.
- N'Eliya district -tea factories, rice milling, grain milling, tobacco drying, woodworking, bakery products, wearing apparel. The main areas of concentration as indicated in Annex XII are N'Eliya, Ambangamuwa, Walapone, Hanguranketa and Kotmale. Apart from these, another area, which indicates a comparatively higher number of units, is the light engineering sector comprising of workshops, welding units and such. The salient features for consideration are:
- There is a bias in some of the divisions for certain products although this district again is predominantly agro-based. Greater emphasis can be placed on the development of vegetable processing and packaging. Here again, there is a need for the transfer of technology in these areas and in the value addition to these products.
  - Walapone has a bias towards tobaccos processing. However this area needs a closer look into since tobacco cultivation is being discouraged.
  - The service sector can be developed and perhaps with it the IT sector.
- Kandy district- This is a much larger district with many more DS divisions. As is apparent in Annex X some of the divisions have few or no enterprises with agriculture being the main stay. The same activities as mentioned above, are established here but the numbers are greater. Kandy has a higher concentration due to the availability of better infrastructure and it is also the main commercial centre. There is potential for development of service industries such as IT and other activities as promoted by EDB. Since it is also the commercial capital for the Province it can be used as the base for the diffusion of technology, market information and so on. In fact this district can be promoted as an



investment centre if all other facilities that are available in other investment processing zones are made available.

The Export Development Board has also identified a number of enterprises that have export markets and/or have the capacity to be developed. The products with export potential are aquarium fish, gems and jewellery, spices, organic products, brassware, cut flowers and foliage, batiks, furniture, handicrafts, needlecraft, tea, soft toys, chocolates, porcelain ware and garments. Many of these entrepreneurs have had exposure to foreign markets through participation in trade fairs and have also obtained training in designing and upgrading of products to suit the market, through the EDB.

The total investments by the private sector comprising information provided by BOI and IDB is analysed in Table 3.13 and Fig.10. This bears out the trends that were discussed above under each institution. The significance of this pattern is that there is a foundation of entrepreneurship and industrial activity even on a small scale. This also implies that they need to be market oriented and able to identify the opportunities that exist. Their growth has been hampered by many factors. However, the fact that these enterprises have survived and have even developed into export-oriented ventures indicates their innate capacity and capability. Sustained development efforts, quality consciousness, upgrading of technology, better coordination among support institutions, backward and forward linkages and integration with larger enterprises would definitely pave the way for greater development of the industrial base in the Province.



**Table 3.13: Total Investments BOI and IDB**

| District     | Year | IDB Invest.        | BOI Invest.          | Total Investment     |
|--------------|------|--------------------|----------------------|----------------------|
| Kandy        | 1991 | 2,692,927          | 0                    | 2,692,927            |
|              | 1992 | 402,719            | 0                    | 402,719              |
|              | 1993 | 16,193,555         | 135,219,000          | 151,412,555          |
|              | 1994 | 24,858,400         | 45,506,000           | 70,364,400           |
|              | 1995 | 0                  | 23,725,000           | 23,725,000           |
|              | 1996 | 26,809,500         | 517,264,000          | 544,073,500          |
|              | 1997 | 19,065,500         | 1,048,357,000        | 1,067,422,500        |
|              | 1998 | 70,345,336         | 27,886,000           | 98,231,336           |
|              | 1999 | 27,861,141         | 636,875,000          | 664,736,141          |
|              | 2000 | 11,287,295         | 1,345,000            | 12,632,295           |
|              | 2001 | 57,466,290         | 33,366,000           | 90,832,290           |
| <b>Total</b> |      | <b>256,982,663</b> | <b>2,469,543,000</b> | <b>2,726,525,663</b> |
| Matale       | 1991 | 241,200            | 0                    | 241,200              |
|              | 1992 | 1,485,000          | 0                    | 1,485,000            |
|              | 1993 | 4,755,666          | 0                    | 4,755,666            |
|              | 1994 | 11,460,185         | 446,466,000          | 457,926,185          |
|              | 1995 | 0                  | 0                    | 0                    |
|              | 1996 | 157,670,000        | 80,000,000           | 237,670,000          |
|              | 1997 | 17,761,500         | 0                    | 17,761,500           |
|              | 1998 | 16,265,575         | 156,185,000          | 172,450,575          |
|              | 1999 | 29,757,256         | 344,000,000          | 373,757,256          |
|              | 2000 | 14,248,852         | 0                    | 14,248,852           |
|              | 2001 | 6,354,942          | 302,013,000          | 308,367,942          |
| <b>Total</b> |      | <b>260,000,176</b> | <b>1,328,664,000</b> | <b>1,588,664,176</b> |
| N'Eliya      | 1991 | 1,514,500          | 0                    | 1,514,500            |
|              | 1992 | 3,488,000          | 20,600               | 3,488,000            |
|              | 1993 | 1,579,346          | 107,000,000          | 1,579,346            |
|              | 1994 | 3,151,250          | 10,500               | 3,151,250            |
|              | 1995 | 0                  | 0                    | 0                    |
|              | 1996 | 20,077,084         | 268,250,000          | 288,327,084          |
|              | 1997 | 21,901,600         | 70,000,000           | 91,901,600           |
|              | 1998 | 22,115,225         | 1,281,890,000        | 1,304,005,225        |
|              | 1999 | 14,051,790         | 272,620,000          | 286,671,790          |
|              | 2000 | 12,880,153         | 308,200,000          | 321,080,153          |
|              | 2001 | 16,195,250         | 0                    | 16,195,250           |
| <b>Total</b> |      | <b>116,954,198</b> | <b>2,200,960,000</b> | <b>2,317,914,198</b> |



## 4. IMPACT ASSESSMENT

The assessment of impact on a quantifiable basis can be done only through consideration of employment generated, since information is not available on the contribution to GDP or GNP. Employment leads to income generation and that to better standards of living and greater appreciation of the need to improve one's living conditions. One of the forms in which this is manifested is the investment in housing. Thus, the impact can also be considered in terms of investment in housing and construction. Other yardsticks are upgrading of technology, skills development and enhancing the capacity to gain access to international markets.

### 4.1 Employment

Employment is an important input to growth since it results in income generation, better standards of living and the development of human resources. Table 4.1 provides the total employment generated within the BOI projects, since 1992 in the three districts. According to these figures there is a definite increase in employment opportunities. In the Kandy district, there has been an upward trend since 1996 to 1999. The higher levels of employment in 1999 may be due to the investment in garment and spice based enterprises. Though the figures are not as high for Matale and N'Eliya, this period shows a positive trend in investment and employment. The decline since 1999 is a reflection of the pattern in the whole country. The political uncertainty, absence of clear-cut policies, lack of development programmes, and others may be contributive factors. Sector wise distribution of employment for the total period is given in Tables 3.1, 3.2 and 3.3 under BOI investments.

**Table 4.1: Total Employment Since 19922001**

| District | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|----------|------|------|------|------|------|------|------|------|------|------|
| Kandy    |      | 303  | 912  | 961  | 2396 | 2958 | 1531 | 3885 | 338  | 594  |
| Matale   |      | 430  |      | 98   |      | 1453 | 1144 | 677  |      |      |
| N'Eliya  | 80   | 6    | 72   |      | 361  | 78   | 544  | 1006 | 1444 |      |

Source: BOI

The benefits of such investment also lie in the provision of greater employment opportunities for women. From the information provided by the Industrial Park at Pallekele, there are 705 males and 3275 females in 15 units operational in the zone (data as at 31.3.2002). There are more females in the electronics and garment sectors established under Section 17. In the electronic units there are 2406 females and 228 males. In the garment units there are 783 females and 99 males. Apart from the fact that these are labour intensive industries, it is an accepted fact that women have a better aptitude for the type of work these industries entail. In the engineering sector there are less females employed. The salient factor here is that foreign investment has opened avenues for employment of women. This not only contributes towards family income but also enables skills development. An indirect impact of employment in the garment sector is that many are able to establish their own units, producing garments.

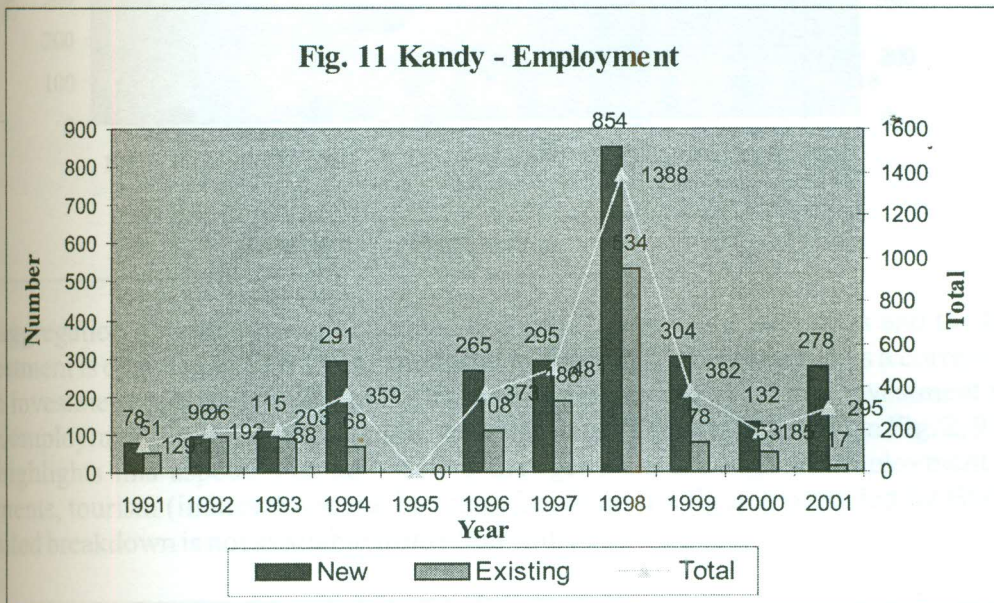
Another salient factor is the employment generated through backward linkages. This is not reflected in any studies but the development of larger enterprises over the years promote the development of such linkages

Main sources of data on other enterprises are the IDB, Department of Labour and the

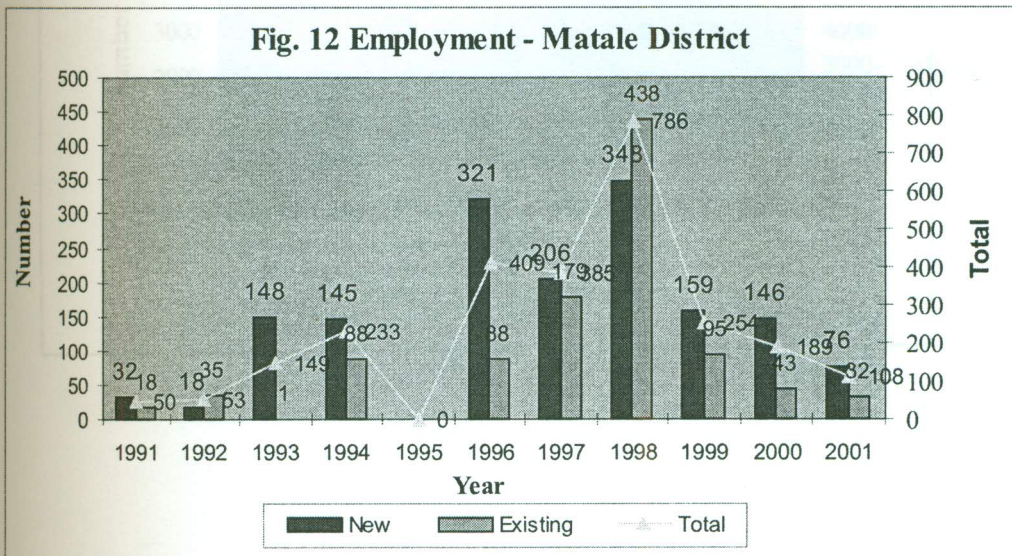


Department of Census and Statistics. District wise distribution of employment based on the information on industries assisted by IDB, indicates the importance of the years 1998/99 in the expansion of enterprises. The employment levels are high during this period. See Figs. 911. Annex VII provides the detailed breakdown of employment in existing and new industries.

**Fig. 11 Kandy - Employment**

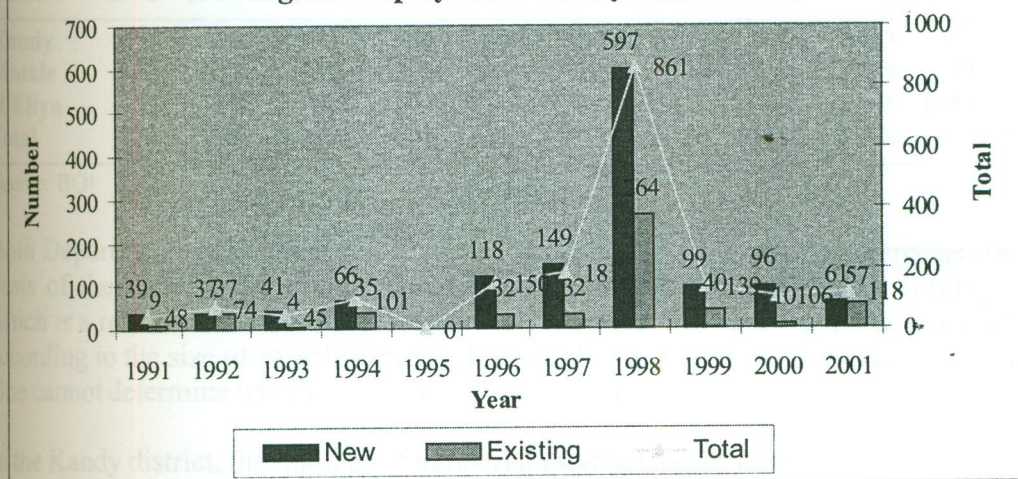


**Fig. 12 Employment - Matale District**



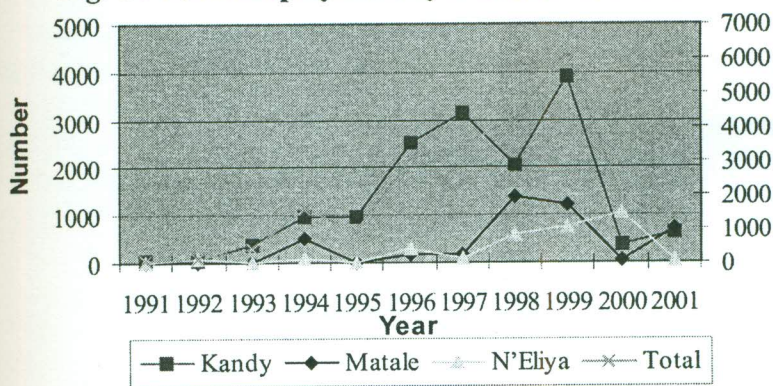


**Fig. 13 Employment - N'Eliya District**



An aggregation of employment generated by both IDB assisted industries and the BOI investment is depicted in Fig. 14 and analysed in Table 4.2. This establishes a correlation with investment pattern depicted in the Chapter 3. During the years that investment was high employment also tended to be high. A comparison of trends indicated in Fig. 2, 9 and 12 highlights this aspect. The sub-sectors that generate the highest employment are garments, tourism (indirect) and the IT sector based on the figures provided by BOI. A detailed breakdown is not available from other sources.

**Fig. 14 Total Employment by Districts & Province**



**Table 4.2: Total Employment IDB & BOI (Nos)**

| District | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|----------|------|------|------|------|------|------|------|------|------|------|------|
| Kandy    | 51   | 26   | 391  | 980  | 961  | 2504 | 3171 | 2065 | 3913 | 391  | 611  |
| Matale   | 18   | 02   | 01   | 518  | 0    | 186  | 179  | 1391 | 1239 | 43   | 709  |
| N'Eliya  | 09   | 112  | 10   | 107  | 0    | 393  | 110  | 808  | 1046 | 1454 | 57   |
| Total    | 78   | 140  | 402  | 1605 | 961  | 3083 | 3460 | 4264 | 6798 | 1888 | 1377 |

Source: BOI

Both Departments of Census and Statistics and Labour differentiate enterprises on the basis of the number employed. There are considerable fluctuations in employment, which is a reflection of the trend. Annex XIII indicates the distribution of employment according to the size of establishments. The number of reporting units varies each year. One cannot determine whether this is due to a mortality of enterprises or lack of response.

In the Kandy district, the number of industrial establishments employing more than 100 fluctuates between 77 and 102 except in 1993 when there appears to be a drop in the number of reporting units. On an average, the employment at each establishment may be above 400. In the category employing 50 to 100 the average employment varies from 69 to 72. A similar pattern is evident in the Matale and N'Eliya districts as shown in the following tables. Employment levels are lower than in the Kandy district stemming from the fact that there are less enterprises in these districts. Table 3.9 provides average distribution according to number employed. It is needless to state that medium and large-scale investments need to be promoted in order to generate higher levels of employment.



**Table 4.3: Average Employment at each Establishment**

| District | Year   | > 10 | 11to 25 | 26 to 50 | 51to 100 | < 100 |
|----------|--------|------|---------|----------|----------|-------|
| Kandy    | 1992   | 6    | 17      | 35       | 69       | 481   |
|          | 1993   | 8    | 14      | 33       |          |       |
|          | 1994   | 6    | 17      | 35       | 72       | 561   |
|          | 1996   | 5    | 17      | 37       | 71       | 486   |
|          | 1997   | 6    | 18      | 37       | 69       | 495   |
|          | 1998   | 6    | 17      | 36       | 71       | 438   |
|          | 1999   | 7    | 18      | 36       | 69       | 432   |
|          | 2000   | 7    | 17      | 37       | 71       | 427   |
|          | Matale | 1992 | 7       | 16       | 37       | 77    |
| 1993     |        | 8    | 14      | 33       |          | 517   |
| 1994     |        | 6    | 16      | 30       | 74       | 466   |
| 1996     |        | 8    | 17      | 37       | 73       | 348   |
| 1997     |        | 7    | 17      | 36       | 77       | 367   |
| 1998     |        | 6    | 16      | 35       | 77       | 365   |
| 1999     |        | 7    | 18      | 32       | 75       | 350   |
| 2000     |        | 7    | 18      | 38       | 79       | 370   |
| N'Eliya  |        | 1992 | 7       | 18       | 38       | 70    |
|          | 1993   | 6    | 18      | 32       | 73       | 822   |
|          | 1994   | 7    | 17      | 35       | 70       | 981   |
|          | 1996   | 65   | 17      | 34       | 75       | 912   |
|          | 1997   | 6    | 16      | 35       | 72       | 844   |
|          | 1998   | 6    | 17      | 35       | 71       | 869   |
|          | 1999   | 7    | 16      | 35       | 71       | 834   |
|          | 2000   | 7    | 17      | 34       | 68       | 844   |

Source: Dept. of Labour

Table 4.4 shows the growth rate in employment for the three districts since 1996. This year being taken since the earlier figures will give a skewed picture. It is evident that there has not been a significant growth over the years although when one considers the number of units it may suggest that there has been. The lack of any significant impact is a reflection of the fact that the 1990s were years in which the economy as a whole was stagnant.

**Table 4.4: Growth Rate in Employment by District**

| District       | Estab.with                |                        |                        |                        |                     | All estb.<br>Growth rate |
|----------------|---------------------------|------------------------|------------------------|------------------------|---------------------|--------------------------|
|                | 10 or less<br>Growth rate | 11 - 25<br>Growth rate | 26 - 50<br>Growth rate | 51 - 99<br>Growth rate | <100<br>Growth rate |                          |
| <b>Kandy</b>   |                           |                        |                        |                        |                     |                          |
| 1996           | 34%                       | -9%                    | 21%                    | 15%                    | 9%                  | 10%                      |
| 1997           | -33%                      | -18%                   | -14%                   | -19%                   | -20%                | -20%                     |
| 1998           | 3%                        | 4%                     | 2%                     | 43%                    | 3%                  | 5%                       |
| 1999           | -13%                      | 1%                     | -3%                    | -11%                   | 2%                  | 1%                       |
| 2000           | 10%                       | 23%                    | 7%                     | 18%                    | 0%                  | 2%                       |
| <b>Matale</b>  |                           |                        |                        |                        |                     |                          |
| 1993           | -51%                      | -92%                   | -41%                   | -100%                  |                     | -87%                     |
| 1996           | 204%                      | 1207%                  | 14%                    |                        |                     | 932%                     |
| 1997           | 19%                       | 39%                    | 144%                   | -12%                   | -35%                | -28%                     |
| 1998           | -14%                      | -4%                    | -22%                   | 12%                    | 0%                  | 0%                       |
| 1999           | 168%                      | 16%                    | -14%                   | 12%                    | 10%                 | 11%                      |
| 2000           | -83%                      | -36%                   | -21%                   | -7%                    | -45%                | -40%                     |
| 2000           | 327%                      | 89%                    | 19%                    | 5%                     | 85%                 | 68%                      |
| <b>N'Eliya</b> |                           |                        |                        |                        |                     |                          |
| 1996           | 694%                      | 6%                     | -20%                   | -16%                   | 52%                 | 50%                      |
| 1997           | -91%                      | -26%                   | 4%                     | -22%                   | -43%                | -43%                     |
| 1998           | 46%                       | 34%                    | 43%                    | 77%                    | 54%                 | 54%                      |
| 1999           | -4%                       | -7%                    | -25%                   | -1%                    | -22%                | -21%                     |
| 2000           | 1%                        | 13%                    | 30%                    | -22%                   | 19%                 | 19%                      |

Here again when differentiating employment according to gender, the manufacturing sector has opened up opportunities for employment of women. This sector reflects the highest employment levels, which can be attributed to the garment and food industries that are labour intensive. The other sectors are forestry, quarrying, construction, and electricity, trade etc. as indicated in Annex XIVXVI. The percentage of women employed in the manufacturing sector in the Kandy district ranges from 56% in 1994 to 76% in 2000. Table 4.4 presents the percentage of women employed in the different sectors. While mining and quarrying has the lowest incidence in all three districts, the manufacturing sector has the highest percentage of employment. The Community and social services sector is the next largest. This is significant in terms of empowerment of women. Employment of women has a far-reaching effect on the family in terms of better standards of living, education of children and such.



**Table 4.5: Sector wise Employment of Women (%)**

|                | Agriculture<br>Hunting<br>Forestry | Mining<br>Quarrying | Manufac-<br>-ture | Electricity<br>Gas<br>Water | Constru-<br>-ction<br>sale | Trade<br>Retail<br>Whole | Tran-<br>sport<br>Storage<br>Services | Insurance<br>Real<br>Estate | Community<br>Social<br>Services | Total of all<br>Econ.<br>Activities |
|----------------|------------------------------------|---------------------|-------------------|-----------------------------|----------------------------|--------------------------|---------------------------------------|-----------------------------|---------------------------------|-------------------------------------|
| <b>Kandy</b>   |                                    |                     |                   |                             |                            |                          |                                       |                             |                                 |                                     |
| 1994           | 48                                 |                     | 56                | 3                           | 16                         | 24                       |                                       | 33                          | 25                              | 45                                  |
| 1996           | 53                                 |                     | 67                | 4                           | 24                         | 26                       | 8                                     | 36                          | 26                              | 45                                  |
| 1997           | 53                                 |                     | 63                | 7                           | 3                          | 23                       | 3                                     | 31                          | 25                              |                                     |
| 1998           | 53                                 |                     | 56                | 6                           | 10                         | 26                       | 10                                    | 39                          | 24                              | 42                                  |
| 1999           | 51                                 |                     | 68                | 6                           | 16                         | 24                       | 3                                     | 34                          | 24                              | 44                                  |
| 2000           | 51                                 |                     | 76                | 9                           | 10                         | 21                       | 3                                     | 34                          | 20                              | 46                                  |
| <b>Matale</b>  |                                    |                     |                   |                             |                            |                          |                                       |                             |                                 |                                     |
| 1994           | 53                                 |                     | 44                | 3                           | 23                         | 20                       |                                       | 26                          | 6                               | 46                                  |
| 1996           | 51                                 |                     | 55                | 1                           | 6                          | 24                       | 3                                     | 27                          | 33                              | 41                                  |
| 1998           | 53                                 | 73                  | 59                | 3                           | 6                          | 32                       | 3                                     | 23                          | 11                              | 41                                  |
| 1999           | 54                                 | 32                  |                   | 2                           | 13                         | 42                       | 3                                     | 27                          | 12                              | 39                                  |
| 2000           | 53                                 | 42                  | 85                | 2                           |                            | 29                       | 25                                    | 26                          | 32                              | 42                                  |
| <b>N'Eliya</b> |                                    |                     |                   |                             |                            |                          |                                       |                             |                                 |                                     |
| 1994           | 34                                 |                     | 46                | 1                           | 8                          | 29                       |                                       | 45                          | 3                               | 34                                  |
| 1996           | 53                                 |                     | 64                | 2                           | 15                         | 26                       | 2                                     | 15                          | 44                              | 53                                  |
| 1998           | 55                                 |                     | 70                | 4                           | 19                         | 28                       | 2                                     | 19                          | 36                              | 54                                  |
| 1999           | 35                                 |                     | 47                | 2                           |                            | 21                       | 2                                     | 18                          | 17                              | 53                                  |
| 2000           | 55                                 |                     | 83                | 3                           |                            | 19                       | 2                                     | 24                          | 42                              | 55                                  |

Source: Derived from Employment Survey

#### 4.2. Technology Transfer and Skills Development

The process of industrial development and sustainability constitutes of obtaining and assimilating new technology. Today, this is imperative if one is to gain an advantage in a highly competitive environment. New technology can be acquired through purchase of hardware, employment of technically skilled manpower or through foreign investment. Direct foreign investment is a good source of new knowledge for the entire manufacturing sector depending on the areas of investment. Unfortunately, the garment sector does not pave the way for much technology transfer. However, the two units manufacturing electronic components are good avenues for the transfer of technology.

The impact from foreign investment is that these firms are closer to better practices than local firms. They can improve the performance of the sector in which they operate through production techniques, quality assurance and so on.

The impact of exporting lies in the knowledge that is acquired. The knowledge obtained consists of process improvements, quality control and information about markets that allow firms to achieve a more profitable product mix. The inputs from the EDB to upgrade the quality of products in jewellery, handicraft, and brassware have had a considerable impact. These have also created an awareness of market requirements and have geared production to meet market needs.

Development of skills. There are many public sector institutions that provide facilities for skills development.

### 4.3. Housing and Construction

The construction sector plays a vital role in economic growth. The specific characteristics associated with the construction sector; high labour absorption capacity, widespread backward and forward linkages, relatively low capital labour ratio are highly favourable to yielding quick economic results. It generates employment, utilises local raw material and contributes to GDP.

Bank loans and foreign earnings have been the main source of finance. The two major organisations that assist housing and construction, other than the banks, are the Housing Development Authority and the Housing and Finance Corporation. Housing Development Authority concentrates mainly on the development of housing facilities for the lower middle class and the poorer sections of the community. The Institute of Construction and Development (ICTAD) participates in upgrading skills.

**Table 4.6: Loans for Housing**

| District     | Year | No. Of Loans | Value (Rs. Mn)     |
|--------------|------|--------------|--------------------|
| Kandy        | 1993 | 171          | 16,996,161         |
|              | 1994 | 124          | 13,355,081         |
|              | 1995 | 183          | 22,534,777         |
|              | 1996 | 163          | 24,277,425         |
|              | 1997 | 114          | 16,270,029         |
|              | 1998 | 136          | 19,445,254         |
|              | 1999 | 84           | 15,658,250         |
|              | 2000 | 75           | 16,632,500         |
| <b>Total</b> |      | <b>1050</b>  | <b>145,169,477</b> |
| Matale       | 1993 |              | 3,747,786          |
|              | 1994 |              | 3,849,171          |
|              | 1995 |              | 6,256,655          |
|              | 1996 |              | 6,205,794          |
|              | 1997 |              | 2,394,069          |
|              | 1998 |              | 2,908,454          |
|              | 1999 |              | 2,549,363          |
|              | 2000 |              | 5,852,000          |
| <b>Total</b> |      | <b>301</b>   | <b>33,763,292</b>  |

Source: Housing & Finance Corp.

Table 4.6 depicts the growth of the housing sector since 1971 over a 10-year period. This is one area where there is a positive trend, which indirectly indicates the income levels and the aspired standards.



**Table 4.7: Number of Housing Units, Household and Average Size**

| District | 1971         |                     |                    | 1981         |                     |                    | 1994         |                     |                    |
|----------|--------------|---------------------|--------------------|--------------|---------------------|--------------------|--------------|---------------------|--------------------|
|          | No. of Units | No. of House-holdes | Occupants Per unit | No. of Units | No. of House-holdes | Occupants Per unit | No. of Units | No. of House-holdes | Occupants Per unit |
| Kandy    | 222119       | 240581              | 5.7                | 188203       | 197161              | 5.1                | 248554       | 262272              | 4.7                |
| Matale   | 62835        | 61151               | 5.5                | 71593        | 73713               | 4.9                | 89994        | 93401               | 4.5                |
| N'Eliya  | 89660        | 118669              | 5.2                | 127231       | 136602              | 4.6                | 141654       | 147222              | 4.6                |

Source: Statistical Abstract 2001

The improvement of living standards is evident even at the level of the Urban and Pradeshiya Sabhas in the districts. Though data is available only for one year it shows that considerable expenditure has been incurred to improve living standards.

|                      | Urban Council - 1999 |                 | Pradeshiya Sabhas -1999 |      |
|----------------------|----------------------|-----------------|-------------------------|------|
|                      | Residential          | Non-Residential | Residential             |      |
| <b>Kandy (No.)</b>   | 34                   | 9               | <b>Matale (No.)</b>     | 50   |
| Cost (Rs. Mn)        | 23.3                 | 8.2             | Cost (Rs. Mn)           | 18.3 |
| <b>N'Eliya (No.)</b> | 17                   | 2               |                         |      |
| Cost (Rs. Mn)        | 7.6                  | 4.3             |                         |      |

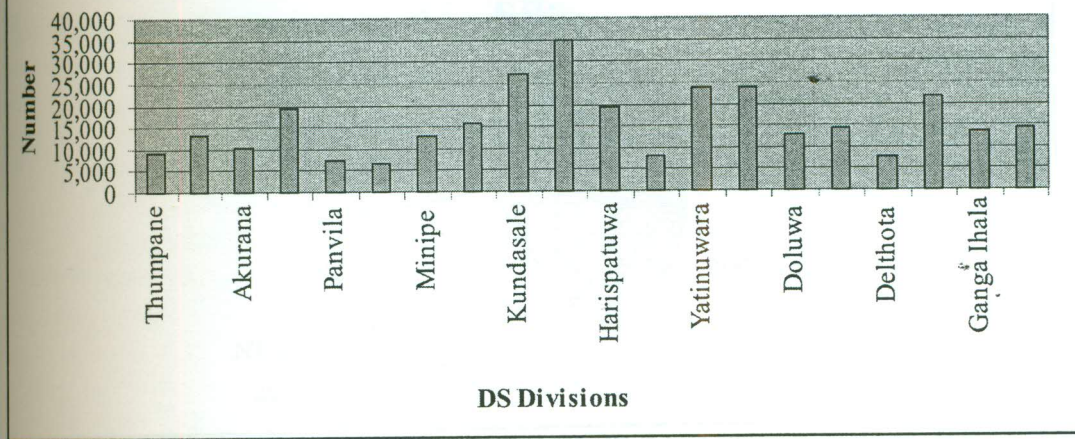
Within the Kandy Municipal Council limits there has been a decrease in the number of dwelling places constructed during 1998/99 but on an average there is consistent increase in the numbers as indicated in Table 4.7. This excludes additions and renovations.

**Table 4.8: Distribution of Buildings within Kandy Municipal Limits**

| Category          | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|-------------------|------|------|------|------|------|------|------|------|------|------|------|
| Dwelling Houses   | 550  | 399  | 453  | 342  | 361  | 315  | 323  | 199  | 193  | 271  | 408  |
| Business Premises | 23   | 34   | 39   | 34   | 24   | 21   | 36   | 21   | 17   | 35   | 37   |

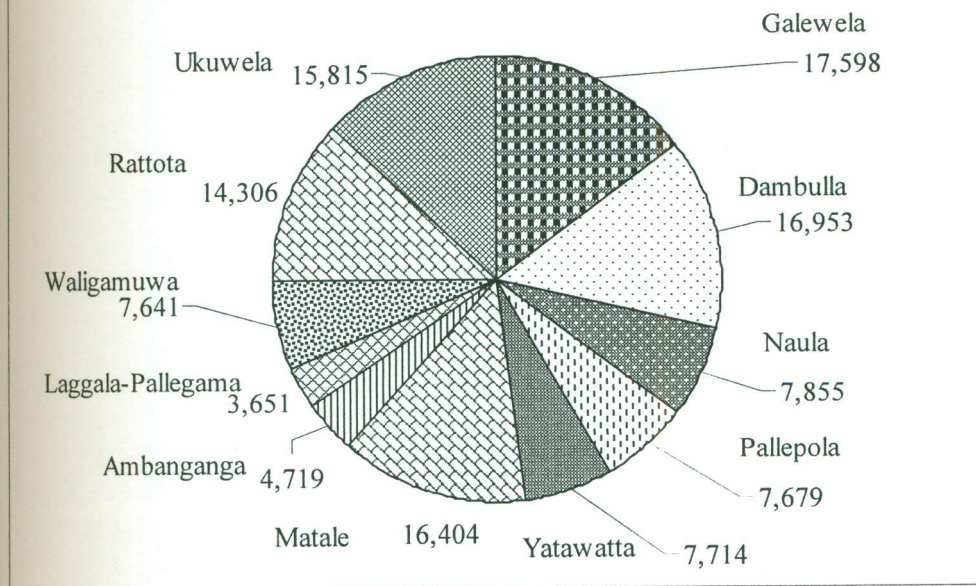
Source: Municipal Council, Kandy.

**Fig.15 Housing - Kandy (2001)**



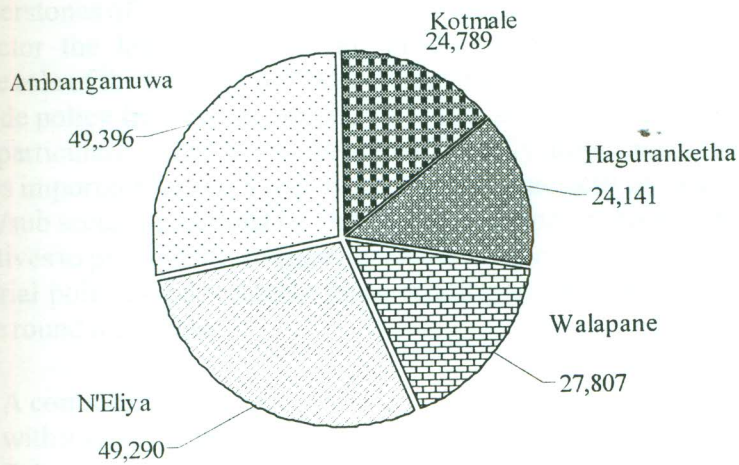
The 2001 survey by the Dept. of Census and Statistics gives the distribution of housing according to the DS divisions in all three districts as shown in Figs.15-17. The total number of housing units for Kandy district amounted to 317,315 and non-housing units to 44,877. In N'eliya, there is a fair distribution in all the DS divisions. In Matale, except for 4 DS divisions, there is a fair distribution among the others.

**Fig 16 Housing-Matale (2001)**





**Fig.17 Housing - Nuwara Eliya (2001)**



As indicated above the progress in housing and construction impacts on employment, better standards of living and provides an impetus to local industry. From the above analysis it is clear that there is a positive pattern of improvement in the sector, providing employment to a fair number and establishing backward linkages.

## 5. PUBLIC SECTOR CONTRIBUTION

One of the cornerstones of the overall Economic Strategy during the 1990s was assigning the private sector the leading role in all production and employment generating enterprises. The role of the Government was increasingly becoming that of a facilitator. It sought to provide policy framework conducive to investment and develop the necessary infrastructure, particularly those that were not sufficiently attractive to the private sector but nevertheless important for rapid expansion of economic activity. Meanwhile, certain priority sectors/sub sectors/locations for industrial development had been identified and, selective incentives to promote investment in such sectors and locations announced. The existing industrial policies, particularly those relating to small and medium industries appear to centre round following:

- A commitment to adopt a lower and more uniform import tariff structure with a view to making local industries internationally competitive.
- Selection of several Sub-Sectors in Manufacturing and Services as 'Priority Industries' for special treatment by way of tax and duty concessions.
- Location of larger Industries in 'Difficult Areas'- basically in rural areas, with minimum infrastructure facilities. This was encouraged with tax and duty concessions.

In relation to housing, the government policy is indicated below and is implemented through the Housing Development Authority and the Housing & Finance Corp.

- Improve quality of houses and housing conditions in human settlements
- Cater to needs of housing in urban, rural and estate sector
- Supply building materials
- Encourage 'Save for Houses'

In the sector of tourism, which is identified as a priority area the policy has been

- Development of eco-tourism
- Mobilisation of the private sector
- Encouraging domestic tourism
- Training

The government channelled its efforts during the decade to regional development mainly through the Integrated Rural Development Programme (IRDP) now replaced by REAP. The programme was implemented with Donor inputs as indicated in Table 5.1. Considerable funds have been channelled to development projects in the districts. Table 5.2 indicates the public expenditure on IRDP in 1996, which is indicative of moneys expended on development.

Detailed district wise breakdown of public expenditure is not available. The total institutional allocation would not shed much light on the activities that could have been undertaken in the Province.



**Table 5.1: IRDP Expenditure District wise (Rs. Mn)**

| District | Source of |      |      |      |       |        |      |      |      |      |      |      |
|----------|-----------|------|------|------|-------|--------|------|------|------|------|------|------|
|          | Finance   | 1990 | 1991 | 1992 | 1993  | 1994   | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
| N'Eliya  | N'Lands   | 349  | 391  | 447  | 480.4 | 524.3  | 554  | 601  | 657  | 748  | 751  | 759  |
| Matale   | IDA       | 439  | 445  |      |       |        |      |      |      |      |      |      |
| Kandy    | GTZ       | 20   | 30   | 55   | 77.47 | 104.37 | 129  | 163  | 186  | 211  | 225  | 239  |

Source: Central Bank. Annual Reports

**Table 5.2: Public Expenditure on IRDP 1990 (Rs. Mn)**

| District | Agriculture related activities | Rural infrastructure | HRD  | Economic opportunities | Miscellaneous | Total |
|----------|--------------------------------|----------------------|------|------------------------|---------------|-------|
| N'Eliya  | 11.6                           | 11.3                 | 16.2 | 1.0                    | 7.2           | 47.3  |
| Kandy    | 6.4                            | 4.6                  | 10.1 | 2.3                    | 10.3          | 33.7  |

Source: Ministry of National Planning: Public Investment Programme

Public investment at Provincial level can be determined only through the allocations made in the budget for each year. Time constraint and accessibility limits the analysis of actual expenditure under different categories. Provincial governments had many credit restrictions during this period and it is possible that the activities were not realised to the optimum level. However, many development activities have been undertaken especially in terms of infrastructure development which is an urgent need in the Province. Table 5.3 gives the details of allocation. These funds were allocated for specific programmes that were to be undertaken for the year.

These allocations provide a fairly large amount compared to other activities in the industrial sector covering small industries, textiles and such.

A comparison of investments by the private and public sectors, and the impact is not possible since data available from the public sector covers estimated expenditure. This again is not available for industry sectors. The impact is mainly indirect through infrastructure development and provision of services.

**Table 5.3 Budgetary allocations - Ministries/Departments of Central Province**

| Ministries   | Department            | Province |       |       |       |      |
|--|-----------------------|----------|-------|-------|-------|------|
|  |                       | 1996     | 1997  | 1998  | 1999  | 2000 |
| Industry, Livestock, Trade, Commerce, Tourism, Hindu Affairs and Education | Industry              | 33.5     | 46.5  | 8     | 3.031 | 7    |
|  | Textiles              | 8        | 51.5  | 6     | 3.30  | 4.3  |
|  | Small Industries      | 2        | 29.85 | 4.235 | 3     | 3    |
|  | Livestock             | 5        |       | 7     |       | 3    |
|  | Trade & Commerce      | 05       |       | 9.05  |       | 3    |
|  | Estate Infrastructure |          |       |       |       | 2    |
| Transport, Highways, Housing & Construction,                               | Housing               | 15       | 20    | 3.25  | 2     | 4    |
| Power & Energy, Culture & Cooperative Affairs                              | Power & Energy,       | 01       | 01    | 0.5   | 3.53  | 5    |
| Power & Energy   | Agriculture & others  |          |       |       |       |      |

Source: Provincial Budget



## 6. CONSTRAINTS AND LIMITATIONS

### 6.1 Constraints

Problems and constraints imposed by size, nature of start up, stability and competitive environment, access to technology and services, entrepreneurial attitudes, absence of a level playing field, poor policy instruments and related factors are major constraints to development and sustainability. The absence of a coherent policy is another limiting factor. Apart from these there are number of other salient aspects that hinder the growth of the sectors under consideration.

#### 6.1.i. *Technology Related Aspects*

- Low operating productivity and the inability to take advantage of modern methods and production technologies
- Limitations on access to new technology; process know-how and machinery
- Difficulties in adherence to standards and quality requirements due to difficulties of access
- Inability of existing institutions to provide the services in terms of improvement of technology, quality, guidance etc. required by small entrepreneurs and the distance from the Centre imposing a heavy burden on the entrepreneurs

#### 6.1.ii. *Market Access*

- Need for guidance on identification of marketable products. Many of the products manufactured in small and micro enterprises have a low marketability. They are also constrained by the import policies of the Government.
- Lack of market information and knowledge of marketing and market research

#### 6.1.iii. *Access to Credit*

- Prohibitive interest rates except the special credit scheme SMILE I and II
- Collateral requirement
- Access to start up capital

#### 6.1.iv. *Poor Infrastructure Facilities*

- A major deterrent to investment is poor infrastructure. The poor road network and the distances from the commercial centre have constrained investment in these areas especially in Matale and N'Eliya. This is also a major factor that discourages foreign investors from considering these areas for investment.

#### 6.1.v. *Lack of Coordination of Activities between Organisations*

- Lack of networking
- Lack of backward/forward linkages
- Replication of activities

### 6.2 Limitations To Study

- A major constraint in the analysis of growth trends in the industrial sector is the lack of disparate data on micro, small and medium enterprises. The institutions that are responsible for analysis of economic trends do not focus on analysis of developments at regional level. The overall concentration on the national economy does not facilitate assessment of regional performance.

- Difficulty of accessing time series information. Many organisations do not retain this data.

## 7. CONCLUSIONS AND SUGGESTIONS FOR CONSIDERATION

The overall pattern of development has been sluggish even in the sector of tourism. The private and the public sectors lack the dynamism that is required for accelerated development. Political problems have also taken their toll on development. This is a reflection of the overall pattern of development in the country. Public sector organisations have been constrained by the lack of funds. Having said this, one must also accept the fact that development has not altogether come to a stand still. Sporadic growth is evident and can be accelerated in the future.

The areas with potential for development are:

- Textiles and Garments
- Floriculture and horticulture
- Handicrafts
- Cutting, Polishing of Gems and Manufacture of Jewellery
- Handicrafts
- Tourism
- Information Technology
- Building and Construction Material
- Agroprocessing. In this category spices, herbal and bamboo based products have a higher potential. An area that has the highest potential for development in the Matale district is spices. It is also important that the supply base be developed. The production data for 1999/2000 is indicated below, but low production inhibits the establishment of enterprises based on value addition such as essential oils or oleoresins.

**Table 7.1: Spice production in Matale District**

| Crop      | Cultivated area (acres) |       | Production (Cwt) |       |
|-----------|-------------------------|-------|------------------|-------|
|           | 1999                    | 2000  | 1999             | 2000  |
| Cinnamon  | 249                     | 371   | 1306             | 1378  |
| Pepper    | 14142                   | 16047 | 68863            | 70862 |
| Cardamoms | 3059                    | 2965  | 9479             | 8149  |
| Cloves    | 2152                    | 2461  | 8497             | 8937  |
| Nutmeg    | 505                     | -     | 2412             | -     |

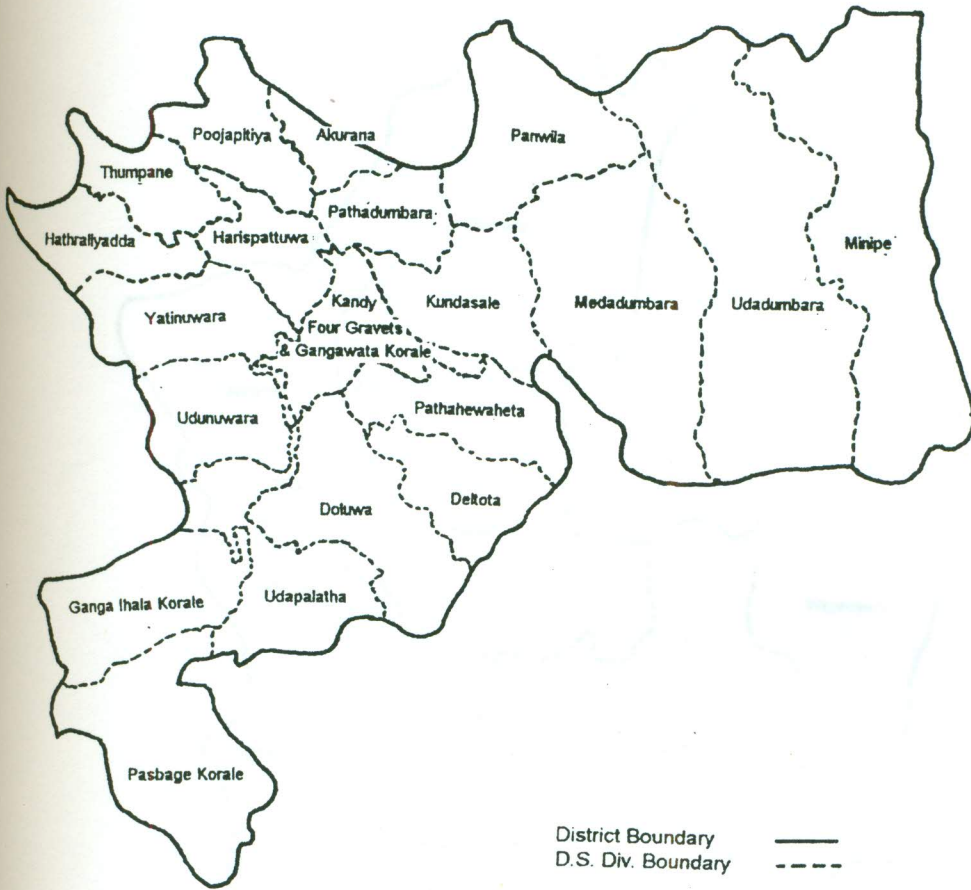
In view of the limitations faced by this sector, some of the activities that could be strengthened are:

- Subcontracting arrangements
- Marketing Information, Knowledge and Skills
- Development of the supply base and, establishment of forward linkages with larger enterprises in Colombo
- Strengthening of rural infrastructure is a precondition for establishment of commercially viable industrial and service activities. There is already a policy of channelling public investment into developing physical facilities in the rural areas; for power, roads, water supply but this programme should be accelerated. These measures have been on paper for many years but the impact has not been very effective for development.



KANDY DISTRICT

Annex I



Scale - 1:386000

MATALE DISTRICT

Annex II



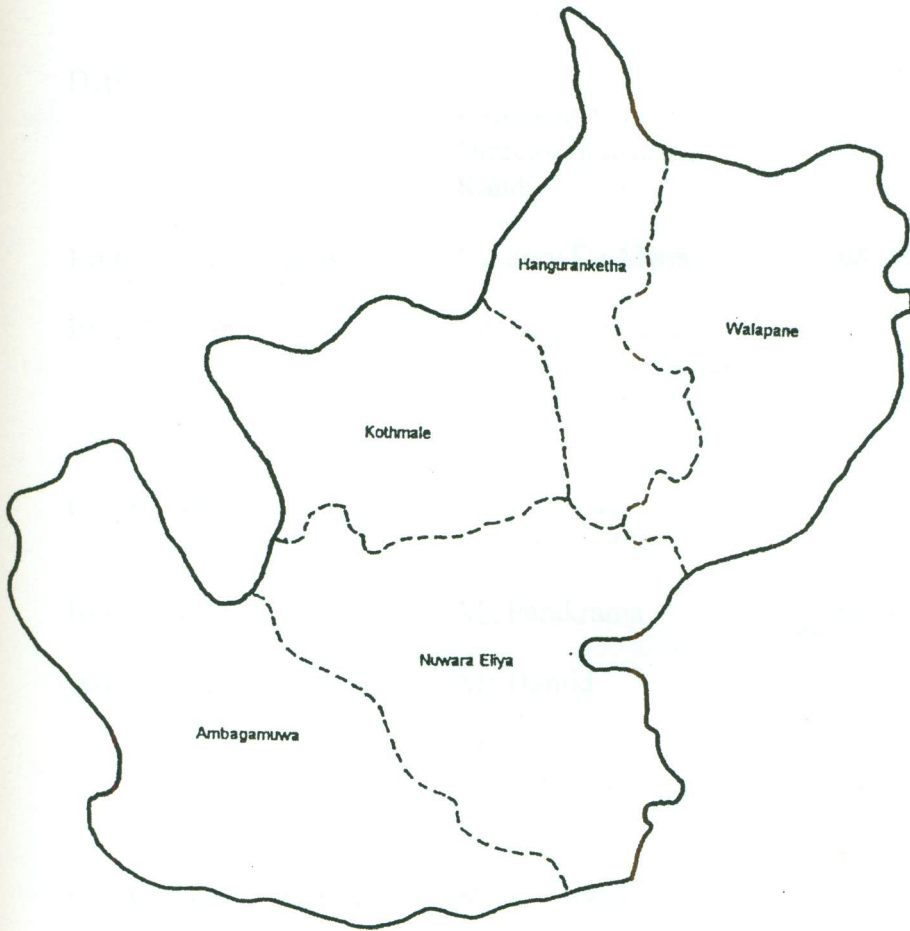
District Boundary ———  
D.S. Div. Boundary - - - -

Scale - 1:384000



NUWARA ELIYA DISTRICT

Annex III



District Boundary ———  
D.S. Div. Boundary - - - - -

Scale - 1:356000

**Annex IV****Organisations Visited**

| <u>Date</u> | <u>Organisation</u>                     | <u>Officer Interviewed</u>   | <u>Telephone No</u> |
|-------------|---|--|---------------------|
| 04-6-02     | Chamber of Commerce and Industry, Kandy | Mr. Ariyawansa<br>Project Manager  | 08-236437           |
| 04-6-02.1.1 | Municipal Council<br>Kandy              | Durga Perera   | 08222275            |
| 11-6-02     | IDB, Kandy                              | Mr. Kularatne<br>Regional Manager  | 082011696           |
| 11-6-02     | Dept of Industries                      | Mr. S. Nanayakkara<br>Provincial Council<br>Director Industries<br>Kandy         | 08-385329           |
| 11-6-02     | Hatton National Bank                    | Lakmini De Alwis   | 08-239192           |
| 06-9-02     | BOI, Colombo                            | Mr. Koralegedera,<br>Director, Investments<br>Mrs. N Wijewardene<br>Statistician | 346338<br>346326    |
| 10-6-02     | Central Bank                            | Mr. Jayaratne<br>Mr. Tilekeratne   | 06631249            |
| 11-6-02     | BOI, Kandy                              | Mr. Parakrama  | 08-420019           |
| 11-6-02     | Bank Of Ceylon                          | Mr. Hamid<br>Kandy<br>Mr. Rajapakse<br>Mr. ABW Jayasundera<br>AGM                | 08-240661           |
| 12-6-02     | Chamber of Commerce                     | Mr. Ariyawansa<br>& Industry Kandy<br>Project Manager                            | 08-236437           |
| 12-6-02     | ESSP                                    | Mr. Gunatileke   | 08-232447           |
| 12-6-02     | Provincial Ministry                     | Anoja Ratnayake<br>Kandy<br>Statistician   | 08-222277           |
| 12-6-02     | Municipal Council                       | Durga Perera<br>Kandy  | 08-222275           |



## Annex IV cont...

| <u>Date</u> | <u>Organisation</u>  | <u>Officer Interviewed</u>                          | <u>Telephone No</u>      |
|-------------|--|---|--------------------------|
| 12-6-02     | IDB,   | Mr. Kularatne<br>Regional Manager                   | 08-201696                |
| 12-6-02     | Peoples Bank<br>Kandy  | Mr. Weerasekera.<br>A.G.M<br>U.L.Kularatne          | 08-228382                |
| 12-6-02     | Export Development<br>Board Kandy                                | C. Subasinghe<br>Regional Manager                   | 08-233592                |
| 12-6-02     | Min. Of Planning<br>Provincial Planning<br>& Monitoring Division | B. Dissanayake<br>Deputy Chief Secretary            | 08-222277                |
| 13-6-02     | Planning & District<br>Planning Secretariat<br>N'Eliya           | Mr. Jayaratne                                       | 052-22522                |
| 13-6-02     | RM, IDB, N'Eliya   | Mr. Ratnayake                                       |                          |
| 13-6-02     | Electricity Board<br>Kandy                                       | Mr. Karunaratne<br>Chief Engineer                   |                          |
| 14-6-02     | Hatton National<br>Bank N'Eliya                                  | Mr. Kanchana  | 08-224233                |
| 17-6-02     | Central Bank,<br>Matale Regional Office                          | Mrs Wijesinghe<br>Senior Manager                    |                          |
| 17-6-02     | REAP, Matale   | Mr. I.G. Abeyratna<br>Director                      | 066-22616                |
| 18-6-02     | Export Agriculture<br>Dept. Matale                               | Dr. Padmini De Silva<br>Premachandra<br>(Assistant) | 066-31249<br>066-33481-3 |
| 18-6-02     | IDB, Head Office   | Amara Liyanage                                      |                          |
| 23-6-02     | Western Province   | Mr. Amarasekera<br>Devp. Ministry<br>(Secretary)    | 862412                   |

Annex IV cont...

| <u>Date</u> | <u>Organisation</u>                  | <u>Officer Interviewed</u>                | <u>Telephone No</u> |
|-------------|--------------------------------------|---|---------------------|
| 17-7-02     | BOI,Colombo                          | Mr. Ignatius<br>Investment Promotion      | 422407              |
| 17-7-02     | BOI, Colombo                         | Nalin Wijewardene                         | 336736              |
| 07-8-02     | Housing & Finance<br>Corp., Colombo. | C.A.Sarathchandra<br>G.M.                 | 446392              |
| 06-8-02     | Economic Centre<br>Dambulla          | Manager                                   | 066-84807           |
| 16-8-02     | Hatton National Bank                 | Mr Wijekumara<br>Manager                  | 066-23900           |
| 19-8-02     | RISC. 5, Tappowana Rd.               | Mr. Sugathadasa<br>Kandy                  |                     |
| 06-9-02     | BOI,Colombo                          | Mr. Koralegedera,<br>Director Investments | 346338              |



## Mineral Resources in the Central Province

Table 2.2 Mineral Resources of Kandy District by DS Divisions

| D.S.Division      | Granite | Brick<br>Clay | Pottery<br>Clay | Lime<br>Stone | Mica | Gems | Sand | Quartz | Feldspar | Graphite |
|-------------------|---------|---------------|-----------------|---------------|------|------|------|--------|----------|----------|
| Pujapitiya        | X       | x             | -               | -             | x    | -    | -    | -      | -        | x        |
| Akurana           | X       | x             | -               | -             | x    | -    | -    | -      | -        | -        |
| Pathadumbara      | X       | x             | x               | -             | -    | -    | -    | -      | -        | -        |
| Panwila           | X       | -             | -               | -             | x    | x    | -    | x      | -        | -        |
| Ududumbara        | X       | -             | -               | -             | x    | -    | -    | -      | -        | -        |
| Minipe            | X       | x             | x               | -             | -    | -    | x    | -      | -        | -        |
| Madadumbara       | X       | x             | x               | -             | -    | -    | x    | -      | -        | -        |
| Kundasale         | x       | -             | -               | X             | x    | -    | -    | x      | -        | -        |
| Gangawatte Korale | X       | x             | -               | X             | -    | -    | x    | -      | -        | -        |
| Harispathuwa      | x       | x             | -               | -             | -    | -    | -    | -      | -        | -        |
| Tumpane           | x       | x             | x               | -             | -    | -    | -    | x      | -        | -        |
| Yatinuwara        | x       | x             | -               | X             | -    | -    | -    | -      | -        | -        |
| Patha Hewahatte   |         | x             | x               | x             | X    | -    | -    | -      | -        | -        |
|                   | x       | x             | -               | -             | -    | -    | -    | -      | -        | -        |
| Udupalatha        | x       | x             | -               | X             | x    | -    | -    | x      | -        | -        |
| Diltota           | x       | -             | -               | -             | -    | -    | -    | -      | -        | -        |
| Doluwa            | x       | -             | -               | -             | -    | -    | -    | -      | -        | -        |
| Gangahala Korale  | x       | x             | -               | -             | -    | -    | -    | -      | -        | -        |
| Pasbage Korale    | x       | -             | x               | -             | -    | x    | x    | x      | -        | -        |

Source: Central Bank Regional Office, Matale

Table 2.3 Mineral Resources of Matale District by DS Divisions

| DS Division                             | Lime<br>Stones | Mica | Gems | Feldspar | Vein<br>Quartz | Ornamental<br>Stones | Tile<br>clay | Graphite |
|---|----------------|------|------|----------|----------------|----------------------|--------------|----------|
| Karawila Hena                           | x              | -    | -    | -        | -              | -                    | -            | -        |
| Wattegamadda                            | x              | -    | -    | -        | -              | -                    | -            | -        |
| Nalanda, Naula                          | x              | -    | -    | -        | -              | -                    | -            | -        |
| Near Owela Temple                       | x              | -    | -    | -        | -              | -                    | -            | -        |
| Kiula                                   | x              | -    | -    | -        | -              | -                    | -            | -        |
| Koluganga                               | x              | -    | -    | -        | -              | -                    | -            | -        |
| Karadepitiwela                          | x              | -    | -    | -        | -              | -                    | -            | -        |
| North of Sigiriya                       | x              | -    | -    | -        | -              | -                    | -            | -        |
| Bowattanna Ambana                       | x              | -    | -    | -        | -              | -                    | -            | -        |
| Pilihudugolla                           | -              | x    | -    | -        | -              | -                    | -            | -        |
| Bogasboballa                            | -              | x    | -    | -        | -              | -                    | -            | -        |
| Kambarawa                               | -              | x    | -    | -        | -              | -                    | -            | -        |
| Owala Kumbaloluwa                       | -              | x    | -    | -        | -              | -                    | -            | -        |
| Handuwala Naula                         | -              | x    | -    | -        | -              | -                    | -            | -        |
| Wahigala Imbulpitiya<br>(between Matale | -              | x    | -    | -        | -              | -                    | -            | -        |
| And Ukuwela                             | -              | x    | -    | -        | -              | -                    | -            | -        |
| Morogasanda                             | -              | x    | -    | -        | -              | -                    | -            | -        |
| North of Madapihilla                    | -              | x    | -    | -        | -              | -                    | -            | -        |
| Kiulawadiya                             | -              | x    | -    | -        | -              | -                    | -            | -        |
| Thallagoda                              | -              | x    | -    | -        | -              | -                    | -            | -        |
| Ilukkumbura                             | -              | x    | -    | -        | -              | -                    | -            | -        |
| Powapitiya                              | -              | x    | -    | -        | -              | -                    | -            | -        |
| Madumana                                | -              | x    | -    | -        | -              | -                    | -            | -        |
| Ambana                                  | -              | x    | -    | -        | -              | -                    | -            | -        |
| Kaluganga                               | -              | -    | x    | -        | -              | -                    | -            | -        |

| DS Division              | Lime<br>Stones | Mica | Gems | Feldspar | Vein<br>Quartz | Ornamental<br>Stones | Tile<br>clay | Graphite |
|--------------------------|----------------|------|------|----------|----------------|----------------------|--------------|----------|
| Kandepitawela            | -              | -    | X    | -        | -              | -                    | -            | -        |
| Pallegama                | -              | -    | X    | -        | -              | -                    | -            | -        |
| Haththota- amuna         | -              | -    | X    | -        | -              | -                    | -            | -        |
| One km North East of     | -              | -    | X    | -        | -              | -                    | -            | -        |
| Digana Kanda             | -              | -    | X    | -        | -              | -                    | -            | -        |
| Kaikawala                | -              | -    | X    | -        | -              | -                    | -            | -        |
| Kandalama                | -              | -    | X    | -        | -              | -                    | -            | -        |
| Sigiriya                 | -              | -    | X    | -        | -              | -                    | -            | -        |
| Thalagoda                | -              | -    | -    | X        | -              | -                    | -            | -        |
| Kaikawala                | -              | -    | -    | X        | -              | -                    | -            | -        |
| Raththota                | -              | -    | -    | X        | -              | -                    | -            | -        |
| Bank of Ambanganga       | -              | -    | -    | X        | -              | -                    | -            | -        |
| (Pussallagolla,          | -              | -    | -    | X        | -              | -                    | -            | -        |
| Bowathanna,              | -              | -    | -    | X        | -              | -                    | -            | -        |
| Madapilla                | -              | -    | -    | X        | -              | -                    | -            | -        |
| Gurubabila, Ratota       | -              | -    | -    | -        | -              | -                    | -            | -        |
| (10 Hectars)             | -              | -    | -    | -        | X              | -                    | -            | -        |
| Dambagolla (10 Hectares) | -              | -    | -    | -        | X              | -                    | -            | -        |
| (10 Hectares)            | -              | -    | -    | -        | -              | -                    | -            | -        |
| Madapihille kahagolla    | -              | -    | -    | -        | X              | -                    | -            | -        |
| (nearly 50 acres)        | -              | -    | -    | -        | -              | -                    | -            | -        |
| Kahagolla Patana         | -              | -    | -    | -        | X              | -                    | -            | -        |
| Koswana                  | -              | -    | -    | -        | X              | -                    | -            | -        |
| Andawela                 | -              | -    | -    | -        | X              | -                    | -            | -        |
| Pallewedduma             | -              | -    | -    | -        | X              | -                    | -            | -        |
| Ambanganga (near         | -              | -    | -    | -        | X              | -                    | -            | -        |
| Bowathenna power St.     | -              | -    | -    | -        | -              | -                    | -            | -        |
| Between Wahaotte &       | -              | -    | -    | -        | -              | X                    | -            | -        |
| Dawahuwa                 | -              | -    | -    | -        | -              | X                    | -            | -        |
| Kumbiyangoda             | -              | -    | -    | -        | -              | -                    | X            | -        |
| Koongahawela             | -              | -    | -    | -        | -              | -                    | X            | -        |
| Nayakumbura              | -              | -    | -    | -        | -              | -                    | X            | -        |
| Haduwela                 | -              | -    | -    | -        | -              | -                    | X            | -        |
| Ambanganga Korale        | -              | -    | -    | -        | -              | -                    | X            | -        |
| Haduwa                   | -              | -    | -    | -        | -              | -                    | X            | -        |
| Haduwela                 | -              | -    | -    | -        | -              | -                    | X            | -        |
| Kalungawela              | -              | -    | -    | -        | -              | -                    | -            | X        |
| Kolongahacla             | -              | -    | -    | -        | -              | -                    | -            | X        |
| (Dambulla Division)      | -              | -    | -    | -        | -              | -                    | -            | -        |

<sup>3</sup> Report on the semi detailed Mica survey in the Matale district by, C.M.E.R Siriwardene. Sept. 1997



## BOI Investments in Kandy, Matale &amp; Nuwara Eliya

| District | Year | Description                          | Source             |            | Investment      | Emp.         |
|----------|------|--------------------------------------|--------------------|------------|-----------------|--------------|
| Kandy    |      |                                      | Foreign            | Sri Lankan | (Rs. Mn)        | No.          |
|          | 1993 | Telecommunication Services           | Singapore          | Sri Lanka  | 1322.914        | 125          |
|          |      | Tourism                              | Sweden             |            |                 |              |
|          |      | Stuffed Toys, Cane Baskets, Garments | Netherlands        |            | 10.270          | 9            |
|          |      | <b>Total</b>                         | Japan              |            | 18.185          | 169          |
|          |      |                                      |                    |            | <b>1351.369</b> | <b>303</b>   |
|          | 1994 | Spices, Tea                          | Japan              | Sri Lanka  | 6.175           | 39           |
|          |      | Handicrafts                          | Switzerland        | Sri Lanka  | 8.400           | 75           |
|          |      | Processed Silica, Quartz, Gems       | Japan              | 30.931     | 495             |              |
|          |      | <b>Total</b>                         |                    |            | <b>45.506</b>   | <b>912</b>   |
|          | 1995 | Tourism 2 units                      | Japan              |            | 26.530          | 495          |
|          |      | Cotton Yarn                          | Germany            | Sri Lanka  | 171.049         | 388          |
|          |      | Farm                                 |                    | Sri Lanka  | 25.201          | 39           |
|          |      | Bags, Tents                          | Korea              |            | 15.000          | 39           |
|          |      | <b>Total</b>                         |                    |            | <b>237.780</b>  | <b>961</b>   |
|          | 1996 | Buying House                         | U.S.A.             | Sri Lanka  | 230.780         | 211          |
|          |      | Shopping Centre                      | Channel Island     | 61.475     | 52              |              |
|          |      | Electrical Equipment                 | Japan              |            | 225.000         | 2133         |
|          |      | <b>Total</b>                         |                    |            | <b>517.255</b>  | <b>2,396</b> |
|          | 1997 | Hatcheries & Breeding Farm           | Sri Lanka          | 69.350     | 136             |              |
|          |      | Computer Hardware (Memory Modules)   | U.S.A.             | Sri Lanka  | 673.900         | 1800         |
|          |      | Tourism - 2 units                    |                    | Sri Lanka  | 242.000         | 207          |
|          |      | Fruit & Vegetable Processing         | Sri Lanka          | 11.807     | 30              |              |
|          |      | Garments                             | Hong Kong          |            | 51.300          | 812          |
|          |      | <b>Total</b>                         |                    |            | <b>1048.357</b> | <b>2,985</b> |
|          | 1998 | Garments - 4 units                   | U.K.               | Sri Lanka  | 218.750         | 1,421        |
|          |      | Recreation Centre                    |                    | Sri Lanka  | 53.910          | 110          |
|          |      | <b>Total</b>                         |                    |            | <b>272.660</b>  | <b>1,531</b> |
|          | 1999 | Golf Course                          | U.K.               | Sri Lanka  | 207.000         | 115          |
|          |      | Tourism - Hotel                      | Japan              | Sri Lanka  | 186.700         | 83           |
|          |      | Bio-Tea                              | Japan              | Sri Lanka  | 12.500          | 79           |
|          |      | Garments                             | HK                 |            | 154.755         | 1523         |
|          |      | Jewellery & Ornamental Items         | Austria            | Sri Lanka  | 10.000          |              |
|          |      | Pine Oleoresin                       | India              | Sri Lanka  | 65.920          | 2035         |
|          |      | <b>Total</b>                         |                    |            | <b>636.875</b>  | <b>3,835</b> |
|          | 2000 | Garments                             | Hong Kong          | Sri Lanka  | 17.000          | 214          |
|          |      | Bottled Water                        | Malaysia, Maldives | Sri Lanka  | 99.500          | 67           |
|          |      | Computer Software                    | Belgium            |            | 18.000          | 57           |
|          |      | <b>Total</b>                         |                    |            | <b>134.500</b>  | <b>338</b>   |
|          | 2001 | Mini Hydro Power Plant               |                    | Sri Lanka  | 149.140         | 50           |
|          |      | Mineral water                        | Maldives           | Sri Lanka  | 12.520          | 51           |
|          |      | Hospitals                            |                    | Sri Lanka  | 100.000         | 52           |
|          |      | Silica Quartz                        |                    | Sri Lanka  | 42.000          | 191          |
|          |      | Garments                             |                    | Sri Lanka  | 30.000          | 250          |
|          |      | <b>Total</b>                         |                    |            | <b>333.660</b>  | <b>594</b>   |

| District | Year | Description                   | Source      | Investment |                 | Emp.        |
|----------|------|-------------------------------|-------------|------------|-----------------|-------------|
|          |      |                               |             | Foreign    | Sri Lankan      |             |
|          |      |                               |             | (Rs. Mn)   | No.             |             |
| N'Eliya  |      |                               |             |            |                 |             |
| Garments |      |                               |             |            |                 |             |
|          | 1983 | Netherlands                   | Sri Lanka   | 108.616    | 2104            |             |
|          | 1984 | Artificial Eye Lashes         | Korea       | Sri Lanka  | 8.327           | 453         |
|          | 1992 | Cut Flowers                   | Japan       | Sri Lanka  | 20.600          | 80          |
|          | 1993 | C T C Tea                     |             | Sri Lanka  | 107.000         | 6           |
|          | 1994 | Collection Centres (T)        |             | Sri Lanka  | 5.500           | 20          |
|          |      | Packaging & Collection        |             | Sri Lanka  | 5.000           | 52          |
|          |      | <b>Total</b>                  |             |            | <b>10.500</b>   | <b>72</b>   |
|          | 1996 | Tourism Hotels                |             | Sri Lanka  | 131.500         | 230         |
|          |      | Cul. of Grapes & Mfg of Wine  | Italy       | 59.000     | 105             |             |
|          |      | Mini Hydro Power              | China       | Sri Lanka  | 77.750          | 26          |
|          |      | <b>Total</b>                  |             |            | <b>268.250</b>  | <b>361</b>  |
|          | 1997 | Horticulture-Plants & Seeds   |             | Sri Lanka  | 10.000          | 25          |
|          |      | Tourism - Hotels              |             | Sri Lanka  | 60.000          | 53          |
|          |      | <b>Total</b>                  |             |            | <b>70.000</b>   | <b>78</b>   |
|          | 1998 | Tourism - Hotels              |             | Sri Lanka  | 30.000          | 19          |
|          |      | Horticultural Produce         | Japan       |            | 31.390          | 137         |
|          |      | Floriculture-Leather ferns    | Netherlands | Sri Lanka  | 20.500          | 81          |
|          |      | Milk Products & Cattle Feed   | India       | Sri Lanka  | 1200.000        | 307         |
|          |      | <b>Total</b>                  |             |            | <b>1281.890</b> |             |
|          | 1999 | Floriculture-Cut Flowers      | Australia   | Sri Lanka  | 68.450          | 180         |
|          |      | Mini Hydro Power              | Japan       | Sri Lanka  | 125.000         | 40          |
|          |      | Garments                      |             | Sri Lanka  | 75.000          | 753         |
|          |      | Fruits & Vegetable Processing | France      | Sri Lanka  | 4.170           | 33          |
|          |      | <b>Total</b>                  |             |            | <b>272.620</b>  | <b>1006</b> |
|          | 2000 | Spices                        |             | Sri Lanka  | 118.200         | 326         |
|          |      | Garments                      |             | Sri Lanka  | 50.000          | 765         |
|          |      | Mini Hydro Power Plant        |             | Sri Lanka  | 140.000         | 353         |
|          |      | <b>Total</b>                  |             |            | <b>308.200</b>  | <b>1444</b> |



| District | Year | Description         | Source  |            | Investment<br>(Rs. Mn) | Emp.<br>No. |
|----------|------|---------------------|---------|------------|------------------------|-------------|
|          |      |                     | Foreign | Sri Lankan |                        |             |
| Matale   |      |                     |         |            |                        |             |
|          | 1994 | Tourism - Hotel     |         | Sri Lanka  | 446.466                | 430         |
|          | 1996 | Tourism - Hotel     |         | Sri Lanka  | 80.000                 | 98          |
|          | 1998 | Vegetables          |         | Sri Lanka  | 11.400                 | 38          |
|          |      | Quartz, Glassware   | Norway  | Sri Lanka  | 87.875                 | 137         |
|          |      | Garments - 2 units  |         | Sri Lanka  | 57.000                 | 1278        |
|          |      | <b>Total</b>        |         |            | <b>156.275</b>         | <b>1453</b> |
|          | 1999 | Ceramic & Glassware | Japan   | Sri Lanka  | 300.000                | 178         |
|          |      | Garments            |         | Sri Lanka  | 44.500                 | 966         |
|          |      | <b>Total</b>        |         |            | <b>344.500</b>         | <b>1144</b> |
|          | 2001 | Silica Quartz       | Japan   | Sri Lanka  | 261.013                | 197         |
|          |      | Garments            |         | Sri Lanka  | 41.500                 | 500         |
|          |      | <b>Total</b>        |         |            | <b>302.513</b>         | <b>697</b>  |
|          | 2002 | Garments            | Taiwan  |            | 110.000                | 500         |

## Organisations Providing Support Services

|   |   |
|---|---|
| <p>1. Industrial Development Authority (cp) (IDA)<br/>Ministry of Industries,<br/>P.O.Box 41, Gatambe, Peradeniya.<br/>Tel No. 08-385329 Fax 08-336355<br/>Contact Mr Sujan Nanayakkara</p> | <p>8 .Small Scale Enterprises Development<br/>Division. (SEDD)<br/>Kachcheri Kandy<br/>Tel. No 08-229180<br/>Contact Mr N. Sarath Dharmasena</p>                                |
| <p>2. Department of Export Agriculture (DPTEA)<br/>P.O.Box 1095, Gatambe, Peradeniya,<br/>Tel No. 08-388364 Fax 08-3887<br/>Contact Dr P.J. Wickramasinghe</p>                              | <p>9. Regional Industrial Service Committee<br/>No 75 Anagarika Darmapala Mawatha,<br/>Kandy.<br/>Tel.No. 08-388462 Fax 08-234080<br/>Contact - Mr. Sugathadasa</p>             |
| <p>3. Department of Livestock Development (DPTLD)<br/>P.O.Box 29, Getambe, Peradeniya.<br/>Tel No. 08-388216 Fax 08-388380<br/>Contact - Dr. Shridharan</p>                                 | <p>10. Department of Human Resources,<br/>Development. of Animal Products and<br/>Health<br/>Kandy Road. Peradeniya<br/>Tel. No. 08- 388462<br/>Contact Dr. KMT Kadaragama</p>  |
| <p>4. Department of Textile Industries<br/>No 5, YMBA Building, Rajaphilla Mawatha, Kandy<br/>Tel. No. 08-232393<br/>Contact K.P.Karunadasa</p>   | <p>11. Food Research Unit<br/>P.O.Box 53, Peradeniya<br/>Tel No. 08-388248<br/>Contact Mr. TDW Siriwardene</p>  |
| <p>5. Industrial Development Board (IDB)<br/>Ground Floor, National Housing Building,<br/>Yatinuwara Veediya, Kandy.<br/>Tel No. 08-224233 Fax - 08-224438<br/>Contact T.M.Kularatne</p>    | <p>12. Tea Commissioner's Dept.<br/>Ambaamuwa Road, Gampola<br/>Tel: 08223679<br/>Contact - Assistant tea Commissioner</p>  |
| <p>6. Sri Lanka National Dairy Centre (SLNDC)<br/>Nattarampotha Project, Kalapura<br/>Contact Mr. K.P. Wijesinghe</p>   | <p>13. Agribusiness Centre<br/>Faculty of Agriculture, University of<br/>Peradeniya,<br/>Tel: 08 389211<br/>Contact - Dr. Sarath Koditiwakku</p>                                |
| <p>7. National Youth Service Council<br/>Cooperative Organisation (NYSCO)<br/>4<sup>th</sup> Floor National Housing Building,<br/>Yatinuwara Veediya, Kandy.</p>                            | <p>14. Engineering Designs Centre<br/>Engineering Faculty, University of<br/>Peradeniya,<br/>Tel No. 08-200055 Fax 08-222039<br/>Tel: 08 388828<br/>Contact - Dr. Pathirana</p> |



## Annex VIII

## Industries Assisted by IDB

| District       |      | New Industries |                    |             | Existing Industries |                   |             |
|----------------|------|----------------|--------------------|-------------|---------------------|-------------------|-------------|
| KANDY          | Year | Units          | Investment         | Employment  | Units               | Investment        | Employment  |
|                | 1991 | 22             | 2,427              | 78          | 16                  | 2,690,500         | 51          |
|                | 1992 | 20             | 3,119              | 96          | 2                   | 399,600           | 96          |
|                | 1993 | 37             | 8,617,855          | 115         | 23                  | 7,575,700         | 88          |
|                | 1994 | 35             | 21,705,500         | 291         | 36                  | 3,152,900         | 68          |
|                | 1995 |                |                    |             |                     |                   |             |
|                | 1996 | 70             | 17,279,500         | 265         | 40                  | 9,530,000         | 108         |
|                | 1997 | 75             | 13,498,500         | 295         | 49                  | 5,567,000         | 186         |
|                | 1998 | 271            | 26,124,436         | 854         | 164                 | 44,220,900        | 534         |
|                | 1999 | 175            | 20,611,441         | 304         | 61                  | 7,249,700         | 78          |
|                | 2000 | 34             | 6,951,000          | 132         | 37                  | 4,336,295         | 53          |
|                | 2001 | 24             | 55,374,300         | 278         | 16                  | 2,091,990         | 17          |
| <b>Total</b>   |      | <b>763</b>     | <b>170,168,078</b> | <b>2708</b> | <b>444</b>          | <b>86,814,585</b> | <b>1279</b> |
| <b>MATALE</b>  |      |                |                    |             |                     |                   |             |
|                | 1991 | 12             | 1,200,000          | 32          | 5                   | 240,000           | 18          |
|                | 1992 | 5              | 240,000            | 18          | 11                  | 1,245,000         | 35          |
|                | 1993 | 31             | 3,350,666          | 148         | 30                  | 1,405,000         | 1           |
|                | 1994 | 39             | 7,740,685          | 145         | 22                  | 3,719,500         | 88          |
|                | 1995 |                |                    |             |                     |                   |             |
|                | 1996 | 59             | 120,620,000        | 321         | 25                  | 37,050,000        | 88          |
|                | 1997 | 47             | 10,391,500         | 206         | 32                  | 7,370,000         | 179         |
|                | 1998 | 119            | 9,070,225          | 348         | 63                  | 7,195,350         | 438         |
|                | 1999 | 64             | 23,923,800         | 159         | 45                  | 5,833,456         | 95          |
|                | 2000 | 40             | 12,494,662         | 146         | 40                  | 1,754,190         | 43          |
|                | 2001 | 26             | 4,793,192          | 76          | 30                  | 1,561,750         | 32          |
| <b>Total</b>   |      | <b>442</b>     | <b>192,625,930</b> | <b>1599</b> | <b>403</b>          | <b>67,374,246</b> | <b>1017</b> |
| <b>N'ELIYA</b> |      |                |                    |             |                     |                   |             |
|                | 1991 | 13             | 1,281,000          | 39          | 3                   | 233,500           | 9           |
|                | 1992 | 17             | 1,168,000          | 37          | 9                   | 2,320,000         | 37          |
|                | 1993 | 17             | 1,409,346          | 41          | 1                   | 170,000           | 4           |
|                | 1994 | 23             | 2,221,250          | 66          | 11                  | 930,000           | 35          |
|                | 1995 |                |                    |             |                     |                   |             |
|                | 1996 | 62             | 5,218,484          | 118         | 25                  | 14,858,600        | 32          |
|                | 1997 | 55             | 7,043,000          | 149         | 25                  | 14,858,600        | 32          |
|                | 1998 | 197            | 18,525,725         | 597         | 49                  | 3,589,500         | 264         |
|                | 1999 | 35             | 5,517,300          | 99          | 25                  | 8,534,490         | 40          |
|                | 2000 | 19             | 9,684,753          | 96          | 23                  | 3,195,400         | 10          |
|                | 2001 | 12             | 8,695,000          | 61          | 16                  | 7,500,250         | 57          |
| <b>Total</b>   |      | <b>450</b>     | <b>60,763,858</b>  | <b>1303</b> | <b>187</b>          | <b>56,190,340</b> | <b>520</b>  |

Source: Planning Division, Industrial Development Board

Principal Indicators of Industrial activity Establishments with more than 25 persons Annex IX

| District | Year | No. of est. | Persons engaged | G.Rate % | Value of output | G rate % | Value of input | G.Rate % | Value added   | G.Rate % |
|----------|------|-------------|-----------------|----------|-----------------|----------|----------------|----------|---------------|----------|
| Kandy    | 1990 | 182         | 9,752           |          | 1,485,463,092   |          | 838,938,932    |          | 646,524,160   |          |
|          | 1991 | 181         | 9,366           | -4%      | 1,804,211,818   | 21%      | 1,023,835,241  | 22%      | 780,376,577   | 17%      |
|          | 1992 |             |                 |          |                 |          |                |          |               |          |
|          | 1993 | 138         | 8,102           |          | 1,769,000,840   |          | 1,093,214,989  |          | 675,785,851   |          |
|          | 1994 | 133         | 10,276          | 27%      | 1,879,439,884   | 6%       | 1,219,788,010  | 12%      | 659,651,874   | -2%      |
|          | 1995 | 128         | 13,229          | 29%      | 1,699,964,841   | -10%     | 1,108,912,886  | -9%      | 591,051,955   | -12%     |
|          | 1996 | 142         | 14,867          | 12%      | 1,024,596,778   | -40%     | 1,866,460,938  | 68%      | 1,158,135,840 | 49%      |
|          | 1997 | 137         | 14,753          | -1%      | 2,903,128,743   | 183%     | 1,691,023,867  | -9%      | 1,212,104,876 | 4%       |
|          | 1998 | 134         | 12,408          | -16%     | 3,129,838,162   | 8%       | 1,801,010,686  | 7%       | 1,328,827,476 | 9%       |
|          | 1999 | 128         | 14,221          | 15%      | 2850547731      | -9%      | 1668297855     | -7%      | 1182249876    | -11%     |
| Matale   | 1990 | 70          | 4,216           |          | 464,480,110     |          | 274,242,657    |          | 190,237,453   |          |
|          | 1991 | 85          | 3,719           | -12%     | 837,344,140     | 80%      | 473,905,656    | 73%      | 363,438,484   | 48%      |
|          | 1992 |             |                 |          |                 |          |                |          |               |          |
|          | 1993 | 81          | 2,865           |          | 670,652,048     |          | 380,828,399    |          | 289,823,649   |          |
|          | 1994 | 53          | 2,613           | -9%      | 740,522,675     | 10%      | 368,441,502    | -3%      | 372,081,173   | 22%      |
|          | 1995 | 75          | 3,289           | 26%      | 753,503,362     | 2%       | 374,200,361    | 2%       | 379,303,001   | 2%       |
|          | 1996 | 76          | 3,626           | 10%      | 821,533,419     | 9%       | 478,361,276    | 28%      | 343,172,143   | -11%     |
|          | 1997 | 73          | 2,986           | -18%     | 896,062,854     | 9%       | 611,499,195    | 28%      | 284,563,659   | -21%     |
|          | 1998 | 70          | 2,898           | -3%      | 1,046,901,032   | 17%      | 744,703,458    | 22%      | 302,197,574   | 6%       |
|          | 1999 | 58          | 2429            | -16%     | 975465684       | -7%      | 473359690      | -36%     | 502105994     | 66%      |
| N'Eliya  | 1990 | 248         | 9,308           |          | 4,080,432,439   |          | 2,603,870,698  |          | 1,476,561,741 |          |
|          | 1991 | 264         | 9,902           | 6%       | 4,847,810,509   | 19%      | 2,620,449,592  | 1%       | 2,227,360,917 | 34%      |
|          | 1993 | 127         | 10,543          | 6%       | 5,401,739,914   | 11%      | 3,190,779,873  | 22%      | 2,210,960,041 | -1%      |
|          | 1994 | 141         | 11,777          | 12%      | 6,626,717,288   | 23%      | 3,979,991,072  | 25%      | 2,646,726,216 | 16%      |
|          | 1995 | 140         | 10,260          | -13%     | 6,327,786,361   | -5%      | 3,829,899,721  | -4%      | 2,497,886,640 | -6%      |
|          | 1996 | 132         | 8,717           | -15%     | 7,377,527,758   | 17%      | 4,177,429,796  | 9%       | 3,200,097,962 | 22%      |
|          | 1997 | 123         | 8,557           | -2%      | 9,031,851,942   | 22%      | 4,763,413,740  | 14%      | 4,268,438,202 | 25%      |
|          | 1998 | 123         | 10,328          | 21%      | 8,655,880,759   | -4%      | 4,476,696,955  | -6%      | 4,179,183,804 | -2%      |
|          | 1999 | 113         | 9412            | -9%      | 12429961732     | 44%      | 5343710582     | 19%      | 7086251150    | 70%      |

Source: Dept. of Census & Statistics. Annual Survey of Industries.



## Principal Indicators of Industrial activity establishments with less than 25 persons

Annex X

| District   | Year | No. of .<br>est | Persons<br>engaged | G. rate<br>% | Value of<br>output | G.rate<br>% | Value of<br>input | G.rate<br>% | Value<br>added | G.rate<br>% | Add. To<br>fixed assets |
|--|------|-----------------|--------------------|--------------|--------------------|-------------|-------------------|-------------|----------------|-------------|-------------------------|
| <b>Kandy</b>   | 1994 | 1696            | 13,445             |              | 2,183,665,442      |             | 1,245,447,747     |             | 938,217,696    |             |                         |
|  | 1995 | 1693            | 15,302             | 14%          | 1,371,037,643      | -37%        | 822,850,885       | -34%        | 548,186,759    | -42%        |                         |
|  | 1996 | 1663            | 15,087             | -1%          | 2,777,671,463      | 103%        | 1,568,291,767     | 91%         | 1,209,379,695  | 121%        |                         |
|  | 1997 | 1193            | 9,473              | -37%         | 2,279,420,942      | -18%        | 1,478,648,057     | -6%         | 800,772,885    | -34%        | 59,734,388              |
|  | 1998 | 1573            | 15,602             | 65%          | 2,527,487,867      | 11%         | 1,240,417,646     | -16%        | 1,287,050,220  | 61%         | 573,485,997             |
|  | 1999 | 1537            | 14,316             | -8%          | 3,371,255,203      | 33%         | 2,107,596,543     | 70%         | 1,263,658,659  | -2%         | 164186742               |
| <b>Matale</b>  | 1994 | 489             | 6,795              |              | 302,358,575        |             | 222,943,583       |             | 79,414,992     |             |                         |
|  | 1995 | 490             | 7,507              | 10%          | 517,608,461        | 71%         | 426,209,829       | 91%         | 91,398,631     | 15%         |                         |
|  | 1996 | 495             | 5,802              | -23%         | 642,213,228        | 24%         | 489,597,516       | 15%         | 152,615,712    | 67%         |                         |
|  | 1997 | 525             | 7,940              | 37%          | 740,568,625        | 15%         | 525,668,311       | 7%          | 214,900,314    | 41%         | 37,268,247              |
|  | 1998 | 432             | 12,472             | 57%          | 615,454,918        | -17%        | 475,401,939       | -10%        | 140,052,980    | -35%        | 8,940,112               |
|  | 1999 | 433             | 7,056              | -43%         | 883,527,414        | 44%         | 592,867,934       | 25%         | 290,659,481    | 108%        | 9,714,112               |
| <b>N'Eliya</b>   | 1994 | 767             | 3,218              |              | 271,237,339        |             | 170,546,212       |             | 100,691,127    |             |                         |
|  | 1995 | 768             | 5,530              | 72%          | 379,434,471        | 40%         | 272,943,676       | 60%         | 106,490,795    | 6%          |                         |
|  | 1996 | 768             | 5,310              | -4%          | 444,332,626        | 17%         | 318,087,822       | 17%         | 126,283,804    | 19%         |                         |
|  | 1997 | 770             | 5,291              | 0%           | 402,608,099        | -9%         | 273,669,963       | -14%        | 128,938,136    | 2%          | 4,562,286               |
|  | 1998 | 765             | 5,453              | 3%           | 413,229,751        | 3%          | 285,805,845       | 4%          | 127,423,906    | -1%         | 4,562,286               |
|  | 1999 | 769             | 5,759              | 6%           | 487,523,314        | 18%         | 363,901,649       | 27%         | 123,621,665    | -3%         | 4,807,286               |
| Source:Dept. of Census & Statistics: Annual Survey of Industries |      |                 |                    |              |                    |             |                   |             |                |             |                         |

## SUMMARY OF THE INDUSTRIES IN KANDY DISTRICT

Annex XI

| Industry             | Gan | Haris | Puja | Aku | Ganga | Kunda | Meda | Mini | Pan | Pas | Patha | Thum | Uda | Udunu | Yatinu | Patha | Udapa | Total |
|----------------------|-----|-------|------|-----|-------|-------|------|------|-----|-----|-------|------|-----|-------|--------|-------|-------|-------|
| Rice Mill            | 4   | 30    | 70   | 0   | 10    | 12    | 64   | 129  | 1   | 5   | 28    | 62   | 34  | 3     | 41     | 15    | 16    | 524   |
| Bakery               | 18  | 37    | 40   | 1   | 28    | 29    | 25   | 25   | 7   | 10  | 29    | 22   | 10  | 41    | 69     | 15    | 27    | 433   |
| Carpentry            | 7   | 0     | 29   | 0   | 0     | 99    | 28   | 0    | 13  | 0   | 14    | 38   | 5   | 6     | 92     | 22    | 0     | 353   |
| Garment              | 5   | 16    | 46   | 1   | 6     | 8     | 32   | 15   | 8   | 3   | 16    | 24   | 8   | 0     | 50     | 10    | 8     | 256   |
| Grinding Mill        | 2   | 34    | 36   | 1   | 0     | 42    | 16   | 0    | 5   | 2   | 16    | 2    | 9   | 58    | 8      | 5     | 1     | 237   |
| Light Engineering    | 0   | 36    | 19   | 0   | 0     | 31    | 11   | 11   | 3   | 9   | 0     | 6    | 0   | 23    | 32     | 7     | 1     | 189   |
| Cement Based Product | 13  | 31    | 20   | 0   | 6     | 29    | 2    | 1    | 1   | 10  | 8     | 1    | 0   | 14    | 21     | 7     | 17    | 181   |
| Saw Mill             | 0   | 21    | 20   | 0   | 1     | 10    | 4    | 5    | 0   | 2   | 0     | 25   | 0   | 14    | 30     | 10    | 0     | 142   |
| Wood Working         | 4   | 0     | 14   | 5   | 1     | 1     | 26   | 12   | 1   | 12  | 17    | 0    | 0   | 24    | 2      | 0     | 0     | 119   |
| Sweets               | 0   | 29    | 8    | 7   | 0     | 22    | 2    | 1    | 2   | 2   | 6     | 6    | 2   | 20    | 1      | 1     | 1     | 110   |
| Metal Quarry         | 1   | 26    | 3    | 30  | 0     | 0     | 0    | 3    | 0   | 0   | 0     | 16   | 0   | 0     | 0      | 0     | 0     | 79    |
| Blacksmith           | 0   | 11    | 8    | 0   | 0     | 7     | 0    | 8    | 1   | 4   | 4     | 11   | 4   | 0     | 7      | 4     | 3     | 72    |
| Bricks               | 1   | 12    | 0    | 0   | 0     | 5     | 0    | 15   | 0   | 0   | 17    | 8    | 0   | 7     | 2      | 0     | 0     | 67    |
| Sheet Rubber         | 0   | 0     | 0    | 0   | 0     | 0     | 0    | 0    | 0   | 0   | 0     | 63   | 0   | 0     | 0      | 0     | 0     | 63    |
| Brass Ware           | 0   | 6     | 0    | 0   | 0     | 0     | 1    | 0    | 0   | 0   | 0     | 0    | 0   | 38    | 15     | 2     | 1     | 63    |
| Shoes                | 2   | 9     | 3    | 0   | 2     | 5     | 0    | 3    | 0   | 1   | 6     | 12   | 4   | 3     | 10     | 0     | 0     | 60    |
| Metal Crushing       | 0   | 9     | 1    | 0   | 0     | 30    | 0    | 0    | 0   | 6   | 2     | 0    | 0   | 5     | 0      | 2     | 0     | 55    |
| Yoghurt              | 5   | 11    | 0    | 2   | 2     | 7     | 4    | 4    | 0   | 6   | 2     | 0    | 1   | 4     | 1      | 4     | 0     | 53    |
| Battery Charging     | 0   | 2     | 0    | 0   | 0     | 2     | 9    | 4    | 11  | 0   | 3     | 4    | 3   | 0     | 5      | 6     | 0     | 49    |
| Juggry & Treakle     | 0   | 0     | 0    | 0   | 0     | 0     | 0    | 0    | 0   | 0   | 0     | 0    | 43  | 0     | 0      | 0     | 0     | 43    |
| Tailoring            | 0   | 16    | 0    | 0   | 0     | 0     | 0    | 0    | 0   | 0   | 0     | 0    | 0   | 26    | 0      | 0     | 0     | 42    |
| Lime Kiln            | 9   | 4     | 1    | 0   | 0     | 12    | 0    | 0    | 0   | 2   | 5     | 2    | 0   | 1     | 3      | 0     | 0     | 39    |
| Furniture            | 0   | 0     | 0    | 0   | 0     | 30    | 0    | 0    | 1   | 0   | 1     | 1    | 0   | 5     | 0      | 0     | 0     | 38    |
| Printing             | 3   | 3     | 4    | 2   | 0     | 9     | 1    | 2    | 0   | 0   | 1     | 1    | 0   | 7     | 2      | 2     | 0     | 37    |
| Tea Factory          | 0   | 1     | 1    | 0   | 6     | 0     | 0    | 0    | 4   | 0   | 0     | 0    | 0   | 3     | 5      | 1     | 15    | 36    |
| Tea Packeting        | 3   | 5     | 1    | 0   | 0     | 8     | 5    | 0    | 0   | 0   | 0     | 2    | 0   | 9     | 0      | 0     | 0     | 33    |
| Joss Sticks          | 1   | 16    | 2    | 0   | 0     | 5     | 1    | 0    | 0   | 1   | 2     | 0    | 0   | 0     | 2      | 1     | 2     | 33    |
| Leather Product      | 0   | 2     | 3    | 0   | 0     | 3     | 7    | 0    | 0   | 0   | 12    | 0    | 0   | 0     | 5      | 0     | 0     | 32    |
| Spice Packeting      | 0   | 0     | 8    | 0   | 0     | 0     | 3    | 9    | 0   | 0   | 6     | 1    | 0   | 2     | 0      | 0     | 2     | 31    |
| Mushrooms            | 1   | 7     | 0    | 1   | 0     | 8     | 1    | 0    | 0   | 0   | 2     | 0    | 0   | 4     | 2      | 2     | 3     | 31    |
| Tyre Servicing       | 0   | 8     | 0    | 0   | 0     | 7     | 0    | 0    | 0   | 0   | 4     | 0    | 0   | 6     | 0      | 3     | 0     | 28    |
| Ice Cream            | 0   | 0     | 4    | 0   | 0     | 19    | 1    | 0    | 0   | 0   | 0     | 0    | 0   | 1     | 2      | 0     | 0     | 27    |
| Sipce Processing     | 2   | 0     | 0    | 0   | 0     | 0     | 5    | 0    | 0   | 0   | 0     | 15   | 0   | 0     | 0      | 5     | 0     | 27    |



|                              |    |   |   |   |   |    |   |   |   |   |    |    |   |    |   |   |   |    |
|------------------------------|----|---|---|---|---|----|---|---|---|---|----|----|---|----|---|---|---|----|
| Mushrooms                    | 1  | 7 | 0 | 1 | 0 | 8  | 1 | 0 | 0 | 0 | 2  | 0  | 0 | 4  | 2 | 2 | 3 | 31 |
| Tyre Servicing               | 0  | 8 | 0 | 0 | 0 | 7  | 0 | 0 | 0 | 0 | 4  | 0  | 0 | 6  | 0 | 3 | 0 | 28 |
| Ice Cream                    | 0  | 0 | 4 | 0 | 0 | 19 | 1 | 0 | 0 | 0 | 0  | 0  | 0 | 1  | 2 | 0 | 0 | 27 |
| Sipce Processing             | 2  | 0 | 0 | 0 | 0 | 0  | 5 | 0 | 0 | 0 | 0  | 15 | 0 | 0  | 0 | 5 | 0 | 27 |
| Radio & TV Repaire           | 0  | 5 | 0 | 0 | 0 | 12 | 0 | 5 | 0 | 0 | 2  | 2  | 0 | 0  | 0 | 1 | 0 | 27 |
| Radio Repaire                | 0  | 0 | 6 | 0 | 0 | 0  | 3 | 0 | 0 | 4 | 0  | 0  | 5 | 7  | 0 | 0 | 0 | 25 |
| Brass Product                | 0  | 0 | 0 | 0 | 0 | 0  | 0 | 0 | 0 | 0 | 1  | 0  | 0 | 19 | 2 | 0 | 0 | 22 |
| Welding                      | 10 | 0 | 0 | 0 | 0 | 0  | 0 | 0 | 0 | 0 | 12 | 0  | 0 | 0  | 0 | 0 | 0 | 22 |
| Tasty Foods                  | 0  | 6 | 1 | 0 | 0 | 13 | 0 | 0 | 0 | 0 | 0  | 0  | 0 | 0  | 0 | 0 | 0 | 20 |
| Hand Looms                   | 0  | 2 | 4 | 0 | 0 | 4  | 0 | 0 | 0 | 0 | 0  | 0  | 6 | 0  | 3 | 0 | 0 | 19 |
| Brass Ware Polishing         | 0  | 0 | 0 | 0 | 0 | 0  | 0 | 0 | 0 | 0 | 0  | 0  | 0 | 18 | 0 | 0 | 0 | 18 |
| Electrical Appliance Repaire | 0  | 0 | 0 | 0 | 0 | 10 | 0 | 1 | 0 | 0 | 3  | 0  | 0 | 4  | 0 | 0 | 0 | 18 |
| Lathe Work                   | 2  | 3 | 0 | 0 | 0 | 0  | 1 | 1 | 0 | 0 | 3  | 0  | 0 | 0  | 6 | 0 | 0 | 16 |
| Cushion Works                | 2  | 2 | 0 | 0 | 0 | 4  | 0 | 0 | 0 | 0 | 4  | 0  | 0 | 0  | 2 | 0 | 1 | 15 |
| Candle                       | 2  | 6 | 0 | 0 | 0 | 3  | 0 | 0 | 0 | 1 | 0  | 0  | 0 | 1  | 0 | 2 | 0 | 15 |
| Milk Based Product           | 3  | 0 | 0 | 0 | 0 | 1  | 0 | 0 | 1 | 1 | 2  | 2  | 0 | 0  | 1 | 3 | 0 | 14 |
| Food                         | 0  | 0 | 0 | 0 | 0 | 0  | 0 | 2 | 5 | 3 | 0  | 0  | 0 | 1  | 1 | 0 | 1 | 13 |
| Soap                         | 0  | 1 | 1 | 0 | 0 | 1  | 0 | 0 | 0 | 0 | 1  | 1  | 0 | 1  | 4 | 0 | 2 | 12 |
| Dolomite Fertilizer          | 0  | 0 | 0 | 0 | 0 | 11 | 0 | 0 | 0 | 0 | 0  | 0  | 0 | 0  | 0 | 1 | 0 | 12 |
| Grams Packeting              | 0  | 0 | 1 | 0 | 0 | 1  | 1 | 0 | 0 | 0 | 0  | 2  | 0 | 0  | 1 | 0 | 4 | 10 |
| Lorry Body                   | 1  | 1 | 0 | 0 | 0 | 4  | 0 | 0 | 0 | 0 | 1  | 0  | 0 | 1  | 2 | 0 | 0 | 10 |
| Source: IDB                  |    |   |   |   |   |    |   |   |   |   |    |    |   |    |   |   |   |    |

## Summary of Industries by DS division - Matale

Annex XII

| Description of Industry             | Matale     | Naula      | Dambulla   | Pallepola  | Ukuwella   | Yatawatta  | Galewela  | Laggala    | Wilgamuwa  | Rattota    | Amban       | Total |
|-------------------------------------|------------|------------|------------|------------|------------|------------|-----------|------------|------------|------------|-------------|-------|
| Grain Mills - Rice Mills            | 17         | 89         | 93         | 29         | 45         | 48         | 50        | 38         | 101        | 41         | 34          | 585   |
| Manu. Of furniture                  | 12         | 14         | 45         | 12         | 34         | 9          | 38        |            | 3          | 38         | 12          | 206   |
| Manufacturing of Bakery Products    | 10         | 11         | 47         | 13         | 29         | 12         | 24        |            | 9          | 14         | 22          | 191   |
| Hardware                            | 6          | 12         | 22         | 12         | 21         | 13         | 40        | 29         | 2          | 13         | 2           | 168   |
|                                     | 3          | 4          | 17         | 12         | 4          | 9          |           | 2          | 2          | 17         | 7           | 139   |
| Manufacture of Weaving Apparels     | 8          |            | 34         | 21         | 12         | 11         | 22        | 1          |            | 6          | 4           | 119   |
| Manu. of Motor Cycles & Bicycles    | 4          |            | 24         |            | 9          | 13         | 29        |            |            | 9          | 2           | 90    |
| Stone Quarrying, Clay & Sand Pits   | 28         | 4          | 2          | 10         | 10         | 3          | 1         |            |            |            |             | 58    |
| Sugar Confectionary                 | 2          | 5          | 1          |            | 43         |            | 3         | 1          |            | 2          |             | 57    |
| Manu. of Structural Clay Prod.      |            |            |            | 2          | 6          | 2          | 13        |            |            |            | 32          | 55    |
| Manu. of Electrical Equipment       | 2          | 3          | 6          | 3          | 4          | 5          | 8         |            |            | 8          | 2           | 41    |
| Manufacture of Tobacco              | 3          | 10         | 11         |            | 11         | 1          |           |            | 1          |            |             | 37    |
| Chilly Mills                        | 6          | 7          | 7          | 2          | 6          | 4          | 4         |            |            |            |             | 36    |
| Manu. Of Motor Vehicles             | 1          | 9          | 6          | 4          | 10         | 11         | 1         | 3          |            | 1          |             | 36    |
| Manu. Communication Equipment       | 1          |            | 2          | 4          | 6          | 8          | 4         | 2          |            | 6          | 1           | 34    |
| Packeting of Spice                  | 3          | 7          |            | 8          | 4          | 1          |           |            |            |            |             | 23    |
| Manufacturing of Vegetable Oils     | 1          | 3          |            | 2          |            |            | 15        |            |            |            | 1           | 22    |
| Saw Mills and other Wood Products   | 2          |            |            | 1          | 6          | 1          |           |            |            | 3          |             | 13    |
| Manu. Of Non Mettalic Mineral Prod. | 1          | 2          |            | 1          | 6          | 1          | 2         |            |            |            |             | 13    |
| Ayurvedic Drugs                     |            |            |            |            | 8          | 1          |           |            |            | 1          |             | 10    |
| Manu. Of Photography Equip.         |            | 3          |            |            |            | 4          |           | 1          |            | 2          |             | 10    |
| Manu. Of Wooden and Cane Prod.      |            | 4          |            | 1          | 2          |            |           |            |            |            |             | 7     |
| Other                               | 1          | 3          | 1          | 1          |            |            |           |            |            |            |             | 6     |
| Dairy Products                      | 2          |            |            |            | 3          |            |           |            |            |            |             | 5     |
| Spinning and Weaving                | 3          |            |            |            | 2          |            |           |            |            |            |             | 5     |
| Manu. Of Watches and Clocks         |            |            |            | 1          |            |            |           |            |            | 3          |             | 4     |
| and China                           |            | 3          |            |            |            |            |           |            |            |            |             | 3     |
| Carbonate Water Industries          |            |            |            |            | 1          |            |           |            |            |            |             | 1     |
| Manufacture of Footware             |            |            | 1          |            |            |            |           |            |            |            |             | 1     |
| Manufacture of Soap                 |            |            |            |            | 1          |            |           |            |            |            |             | 1     |
| Manu. Of Plastic Products           |            |            |            |            |            |            |           | 1          |            |            |             | 1     |
| Foundry Products                    |            |            |            |            | 1          |            |           |            |            |            |             | 1     |
| <b>Total</b>                        | <b>193</b> | <b>318</b> | <b>139</b> | <b>284</b> | <b>147</b> | <b>256</b> | <b>77</b> | <b>118</b> | <b>155</b> | <b>119</b> | <b>1981</b> |       |
| Source: IDB                         |            |            |            |            |            |            |           |            |            |            |             |       |



Summary of Industries by DS division - N'Eliya District

Annex XIII

| Category                 | Nuwara-Eliya | Ambangamuwa | Kotmale    | Walapone   | Hanguranketha | Total      |
|--------------------------|--------------|-------------|------------|------------|---------------|------------|
| Bakeries                 | 10           | 28          | 32         | 15         | 23            | 118        |
| Tea Factories            | 55           | 20          | 18         | 1          | 5             | 99         |
| Grinding Mills           | 11           | 14          | 7          | 52         | 6             | 90         |
| Tobacco Barns            |              |             |            | 82         |               | 82         |
| Wood Working             | 11           | 12          | 14         | 10         | 31            | 78         |
| Garments                 |              | 16          | 8          | 36         | 17            | 77         |
| Rice Mills               |              |             | 11         |            | 18            | 29         |
| Garage                   | 6            | 10          | 12         |            |               | 28         |
| Jewellery                | 3            | 8           | 6          | 5          |               | 22         |
| Electrical Repair Shops  |              | 12          | 2          | 1          |               | 15         |
| Battery Charging         | 5            | 7           | 2          | 5          |               | 14         |
| Metal Crushing           | 7            |             | 4          |            | 1             | 12         |
| Cement Products          |              |             | 8          |            | 3             | 11         |
| Printing                 | 6            | 2           |            |            |               | 8          |
| Kitul Treacle            |              |             |            | 5          |               | 5          |
| Picture Framing          | 1            |             | 3          | 1          |               | 5          |
| Sweetmeats               |              | 2           |            | 1          |               | 3          |
| Lime Kilns               |              |             |            |            | 2             | 2          |
| Photography              | 1            |             |            | 1          |               | 2          |
| Tea Packing              |              | 2           |            |            |               | 2          |
| Milk Based Products      | 1            |             |            |            |               | 1          |
| Soya Products            |              |             |            | 1          |               | 1          |
| Tyre Servicing           |              |             | 1          |            |               | 1          |
| Leather Products         |              |             | 1          |            |               | 1          |
| Beedi Manufacturing      |              |             | 1          |            |               | 1          |
| Fertiliser and Chemicals |              |             | 1          |            |               | 1          |
| <b>TOTAL</b>             | <b>144</b>   | <b>132</b>  | <b>146</b> | <b>213</b> | <b>124</b>    | <b>869</b> |
| Source:IDB               |              |             |            |            |               |            |

Total Number of reporting establishments and employment by District and Size

Annex XIV

| District       | Estab. Under 10 or less               |         | Estab.with 11 to 25 Emp |            | Estab.with 26 to 50 Empl |            | Estab with 51 to 100 Empl |            | Estab.with more than 100 |            | All Establishments |            |
|----------------|---------------------------------------|---------|-------------------------|------------|--------------------------|------------|---------------------------|------------|--------------------------|------------|--------------------|------------|
|                | No.est.                               | No Emp. | No est.                 | No of Empl | No of Estab              | No of Empl | No of Estab               | No of Empl | No of Estab              | No of Empl | No of Estab        | No of Empl |
| <b>Kandy</b>   |                                       |         |                         |            |                          |            |                           |            |                          |            |                    |            |
| 1992           | 97                                    | 556     | 93                      | 1551       | 37                       | 1282       | 34                        | 2344       | 77                       | 37073      | 338                | 42806      |
| 1993           | 3                                     | 23      | 2                       | 28         | 4                        | 132        |                           |            | 2                        | 1033       | 11                 | 1216       |
| 1994           | 84                                    | 477     | 93                      | 1,569      | 46                       | 1,631      | 34                        | 2,460      | 81                       | 45,406     | 338                | 51,543     |
| 1996           | 120                                   | 641     | 83                      | 1,429      | 54                       | 1,979      | 40                        | 2,820      | 102                      | 49,580     | 399                | 56,449     |
| 1997           | 71                                    | 427     | 66                      | 1,174      | 46                       | 1,701      | 33                        | 2,288      | 80                       | 39,572     | 296                | 45,162     |
| 1998           | 78                                    | 439     | 74                      | 1,226      | 48                       | 1,735      | 46                        | 3,269      | 93                       | 40,744     | 339                | 47,413     |
| 1999           | 55                                    | 380     | 70                      | 1,240      | 46                       | 1,677      | 42                        | 2,908      | 96                       | 41,509     | 309                | 47,714     |
| 2000           | 63                                    | 417     | 87                      | 1,522      | 49                       | 1,802      | 48                        | 3,429      | 97                       | 41,385     | 344                | 48,555     |
| <b>Matale</b>  |                                       |         |                         |            |                          |            |                           |            |                          |            |                    |            |
| 1992           | 7                                     | 47      | 21                      | 342        | 6                        | 222        | 9                         | 692        | 18                       | 8371       | 61                 | 9674       |
| 1993           | 3                                     | 23      | 2                       | 28         | 4                        | 132        |                           |            | 2                        | 1033       | 11                 | 1216       |
| 1994           | 12                                    | 70      | 23                      | 366        | 5                        | 151        | 17                        | 1,250      | 23                       | 10,716     | 80                 | 12,553     |
| 1996           | 11                                    | 83      | 30                      | 508        | 10                       | 369        | 15                        | 1,102      | 20                       | 6,953      | 86                 | 9,015      |
| 1997           | 10                                    | 71      | 28                      | 486        | 8                        | 287        | 16                        | 1,233      | 19                       | 6,972      | 81                 | 9,049      |
| 1998           | 32                                    | 190     | 35                      | 565        | 7                        | 247        | 18                        | 1,378      | 21                       | 7,664      | 113                | 10,044     |
| 1999           | 5                                     | 33      | 20                      | 361        | 6                        | 194        | 17                        | 1,275      | 12                       | 4,201      | 60                 | 6,064      |
| 2000           | 21                                    | 141     | 37                      | 683        | 6                        | 230        | 17                        | 1,338      | 21                       | 7,773      | 102                | 10,165     |
| <b>N'Eliya</b> |                                       |         |                         |            |                          |            |                           |            |                          |            |                    |            |
| 1992           | 19                                    | 131     | 27                      | 481        | 17                       | 653        | 13                        | 905        | 86                       | 78876      | 162                | 81041      |
| 1993           | 16                                    | 95      | 18                      | 319        | 9                        | 289        | 6                         | 435        | 12                       | 9861       | 61                 | 10999      |
| 1994           | 29                                    | 189     | 35                      | 606        | 17                       | 591        | 14                        | 983        | 106                      | 103,995    | 201                | 106,364    |
| 1996           | 23                                    | 1500    | 37                      | 643        | 14                       | 470        | 11                        | 829        | 173                      | 157,806    | 258                | 159,898    |
| 1997           | 21                                    | 129     | 29                      | 473        | 14                       | 488        | 9                         | 645        | 106                      | 89,454     | 179                | 91,189     |
| 1998           | 32                                    | 188     | 37                      | 633        | 20                       | 696        | 16                        | 1,140      | 159                      | 138,141    | 264                | 140,798    |
| 1999           | 26                                    | 181     | 37                      | 591        | 15                       | 525        | 16                        | 1,131      | 130                      | 108,421    | 224                | 110,849    |
| 2000           | 26                                    | 182     | 40                      | 670        | 20                       | 684        | 13                        | 884        | 153                      | 129,061    | 252                | 131,481    |
| Source:        | Labour Force Survey. Dept. of Labour. |         |                         |            |                          |            |                           |            |                          |            |                    |            |



Total Number of Reporting Establishments and Employment by major Industry and Distirct

Annex XV

| Kandy | Category    | Agriculture |         | Mining & Quarrying |       | Manufactures |         | Electricity, Gas & Water |        | Construction |        | Trade, Retail Wholesale |        | Transport & Storage |        | Insurance & Real Estate Services |        | Community & Social services |        | Total of all Economic activities |           |       |      |
|-------|-------------|-------------|---------|--------------------|-------|--------------|---------|--------------------------|--------|--------------|--------|-------------------------|--------|---------------------|--------|----------------------------------|--------|-----------------------------|--------|----------------------------------|-----------|-------|------|
|       |             | No of       | No of   | No of              | No of | No of        | No of   | No of                    | No of  | No           | No of  | No of                   | No of  | No of               | No of  | No of                            | No of  | No of                       | No of  | No of                            | No of     | No of |      |
|       |             | Estab       | Empl    | Estab              | Empl  | Estab        | Empl    | Estab                    | Empl   | Estab        | Empl   | Estab                   | Empl   | Estab               | Empl   | Estab                            | Empl   | Estab                       | Empl   | Estab                            | Empl      | Estab | Empl |
|       |             |             |         |                    |       |              |         |                          |        |              |        |                         |        |                     |        |                                  |        |                             |        |                                  |           |       |      |
| 1994  | Female      | 80          | 17,757  |                    |       | 70           | 3,125   | 3                        | 13     | 5            | 52     | 48                      | 832    |                     |        | 36                               | 489    | 15                          | 863    | 257                              | 23,131    |       |      |
|       | Male        | 88          | 19,072  | 2                  | 23    | 77           | 2,477   | 3                        | 380    | 8            | 281    | 79                      | 2,643  |                     |        | 37                               | 1,006  | 29                          | 2,530  | 323                              | 28,412    |       |      |
|       | Both sexes  |             | 36,829  |                    | 23    |              | 5,602   |                          | 393    |              | 333    |                         | 3,475  |                     |        |                                  | 1,495  |                             | 3,393  |                                  | 51,543    |       |      |
|       | % Females   |             | 48%     |                    | 0%    |              | 56%     |                          | 3%     |              | 16%    |                         | 24%    |                     |        |                                  | 33%    |                             | 25%    |                                  | 45%       |       |      |
| 1996  | Female      | 69          | 17,381  |                    |       | 57           | 5,343   | 10                       | 57     | 3            | 21     | 62                      | 965    | 10                  | 125    | 44                               | 567    | 32                          | 1,159  | 287                              | 25,618    |       |      |
|       | Male        | 74          | 15,629  | 2                  | 26    | 79           | 2,606   | 15                       | 1,300  | 5            | 68     | 109                     | 3,415  | 11                  | 3,533  | 46                               | 1,001  | 51                          | 3,253  | 392                              | 30,831    |       |      |
|       | Both sexes  | 74          | 33,010  | 2                  | 26    | 82           | 7,949   | 15                       | 1,357  | 5            | 89     | 11                      | 4,380  | 47                  | 3,658  | 47                               | 1,568  | 52                          | 4,412  | 399                              | 56,449    |       |      |
|       | % Females   |             | 53%     |                    | 0%    |              | 67%     |                          | 4%     |              | 24%    |                         | 22%    |                     | 3%     |                                  | 36%    |                             | 26%    |                                  | 45%       |       |      |
|       | Grand Total | 1,105       | 421,758 | 20                 | 4,868 | 1,468        | 363,364 | 122                      | 19,922 | 97           | 18,401 | 1,041                   | 74,763 | 196                 | 84,715 | 820                              | 52,794 | 571                         | 49,102 | 5,440                            | 1,089,687 |       |      |
| 1997  | Female      | 52          | 13,597  |                    |       | 38           | 3,206   | 12                       | 91     | 1            | 2      | 51                      | 812    | 10                  | 124    | 40                               | 462    | 22                          | 1,119  | 226                              |           |       |      |
|       | Male        | 54          | 11,983  | 1                  | 2     | 47           | 1,881   | 14                       | 1,251  | 5            | 75     | 80                      | 2,698  | 10                  | 3,523  | 46                               | 1,013  | 34                          | 3,323  | 291                              |           |       |      |
|       | Both sexes  | 54          | 25,580  | 1                  | 2     | 51           | 5,087   | 14                       | 1,342  | 5            | 77     | 81                      | 3,510  | 10                  | 3,647  | 46                               | 1,475  | 34                          | 4,442  |                                  |           |       |      |
|       | % Females   |             | 53%     |                    | 0%    |              | 63%     |                          | 7%     |              | 3%     |                         | 23%    |                     | 3%     |                                  | 31%    |                             | 25%    |                                  |           |       |      |
|       | Grand Total | 884         | 275,193 | 19                 | 3,633 | 1,315        | 288,410 | 117                      | 17,529 | 77           | 18,314 | 1,032                   | 68,951 | 170                 | 56,594 | 893                              | 60,956 | 535                         | 52,024 | 5,042                            | 841,604   |       |      |
| 1998  | Female      | 64          | 13,065  |                    |       | 46           | 3,665   | 11                       | 69     | 2            | 10     | 57                      | 1,097  | 11                  | 405    | 51                               | 622    | 27                          | 1,105  | 269                              | 20,038    |       |      |
|       | Male        | 67          | 11,812  |                    |       | 56           | 2,887   | 13                       | 1,097  | 3            | 94     | 87                      | 3,193  | 11                  | 3,855  | 53                               | 993    | 42                          | 3,444  | 332                              | 27,375    |       |      |
|       | Both sexes  | 67          | 24,877  |                    |       | 60           | 6,552   | 13                       | 1,166  | 4            | 104    | 88                      | 4,290  | 11                  | 4,260  | 53                               | 1,615  | 43                          | 4,549  | 339                              | 47,413    |       |      |
|       | % Females   |             | 53%     |                    |       |              | 56%     |                          | 6%     |              | 10%    |                         | 26%    |                     | 10%    |                                  | 39%    |                             | 24%    |                                  | 42%       |       |      |
|       | Grand Total | 1,034       | 364,940 | 26                 | 3,784 | 1,381        | 310,434 | 122                      | 17,118 | 82           | 18,019 | 1,111                   | 74,396 | 214                 | 77,984 | 1,089                            | 57,508 | 669                         | 67,568 | 5,728                            | 991,751   |       |      |
| 1999  | Female      | 63          | 13,209  |                    |       | 43           | 4,651   | 11                       | 75     | 1            | 10     | 48                      | 886    | 9                   | 80     | 59                               | 865    | 18                          | 1,074  | 254                              | 20,850    |       |      |
|       | Male        | 65          | 12,682  | 1                  | 8     | 55           | 2,197   | 12                       | 1,141  | 2            | 54     | 73                      | 2,818  | 9                   | 2,944  | 60                               | 1,660  | 29                          | 3,360  | 306                              | 26,864    |       |      |
|       | Both sexes  | 120         | 25,891  | 1                  | 8     | 58           | 6,848   | 12                       | 1,216  | 2            | 64     | 73                      | 3,704  | 9                   | 3,024  | 60                               | 2,525  | 29                          | 4,434  | 309                              | 47,714    |       |      |
|       | % Females   |             | 51%     |                    | 0%    |              | 68%     |                          | 6%     |              | 16%    |                         | 24%    |                     | 3%     |                                  | 34%    |                             | 24%    |                                  | 44%       |       |      |
|       | Grand Total | 867         | 315,397 | 20                 | 3,460 | 1,109        | 264,720 | 130                      | 18,779 | 57           | 10,715 | 942                     | 69,491 | 194                 | 67,175 | 1,056                            | 63,320 | 522                         | 53,251 | 4,897                            | 866,308   |       |      |

|      |             |                 |         |    |       |       |         |     |        |    |        |       |        |     |        |       |        |     |        |       |           |
|------|-------------|-----------------|---------|----|-------|-------|---------|-----|--------|----|--------|-------|--------|-----|--------|-------|--------|-----|--------|-------|-----------|
| 2000 | Female      | 64              | 11,779  |    |       | 57    | 7,871   | 11  | 92     | 2  | 10     | 54    | 860    | 8   | 88     | 59    | 615    | 26  | 1,082  | 281   | 22,397    |
|      | Male        | 67              | 11,117  |    |       | 72    | 2,520   | 12  | 946    | 5  | 87     | 79    | 3,287  | 8   | 2,625  | 62    | 1,204  | 39  | 4,372  | 344   | 26,158    |
|      | Both sexes  | 67              | 22,896  |    |       | 72    | 10,391  | 12  | 1,038  | 5  | 97     | 79    | 4,147  | 8   | 2,713  | 62    | 1,819  | 39  | 5,454  | 344   | 48,555    |
|      | % Females   |                 | 51%     |    |       |       | 76%     |     | 9%     |    | 10%    |       | 21%    |     | 3%     |       | 34%    |     | 20%    |       | 46%       |
|      | Grand Total | 875             | 294,422 | 21 | 3,276 | 1,517 | 402,268 | 120 | 17,045 | 74 | 15,382 | 1,046 | 72,658 | 217 | 75,440 | 1,146 | 60,250 | 642 | 89,647 | 5,658 | 1,030,388 |
|      | Source:     | Dept. of Labour |         |    |       |       |         |     |        |    |        |       |        |     |        |       |        |     |        |       |           |



Total Number of Reporting Establishments and Employment by major Industry and District

Annex XVI

| Male    | Category   | Agriculture    |               | Mining &       |               | Manufactures   |               | Electricity,   |               | Construction |               | Trade, Retail  |               | Transport &  |               | Insurance &    |               | Community      |               | Total of all   |               |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|---------|------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|--------------|---------------|----------------|---------------|--------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------|--|-----------|--|-------------|--|-----------|--|---------|--|-------------|--|----------|--|------------|--|
|         |            | No of<br>Estab | No of<br>Empl | No of<br>Estab | No of<br>Empl | No of<br>estab | No of<br>Empl | No of<br>Estab | No of<br>Empl | No           | No of<br>Empl | No of<br>Estab | No of<br>Empl | No of<br>Est | No of<br>Empl | No of<br>Estab | No of<br>Empl | No of<br>Estab | No of<br>Empl | No of<br>Estab | No of<br>Empl | No of<br>Estab | No of<br>Empl |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         |            |                |               |                |               |                |               |                |               |              |               |                |               |              |               |                |               |                |               |                |               |                |               | Hunting  |  | Quarrying |  | Gas & Water |  | Wholesale |  | Storage |  | Real Estate |  | & Social |  | Economic   |  |
|         |            |                |               |                |               |                |               |                |               |              |               |                |               |              |               |                |               |                |               |                |               |                |               | Forestry |  |           |  |             |  |           |  |         |  | Services    |  | Services |  | Activities |  |
| Fishing |            |                |               |                |               |                |               |                |               |              |               |                |               |              |               |                |               |                |               |                |               |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
| 1994    | female     | 22             | 4,765         |                |               | 9              | 631           | 2              | 12            | 2            | 16            | 13             | 244           |              |               | 12             | 106           | 2              | 6             | 62             | 5,780         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | male       | 25             | 4,188         |                |               | 7              | 798           | 4              | 374           | 2            | 54            | 20             | 966           |              |               | 14             | 297           | 6              | 96            | 78             | 6,773         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | both sexes | 47             | 8953          |                |               | 16             | 1429          | 6              | 386           | 4            | 70            | 33             | 1210          |              |               | 26             | 403           | 8              | 102           | 140            | 12553         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | % Females  |                | 53%           |                |               |                | 44%           |                | 3%            |              | 23%           |                | 20%           |              |               |                | 26%           |                | 6%            |                | 46%           |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
| 1996    | female     | 15             | 2,146         |                |               | 4              | 823           | 1              | 2             | 1            | 10            | 18             | 307           | 2            | 12            | 24             | 163           | 7              | 237           | 72             | 3,700         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | male       | 19             | 2,075         |                |               | 4              | 687           | 2              | 157           | 1            | 161           | 23             | 972           | 2            | 348           | 26             | 443           | 9              | 472           | 86             | 5,315         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | both sexes | 19             | 4,221         |                |               | 4              | 1,510         | 2              | 159           | 1            | 171           | 23             | 1,279         | 2            | 360           | 26             | 606           | 9              | 709           | 86             | 9,015         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | % Females  |                | 51%           |                |               |                | 55%           |                | 1%            |              | 6%            |                | 24%           |              | 3%            |                | 27%           |                | 33%           |                | 41%           |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
| 1998    | female     | 17             | 2,239         | 2              | 102           | 21             | 1,054         | 2              | 4             | 1            | 10            | 21             | 469           | 2            | 24            | 22             | 114           | 8              | 94            | 96             | 4,110         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | male       | 21             | 1,996         | 1              | 37            | 16             | 745           | 2              | 156           | 1            | 153           | 25             | 999           | 2            | 670           | 25             | 381           | 9              | 797           | 102            | 5,934         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | both sexes | 22             | 4,235         | 2              | 139           | 25             | 1,799         | 2              | 160           | 1            | 163           | 25             | 1,468         | 2            | 694           | 25             | 495           | 9              | 891           | 113            | 10,044        |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | % Females  |                | 53%           |                | 73%           |                | 59%           |                | 3%            |              | 6%            |                | 32%           |              | 3%            |                | 23%           |                | 11%           |                | 41%           |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
| 1999    | female     | 10             | 1,781         | 1              | 6             |                |               | 2              | 3             | 1            | 7             | 15             | 424           | 3            | 31            | 20             | 119           | 3              | 16            | 55             | 2,387         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | male       | 10             | 1,540         | 1              | 13            |                |               | 2              | 143           | 1            | 49            | 17             | 575           | 3            | 904           | 22             | 330           | 4              | 123           | 60             | 3,677         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | both sexes | 10             | 3,321         | 1              | 19            |                |               | 2              | 146           | 1            | 56            | 17             | 999           | 3            | 935           | 22             | 449           | 4              | 139           | 60             | 6,064         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | % Females  |                | 54%           |                | 32%           |                |               |                | 2%            |              | 13%           |                | 42%           |              | 3%            |                | 27%           |                | 12%           |                | 39%           |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
| 2000    | female     | 19             | 2,552         | 1              | 60            | 15             | 497           | 2              | 3             |              |               | 24             | 418           | 3            | 41            | 23             | 118           | 8              | 532           | 95             | 4,221         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | male       | 19             | 2,276         | 1              | 84            | 13             | 90            | 2              | 147           |              |               | 27             | 1,008         | 3            | 848           | 24             | 343           | 9              | 1,148         | 98             | 5,944         |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | both sexes | 19             | 4,828         | 1              | 144           | 17             | 587           | 2              | 150           |              |               | 27             | 1,426         | 3            | 889           | 24             | 461           | 9              | 1,680         | 102            | 10,165        |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |
|         | % Females  |                | 53%           |                | 42%           |                | 85%           |                | 2%            |              |               |                | 29%           |              | 5%            |                | 26%           |                | 32%           |                | 42%           |                |               |          |  |           |  |             |  |           |  |         |  |             |  |          |  |            |  |

Source: Dept. of Labour



Total Number of Reporting Establishments and Employment by major Industry - N'Eliya Distirct

Annex XVII

| N'Eliya         | Category   | Agriculture, Hunting<br>Forestry, Fishing |         | Mining &<br>Quarrying |       | Manufactures |         | Electricity,<br>Gas & Water |        | Construction |        | Trade, Retail<br>Wholesale |        | Transport &<br>Storage |        | Insurance &<br>Real Estate |        | Community<br>& Social services |        | Total of all<br>activities |         |       |
|-----------------|------------|---|---------|-----------------------|-------|--------------|---------|-----------------------------|--------|--------------|--------|----------------------------|--------|------------------------|--------|----------------------------|--------|--------------------------------|--------|----------------------------|---------|-------|
|                 |            | No of                                     | No of   | No of                 | No of | No of        | No of   | No of                       | No of  | No of        | No of  | No of                      | No of  | No of                  | No of  | No of                      | No of  | No of                          | No of  | No of                      | No of   | No of |
|                 |            | Estab                                     | Empl    | Estab                 | Empl  | estab        | Empl    | Estab                       | Empl   | Est.         | Empl   | Estab                      | Empl   | Est                    | Empl   | Estab                      | Empl   | Estab                          | Empl   | Estab                      | Empl    | Estab |
| 1994            | female     | 96  | 48,619  |                       |       | 25           | 5,046   | 2                           | 5      | 4            | 15     | 16                         | 299    | 2                      | 2      | 25                         | 852    | 2                              | 54     | 172                        | 54,892  |       |
|                 | male       | 94  | 44,918  |                       |       | 29           | 4,162   | 2                           | 212    | 5            | 78     | 28                         | 738    | 4                      | 57     | 28                         | 1,048  | 6                              | 259    | 199                        | 51,472  |       |
|                 | both sexes | 158                                       | 143,638 |                       |       | 17           | 10,885  | 11                          | 798    | 2            | 197    | 22                         | 1,017  | 8                      | 1,004  | 27                         | 1,900  | 13                             | 1,834  | 258                        | 159,898 |       |
|                 | percentage |   | 34%     |                       |       |              | 46%     |                             | 1%     |              | 8%     |                            | 29%    |                        | 0%     |                            | 45%    |                                | 3%     |                            | 34%     |       |
| 1996            | female     | 156                                       | 76,445  |                       |       | 15           | 6,956   | 6                           | 15     | 1            | 30     | 16                         | 266    | 5                      | 23     | 23                         | 79     | 6                              | 810    | 228                        | 84,264  |       |
|                 | male       | 158                                       | 67,193  |                       |       | 17           | 3,929   | 11                          | 783    | 2            | 167    | 22                         | 751    | 8                      | 981    | 27                         | 446    | 13                             | 1,024  | 258                        | 75,274  |       |
|                 | both sexes | 158                                       | 143,638 |                       |       | 17           | 10,885  | 11                          | 798    | 2            | 197    | 22                         | 1,017  | 8                      | 1,004  | 27                         | 525    | 13                             | 1,834  | 258                        | 159,898 |       |
|                 | percentage |   | 53%     |                       |       |              | 64%     |                             | 2%     |              | 15%    |                            | 26%    |                        | 2%     |                            | 15%    |                                | 44%    |                            | 53%     |       |
|                 | GT         | 1,034                                     | 364,940 | 26                    | 3,784 | 1,381        | 310,434 | 122                         | 17,118 | 82           | 18,019 | 1,111                      | 74,396 | 214                    | 77,984 | 1,089                      | 57,508 | 669                            | 67,568 | 5,728                      | 991,751 |       |
| 1998            | female     | 144                                       | 70,604  |                       |       | 16           | 3,962   | 7                           | 29     | 2            | 9      | 18                         | 312    | 6                      | 22     | 25                         | 135    | 10                             | 769    | 228                        | 75,842  |       |
|                 | male       | 147                                       | 58,538  |                       |       | 19           | 1,735   | 10                          | 748    | 2            | 39     | 26                         | 789    | 9                      | 1,131  | 31                         | 586    | 18                             | 1,390  | 262                        | 64,956  |       |
|                 | both sexes | 147                                       | 129,142 |                       |       | 20           | 5,697   | 10                          | 777    | 2            | 48     | 26                         | 1,101  | 9                      | 1,153  | 31                         | 721    | 19                             | 2,159  | 264                        | 140,798 |       |
|                 | percentage |   | 55%     |                       |       |              | 70%     |                             | 4%     |              | 19%    |                            | 28%    |                        | 2%     |                            | 19%    |                                | 36%    |                            | 54%     |       |
| 1999            | female     | 118                                       | 56,633  |                       |       | 10           | 1,694   | 5                           | 16     |              |        | 19                         | 280    | 5                      | 17     | 23                         | 92     | 10                             | 157    | 190                        | 58,889  |       |
|                 | male       | 120                                       | 46,010  |                       |       | 12           | 1,896   | 9                           | 273    | 1            | 4      | 32                         | 1,949  | 2                      | 1,017  | 27                         | 417    | 16                             | 794    | 224                        | 51,960  |       |
|                 | both sexes | 120                                       | 102,643 |                       |       | 12           | 3,590   | 9                           | 789    | 1            | 4      | 32                         | 1,329  | 7                      | 1,034  | 27                         | 509    | 16                             | 951    | 224                        | 110,849 |       |
|                 | percentage |   | 55%     |                       |       |              | 47%     |                             | 2%     |              | 0%     |                            | 21%    |                        | 2%     |                            | 18%    |                                | 17%    |                            | 53%     |       |
| 2000            | female     | 133                                       | 62,292  |                       |       | 21           | 8,922   | 6                           | 20     |              |        | 20                         | 291    | 4                      | 18     | 28                         | 131    | 11                             | 922    | 223                        | 72,596  |       |
|                 | male       | 135                                       | 50,964  |                       |       | 22           | 3,225   | 9                           | 690    |              |        | 32                         | 1,236  | 6                      | 1,085  | 30                         | 413    | 18                             | 1,272  | 252                        | 58,885  |       |
|                 | both sexes | 135                                       | 113,256 |                       |       | 22           | 12,147  | 9                           | 710    |              |        | 32                         | 1,527  | 6                      | 1,103  | 30                         | 544    | 18                             | 2,194  | 252                        | 131,481 |       |
|                 | percentage |   | 55%     |                       |       |              | 73%     |                             | 3%     |              |        |                            | 19%    |                        | 2%     |                            | 24%    |                                | 42%    |                            | 55%     |       |
| Dept. of Labour |            |   |         |                       |       |              |         |                             |        |              |        |                            |        |                        |        |                            |        |                                |        |                            |         |       |