

(C) PUBLIC ENTERPRISES

Several public sector enterprises in Ceylon which have been financially less viable in earlier years have been able to show profits recently. The sector as a whole is now expected to spearhead the economic development of the country. At present, in the public sector, there are 24 major industrial and manufacturing corporations and 31 corporate bodies engaged in various service activities such as banking, trading, and transport. According to provisional data for 1970, the total value of output of goods and services by industrial corporations and those providing services was Rs. 1,940 million¹ in 1970 as compared with Rs. 1,732 million¹ for the previous year. The total value of production of the 24 industrial corporations amounted to Rs. 583 million in 1970, as against Rs. 424 million in 1969. Employment in the public sector (excluding government departments) has increased by 9 per cent from 145,544 persons in 1968/69 to 158,399 in 1969/70.

In 1969 a number of public industrial corporations particularly those engaged in the production of cement, tyres, salt, ilmenite, tanned leather and textiles, recorded an increase in output, but output of tea chests, sugar, rolled steel chrome leather and mammothies declined. These setbacks were the result of industrial disputes, marketing difficulties and the lack of adequate supplies of raw materials. Data on production for the first half of 1970 when compared with the data for the corresponding period in the preceding year show an improvement in the output of textiles, sugar, paper, chemicals, leather and tyres. However, on the basis of preliminary data, the financial performance in 1969/70 appears to have fallen considerably short of budgeted targets. This could be attributed to industrial unrest, unfavourable weather conditions and lack of adequate supplies of raw materials.

In 1969/70, 26 corporations including banks and other financial institutions have shown profits. Of these, 10 have made larger profits than in the previous year, 9 have made less profits while 1 made a profit as against a loss in the previous year. Twelve Corporations and the Ceylon Government Railway have incurred losses during 1969/70. Of these 6 have incurred bigger losses than in the previous year, 1 has reduced losses and 6 have incurred losses as against a profit in the previous year. Profit and loss figures for 1969/70 are not available in respect of 6 corporations; of these 3 made profits and 3 incurred losses in the previous year.

Financial profits or losses should normally be the criterion for evaluating the performance of any public enterprise but this criterion should be used with some caution since public enterprises are not entirely free to fix prices and also because they are often required to perform relatively uneconomic services which would not be undertaken by private commercial establishments. When industrial corporations are required to subsidise groups and classes of consumers, such corporations could avoid having to put up with much ill-informed criticism by showing the results of such activities separately from their normal commercial activities.

1. These figures do not include the value of services provided by the River Valleys Development Board and the State Plantations Corporation as data are not available.

The overall improved performance of most public corporations in 1969/70 has been due to better utilisation of installed capacity, expansion of existing capacity and better planning.

Owing to the absence of uniformity and consistency in the financial procedures of most corporations, the Corporations Division of the Treasury issued in April 1970 a set of guidelines. On 1st June 1970, similar guidelines on the preparation of budgets were issued and the Ministry of Planning and Employment has also issued instructions on the preparation of comprehensive project reports. These measures should improve considerably the financial procedures, budgeting and project formulation of public corporations.

There has been a lack of useful and timely information on the activities of State Enterprises on account of delays in the publication of Annual Reports and Statements of Accounts. It is important that the Corporations should make every endeavour to ensure that these reports are published within a short period after the end of the Accounting year.

The statistical data published in the following paragraphs and in the Tables are those provided by the respective corporations. Profit and loss data for years 1966/67 and 1967/68, of some corporations have been revised on the basis of Reports of the Auditor General.

2. INDUSTRIAL SECTOR

In 1970 there were 24 boards and industrial corporations in the public sector engaged in manufacturing. These corporations were working to targets set by themselves at the request of the Ministry of Industries. A few undertakings such as the Fruit Canning factory of the Marketing Department and the State Distillery of the Excise Department functioned as government departments. The total capital investment of this sector increased by Rs. 394.9 million or 41 per cent from Rs. 952.9 million in 1968/69 to Rs. 1347.8 million in 1969/70.

In 1969/70 the total value of output of public sector enterprises in industry has increased by 38 per cent or by Rs. 159.1 million. The number of persons employed in this sector has increased by 2,104 to 24,508 in 1969/70.

In 1969/70 the following corporations have increased their profits—Sri Lanka Sugar Corporation, State Flour Milling Corporation, National Salt Corporation, National Textile Corporation, Paranthan Chemicals Corporation, Ceylon Cement Corporation and Mineral Sands Corporation, while moderate profits, but less than in the previous year, were made by the Eastern Paper Mills Corporation, Ceylon Plywoods Corporation, Ceylon Tyre Corporation, Ceylon Fertilizer Corporation, Ceylon Ceramics Corporation and the Ceylon Steel Corporation. The National Milk Board, National Small Industries Corporation, and the Ceylon State Hardware Corporation have been incurring recurrent losses over the past few years. The Ceylon Oils and Fats Corporation and the Leather Products Corporation have incurred losses in 1969/70 although they showed profits in the previous year.

The return on capital in state industrial enterprises is shown in Table II (C) 3.

Annual Capacity, Output and Sales

Corporation	Units of Output	1966/67 (")			1967/68 (")		
		Capacity	Production	Sales	Capacity	Production	Sales
1. National Milk Board							
Processed Milk ..	Th. pints	59,250	18,566	17,203	59,250	20,382	19,526
Condensed Milk ..	Th. cans	—	—	—	—	—	—
Powdered Milk ..	Th. 1 lb. tins	—	—	—	—	—	—
2. Ceylon Oils and Fats							
Coconut Oil ..	Tons	22,320	1,759	2,207	22,320	1,300	1,293
Provender ..	,,	31,200	29,234	29,144	31,200	30,011	30,383
Fatty Acids ..	,,	—	—	—	5,400	350	220
Glycerine ..	,,	—	—	—	5,400	22	—
Other Oils ..	,,	—	—	—	—	—	—
3. Sri Lanka Sugar							
Kantalai Unit							
Sugar ..	Metric tons	21,000	2,587	2,587	21,000	1,403	1,403
Spirits ..	Th. proof gallons	600	871	832	600	426	503
Gal Oya Unit							
Sugar ..	Metric tons	19,200	915	2,539	19,200	5,789	5,789
Spirits ..	Th. proof gallons	750	249	282	750	300	300
4. State Flour Milling							
Flour ..	Tons	—	—	—	—	—	—
By-Products ..	,,	—	—	—	—	—	—
5. National Salt							
Corporation Salterns ..	Tons	57,690	51,864	60,800	60,800	62,839	77,546
Private Salterns ..	,,	16,645	14,387		12,050	16,327	
6. Marketing Department							
Fruit Cannery							
(a) Jams ..	Th. lbs.	n.a.	1,208	1,208	n.a.	1,384	1,384
(b) Juices ..	Th. lbs.	n.a.	248	248	n.a.	208	208
(c) Creams ..	Th. lbs.	n.a.	18	18	n.a.	11	11
(d) Other Products(b) ..	Th. lbs.	n.a.	529	529	n.a.	588	588
7. Govt. Distillery							
Ordinary Arrack ..	Proof gallons	n.a.	90,333	—	n.a.	126,131	77,031
Double Distilled ..	Proof gallons	n.a.	10,330	—	n.a.	4,197	11,097
8. National Textiles							
Veyangoda Factory							
Yarn ..	Th. lbs.	3,400	2,345	2,270	3,400	1,958	1,000
Textiles ..	Th. yds.	14,000	2,782	1,924	14,000	4,584	5,431
Finishing ..	Th. yds.	—	6,009	—	—	6,639	—
Imports of yarn ..	Th. lbs.	—	8,316	6,477	—	9,849	8,823
9. Ceylon Leather Products							
Shoes ..	Th. pairs	216	246	244	216	260	255
Chrome leather ..	Th. Sq. ft.	600	649	118	600	629	145
Bark and Other leather ..	Th. lbs.	300	289	22	300	334	26
Miscellaneous goods ..	Th. Nos.	—	—	—	—	—	—
10. Eastern paper Mills							
Manufacturing-Paper ..	Tons	8,500	9,156	6,684	9,000	9,500	6,014
Trading-Paper Imports ..	,,	—	12,600	7,644	—	6,700	7,155
11. Ceylon Plywoods							
Gintota Factory ..	Th. sq. ft. 3 ply. Plywood of which Tea Chests Th.	18,000	19,649	—	25,000	19,806	—
12. State Timber							
Timber ..	Th. cu. ft.	—	—	—	—	—	—
13. Paranthan Chemicals							
Caustic Soda ..	Tons	1,500	1,002	1,002	1,500	970	970
Chlorine ..	,,	1,400	397	397	1,400	540	540
Table Salt ..	,,	100	89	89	100	121	121
Imports of Caustic Soda ..	,,	—	3,400	1,400	—	3,000	2,333

(quantity) of State Industries

TABLE II (C) 1.

1968/69 (a)			1969/70 (a)			1970/71 (a)		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
59,250	24,968	23,084	59,250	28,302	26,292	59,250	32,105	32,709
25,000	11,514	6,011	25,000	19,632	19,333	25,000	14,676	15,047
—	—	—	12,000	8,351	2,281	12,000	11,921	11,279
22,320	1,166	1,184	22,320	1,226	307	22,320	3,474	3,474
31,200	51,524	54,061	31,200	51,017	50,868	31,200	58,375	58,375
5,400	6,286	1,319	5,400	694	877	5,400	2,672	2,672
5,400	549	133	5,400	73	149	5,400	268	268
n.a.	88	24	n.a.	—	—	n.a.	—	—
21,000	3,653	3,653	21,000	5,478	5,478	21,000	8,000	8,000
600	832	795	600	768	770	600	800	750
19,200	4,684	4,684	19,200	3,719	3,719	19,200	5,400	5,400
750	473	317	750	673	636	750	800	700
n.a.	6,649	9,274	49,200	41,428	42,181	51,554	51,554	51,554
n.a.	4,382	5,420	20,300	15,563	n.a.	19,966	19,966	19,966
71,900	81,417	79,382	69,500	88,732	82,922	70,000	53,176	85,000
13,600	18,515		17,650	23,094		21,000	10,277	
n.a.	1,179	1,179	n.a.	2,291	2,291	n.a.	1,846	1,846
n.a.	153	153	n.a.	357	357	n.a.	455	455
n.a.	125	125	n.a.	105	105	n.a.	165	165
n.a.	312	312	n.a.	562	562	n.a.	342	342
n.a.	92,711	135,926	n.a.	92,074	91,781	n.a.	150,073	141,194
n.a.	9,510	4,197	n.a.	8,147	14,487	n.a.	16,101	16,101
3,400	2,397	489	3,400	2,644	972	20,600*	3,200	579
14,000	6,423	5,028	14,000	8,664	8,448	27,100	12,090	12,090
—	7,640	—	34,000	1,987	—	74,000	8,000	—
—	11,600	10,500	—	7,273	8,900	—	—	—
271	275	253	350	281	229	350	350	350
600	667	125	720	688	145	720	720	158
300	364	n.a.	420	358	11	420	420	49
—	321	n.a.	—	n.a.	—	—	n.a.	—
9,000	7,968	10,045	9,500	9,475	8,469	9,500	9,500	8,470
—	6,491	6,890	—	5,684	4,757	—	5,380	9,054
30,000	22,507	—	30,000	20,242	—	30,000	24,435	—
1,300	1,103	1,077	1,300	802	781	1,300	1,105	1,105
n.a.	1,138	1,138	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1,500	930	908	1,500	897	958	1,500	1,400	1,400
1,400	518	477	1,300	505	454	1,300	500	500
100	231	215	400	289	278	400	400	400
—	2,300	2,639	—	2,612	2,568	—	2,800	2,800

Annual Capacity, Output and Sales

Corporation	Unit of Output	1966/67 (a)			1967/68 (a)		
		Capacity	Production	Sales	Capacity	Production	Sales
14. Ceylon Tyre							
Tyres ..	Nos.	—	—	—	250,000	57,622	28,284
Tubes ..	Nos.	—	—	—	152,000	62,062	33,063
Flaps ..	Nos.	—	—	—	88,000	29,477	17,873
15. Ceylon Petroleum Refinery							
Gasoline ..	Th. gallons	—	—	—	—	—	—
Kerosine ..	„ „	—	—	—	—	—	—
Chemical Naptha ..	„ „	—	—	—	—	—	—
Diesel ..	„ „	—	—	—	—	—	—
Fuel Oils ..	„ „	—	—	—	—	—	—
Asphalt ..	„ „	—	—	—	—	—	—
Other Products ..	„ „	—	—	—	—	—	—
Blending Plant							
Lubricating Oil ..	„ „	—	—	—	—	—	—
16. Ceylon Fertilizer							
Fertilizer ..	Tons	—	127,100 ^c	123,968	—	170,377	161,971
17. Ceylon Ceramics							
Negombo Factory ..	Tons	—	—	—	—	—	—
Piliyandala Factory ..	Crockery	880	815	n.a.	940	954	n.a.
	do	1,600	189	—	1,600	1,180	n.a.
	Tons	—	—	—	—	—	—
	Wall Tiles	—	—	—	300	125	n.a.
	Tons	—	—	—	—	—	—
	Sanitaryware	—	—	—	500	110	n.a.
	Tons	—	—	—	—	—	—
Kaolin Factory ..	Kaolin	5,000	2,027	1,916	5,000	2,658	2,181
18. Ceylon Cement							
Kankesanthurai ..	Tons	120,000	86,729	86,492	165,000	160,491	164,981
Galle ..	„	—	—	—	100,000	46,140	49,718
Puttalam ..	„	—	—	—	—	—	—
19. National Small Industries							
Bricks & Tiles ..	Th. Nos.	21,264	10,620	11,121	21,264	11,347	11,059
Boatyard ..	Nos.	n.a.	30	31	n.a.	17	22
20. Ceylon Mineral Sands							
Ilmenite ..	Tons	90,000	45,234	40,360	90,000	64,328	55,350
Rutile ..	„	—	—	—	—	—	—
Zircon ..	„	—	—	—	—	—	—
21. Ceylon Steel							
Rolled Products ..	Metric tons	—	—	—	60,000	25,425	24,407
Wire Products ..	Metric tons	—	—	—	12,000	3,343	3,007
22. State Hardware							
Hardware Factory ..	Th. units	3,400	449	427	3,400	1,456	920
Hardware Items ..	Castings	—	—	—	—	—	—
Cast Iron Foundry ..	Tons	—	—	—	—	—	—
Castings ..	„	—	—	—	—	—	—
23. Ceylon Fisheries (d)							
Fish caught ..	Th. lbs.	—	5,980	7,178	—	6,663	6,711
Fish purchased ..	Th. lbs.	—	2,487	—	—	3,134	—
Canning Factory ..	Th. cans.	—	—	—	—	—	—
Boatyard ..	Nos.	—	—	—	—	1	1
By-Products-							
Canned fish ..	Th. lbs.	—	345	333	—	378	366
Fish meal ..	„	—	104	98	—	85	85
Shark liver oil ..	„	—	23	28	—	23	31
Shark Fins ..	„	—	4	—	—	5	—
Ice ..	„	—	—	—	—	—	—

(a) All figures are for financial years of the Corporations (April to March) except for National Milk Board, Petroleum Corporation Refinery and Blending Plant (financial year January to December); Govt. Distillery and Marketing Department Fruit Cannery (financial year October to September). Figures for 1970/71 are Budgeted figures except for National Milk Board where provisional figures for 1970 are given.

1968/69 (a)			1969/70 (a)			1970/71 (a)		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
250,000	58,553	58,553	250,000	71,403	59,395	250,000	151,000	130,150
152,000	40,456	40,456	152,000	38,946	51,780	152,000	130,000	114,115
88,000	4,328	4,328	88,000	25,297	26,846	88,000	44,000	33,950
n.a.	13,368	13,368	n.a.	42,184	42,184	n.a.	47,574	47,574
n.a.	17,194	16,681	n.a.	74,757	74,757	n.a.	78,680	78,680
n.a.	—	—	n.a.	28,316	28,316	n.a.	36,525	36,525
n.a.	27,365	26,683	n.a.	110,514	110,514	n.a.	114,942	114,942
n.a.	—	47,172	n.a.	162,074	162,074	n.a.	132,843	132,843
n.a.	48,123	701	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	1,397	n.a.	n.a.	6,611	6,611	n.a.	8,720	8,720
—	—	—	4,032	3,843	3,843	4,032	3,642	3,642
—	237,945 ^c	173,069	—	157,288 ^c	186,433	—	259,000 ^c	259,000
940	1,004	1,045	940	918	935	940	840	840
1,600	1,338	1,335	1,600	1,082	1,040	1,600	1,200	1,200
300	184	181	300	453	478	300	500	500
500	345	211	500	453	199	500	500	340
5,000	2,900	2,824	5,000	3,233	3,045	5,000	3,600	3,600
175,000	158,367	146,488	185,000	188,221	196,153	200,000	200,000	200,000
100,000	88,265	82,859	100,000	80,115	85,536	100,000	100,000	100,000
—	—	—	—	—	—	220,000	147,500	143,180
19,226	11,797	10,998	21,380	11,616	11,610	21,280	15,280	15,280
—	—	9	—	—	—	—	—	—
90,000	75,986	73,430	90,000	77,356	81,482	91,000	91,000	80,000
10,800	1,967	2	10,800	1,549	2,830	10,800	3,000	3,000
9,500	—	—	9,500	—	—	9,500	600	—
60,000	25,582	18,284	60,000	20,689	24,810	60,000	36,800	34,850
12,000	4,930	3,518	12,000	4,925	5,719	12,000	9,625	9,625
3,400	1,205	847	3,400	1,106	1,182	12,000	1,524	2,115
—	—	—	—	—	—	6,000	2,678	2,287
—	9,976	6,717	—	8,076	4,899	—	13,858	14,602
—	1,808	—	—	1,473	—	—	4,197	—
933	65	n.a.	—	150	—	—	1,800	—
32	32	32	—	—	—	—	—	—
—	640	518	n.a.	874	1,104	n.a.	906	1,025
—	74	61	—	154	195	—	230	299
—	33	35	—	10	5	—	3	3
—	n.a.	—	—	9	—	—	18	—
—	—	—	—	191	—	—	285	—

Source: Data furnished by respective Corporations.

(b) Includes fruit slices, rings, jellies, sauces and soups.

(c) Represents the quantity imported.

(d) Last two years figures are for calendar years.

* Includes the capacity of Tulhriya Textile Mill.

Value of Production, Sales, Profitability and

Corporation ¹	Value of Production ²				Value of	
	1967/68	1968/69	1969/70	1970/71*	1967/68	1968/69
1. National Milk Board	10,629	21,672	45,925	67,256	13,227	24,092
(a) Processing and other	10,629	12,855	19,945	27,632	13,227	17,465
(b) Condensed Milk Factory	—	8,817	17,775	13,700	—	6,627
(c) Powdered Milk Factory	—	—	8,205	25,924	—	—
2. Ceylon Oils & Fats	21,576	33,825	31,751	37,756	18,747	23,225
3. Sri Lanka Sugar ⁵	17,087	16,410	24,701	27,623	21,778	25,232
(a) Kantalai Factory	3,590	7,785	12,542	11,817	10,008	16,713
(b) Gal Oya Factory	13,497	8,625	12,159	15,806	11,769	8,519
4. State Flour Milling	—	3,963	30,581	38,317	—	5,520
(a) Flour	—	3,963	25,638	31,904	—	4,063
(b) By-products	—	n.a.	4,943	6,413	—	1,457
5. National Salts	9,000	8,054	4,472	2,538	7,025	7,543
6. National Textiles	—	—	—	—	51,354	65,028
(a) Manufacturing	—	—	—	—	—	—
Veyangoda Factory	13,596	25,498	34,471	32,603	14,846	13,728
Tulhiriya Factory	—	—	—	—	—	—
Other Projects	—	—	—	—	—	—
(b) Trading ⁷	40,372	46,473	37,712	n.a.	36,508	51,300
7. Ceylon Leather Products	6,548	7,033	6,901	8,749	4,888	6,975
(a) Shoe Factory	4,604	4,716	4,646	6,054	4,412	6,294
(b) Tannery	1,944	2,317	2,255	2,695	476	681
8. Eastern Paper Mills	—	—	—	—	33,970	44,938
(a) Manufacturing	15,268	15,986	22,856	29,036	15,572	28,192
i. Paper Factory	—	—	—	—	—	—
ii. Paper Board Mill Projects	—	—	—	—	—	—
(b) Trading ⁷	6,850	6,500	9,097	12,275	18,398	16,746
9. State Printing	—	—	—	n.a.	—	—
10. Ceylon Plywoods	—	—	—	—	7,839	10,265
(a) Gintota Factory ⁸	5,240	7,392	5,552	7,246	7,839	10,265
(b) Avissawella Factory	—	—	—	—	—	—
11. State Timber	—	3,825	n.a.	n.a.	—	8,217
12. Paranthan Chemicals	—	—	—	—	4,777	5,278
(a) Manufacturing	2,416	2,242	2,262	2,654	2,442	2,390
(b) Trading ⁷	1,111	942	1,745	2,136	2,335	2,888
13. Ceylon Tyre	11,317	18,178	35,088	61,342	8,540	25,838
14. Ceylon Fertilizer	46,346	74,433	52,007	88,889	70,216	104,678
15. Ceylon Petroleum	—	—	—	—	—	—
(a) Refinery	—	57,755	175,419	185,088	—	55,903
(b) Blending Plant	—	—	—	—	—	—
16. Ceylon Ayurvedic Drugs	—	—	1,052	2,420	—	—
17. State Fertilizer Manufacturing	—	—	—	—	—	—
18. Ceylon Ceramics	7,128	8,842	8,204	9,644	10,697	12,982
(a) Negombo Factory	2,663	2,749	2,489	2,635	4,034	4,599
(b) Piliyandala Factory	4,067	5,658	5,231	6,469	5,927	7,589
(c) Kaolin Refinery	398	435	484	540	736	794
19. Ceylon Cement	38,578	54,441	58,753	99,187	39,898	40,121
Kankasanturai factory	28,888	33,257	39,526	42,000	29,656	30,456
Galle factory	9,690	21,184	19,227	24,000	10,242	9,665
Puttalam factory	—	—	—	33,187	—	—
20. National Small Industries	8,662	8,234	7,937	9,806	8,479	7,703
(a) Carpentry Section	4,584	4,149	4,561	5,474	4,624	4,043
(b) Bricks and Tile Factories	2,710	3,005	3,376	4,332	3,393	2,570
(c) Ayurvedic Drugs Factory	1,368	1,080	—	—	462	1,090
21. Ceylon Mineral Sands	1,543	1,769	3,321	3,770	2,503	3,385
(a) Ilmenite factory	1,543	1,155	1,764	2,161	2,503	3,385
(b) By-products factory	—	614	1,557	1,609	—	—
22. Ceylon Steel	—	—	—	—	25,665	26,157
(a) Manufacturing	24,258	31,148	26,599	48,350	25,665	25,461
(b) Trading ⁷	—	—	—	n.a.	—	696
23. Ceylon State Hardware	5,031	5,008	3,618	17,625	2,564	3,122
(a) Hardware Factory	5,031	5,008	3,618	n.a.	2,564	3,122
(b) Cast Iron Foundry	—	—	—	n.a.	—	—
24. Ceylon Fisheries ⁹	6,986	16,043	n.a.	n.a.	8,239	8,779
25. Marketing Department Fruit Canning Factory	1,935	2,877	n.a.	n.a.	1,857	3,704
26. State Distillery	1,510	1,685	2,684	n.a.	1,360	1,618

1. Figures are for accounting years i.e. Industrial Corporations April-March, National Milk Board January-December, Fruit Canning Factory and Government Distillery October-September. The latest figures are budgeted figures except for National Milk Board where actual (provisional) figures for 1970 are given.

2. Value of production ex-factory, value of imports c.i.f.

3. Profit before taxation.

4. Cumulative as at end of financial year...

5. Capital invested refer to total value of assets.

Rupees Thousand

Sales		Profit (+) or Loss (-) ³				Capital Invested ⁴			
1969/70	1970/71*	1967/68	1968/69	1969/70	1970/71*	1967/68	1968/69	1969/70	1970/71*
44,972	75,773	- 1,771**	- 950	- 98	+ 2,306	18,852	23,273	29,702	29,702
17,971	29,287	- 1,771	- 1,400	- 2,300	- 1,500	13,156	14,507	14,507	14,507
20,849	16,179	—	+ 450	+ 775	+ 900	5,696	6,300	5,680	5,680
6,152	30,307	—	—	+ 1,427	+ 2,906	—	1,800	5,576	5,576
27,719	38,763	+ 1,000	+ 4,552	- 2,032	+ 1,007	21,940	27,940	27,615	27,615
29,884	34,650	- 1,598	+ 5,947	+ 11,148	+ 7,921	78,334	81,115	87,123	91,211
15,879	18,235	+ 1,785	+ 8,389	+ 7,243	+ 5,682	22,803	25,081	30,083	33,399
14,005	16,415	- 3,383	- 2,442	+ 3,905	+ 2,239	55,531	56,034	57,040	57,812
n.a.	38,317	—	n.a.	+ 934	+ 434	19,992	25,323	32,942	32,942
25,913	31,904	—	—	—	—	—	—	—	—
n.a.	6,413	—	—	—	—	—	—	—	—
8,909	9,000	+ 2,196	+ 1,964	+ 2,816	+ 2,271	8,300	13,010	15,400	21,818
69,831	n.a.	+ 381**	+ 2,734	+ 3,527	+ 10,776	69,707	98,300	251,761	310,778
25,713	33,432	- 1,427**	+ 2,734	+ 2,274	+ 9,280	50,300	50,300	50,300	50,300
—	—	—	—	—	—	7,248	35,000	186,578	245,595
—	—	—	—	—	—	12,199	12,700	14,883	14,883
44,118	n.a.	+ 1,808**	n.a.	+ 1,253	+ 1,496	—	—	—	—
6,279	10,408	+ 94**	+ 168	- 221	n.a.	6,245	7,147	10,477	12,002
5,410	9,396	n.a.	n.a.	n.a.	n.a.	4,225	4,225	4,225	4,225
869	1,012	n.a.	n.a.	n.a.	n.a.	2,020	2,922	6,252	7,777
43,821	58,861	+ 4,575	+ 8,396	+ 4,175	+ 3,974	29,000	41,228	43,125	92,000
27,246	28,402	+ 1,496	+ 5,540	+ 3,785	+ 2,098	29,000	41,228	43,125	92,000
—	—	—	—	—	—	29,000	29,000	29,000	29,000
—	—	—	—	—	—	—	12,228	14,125	63,000
16,575	30,459	+ 3,079	+ 2,856	+ 390	+ 1,876	—	—	—	—
—	4,200†	—	—	—	+ 1,800	—	n.a.	3,600	6,200
8,446	13,557	+ 70**	+ 1,886	+ 585	+ 1,587	3,456	12,309	76,912	76,912
8,446	13,557	+ 70	+ 1,886	+ 585	+ 1,587	2,800	2,800	2,800	2,800
—	—	—	—	—	—	656	9,509	74,112	74,112
n.a.	n.a.	—	- 612	n.a.	n.a.	—	10,103	n.a.	n.a.
5,510	6,626	+ 269**	+ 336	+ 906	+ 657	11,802	11,802	11,802	11,802
2,462	3,186	- 174	- 622	- 325	- 612	11,802	11,802	11,802	11,802
3,048	3,440	+ 841	+ 958	+ 1,231	+ 1,269	—	—	—	—
26,938	46,109	+ 355**	+ 3,674	+ 3,300	+ 8,823	67,525	67,525	67,525	n.a.
85,830	134,187	+ 3,675	+ 15,910	+ 3,711	+ 7,219	12,099	20,938	27,623	54,596
n.a.	n.a.	—	n.a.	n.a.	n.a.	61,290	103,160	180,000	186,900
20,805	19,307	—	—	+ 3,137	+ 3,070	2,794	4,595	6,000	7,500
1,050	2,417	—	—	+ 136	— 18	—	—	1,367	2,131
—	—	—	—	—	—	715	4,856	n.a.	n.a.
12,028	17,646	+ 3,548**	+ 4,303	+ 3,423	+ 3,501	20,000	20,030	20,030	20,030
4,189	4,500	+ 1,115	+ 1,184	+ 1,079	+ 900	5,000	5,000	5,000	5,000
7,961	12,204	+ 2,217	+ 3,094	+ 2,286	+ 2,499	11,925	11,955	11,955	11,955
878	942	+ 176	+ 25	+ 118	+ 102	3,075	3,075	3,075	3,075
61,720	98,215	+ 13,568**	+ 13,160	+ 27,374	+ 36,562	110,138	170,114	186,223	211,760
41,192	42,000	n.a.	+ 13,070	+ 21,531	+ 19,485	52,120	65,952	88,232	100,152
20,528	24,000	n.a.	+ 90	+ 5,843	+ 5,833	14,489	18,234	15,991	17,608
—	32,215	—	—	—	+ 11,244	43,529	85,928	82,000	94,000
7,714	9,806	- 1,993	- 1,636	- 1,722	- 876	19,021	20,881	24,360	31,127
4,373	5,474	- 748	- 641	- 1,369	- 667	2,378	3,132	2,478	2,575
3,341	4,332	- 975	- 685	- 353	- 209	15,443	16,549	21,882	28,552
—	—	- 270	- 310	—	—	1,200	1,200	—	—
7,087	8,295	+ 192	+ 1,088	+ 2,179	+ 3,146	14,600	14,782	15,930	18,162
4,089	4,297	+ 192	n.a.	—	—	11,100	11,100	11,937	12,820
2,998	3,998	—	n.a.	+ 2,179	+ 3,146	3,500	3,682	3,993	5,342
39,732	61,207	+ 2,923**	+ 2,650	+ 2,567	+ 2,391	117,000	117,000	117,000	118,000
39,732	61,207	+ 2,923	+ 2,880	+ 2,567	+ 2,391	17,000	117,000	117,000	118,000
n.a.	n.a.	—	- 230	n.a.	n.a.	—	—	—	—
4,921	17,055	- 37	- 706	- 4,782	- 624	30,170	36,167	38,040	38,040
4,921	9,763	- 37	- 706	- 3,029	- 988	15,667	16,282	16,133	16,133
—	7,292	—	—	- 1,753	+ 364	14,503	19,885	21,907	21,907
13,167	23,998	- 3,553	- 2,800	n.a.	n.a.	13,632	53,799	84,306	95,306
3,614	n.a.	+ 510	+ 668	n.a.	n.a.	360	n.a.	n.a.	n.a.
2,491	n.a.	- 99	- 18	+ 320††	—	2,158	2,255	2,586	n.a.

Source: Figures furnished by the respective Corporations.

6. Value of production is at ex-saltem except for 1966-67, 1967-68 where wholesale values are given.

7. Value of Production refer to value of imports.

8. Value of production of Tea chests only.

9. Capital expenditure figures for 1969-70 and 1970-71 are for calendar year.

* Provisional † Value of production at wholesale prices.

† Including Sterilized Milk Project.

†† Estimated figures

‡ Total revenue for the year.

** Revised figures based on Auditor General's Reports.

TABLE II (C) 3

State Industrial Corporations-Return on Capital

Rs. Thousand

Corporation	Capital Investment* 1969/70	Profit (+) or Loss (-)	Return on Capital
National Milk Board	Rs. 29,702	- 98	—
Ceylon Oils & Fats	Rs. 27,615	- 2,032	—
Sri Lanka Sugar	Rs. 87,123	+ 11,148	12.79%
State Flour Milling	Rs. 32,942	+ 934	2.84%
National Salt	Rs. 15,400	+ 2,816	18.29%
National Textiles	Rs. 251,761	+ 3,527	1.4%
Ceylon Leather Products	Rs. 10,477	- 221	—
Eastern Paper Mills	Rs. 43,125	+ 4,175	9.68%
State Printing	Rs. 3,600	—	—
Ceylon Plywoods	Rs. 76,912	+ 585	0.76%
State Timber	n. a.	n. a.	—
Paranthan Chemicals	Rs. 11,802	+ 906	7.68%
Ceylon Tyre	Rs. 67,525	+ 3,300	4.89%
Ceylon Fertilizer	Rs. 27,623	+ 3,711	13.43%
Ceylon Ayurvedic Drugs	Rs. 1,367	+ 136	9.95%
State Fertilizer Manufacturing	—	—	—
Ceylon Ceramics	Rs. 20,030	+ 3,483	17.33%
Ceylon Cement	Rs. 186,223	+ 27,374	14.69%
National Small Industries	Rs. 24,360	- 1,722	—
Ceylon Mineral Sands	Rs. 15,930	+ 2,179	13.62%
Ceylon Steel	Rs. 117,000	+ 2,567	2.19%
Ceylon State Hardware	Rs. 38,040	- 4,782	—
Ceylon Fisheries	Rs. 84,306	n. a.	—

* Cumulative.

TABLE II (C) 4

Employment in the State Industries 1966 - 67 to 1970 - 71

Corporation ¹	1966 - 67	1967 - 68	1968 - 69	1969 - 70	1970 - 71*
1. National Milk Board	889	1,241	1,092	1,212	1,354
(a) Processing and distribution ..	889	1,104	910	894	1,014
(b) Condensed Milk Factory ..	—	137	182	213	208
(c) Powdered Milk Factory ..	—	—	—	105	132
2. Ceylon Oils and Fats ..	696	697	722	762	762
3. Sri Lanka Sugar ..	1,104	2,215	2,220	2,234	2,234
4. State Flour Milling ..	—	63	413	425	463
5. National Salt ..	946	1,948	1,309	1,200	1,250
6. National Textiles ..	1,564	1,816	1,954	n.a.	2,748
7. Ceylon Leather Products ..	588	613	688	690	732
8. Eastern Paper Mills ..	1,202	1,333	1,379	1,242	1,614
9. State Printing ..	—	—	n.a.	92	102
10. Ceylon Plywoods ..	769	770	852	1,235	n.a.
11. State Timber ..	—	—	1,228	n.a.	n.a.
12. Paranthan Chemicals ..	263	312	300	317	321
13. Ceylon Tyre ..	760	792	1,095	1,302	1,485
14. Ceylon Fertilizer ..	112	160	212	271	388
15a. Ceylon Petroleum Oil Refinery* ..	—	—	378	477	477
15b. Lubricating Oil Blending Plant ..	—	—	—	66	78
16. Ceylon Ayurvedic Drugs ..	—	—	—	147	147
17. State Fertilizer Manufacturing ..	—	8	33	114	131
18. Ceylon Ceramics ..	829	891	904	978	1,212
19. Ceylon Cement ..	1,366	1,898	1,786	1,689	2,600
20. National Small Industries ..	1,808	1,917	1,880	1,755	2,060
21. Ceylon Mineral Sands ..	101	180	389	550	620
22. Ceylon Steel ..	595	950	953	960	1,000
23. Ceylon State Hardware ..	606	2,210	1,081	1,001	1,055
24. Ceylon Fisheries ..	1,362	1,380	1,308	1,769	n.a.
25. Marketing Department - Fruit Canning Factory ..	150	150	155	170	n.a.
26. State Distillery - Seeduwa ..	71	72	73	73	n.a.

Source: Data Supplied by the Corporations.

Figures are for accounting years; i. e. Industrial Corporations April-March, National Milk Board and Petroleum Corporation January-December, Fruit Canning Factory and Government Distillery October-September.

* Provisional or estimates.

TABLE II (C) 5
Exports by State Industrial Corporations

Corporation	Unit of Production	1966/67		1967/68		1968/69		1969/70		1970/71*	
		Qty.	Value Rs. '000	Qty.	Value Rs. '000	Qty.	Value Rs. '000	Qty.	Value Rs. '000	Qty.	Value Rs. '000
1. Ceylon Oils & Fats	Fatty Acids Tons	—	—	220.0	356.7	1285.0	2275.0	876.3	1588.3	487.9	869.5
	Glycerine Tons	—	—	1.0	0.2	92.0	206.0	149.5	253.2	99.0	152.9
2. Ceylon Leather Products	Shoes '000 pairs	2.0	44.5	—	—	20.0	784.3	3.51	33.3	n. a.	n. a.
	Leather '000 lbs.	5.9	9.8	11.5	13.5	8.0	21.1	—	—	n. a.	n. a.
3. Ceylon Mineral Sands	Ilmenite '000 tons	55.5	1453.2	73.4	2503.0	84.0	3150.0	81.5	4089.0	80.0	4297.7
4. Paranthan Chemicals	Chlorine tons	13.3	15.4	—	—	—	—	—	—	—	—
5. Ceylon Tyre	Tyres Nos.	—	—	—	—	320	38.6	—	—	—	—
	Tubes Nos.	—	—	—	—	320					
	Flaps Nos.	—	—	—	—	120					
6. Ceylon Fisheries	Fish '000 lbs.	—	—	986.6	648.1	826.5	672.3	744.1	631.7	n. a.	n. a.
	Shark Fins '000 lbs.	5.9	44.8	3.7	13.7	10.5	81.2	5.3	38.5	n. a.	n. a.
	Other Prod. '000 lbs.	—	—	41.4	7.1	34.8	70.6	26.3	61.2	n. a.	n. a.
7. Ceylon Plywoods	Veneer Sq. Ft.							9.2	66.2	—	—
	Plywood boards							n. a.	134.8	n. a.	379.02
8. Ceylon Ceramics	Saucers - Doz.	—	—	—	—	—	—	10,750	38	—	—

Source: Data supplied by the respective Corporations.

1. 3,500 pairs of slippers.

2. Actual for the first half

* Provisional.

(A) Food, Beverages and Tobacco**(a) National Milk Board**

The capital investment of the National Milk Board has increased by 28 per cent to Rs. 29.7 million in 1969/70. The Board's total value of production has doubled in 1969/70 and was Rs. 45.9 million as against Rs. 21.6 million in 1968/69. The latter has helped the Board to reduce losses from Rs. 950,000 in 1968/69 to Rs. 98,000 in 1969/70.

(b) Ceylon Oils & Fats Corporation

The value of production in 1969/70 was Rs. 31.7 million compared to Rs. 33.8 million in 1968/69. The capital investment at the end of these two periods was Rs. 27.6 million and Rs. 27.9 million respectively.

Although this Corporation has made profits in 1967/68 and 1968/69, it had incurred a loss of Rs. 2.0 million in 1969/70. After devaluation of the rupee in November 1967 the Corporation was required by Government to maintain prices of animal food at the pre-devaluation level in order to help the livestock industry. The resultant loss was made good by a Government grant and this grant was taken into account in calculating the profits of the Corporation in the previous years. Since 1969/70, the grant has been excluded in the computation of profits and this would have been the major reason for incurring a loss in 1969/70.

The Corporation continued to earn foreign exchange from the export of fatty acids and glycerine. In 1969/70 the export of 876 tons of fatty acid earned Rs. 1.6 million in foreign exchange while the earnings from 149.5 tons of glycerine were Rs. 253,200.

(c) Sri Lanka Sugar Corporation

The capital investment of the Corporation increased by Rs. 6 million to Rs. 87.1 million in 1969/70. Of this increase, Rs. 5 million was on the Kantalai factory and Rs. 1 million was on the factory at Gal Oya. The value of output increased from Rs. 14.4 million in 1968/69 to Rs. 24.7 million in 1969/70.

At Kantalai the output and quantity of sugar sold increased by 1,825 tons to 5,478 tons in 1969/70. The output of spirits declined from 832,000 to 768,000 proof gallons and sales declined from 795,000 to 770,000 proof gallons. The value of sugar and spirits sold decreased from Rs. 16.7 million to Rs. 15.9 million in 1969/70. The overall profits of the Kantalai factory decreased from Rs. 8.4 million in 1968/69 to Rs. 7.2 million in 1969/70.

At Gal Oya, output of sugar declined from 4,700 tons in 1968/69 to 3,700 tons in 1969/70. The production of spirits on the other hand increased from 473,000 to 673,000 proof gallons and the sales quantity increased from 317,000 to 636,000 proof gallons. The value of spirits produced increased from Rs. 8.6 million to Rs. 12.2 million in 1969/70.

In 1969/70, as in the past, the Corporation was able to offset its loss on sugar from the revenue on spirits. In 1969/70 the overall profits of the Corporation were Rs. 11.1 million.

From the very beginning, the sugar industry in Ceylon has been confronted with difficulties resulting from faulty planning and management. Profits from sugar alone cannot be made unless adequate supplies of cane with a higher sugar content are assured; but the more remunerative production of spirits has, however, enabled the Corporation to more than offset the losses incurred on Sugar.

(d) State Flour Milling Corporation

The total capital investment has increased by Rs. 7.6 million to Rs. 32.9 million in 1969/70. Production has recorded a marked increase from 11,031 tons of flour and other products in 1968/69 to 56,591 tons in 1969/70. However, this is below the maximum capacity of 70,000 tons per year. The Corporation made a profit of Rs. 934,000 in 1969/70.

(e) National Salt Corporation

The total production of salt in 1969/70 increased by 11,900 tons or 11 per cent over the previous year and profits have increased by about 43 per cent from Rs. 1.9 million in 1968/69 to Rs. 2.8 million in 1969/70. The increase in production as well as in profits was probably due to favourable weather conditions and to the 12 per cent increase in investment from Rs. 13.0 million in 1968/69 to Rs. 15.4 million in 1969/70. Increased profits were made despite the heavy unsold stock carried over from the past two years which the Corporation expects to sell in 1970/71.

(B) Textile, Wearing Apparel and Leather Industries

(a) National Textile Corporation

The total capital investment of this Corporation has increased by Rs. 154 million from Rs. 98.3 million in 1968/69 to Rs. 251.8 million in 1969/70. Of this increase, Rs. 152 million has been expenditure on the new textile mill at Tulhiriya which has not yet been completed. Although there has been no additional investment on the Veyangoda textile complex in the last few years, production of yarn and textiles has increased considerably and the capital output ratio of this plant has improved from 2 in 1968/69 to 1.4 in 1969/70.

The Corporation made a profit of Rs. 3.5 million in 1969/70 as against Rs. 2.7 million in 1968/69. Of this Rs. 1.3 million has been made from its trading activity.

The Corporation has plans to establish mills at Minneriya and Ambalangoda. The construction of a textile mill at Pugoda which was earlier abandoned has once again been revived. The Corporation continued to engage in the cultivation of cotton but no data is available on this activity.

(b) Ceylon Leather Products Corporation

The total investment of this Corporation increased by about 48 per cent from Rs. 7.1 million in 1968/69 to Rs. 10.5 million in 1969/70. The output of shoes increased from 275,000 pairs to 281,000 pairs and the output of chrome leather from 667,000 sq. ft. to 688,000 sq. ft. while the output of bark and other leather declined from 364,000 lbs to 358,000 lbs in 1969/70.

The Corporation continued to face stiff competition from the private sector and its sales fell from 253,000 pairs in 1968/69 to 229,000 pairs in 1969/70. However, it increased earnings from Rs. 452,000 to Rs. 571,000 in 1969/70 from the sale of miscellaneous items although the total value of sales of all products declined from Rs. 6,975,000 in 1968/69 to Rs. 6,279,000 in 1969/70. The Corporation incurred a loss of Rs. 221,000 in 1969/70 as against a profit of Rs. 168,000 in 1968/69.

(C) Paper and Paper Products, Printing and Publishing

(a) Eastern Paper Mills Corporation

The total capital investment increased slightly in 1969/70 from that of the previous year. The production of paper at the Valaichenai factory which declined in 1968/69, increased in 1969/70. The paper imports which have been falling since 1966/67 due to import curtailment and availability of surplus stocks recorded a further fall in 1969/70.

The profits recorded a sharp fall from Rs. 8.4 million in 1968/69 to Rs. 4.2 million in 1969/70.

(b) State Printing Corporation

The State Printing Corporation was set up primarily to cater to the increasing printing requirements of the government. The total capital investment in 1969/70 amounted to Rs. 3.6 million and it is expected to rise to Rs. 6.2 million in 1970/71. The Corporation did not undertake any printing work during the year ended 31st March, 1970 since the installation of the machinery had not been completed.

(D) Wood and Wood Products

(a) Ceylon Plywoods Corporation

The total production of this Corporation in 1969/70 has been less than in the previous year. The value of production has fallen from Rs. 7.4 million in 1968/69 to Rs. 5.6 million in 1969/70 and consequently profits too have fallen from Rs. 1.9 million to Rs. 0.6 million in the same period. However, the Corporation's total capital investment has increased from Rs. 12.3 million in 1968/69 to Rs. 76.1 million in 1969/70. This increase is due to an outlay of Rs. 64.6 million in 1969/70 on the wood manufacturing complex at Avissawella which has not been completed yet.

The Corporation has been making efforts to build up an export market for its veneer in luxury timber like satin, mahogany, kirihambiliya and hulanhik. During the financial year 1969/70, veneer and plywoods to the value of Rs. 201,000 have been exported; and in the period April 1970 to September 1970 plywood exports were worth Rs. 379,000. The Corporation's profits in 1969/70 fell far below the budgeted surplus of Rs. 2 million.

(b) State Timber Corporation

The State Timber Corporation which was established in 1968 undertook the extraction, sawing and the sale of timber, the construction of roads and the establishment of mechanised units to facilitate timber extraction. It also took over from the Forest Department all contracts for extraction of timber entered into by the Conservator of Forests with private contractors, all equipment used by the Forest Department for the extraction of timber, saw mills, timber impregnation plants, seasoning kilns and timber sales depots.

Data on actual performance for 1969/70 and the budgeted figures for 1970/71 were not made available.

(E) Chemicals, Petroleum, Rubber and Plastic Products*(a) Paranthan Chemicals Corporation*

In 1969/70 the production of caustic soda and chlorine was less than in 1968/69 and below the target while the production of table salt was higher than in 1968/69. The Corporation continued to import caustic soda. On manufacturing, the Corporation has incurred a loss of Rs. 0.3 million in 1969/70 as against a loss of Rs. 0.6 million in 1968/69; while on trading, mainly caustic soda imports, it has increased its profits from Rs. 958,000 to Rs. 1,231,000. Consequently, the Corporation has been able to increase its overall profit from Rs. 336,000 in 1968/69 to Rs. 906,000 in 1969/70.

The total capital investment of the Corporation has remained at Rs. 11.8 million in 1969/70 as in the preceding years.

(b) The Ceylon Tyre Corporation

The capital investment of this Corporation has remained at Rs. 67.5 million since 1966/67. Production of tyres and tubes in 1969/70 fell far short of the budgeted targets. Capacity utilisation has been low and this can be attributed to the fact that production was limited to 6 tyre sizes. As production is restricted to meet the local demand for particular sizes, capacity utilisation will remain low unless an export market is found. In the case of tubes, production had to be curtailed due to slow movement of existing stocks as tubes cannot withstand long storage. Low capacity utilisation could also be attributed to the dearth of trained skilled personnel, particularly assembly operators in the production department.

The Corporation has not been able to export any of its products in 1969/70. The profits of the Corporation have fallen slightly from Rs. 3.7 million in 1968/69 to Rs. 3.3 million in 1969/70.

(c) Ceylon Fertilizer Corporation

The total capital investment in 1969/70 increased to Rs. 27.6 million from Rs. 20.9 million. In 1969, the Corporation imported less fertilizer than in the previous year but expects to increase its imports in 1970/71 due to the higher targets fixed by the Ministry of Agriculture.

The profits of the Corporation have fallen to Rs. 3.7 million in 1969/70 from Rs. 15.9 million in 1968/69.

(d) *The Ceylon Petroleum Corporation*
Oil Refinery

The total outlay on the Refinery has increased by about Rs. 77.0 million to Rs. 180.0 million in 1969/70 while production of the refinery too has correspondingly increased by Rs. 117.7 million to Rs. 175.4 million in the same period. The profit and loss figures of the operation of the refinery were, however, not available.

In 1970, the refinery exported naptha, fuel oil and bunkers worth about Rs. 23 million in foreign exchange. In 1971, it expects to increase its exports to the value of about Rs. 39 million.

The refinery has been able to meet the entire petroleum requirements of Ceylon and in 1970 started production of liquid petroleum gas (L.P.G.)

Lubrication Oil Blending Plant

Prior to the establishment of the Lubricating Oil Blending Plant lubricants which had to be imported involved higher costs for packaging and higher differential rates for freight. The total investment in this Plant rose from Rs. 4.6 million in 1968/69 to Rs. 6.0 million in 1969/70.

The Blending Plant, with a production capacity of 4,032,000 gallons, produced 3,843,470 gallons of lubricating oil in 1969/70 and made a profit of Rs. 3.1 million.

(e) *The Ceylon Ayurvedic Drugs Corporation*

This Corporation which was established in 1969 took over the activities of the Ayurvedic drugs manufacturing unit of the National Small Industries Corporation in July 1969 and its operations now include the manufacture, import and sale of Ayurvedic, Siddha, and Unani drugs and conducting research.

The capital investment in 1969/70 was Rs. 1.4 million and the value of production in the same year was Rs. 1.1 million. The Corporation made a profit of Rs. 136,000 in 1969/70.

(f) *The Ceylon State Fertilizer Manufacturing Corporation*

This Corporation which was established in 1966 is expected to set up a Urea factory with a capacity of 285,000 tons per annum. The total outlay on preliminary site work as at end of 1969/70, was Rs. 4.9 million. The Corporation is expected to utilise naptha obtained from the Oil Refinery of the Petroleum Corporation in the manufacture of fertilizer. The Plant is expected to be commissioned in 1975.

(F) Non-Metallic Mineral Products (except Petroleum Products)

(a) *Ceylon Ceramics Corporation*

The total capital investment of the Corporation has remained at Rs. 20.03 million in the last three years. The value of production has fallen slightly from Rs. 8.8 million in 1968/69 to Rs. 8.2 million in 1969/70 while profits fell from Rs. 4.3 million to Rs. 3.4 million.

The Corporation's output of sanitaryware exceeded the target by 15 per cent while the profit from this activity exceeded the target by about 63 per cent mainly due to the increase in production and better utilisation of resources. Profits from Kaolin fell below budgeted figures due to the high cost of Dediya-wela clay which had to be purchased on a tender basis.

(b) *Ceylon Cement Corporation*

In 1969/70, the total capital investment of the Corporation has increased by Rs. 22.3 million to Rs. 186.2 million. The entire increase of this investment has been utilised in the Kankesanturai factory. The Corporation's total turnover from the two plants at Kankesanturai and Galle has increased to 268,336 tons in 1969/70 from 240,632 tons in 1968/69. In 1969/70, the output of cement and clinker at the Kankesanturai factory was 188,221 tons and 244,096 tons respectively; the factory at Galle had a turnover of 80,115 tons of cement. The Corporation recorded a 100 per cent increase in profits from Rs. 13.2 million in 1968/69 to Rs. 27.4 million in 1969/70, even though the increase in sales was only 40 per cent. At the Galle factory alone, profits have increased from Rs 0.9 million in 1968/69 to Rs. 5.8 million in 1969/70.

(c) *National Small Industries Corporation*

In 1969/70 the total capital investment in this Corporation was Rs. 24.4 million, an increase of Rs. 5.5 million over the previous year. This increase represents the additional investment made on the brick and tile factory. The value of total production (including ayurvedic drugs) has fallen from Rs. 8.2 million in 1968/69 to Rs. 7.9 million in 1969/70, but value of sales has remained unchanged at Rs. 7.7 million. In 1969/70, the Corporation's output of tiles has increased by 497,338, the output of bricks has declined by 518,016 and other clay products increased by 461,292 as compared with the output in 1968/69.

The Carpentry Section has been incurring recurring losses over the last decade due to the unrealistic prices on intra-government sales. Standard items of furniture are supplied to Government Departments at prices fixed by the Treasury Price Fixing Committee based on the price structure awarded to the Department of Rural Development and Small Industries and are less than prime cost. The income from the furniture manufactured at the Corporation's Carpentry Workshops which had declined in 1968/69 has shown an improvement in 1969/70 but the loss incurred on this activity has increased.

The Corporation which has been incurring heavy losses during the past few years has incurred a further loss of Rs. 1.7 million in 1969/70 which is more than the previous year's loss.

(d) *Ceylon Mineral Sands Corporation*

The total capital investment was Rs. 15.9 million in 1969/70 as against Rs. 14.8 million in 1968/69. The Corporation increased its production of ilmenite from 75,986 tons in 1968/69 to 77,356 tons in 1969/70 and also increased its exports of ilmenite from 73,430 tons in 1968/69 to 81,482 tons in 1969/70. Foreign exchange earnings rose from Rs. 3.39 million to Rs. 4.09 million.

The Corporation produced 1,549 tons of rutile in 1969/70 as against 1,967 tons in 1968/69 but while no rutile was exported in 1968/69 the Corporation was able to export 2,830 tons in 1969/70. The Corporation was not able to commence production of zircon as anticipated until September, 1970. The higher production and turnover of ilmenite and the sale of higher priced rutile has enabled the Corporation to increase profits from Rs. 1.1 million in 1968/69 to Rs. 2.2 million in 1969/70.

(G) Basic Metal Industries

(a) Ceylon Steel Corporation

The Corporation's capital investment has remained at Rs. 117.0 million in the last few years. The production of rolled sections which increased in 1968/69, recorded a fall in 1969/70. The output of wire products which increased in 1968/69 recorded a marginal fall in 1969/70, probably due to prolonged labour unrest. Sales of rolled sections and wire products, however, increased in 1969/70. The Steel Rolling Mill and the Wire Mill with an annual capacity of 60,000 tons and 12,000 tons per annum respectively continued to operate well below capacity.

In 1969/70, the Corporation made a profit of Rs. 2.6 million and was able to maintain profits at the level in previous years. The profit and loss figures on the trading activities of the Corporation in 1969/70, were not available separately but in the previous year the Corporation incurred a loss of Rs. 230,000 on trading.

(H) Fabricated Metal Products, Machinery and Equipment

(a) Ceylon Hardware Corporation

The capital investment of this Corporation rose to Rs. 38.0 million in 1969/70 from Rs. 36.2 million in the previous year. The value of production has fallen from Rs. 5.0 million in 1968/69 to Rs. 3.6 million in 1969/70. Despite this sales have increased from Rs. 3.1 million to Rs. 4.9 million in the same period. In 1969/70, the Corporation incurred a record loss of Rs. 4.8 million compared to the loss of Rs. 0.7 million in the previous year.

The Corporation's output of mammoties in the period January/September 1970, was 33,700 while the output for the corresponding period in 1969 was 64,100. Labour unrest was the major cause of the heavy fall in production, work slowed down and production of mammoties fell from 800 to 200 per day. However, after mid 1970 labour problems were resolved and production increased to 1,000 per day.

(I) Fishing

(a) Ceylon Fisheries Corporation

In 1969/70, the total investment of the Corporation has increased by 57 per cent or Rs. 30.6 million to Rs. 84.3 million. The amount of fish caught has declined from 9.9 million pounds in 1968/69 to 8.1 million pounds in 1969/70. Total sales have increased from Rs. 8.8 million in 1968/69 to Rs. 13.2 million in 1969/70. Over the last few years this Corporation has been incurring heavy losses and the loss in 1969/70 has not yet been assessed.

The Corporation has been exporting a variety of fish including lobsters to Malaysia, Singapore, Hong Kong and Japan. In 1968/69, the total quantity exported was 871,800 pounds for Rs. 824,000 in foreign exchange. The total quantity exported in 1969/70 was 775,700 pounds for Rs. 731,400.

(J) Construction

(a) State Engineering Corporation

The total capital investment has increased from Rs. 26.6 million in 1968/69 to Rs. 33.3 million in 1969/70.

The Corporation undertook Rs. 59.7 million worth of contracts in 1969/70 and the value of contracts outstanding at the end of the year was Rs. 161.9 million. Its income in 1969/70 was Rs. 8.7 million as against Rs. 8.1 million in 1968/69. However its profits have fallen sharply from Rs. 2.7 million in 1968/69 to Rs. 0.6 million in 1969/70.

TABLE II (C) 6
State Engineering Corporation ^{a b}

		1965 - 65	1966 - 67	1967 - 68	1968 - 69	1969 - 70
1. Capital invested	Rs.'000	3,270	19,655	29,330	26,588	33,299
2. Value of assets	Rs.'000	56,620	79,100	95,250	30,646	38,732
3. Output	Rs.'000					
i. Value of contracts undertaken during year		22,900	140,200	46,685	95,346	59,703
ii. Value of consulting and other services provided during year		150	160	210	72	—
iii. Value of contracts outstanding at the end of year		61,449	179,500	198,500	96,077	161,855
4. Income	Rs.'000	24,376	20,540	36,108	8,118	8,701
i. Construction and consultancy		24,369	20,527	36,082	6,265	7,466
ii. Other		7	13	26	1,853	1,235
5. Expenditure	Rs.'000	20,372	26,600	32,000	5,425	5,621
6. Profit (+)/ Loss (-) ^d	Rs.'000	-1,096†	-891†	-3,700†	+2,693	+610
7. Employment	Nos.	5,612	6,548	11,616	12,123	15,533
i. Labour		4,998	5,444	10,116	10,927	13,610
ii. Other		614	1,104	1,500	1,196	1,923

Source: Data furnished by the State Engineering Corporation.

- a. Figures for 1969—70 are provisional.
- b. For Accounting years April—March.
- c. Cumulative as at end of year
- d. Before taxation
- e. As at end of year
- † Revised figures based on Auditor Generals Reports

3. AGRICULTURAL SECTOR

(a) Ceylon State Plantations Corporation

The Ceylon State Plantations Corporation managed fifteen estates and four factories during the year 1968/69.

TABLE II (C) 7
State Plantations Corporation^(a)

Items	1965 - 66	1966 - 67	1967 - 68	1968 - 69	1969 - 70
1. Capital Invested (Rs. '000)	33,542	39,185	32,000	36,257	38,713
On Plantations	28,378	34,000	25,000	29,238	31,683
On Factory	5,164	5,185	7,000	7,029	7,030
2. Plantations					
Number	12	12	15	15	14
Acreage	8,654	8,654	14,734	14,249	13,691
Acreage Planted	5,565	5,513	6,719	9,698	9,978
Revenue (Rs. '000)	1,841	3,193	5,184	4,744	4,596
Profit (+) or Loss (-) (Rs. '000)	+ 111	- 350	+ 725	+ 11	- 16
Employment	6,631	6,441	8,594	7,389	6,601
3. Factories					
Number	3	3	4	4	4
Revenue (Rs. '000)	2,107	1,458	1,125	4,175	3,080
Profit (+) or Loss (-) (Rs. '000)	- 33	- 134	- 77	- 109	- 145
Employment	215	192	356	351	262
4. Total Corporation					
Total Revenue (Rs. '000)	3,948	4,651	6,309	8,919	7,677
Profit (+) or Loss (-) (Rs. '000)	+ 86†	+ 16†	+ 295†	- 97	- 161
Employment	6,846	6,633	8,950	7,740	6,863

Source: State Plantations Corporation

(a) Figures are for accounting years October to September, 1969 - 70 figures are provisional.

(b) Cumulative as at end of accounting year.

(c) Profit before Tax.

† Revised figures based on Auditor General's Report.

Capital investment in the Corporation increased from Rs. 33.5 million in 1965/66 to Rs. 39.2 million in 1966/67. It declined to Rs. 32.0 million in 1967/68, and again increased to Rs. 36.3 million in 1968/69. In 1969/70 capital investment stood at Rs. 38.7 million of which Rs. 31.7 million was on plantations and Rs. 7,030,000 was on factories.

Rubber, coconut and cocoa estates of the Corporation made profits partly because the prices of these products were maintained at satisfactory levels. The results from the tea estates of the Corporation were generally unsatisfactory partly because prices declined. The estate at Pelawatte incurred a loss of Rs. 127,782. This was because the factory could not operate for nine months due to a breakdown in two of the three engines, due to shortage of labour, poor out-turn and low tea prices. Yahalatenne/Deppitiya was managed by the Corporation till it was subsequently handed over to the Land Commissioner for alienation to peasants.

4. SERVICES SECTOR

The Services Sector in Public Enterprise includes Corporations, Boards and several Government Departments. The total investment in these corporations and the Ceylon Government Railway (excluding other Government Departments) was Rs. 2,830.0 million in 1969/70 as against Rs. 2,634.2 million in 1968/69 representing an increase of 7.4 per cent. Total employment in 1969/70 had increased from 144,336 to 150,645.

In 1969/70 their total expenditure amounted to Rs. 1,731.1 million as against Rs. 1,615.6 million in 1968/69.

(A) Electricity Gas and Water

(a) Ceylon Electricity Board

The Ceylon Electricity Board was established on 1st November, 1969 and the year 1970 was the first full year of its operation. Although the Board's financial year ended on 31.12.1970, it has been possible to obtain data only for the period 1st November 1969 to 31st October, 1970.

TABLE II (C) 8

		1965 - 66	1966 - 67	1967 - 68	1968 - 69	1969 - 70
I. Ceylon Electricity Board (a)						
1. Capital Invested (b)	Rs '000	525,600	579,400	649,800	741,900	784,000
2. Capacity	M. W.					
i. Installed capacity		195.0	181.0	181.0	262.0	262.0
(a) Hydro Power		110.0	111.0	111.0	192.0	192.0
(b) Thermal Power		85.0	70.0	70.0	70.0	70.0
ii. Effective capacity		154.0	154.3	168.5	222.5	n. a.
3. Power generated and sold	Mn. Kwt.					
i. Units generated		477.6	560.8	594.4	708.3	772.0
ii. Units available (c)		468.9	547.3	581.4	696.1	767.0
iii. Units lost in transmission etc.		61.4	75.5	70.4	122.3	119.0
iv. Units sold		407.5	471.7	511.0	573.0	648.0
4. Electricity sales	Mn. Kwt.	407.5	471.8	511.1	573.7	648.0
i. Domestic		45.2	27.9	53.2	57.0	60.0
ii. Commercial		67.5	71.8	77.8	77.6	85.0
iii. Industrial		162.4	224.5	250.5	284.9	329.0
iv. Local authorities		106.9	123.1	121.8	143.9	161.0
v. Other (d)		25.5	4.5	7.8	10.3	13.0
5. Total Revenue	Rs '000	58,300	64,900	73,200	81,800	95,940
i. Electricity sales		53,700	61,600	69,800	76,000	92,700
ii. Other		4,600	3,300	3,400	5,800	3,240
6. Plant Utilization Factor (e)	Percent	28.1	35.3	39.4	30.3	33.7
7. Total Expenditure of which-	Rs '000	44,300	53,100	64,100	72,200	n. a.
i. Generation		4,700	6,400	10,300	12,200	n. a.
ii. Transmission		2,700	3,000	3,300	3,900	n. a.
iii. Distribution		3,200	3,400	3,500	4,600	n. a.
iv. Overheads (f)		6,300	6,800	8,500	10,900	n. a.
v. Interest and annuities		27,400	33,500	38,500	40,800	n. a.
8. Profit (+) or Loss (-) (g)	Rs '000	+7,565†	+8,954†	+8,548†	+9,200	n. a.
9. Employment (h)	Nos.	5,630	5,690	5,869	5,871	7,650

Source: Data furnished by the Board.

- a. For accounting years October-September. Figures from 1969-70 onwards are provisional.
b. Cumulative as at end of year.
c. Units generated less units used in stations.
d. Including Gal Oya Development Board, Public lighting etc.
e. Average ratio of Plant utilization. (f) Head Office etc. (g) Before taxation.
h. As at end of year.
†. Revised figures based on Auditor General's Reports.

Capital investment increased from Rs. 741.9 million in 1968/69 to Rs. 784.0 million in 1969/70. Total expenditure at the end of 1968/69 was Rs. 72.2 million as against Rs. 64.1 million in 1967/68, while total revenue was Rs. 81.8 million in 1968/69 as against Rs. 73.2 million in 1967/68. The Board has increased its profits from Rs. 8.5 million in 1967/68 to Rs. 9.2 million in 1968/69.

(b) *Water Resources Board*

Certain basic data relating to the Water Resources Board which is an advisory body under the Ministry of Planning and Employment are given in Table II (C) 9 below.

TABLE II (C) 9

Water Resources Board (a)	1966-67	1967-68	1968-69	1969-70	1970-71
1. Capital Receipts (b) Rs. '000	245	76	300	300	300
2. Income „	245	76	335	370	370
3. Expenditure „	165	240	274	370	370
4. Surplus (+) or Deficit (-) (c),	+135	-165	+64	—	—
5. Employment (d) (Nons.)	15	20	28	28	28

Source: Data Furnished by the Board.

- (a) For accounting years October-September. Figures from 1969-70 onwards are provisional.
 (b) As grants.
 (c) Income less expenditure
 (d) As at end of year.

(B) *Transport, Storage and Communications*

(a) *Ceylon Government Railway*

The total investment at the end of the financial year 1968/69 of Rs. 665.7 million is estimated to have increased by approximately Rs. 30 million to Rs. 696 million at the end of 1969/70.

The number of passengers carried is estimated to have increased by 1.5 million in 1969/70 as compared to an increase of 4 million in the previous year. Passenger mileage in 1969/70 shows a greater increase than in 1968/69 while the increase in passenger receipts from Rs. 57 million to Rs. 60.5 million in 1969/70 is less than in the previous year.

Despite the competition from road transport, the volume of goods traffic has shown a marginal increase of 0.2 million tons. Ton-mileage of goods shows an increase of 5 million tons as compared to the decrease of 1.5 million tons in the previous year and total revenue from goods transport has also recorded an increase.

Total estimated revenue of the railway shows an increase of Rs. 7.4 million which is higher than in the previous year while total expenditure has increased by Rs. 5 million. The greater increase in total revenue has enabled the railway

to reduce its overall loss by Rs. 2.3 million to Rs. 55.1 million. The overall loss of the railway has fluctuated from Rs. 50.3 million in 1965/66 to Rs. 46.2 million in 1966/67 and reached a peak of Rs. 57.4 million in 1968/69.

(b) *Ceylon Transport Board*

Certain salient features of the Board's operations during the four years ending 1969/70 and the estimates for 1970/71 are shown in Table II (C) 10.

Total capital investment by the Board increased by Rs. 48 million to Rs. 315.4 million in 1969/70. Of this Rs. 251.8 million was in respect of vehicles and the balance Rs. 63.6 million was on garages, depots, shelters, etc.

The vehicle fleet owned by the Board increased by 445 to 6,326 in 1969/70. The operational stock of buses increased by 1,066 and the effective available stock by 599.

The scheduled mileage in 1969/70 increased by 19.6 million miles while the operated mileage increased by 16.4 million miles. Lost mileage caused by breakdowns and non-availability of crew at required times increased by 10.3 million miles to 42.8 million miles. Dead mileage due to empty travel of buses from garages to starting point etc., was reduced from 1.9 million miles in 1968/69 to 1.5 million miles in 1969/70.

The total number of passengers carried, which had been increasing steadily over the years, rose to 1,356.7 million in 1969/70. While the total seat miles increased in 1969/70 by 690.2 million the total passenger-miles increased by 237.9 million. This resulted in a slight decrease in the load factor (the ratio of passenger miles to capacity seat miles) from 61.5 per cent in 1968/69 to 60 per cent in 1969/70. The average vehicle utilisation representing the number of miles operated by a bus per day which had remained at the same level from 1966/67 to 1968/69 declined in 1969/70 from 157 to 154 miles per day.

Employment at the Board had been increasing rapidly over the past years. In 1966/67 workforce was 32,165 and in 1968/69 was 40,097. In 1969/70 employment increased by 1,328 to 41,425. The increase in employment has been greater than the increase in buses operated. In 1966/67 the number of employees per bus on available effective fleet was on an average 8.2 and in 1969/70 was 9.0.

The revenue of the Board increased by Rs. 8.3 million to Rs. 287.8 million and expenditure increased by Rs. 29.9 million to Rs. 322.1 million in 1969/70. The greater increase in expenditure offset the increase in revenue and resulted in the Board operating at a loss of Rs. 34.2 million in 1969/70 as against a loss of Rs. 13.2 million in 1968/69 and a loss of Rs. 7.2 million in 1967/68.

(c) *Air Ceylon Limited*

The value of assets which increased to Rs. 31,960,000 in 1968/69 declined to Rs. 29,715,000 in 1969/70.

In 1968/69 the number of passengers carried by Air Ceylon declined by 2,214, the tonnage of goods carried fell by 27 tons, and the passenger mileage declined by 958. The load-factor showed an increase on the internal services and in terms of total revenue in 1968/69 was expected to show a profit. But total expenditure in 1968/69 according to estimates has increased and the final outturn was a decline in profits. During the year 1969/70, there was an appreciable increase in the frequency, both in the international and internal services, hence the estimated increase in passengers and goods carried. However, this increase was not proportionate to the increase in the capacity made available through the increase in frequencies.

According to estimates for 1969/70 total revenue shows an increase from Rs. 10,565,000 in 1968/69 to Rs. 19,761,000 in 1969/70. Total expenditure shows an appreciable increase of Rs. 15,484,000 due to the payment of FEECs on the import of aircraft spares, etc., and the increase in maintenance and other operational costs with the introduction of the Trident Jet Aircraft in September 1969 and the increase in the wage bill. The greater increase in expenditure has offset the increase in revenue resulting in a loss of Rs. 5.5 million in 1969/70 as against an estimated profit of Rs. 742,000 in 1968/69.

(d) *Colombo Port Commission*

The estimated capital investment by the Port Commission on the basis of a 1955 valuation of assets amounted to Rs. 326.8 million in September, 1970. With the development work in the current year it is expected to rise to Rs. 348.8 million. A substantial portion of this investment has been in the Port of Colombo.

Revenue which had declined slightly in 1966/67 and had risen appreciably from Rs. 33.8 million to Rs. 36.3 million in 1967/68 continued to follow an upward trend in 1968/69 and 1969/70 when it amounted to Rs. 44.3 million.

Working expenditure for 1969/70 which has also shown an increase is expected to record a further rise in 1970/71 due to increased maintenance cost resulting from higher cost of material on account of FEECs and the devaluation of the rupee, to the payment of higher wages and overtime to employees on consolidated salaries and increased cost of free meals supplied to port workers.

The increase in revenue in 1969/70 has been offset by a greater increase in working expenditure with the result the Commission has recorded an overall deficit of Rs. 4.4 million as against a profit of Rs. 6.6 million in 1968/69. However, in the case of the Colombo Port revenue exceeded working expenditure in 1969/70.

(e) *Port (Cargo) Corporation*

Certain salient aspects on the operations of the Corporation during the last five financial years (August to July) are shown in Table II (C) 10.

The capital investment of the Corporation at the end of July 1970 was Rs.66.2 million representing an increase of approximately Rs. 2 million over the previous year. This increase was in respect of the Trincomalee Port.

Transport,

Ceylon Government Railway^a		1965/66	1966/67	1967/68	1968/69	1969/70 ^a
1. Capital Invested (Rs. '000)	..	592,900	614,300	639,132	665,679	696,000
2. Track Mileage (Miles)	..	1,043	1,053	1,053	1,076	1,076
3. Vehicles (Nos.)	..	8,204	8,067	7,353	7,484	7,484
(a) Locomotives	..	357	355	344	393	393
(b) Carriages	..	7,847	7,712	7,009	7,091	7,091
4. Traffic Carried						
(a) Passengers (Mln.) ^d	..	74.7	78.7	81.5	85.5	87.0
(b) Goods (Mn. tons) ^e	..	1.7	1.8	1.8	1.8	2.0
5. Traffic Mileage						
(a) Passenger Mileage (Mn. passenger miles)	..	1536.9	1584.9	1678.3	1781.2	1900.0
(b) Goods Mileage (Mn. ton miles)	..	212.1	211.9	221.5	220.0	225.0
6. Total Revenue (Rs. '000)	..	99,900	102,100	108,769	109,680	117,041
(a) Passengers	..	48,900	50,600	53,944	57,031	60,526
(b) Goods	..	43,700	43,300	44,154	43,913	46,337
(c) Other	..	7,400	8,200	8,671	8,736	10,178
7. Total Expenditure (Rs. '000) ^f	..	150,200	148,300	168,444	167,118	172,164
8. Profit (+) or Loss (-) (Rs. '000) ^g	..	-22,368 ^h	-22,869 ^h	-22,900	-30,998	-27,023
(a) On working	..	-22,368 ^h	-22,869 ^h	-22,900	-30,998	-27,023
(b) Overall	..	-50,244	-46,164	-47,666	-57,438	-55,122
9. Employment						
(a) Employed Number	..	27,252	26,038	24,965	23,826	23,826
(b) Total Wage Bill (Rs. '000)	..	83,400	82,600	87,250	98,576	99,000
Ceylon Transport Board^a		1966/67	1967/68	1968/69	1969/70	1970/71 ^a
1. Capital Invested ^a (Rs. '000)	..	235,015	246,110	267,369	315,447	394,676
(a) Vehicles	..	188,799	195,349	211,506	251,804	300,053
(b) Other	..	46,216	50,761	55,863	63,643	94,623
2. Vehicle Fleet (Nos.)						
(a) Owned	..	5,056	5,457	5,881	6,326	7,326
(b) Operating Stock	..	4,363	4,721	5,110	6,176	6,804
(c) Available Effective	..	3,937	3,772	4,077	4,676	5,304
(d) Required	..	4,167	3,939	4,085	4,309	5,126
(e) Operated Average	..	3,599	3,700	3,935	4,170	4,972
3. Mileage (Mn. Miles)						
(a) Scheduled	..	222.0	239.4	249.9	269.5	322.8
(b) Operated	..	205.9	211.2	217.4	233.8	277.6
(c) Lost	..	21.3	28.2	32.5	42.8	49.4
(d) Dead	..	2.3	2.3	1.9	1.5	1.6
4. Capacity Utilization						
(a) Total Seat Miles (Mn. miles)	..	10,868.6	11,386.8	11,643.5	12,333.7	13,990.4
(b) Total Passengers carried (Mn. nos.)	..	1,144.8	1,250.1	1,313.6	1,356.7	1,400.0
(c) Total Passenger Miles (Mn. Miles)	..	6,183.9	6,823.5	7,156.5	7,394.4	8,919.3
(d) Load Factor (%)	..	56.9	59.9	61.5	60.0	59.5
(e) Average Vehicle Utilisation (Miles per day)	..	157	157	157	154	153
5. Revenue (Rs. '000)	..	241,000	265,600	279,500	287,800	329,600
(a) Passenger fares	..	236,000	259,600	273,600	284,500	n.a.
(b) Other	..	5,000	6,000	5,900	3,300	n.a.
6. Expenditure (Rs. '000) ^f	..	237,900	272,900	292,200	322,100	392,600
7. Wage Bill (Rs. '000)	..	125,000	149,700	163,300	180,300	210,300
8. Employment ^h (Nos.)	..	32,165	37,547	40,097	41,425	49,330
9. Profit (+) or Loss (-) (Rs. '000)	..	+ 1,448	- 7,195	-13,152	-34,187 ^m	-63,000 ^m
Air Ceylon Limited^a		1965/66	1966/67	1967/68	1968/69	1969/70 ^a
1. Value of Assets (Rs. '000)	..	7,126	13,303	13,698	31,960	29,715
2. Passengers & Goods Carried						
(a) Passengers (Nos.)	..	86,955	82,286	80,880	78,666	98,351
(b) Goods (tons)	..	531	513	550	523	576
3. Passenger & Ton Mileage						
(a) Passenger mileage ('000)	..	59,447	64,547	60,577	59,619	69,545
(b) Goods Ton Mileage ('000)	..	6,456	7,170	7,322	n.a.	n.a.
4. Capacity Utilization (Load Factor %)						
(a) Internal Services	..	57.6	38.2	56.4	67.1	59.6
(b) Regional Services	..	52.1	50.5	50.3	43.1	31.8
(c) International Services	..	39.8	42.4	48.0	n.a.	n.a.
5. Total Revenue (Rs. '000)	..	8,855	10,348	10,593	10,565 [*]	19,761
6. Total Expenditure (Rs. '000)	..	6,289	6,551	7,952	9,823 [*]	25,307
7. Profit (+) or Loss (-) (Rs. '000)	..	+ 2,601 ^h	+ 3,244 ^h	+ 2,571	+ 742 [*]	- 5,546
8. Employment ^h (No.)	..	303	584	553	609	681

(a) As at end of accounting year October-September. Some figures are being rounded off to the nearest '000. (b) Cumulative as at end of financial year. (c) Based on valuation of Colombo Port assets in 1955, which amounted to Rs. 177.4 million. (d) Included season ticket travel computed on the basis of 50 journeys a month. (e) Including non-paying goods transport. (f) Includes annuities and interest. (g) Profit before taxation. (h) As at end of year.

Colombo Port Commission¹		1966/67	1967/68	1968/69	1969/70	1970/71*
1. Capital Expenditure ^{b,c} (Rs. '000)	..	292,060	305,053	312,294	326,772	348,845
(a) Colombo Port	..	267,170	273,382	280,443	289,059	307,292
(b) Galle Port	..	20,920	25,784	29,087	31,914	34,064
(c) Trincomalee Port	..	1,033	1,399	1,806	2,100	2,555
(d) Other Ports	..	—	—	958	3,699	4,934
2. Revenue (Rs. '000)	..	33,777	36,328	41,029	44,250	52,023
(a) Colombo Port	..	33,448	35,959	40,750	43,884	51,732
(b) Out Ports	..	329	369	279	366	291
(i) Galle Port	..	73	30	33	60	25
(ii) Trincomalee Port	..	234	244	217	266	225
(iii) Other Ports	..	22	95	29	40	41
3. Working Expenditure (Rs. '000) ^o	..	23,743	23,265	n.a.	28,463	33,200
(a) Colombo Port	..	22,725	22,370	26,762	28,059	32,680
(b) Other Ports	..	306	215	n.a.	379	500
(c) Coast Protection	..	685	663	n.a.	25	20
4. Surplus (+) or Deficit (-) ⁿ (Rs. '000)	..	+10,934	+13,743	+6,590	-4,448	-2,730
(a) Colombo Port	..	+10,723	+13,589	n.a.	+5,252	+819
(b) Other Ports	..	+211	+154	n.a.	-9,700	-3,549
5. Employment (Nos.) ¹	..	n.a.	n.a.	8,489	8,647	9,013
Port Cargo Corporation¹		1965/66	1966/67	1967/68	1968/69	1969/70
1. Capital Invested ¹ (Rs. '000)	..	52,700	52,700	64,200	64,200	66,171
(a) Colombo	..	50,100	50,100	58,100	58,100	58,100
(b) Galle	..	2,600	2,600	6,100	6,100	6,100
(c) Trincomalee	..	—	—	—	—	1,971
2. Goods Handled ('000 tons)	..	3,029	3,093	3,185	3,531	3,527
(a) Colombo	..	2,957	3,040	2,906	3,223	3,194
(b) Galle	..	72	53	56	47	46
(c) Trincomalee	..	—	—	223	261	287
3. Revenue (Rs. '000)	..	73,700	75,800	86,700	115,500	114,050
(a) Colombo	..	72,600	74,700	80,200	105,600	105,200
(b) Galle	..	1,100	1,100	1,100	1,400	970
(c) Trincomalee	..	—	—	5,400	8,500	7,880
4. Expenditure (Rs. '000)	..	75,700	80,600	101,200	113,700	119,479
(a) Colombo	..	73,800	77,700	90,800	98,300	103,379
(b) Galle	..	2,900	2,900	3,100	3,300	3,900
(c) Trincomalee	..	—	—	7,300	12,100	12,200
5. Profit (+) or Loss (-) ¹ (Rs. '000)	..	-3,263†	-4,239†	-14,540†	+2,560	-5,445
(a) Colombo	..	-1,474	-2,483	-10,609	+7,386	+1,846
(b) Galle	..	-1,789	-1,756	-2,034	-1,888	-2,939
(c) Trincomalee	..	—	—	-1,897	-3,638	-4,352
6. Employment ^h (Nos.)	..	17,792	17,974	20,188	20,170	19,512
(a) Colombo	..	16,992	17,336	17,077	16,891	16,305
(b) Galle	..	800	638	631	847	854
(c) Trincomalee	..	—	—	2,480	2,432	2,352
7. Wage Bill (Rs. '000)	..	56,700	67,700	83,000	95,800	101,900
(a) Colombo	..	54,900	65,200	74,400	83,200	88,100
(b) Galle	..	1,800	2,500	2,800	3,000	3,600
(c) Trincomalee	..	—	—	5,800	9,600	10,200
Postal & Telecommunication Services^{2 a}		1964/65	1965/66	1966/67	1967/68	1968/69*
1. Capital Invested ^b (Rs. '000)	..	99,000	105,200	114,500	121,400	130,600
2. Postal Service (Rs. '000)	..	..	..	..	..	..
(a) Income	..	49,800	52,500	51,500	58,500	62,400
(b) Expenditure	..	46,000	46,500	51,400	55,900	58,800
(c) Net Profit (+) or Loss (-)	..	+3,800	+6,000	+100	+2,593	+3,596
3. Telegraph Service (Rs. '000)	..	..	..	..	..	..
(a) Income	..	16,300	17,900	20,000	26,700	24,200
(b) Expenditure	..	19,700	19,700	22,200	28,000	26,500
(c) Net Profit (+) or Loss (-)	..	-3,400	-1,800	-2,200	-1,297	-2,219
4. Telephone Service (Rs. '000)	..	..	..	..	..	..
(a) Income	..	20,400	22,900	26,100	26,300	30,000
(b) Expenditure	..	21,900	24,700	24,300	27,900	30,600
(c) Net Profit (+) or Loss (-)	..	-1,500	-1,800	+1,900	-1,553	-641
5. Operating Results (Rs. '000)	..	..	..	..	..	..
(a) Total Income	..	87,300	94,200	98,700	112,567	117,639
(b) Total Expenditure	..	88,600	91,900	99,000	112,886	117,043
(c) Net Profit (+) or Loss (-) ^g	..	-1,300	+2,300	-300	-319	+596
6. Employment (Nos.) ¹	..	25,031	22,187	22,117	23,421	23,683

Source: Data furnished by the respective Institutions.

(i) Includes Superannuation. (j) Includes interest paid on Government Loans. (k) Amended figures. (l) Approved Cadre. Not actual. (m) Without bonus and provision for redundant stores. (n) The Port Commission like most Government departments maintains accounts on a revenue and expenditure basis. (o) Recurrent expenditure (p) Including Overseas Telecommunication Services. * Estimates. † Revised figures based on Auditor General's Report.

The tonnage of cargo handled by the Corporation which had increased by 346,000 tons to 3.5 million tons in 1968/69 declined marginally in 1969/70. The cargo handled at the Ports of Colombo and Galle in 1969/70 declined by 30,000 tons while cargo handled at the port of Trincomalee increased by 26,000 tons. The reduction in revenue by Rs. 1.5 million and the increase in expenditure resulted in the Corporation recording a loss of Rs. 5.4 million on its operations in 1969/70 as against a profit of Rs. 2.6 million in 1968/69.

(f) Port Tally and Protective Services Corporation

The initial capital of the Corporation is Rs. 1 million and the charges levied by the Corporation are fixed by order made by the Minister in consultation with the Board of Directors.

As shown in the last year's Annual Report¹ the income of the Corporation in 1968/69 had risen to Rs. 7.5 million and although expenditure had also increased the higher increment in income had enabled the Corporation to increase its profits to Rs. 0.8 million. Data relating to the financial year 1969/70 were not made available and hence it is not possible to review the Corporation's performance for the period. However, according to budgeted estimates the Corporation's profit has decreased to Rs. 0.2 million.

(g) Postal and Telecommunication Services

Capital expenditure has increased from Rs. 121.4 million in 1967/68 to Rs. 130.6 million in 1968/69. The increase in capital expenditure was mainly for the expansion of the Post and Telecommunication Services. The expenditure on postal services increased by Rs. 2,900,000 in 1968/69 primarily on account of wage increases, but the increase in income of Rs. 3,900,000 was mainly due to a higher allocation by the Treasury of the share of stamp revenue. The latter was responsible for the increase in the surplus to Rs. 3,596,000. In the case of telegraphic services the reduction in income resulting from a reduction in the share of revenue from collections on telephone and overseas telecommunication services offset a small reduction in expenditure and the overall loss has increased to Rs. 2,219,000 from Rs. 1,297,000 in 1967/68.

The higher income from telephone services in 1968/69 due to an improvement in the collection of telephone tariffs set off a smaller increase in expenditure and the overall deficit has been reduced to Rs. 641,000 from Rs. 1,553,000 in 1967/68.

The commercial accounts of the Department show an overall profit of Rs. 596,000 in 1968/69 as against a loss of Rs. 319,000 in 1967/68.

(C) Wholesale and Retail Trade

(a) Co-operative Wholesale Establishment

The Co-operative Wholesale Establishment's growth and transfer of certain activities to other institutions has been shown in the Annual Report of 1968.² Certain basic statistics relating to the Co-operative Wholesale Establishment for 5 years ending 1970 are given in Table II (C) 11.

1. Annual Report, 1969. page 82.

2. Annual Report 1968, page 114.

Working capital has increased progressively from Rs. 64.5 million in 1966 to Rs. 98.1 million in 1968, and in 1969 it reached Rs. 100.9 million. However according to budgeted estimates for 1970 working capital has declined to Rs. 65.8 million.

The turnover which has increased steadily until 1967 has shown a declining trend in 1968 and 1969. The turnover for 1969 amounted to Rs. 397,631,000 and the profit before taxation was Rs. 31,270,000. The corresponding figures for the previous year (1968) were, Rs. 758,066,000 and Rs. 42,436,000 respectively. The fall in the turnover in 1969 could be attributed mainly to the transfer of its sugar trading activity to the Food Commissioner.

Due to the greater increase in expenditure the budgeted profit (before taxation) for 1970 is Rs. 15.8 million as against the profit of Rs. 31.3 million in 1969. Profit of the Co-operative Wholesale Establishment has declined progressively from Rs. 56 million in 1967 to Rs. 31.3 million in 1969.

(b) The Ceylon Petroleum Corporation

Certain salient features of the trading activities of the Corporation from 1967 to 1971 (calendar years) are shown in Table II (C) 11.

The total capital investment of the Corporation increased by Rs. 86.9 million to Rs. 267.3 million in 1970 on account mainly of the Oil Refinery Project (Rs. 76.8 million), the trading network (Rs. 8.9 million) and the Blending Plant (Rs. 1.4 million).

The Corporation's purchases (imports and local purchases) were higher while sales were lower in 1970 than in the previous year. Sales of gasoline, auto diesel and kerosene increased while sales of industrial diesel and furnace oil recorded a decline. In 1970 although the quantity of oil sold was less, the value of sales rose by Rs. 25.2 million to Rs. 403.2 million.

Total income of the Corporation rose by Rs. 25.8 million to Rs. 406.5 million in 1970 as against the increase by Rs. 21.9 million to Rs. 380.7 million in 1969. The trading for the year ended December 31, 1970 resulted in a profit of Rs. 20.7 million (before taxation) as compared with a profit of Rs. 22.6 million (before taxation) for the previous year.

Owing to higher cost of purchases and distribution expenses the Corporation has budgeted for a smaller profit of Rs. 17,984,000 in 1971.

TABLE II (C) 11

Ceylon Petroleum Corporation	1967	1968	1969	1970 ⁵	
1. Capital Invested ¹ — (Rs. '000) ..	n. a.	125,315	180,371	267,300	
a. Trading Network ..	n. a.	60,551	71,052	80,000	
b. Oil Refinery ..	n. a.	61,290	103,160	180,000	
c. Blending Plant ..	n. a.	2,794	4,595	6,000	
d. Seismic Survey ..	n. a.	680	1,564	1,300	
2. Oil Imports & Purchases (Mln.glns.) ²	224.5	226.9	239.6	371.1	
a. Gasoline ..	39.4	42.2	44.1	42.2	
b. Auto Diesel ..	55.5	55.9	58.5	69.3	
c. Industrial Diesel ..	21.3	23.0	24.6	22.8	
d. Furnace Oil ..	39.6	40.9	43.2	162.1	
e. Kerosene ..	68.7	64.9	69.2	74.7	
3. Oil Sales (Mln. glns.) ²	219.4	230.4	245.3	243.7	
a. Gasoline ..	41.2	43.3	44.1	45.9	
b. Auto Diesel ..	53.2	55.9	59.2	62.4	
c. Industrial Diesel ..	23.5	25.4	29.6	24.5	
d. Furnace Oil ..	40.3	40.9	43.2	37.0	
e. Kerosene ..	61.2	64.9	69.2	73.9	
4. Income (Rs. '000) ..	318,300	358,750	380,686	406,470	
a. Oil Sales ..	316,100	355,630	378,000	403,225	
b. Other ..	2,200	3,120	2,686	3,245	
5. Expenditure — (Rs. '000) ..	249,100	343,299	363,994	385,801	
a. Purchase price of products sold ..	205,800	300,140	315,000	156,776	
b. Other ..	43,300	43,159	48,994	229,025	
6. Net Trading Profit(+) (Rs. '000) ³ ..	+15,183†	+15,875	+22,592	+20,699	
7. Employment (Nos.) ⁴ ..	2,215	2,288	2,406	2,940	
Co operative Wholesale Establishment¹	1966	1967	1968	1969	1970 ⁵
1. Capital (Rs. '000) Working (nett) ..	64,500	91,306	98,107	100,863	65,836
2. Total Turnover (Rs. '000) ..	784,200	800,641	758,066	397,631	406,759
3. Total Expenditure (Rs. '000) ..	750,000	713,954	684,838	365,132	395,827
4. Profit (+) or loss (—) (Rs. '000) ³ ..	+38,479	+56,258†	+42,436	+31,270	+15,828
5. Employment (Nos.) ⁴ ..	4,918	5,581	5,205	5,301	n. a.

Source: Data furnished by the respective Corporations.

1. Cumulative as at end of year January – December.
 2. Figures for 1967, 1968 and part of 1969 refer to imports and sale of oil and figures for 1970, and part of 1969 refer to purchases of oil from the local refinery. The Oil Refinery commenced commercial production and sales in October 1969.
 3. Profit before taxation
 4. As at end of years
 5. Budgeted figures
- † Revised figures based on Auditor General's Report.

(D) Financing and Insurance Services

(a) Insurance Corporation of Ceylon

The authorised capital of the Corporation was Rs. 20 million of which the Government contributed Rs. 10 million in terms of Section 17 (2) of the Insurance Corporation Act No. 2. of 1961.

In 1969 the Corporation improved its performance considerably in life assurance business. The number of policies in force at the end of 1969 was 137,155 for Rs. 869.3 million as compared with 121,828 for Rs. 676.2 million in

1968. Premium income continued to increase and the amount in the Life Assurance Fund at the end of 1969 was Rs. 127.9 million as compared with Rs. 97.8 million at the end of 1968. The surplus on operations also showed an increase at the end of 1969. The ratio of expenses to income has, however, increased from 31.1 per cent in 1968 to 33 per cent in 1969.

In 1969 premium income from Fire Assurance, and the claims paid and outstanding have risen and the surplus has risen from Rs. 12.8 million in 1968 to Rs. 12.9 million in 1969.

The overall profit and loss figures of this Corporation were not available.

TABLE II (C) 12
Insurance Corporation^(a)

Items	1966	1967	1968	1969
1. Capital Contributed (Rs. '000)	10,000	10,000	10,000	10,000
2. Life Insurance				
No. of life policies in force	98,246	106,850	121,828	137,155
Value of Life policies in force (Rs. '000)	509,600	549,000	676,200	869,300
Premium Income (Rs. '000)	26,500	27,600	36,800	43,732
Claims	800	1,600	1,700	2,530
Life Assurance Fund (Rs. '000)	49,600	71,299	97,838	127,878
Total Income	29,800	32,001	37,318	49,971
Total Expenditure	9,000	9,900	13,154	16,931
Surplus (+) or Deficit (-) (Rs. '000)	+20,800	+22,101	+29,096	+33,039
Expense Ratio (Percent)	30.6	30.9	31.1	33.0
3. Fire Insurance				
Net premium	19,189	19,158	20,303	25,838
Net Claims paid and outstanding	3,900	3,359	5,261	5,731
Surplus (+) or Deficit (-)	+13,400	+17,410	+12,768	+12,929
Underwriting reserve	12,400	12,400	13,151	16,795
4. General Accident Insurance (Rs. '000)				
Net Premium	22,274	24,567	28,975	35,108
Net Claims paid and outstanding	18,600	24,100	29,300	43,188
Surplus (+) or Deficit (-)	+4,780	+4,292	+2,282	-6,759
Underwriting reserve	14,400	15,968	18,877	22,819
5. Marine Insurance (Rs. '000)				
Net premium	3,103	2,878	3,799	7,934
Net claims paid and outstanding	1,400	2,958	3,827	4,211
Surplus (+) or Deficit (-)	+2,200	+1,140	+1,138	+1,281
Underwriting Reserve	—	2,813	3,626	7,934
6. Employment	1,390	1,388	1,505	n.a.

Source: Insurance Corporation

(a) Figures are for financial year January to December.

TABLE II (C) 13

Other Financial Institutions¹

	Capital (Rs. '000)					Profit (+) or Loss (—) (Rs. '0002)					Employment Nos.				
	65/66	66/67	67/68	68/69	69/70	65/66	66/67	67/68	68/69	69/70	65/66	66/67	67/68	68/69	69/70
1. Central Bank (January to Dec.) ..	15,000	15,000	15,000	15,000	15,000	+2,369	+4,751	+ 2,540	+ 1,000	+ 1,000	1,346	1,447	1,510	1,476	1,531
2. Bank of Ceylon (October to Sept.) ..	4,500	4,500	4,500	4,500	4,500	+9,687	+9,401	+14,702	+15,899	+15,271	1,801	1,936	2,085	2,319	2,486
3. People's Bank (October to Sept.) ..	5,655	5,656	5,659	5,663	5,664	+1,382	+1,660	+ 6,333	+ 6,101	+ 5,303	1,524	1,676	1,847	2,029	2,317
4. Agricultural & Industrial Credit Corporation (October to Sept.) ..	29,351	29,351	29,350	29,350	29,350	+ 744	+ 745	+ 593	+ 646	+ 747	43	43	45	52	56
5. Ceylon Savings Bank (Jan. to Dec.) ..	n.a.	n.a.	n.a.	n.a.	n.a.	+1,156	+ 956	+ 808	+ 948	+ 544	80	80	84	85	86
6. State Mortgage Bank (Jan. to Dec.) ..	4,501	5,022	6,004	8,314	10,902	+ 631	+ 725	+ 693	+ 485	+ 150	60	57	72	86	91
7. Development Finance Corporation (April to March) ..	7,117	8,000	8,000	8,000	8,000	+ 552	+ 848	+ 1,803	+ 884	+ 840	14	17	25	33	52

Source: Information supplied by the Institutions.

1. Figures are for accounting years of the Institutions as indicated.

2. Before taxation except Development Finance Corporation figures where the profits given are after taxation.

TABLE II (C) 14
Other Services of Public Sector

			Capital Invested (Rs'000)					Value of Fixed Assets (Rs'000)					Employment (Nos.)				
			1966	1967	1968	1969	1970*	1966	1967	1968	1969	1970*	1966	1967	1968	1969	1970*
1.	Tea Propaganda Board ^a	..	7,047	5,797	5,797	5,797	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
2.	Ceylon Fibre Board	..	—	—	—	1,314	n. a.	—	—	—	1,416	n. a.	—	—	—	10	n. a.
3.	Industrial Development Board	..	—	—	1,125	4,625	3,363	n. a.	n. a.	n. a.	n. a.	n. a.	—	56	171	281	312
4.	Ceylon Bureau of Standards ^b	..	271	542	545	559	572	542	769	752	1,010	1,926	8	19	27	33	52

			Income (Rs'000)					Expenditure (Rs'000)					Surplus (+) or Deficit (-) (Rs. 000)				
			1966	1967	1968	1969	1970*	1966	1967	1968	1969	1970*	1966	1967	1968	1969	1970*
1.	Tea Propaganda Board ^a	..	10,936	16,000	16,594	22,720	n. a.	11,896	15,830	19,948	22,985	n. a.	- 945	- 268	+ 610	- 295	n. a.
2.	Ceylon Fibre Board	..	—	—	—	181	n. a.	—	—	—	93	n. a.	—	—	—	+ 88	n. a.
3.	Industrial Development Board	..	—	—	4	49	259	—	188	1,082	1,958	2,746	—	- 188	- 1,078	- 1,908	- 2,487
4.	Ceylon Bureau of Standards ^b	..	—	—	—	—	—	54	191	256	463	589	—	—	—	—	—

Source: Data furnished by the respective Institutions.

- a. Figures for accounting year from January to December.
b. Figures for accounting year from October to September.
* Figures for 1970 are provisional.

(E) Other Services**(a) Colombo District (Low-Lying Areas) Reclamation & Development Board**

The capital investment in 1968/69 was Rs. 811,000. This was increased to Rs. 2,602,000 in 1969/70 and according to budgeted estimates for 1970/71 is Rs. 16,143,000. The total revenue which increased marginally from Rs. 250,000 in 1968/69 to Rs. 252,000 in 1969/70 is budgeted to rise to Rs. 500,000. On the other hand expenditure has been increasing substantially from Rs. 1,017,000 in 1968/69 to Rs. 2,936,000 in 1969/70 and is expected to be Rs. 17,000,000 in 1970/71. The sharp increase in expenditure and the comparatively negligible increase in revenue has resulted in a significant increase in the deficit from Rs. 196,000 in 1968/69 to Rs. 332,000 in 1969/70. According to budgeted estimates the deficit in 1970/71 is Rs. 11,000,000.

TABLE II (C) 15
Colombo District (Low Lying Areas) Reclamation and Development Board¹

	1966/67	1967/68	1968/69	1969/70	1970/71 Budgeted
1. Capital Invested ² (Rs. '000) ..	—	n. a.	811	2,602	16,143
2. Acreage of Land Reclaimed ..	—	—	Nil	14	76
3. Revenue (Rs. '000) ..	—	—	250	252	500
4. Expenditure (Rs. '000) ..	—	—	1,017	2,936	17,000
5. Surplus (+) or Deficit (—) ¹ Rs. '000) ..	—	—	-196	-332	-11,000
6. Employment) ..	—	5	43	42	65

Source: Data furnished by the Board.

1. Figures are for the financial year October to September.

2. Cumulative as at end of accounting year.

(b) Industrial Estates Agency - Industrial Development Board

The Industrial Estates Corporation with effect from 20th April '1970' became an agency of the Industrial Development Board of Ceylon. Capital investment which remained at Rs. 6,500,000 from 1965/66 to 1967/68 increased to Rs. 6,800,000 in 1968/69 and Rs. 8,300,000 in 1969/70.

TABLE II (C) 16
Industrial Estates Agency^(a)

Items	1965 - 66	1966 - 67	1967 - 68	1968 - 69	1969 - 70
1. Capital Invested (Rs. '000) ..	6,500	6,500	6,500	6,800	8,300
2. Capacity (No. of Industrial Units) ..	43	43	43	43	43
3. Expenditure (Rs. '000) ..	145	232	128	162	180
4. Income (Rs. '000) ..	253	360	349	349	481
5. Surplus (+) or Deficit (-) (Rs. '000) ^b ..	+ 108	+ 52†	+ 221	+ 62†	+ 301
6. Employment (Total Nos.) ..	20	21	23	27	n. a.

Source: Industrial Estates Agency Industrial Development Board.

(a) During 1969 - 70 period Industrial Estates Corporation became an agency of the Industrial Development Board.

(b) Before Taxation.

(c) As at end of accounting year.

† Revised figures based on Auditor General's Report.

The total revenue has increased progressively from Rs. 253,000 in 1965/66 to Rs. 481,000, in 1969/70. The expenditure which increased from Rs. 145,000 in 1965/66 to Rs. 232,000 in 1966/67 declined in 1967/68 to Rs. 128,000 but rose again in 1968/69 and was Rs. 180,000 in 1969/70. The surplus has also increased and in 1969/70 was Rs. 301,000.

(c) *The Ceylon Broadcasting Corporation*

The operations of the Corporation in 1969/70 (October-September) along with comparable data pertaining to the former Department of Broadcasting are shown in Table II (C) 17 below.

TABLE II (C) 17

Ceylon Broadcasting Corporation (a)

Items	1965/66	1966/67	1967/68	1968/69	1969/70*
1. Value of Assets (Rs '000)	n. a.	6,000	9,300	12,097	15,233
2. Revenue (Rs '000)	7,800	8,800	8,900	10,076	10,125
Licence fees	3,900	4,500	4,000	—	—
Commercial Service Sale of time	3,400	3,500	4,000	7,363	—
Other	500	700	900	2,713	—
3. Expenditure (Rs. '000)	8,300	7,600	8,300	9,662	10,629
National Service	4,600	3,900	4,700	4,920	—
Commercial Service	3,700	3,700	3,600	4,742	—
4. Profit (+) or Loss (-) (Rs. '000) (b)	-500	+1,391†	+600	+414	-854
5. Employment (Nos.)	841	798	839	1,050	1,308

Source: Ceylon Broadcasting Corporation

(a) For financial years October to September.

(b) Before Taxation.

* Provisional.

† Based on Auditor General's Report.

The value of assets of the Corporation was estimated to be Rs. 15.2 million in September 1970 representing an increase of approximately Rs. 3 million over the previous year. Revenue in 1969/70 shows a marginal increase while expenditure shows a greater increase. As a result the Corporation showed a loss of Rs. 854,000 in 1969/70. Although the Corporation made profits in the previous three years its profits have been declining annually at a considerable rate.

Provision has been made in the estimates for 1970/71 in a sum of Rs. 11.9 million, of which Rs. 5.5 million represents aid from the Federal Republic of Germany for the expansion of Broadcasting Services and studio facilities; Rs. 6.4 million representing local expenditure is proposed to be met from a Government grant while foreign aid amounting to Rs. 5.5 million is expected as an outright

grant from the Federal Republic of Germany in the form of equipment for Stage II of the Medium Wave Expansion Scheme. However, work was held up as the relevant agreement has still not been signed and no provision has been made in the Government estimates for a grant from the Consolidated Fund to meet the local expenditure.

(d) *National Lotteries Board*

Capital investment in 1965/66 was Rs. 20,000. Since then capital investment has increased from Rs. 602,000 in 1967/68 to Rs. 751,000 in 1968/69 and to Rs. 760,000 in 1969/70

TABLE II (C) 18
National Lotteries Board^(a)

Items	1965 - 66	1966 - 67	1967 - 68	1968 - 69	1969 - 70
1. Capital Invested (Rs. '000)	20	176	602	751	760
2. Number of Lotteries held	52	52	54	56	64
3. Income (Rs. '000)	26,306	29,940	38,949	37,297	34,548
a. Sale of Tickets	25,318	28,909	37,960	36,089	33,672
b. Other	988	1,031	989	1,208	876
4. Expenditure (Rs. '000)	14,289	16,424	22,060	36,115	33,832
a. Value of prizes	10,127	11,564	15,184	21,679	20,364
b. Other	4,162	4,860	6,876		
5. Surplus (+) or Deficit (-) (Rs. '000)	+12,015	+13,516	+16,599	+ 1,182	+ 716
6. Amount contributed to the Consolidated Fund (Rs. '000)	10,633	12,142	15,609	14,479	13,509
7. Employment	37	66	140	93	106

Source: National Lotteries Board.

(a) Figures are for accounting years October to September.

(b) Cumulative as at end of accounting year.

(c) Before Taxation.

(d) As at end of accounting year.

In the period 1969/70 the Board conducted 64 lotteries as against 56 lotteries in 1968/69. However, the income from the sale of tickets declined from Rs. 37,297,000 in 1968/69 to Rs. 34,548,000 in 1969/70. Total expenditure declined from Rs. 36,115,000 in 1968/69 to Rs. 33,832,000 in 1969/70. But the reduction in income from the sale of tickets was mainly responsible for the Board recording a lower profit of Rs. 716,000 in 1969/70 as against Rs. 1,182,000 in 1968/69.

TABLE II (C) 19

River Valleys Development Board^(a)

Items	1965/66	1966/67	1967/68	1968/69	1969/70
1. Capital Invested (Rs. million)					
(Cumulative)					
(a) Gal Oya Scheme ..	682.9	700.8	n. a.	n. a.	n. a.
(b) Uda Walawe Scheme ..	75.2	90.2	n. a.	n. a.	n. a.
2. Cultivations					
(a) Gal Oya-Acreage of Paddy ..	91,083	91,088	96,453	95,901	98,333
- Acreage of other subsidiary food crops ^(b) ..	1,549	1,549	1,695	2,319	2,311
(b) Uda Walawe-Acreage of Paddy ..	—	—	3,081	5,511	7,618
- Acreage of other subsidiary food crops ^(b) ..	—	—	3,914	1,573	1,575
- Acreage of cotton ..	—	—	—	—	15
3. Youth Settlement (Nos.)					
(a) Gal Oya ..	—	138	138	138	138
(b) Uda Walawe ..	—	267	239	239	239
4. Profit (+) or Loss (—) (Rs. '000)					
Gal Oya ..	- 11,500	- 9,184	- 8,285	- 8,710	n. a.
Uda Walawe ..	—	+ 1,598	- 4,160†	- 6,394	n. a.
Of the entire Board ..	- 11,500	- 7,586	- 20,216†	- 16,104	n. a.
5. Employment					
Gal Oya ..	11,235	7,827	4,825	4,785	6,958
Uda Walawe ..	4,306	6,326	5,031	6,034	10,335
Head Office ..	149	536	6,570	6,263	664

Source: River Valleys Development Board.

a. Figures are for financial years October to September. 1969/70 figures are provisional.

b. Subsidiary food crops include, chillies, onions, yams, grams and vegetables.

† Revised figures based on Auditor General's Report.