

JANASAVIYA AND EMPLOYMENT

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The main thrust of the current economic policies are heavily focussed on the welfare of the poor people through the Janasaviya Programme. The poorest of the poor number about 300,000 families out of a total of nearly 3 million families and this is about 10 percent of the total population.

As more employment is created, poor families will go out of the scheme. The administration is giving equally high priority to the rapid creation of a large number of productive job opportunities.

The most important component in job creation is proper economic and investment management with the active participation of the people. The Janasaviya programme has grass roots level co-operation, collective action and production, as its main objective.

Today, out of an estimated one million unemployed those who are desperately in need of employment would number about one third of this figure. This would imply that those who badly need employment would largely come from the poorest of the poor families.

Accordingly, it would be meaningful for employment to be given on a priority basis to those in poorest of the poor families in the country. If 300,000 jobs for the youth can be found in the next twelve months and these are given exclusively to those from the poorest 300,000 families, then the expenditure on the Janasaviya programme would be reduced considerably because the incomes of such families would immediately rise above the cut off point.

The Janasaviya programme would thus have achieved its objective even without making payments for consumption to poor families on a monthly basis.

The dynamics of the programme is firstly, lifting families beyond the subsistence threshold by increasing the intake of nutritive food, by family productive activities and by finding employment for family members.

The main object is to make the poor efficient producers and to organise them on viable productive endeavours in the environments in which they live. In this respect, the core of the programme is

the investment component which will be placed in bank accounts in favour of the family.

From the second year onwards, and where possible even in the first year, this money will be the capital needed for production. Under a village change agent leadership families will jointly organise themselves in productive activities using local resources and the assets available in the environment.

The emphasis will be on small scale industries in the villages. Such small scale industries could manufacture a wide range of products for domestic use and export.

Under Janasaviya, the people will have opportunities of thinking, planning and designing. The Government will act as the catalyst giving them immediate help where such assistance is needed, whatever it may be.

The success of these small industries will depend on the capacity for self-reliant and joint endeavours, the motivation and training the government can provide and the assistance they would get from Government for their financial, credit, marketing, export, technical and raw material procurements.

It will also depend on the machinery that would be set up to monitor, co-ordinate and implement small projects at the village level.

Financial Resources Available

People had doubts whether we could find the money. This is because they never understood the final objective and the rationale behind the poverty alleviation programme (PAP). The programme is aimed at the poorest of the poor, and therefore in terms of numbers and implementation capacities is manageable. We have found the money without cutting down development or even restructuring the ongoing programmes. We have started this at a time soon after we have completed the large projects like Mahaweli. Investments in agriculture, small irrigation works, water supply, housing and development of the plantations would continue.

As expenditure is incurred under the

budget and as strict monitoring, controls and supervision are exercised there will be greater economics, and a considerable sum of money would be saved. More important than the figures and allocations in the budget will be the care and emphasis given to the implementation of proposals. Our strategies are different, every stage of implementation would be carefully watched and supervised.

The PAP sets the ground for an island-wide micro planning and development programme with the people providing the leadership for co-operative and self-reliant effort at the grass roots level. This will activate rural production and provide new vigour to the co-operative movement.

The actual expenditure in the budget is only a fraction of what pessimists were originally thinking of -Rs.42 billion and Rs. 70 billion. With the allocation of Rs.10 billion (only 7 percent of total expenditure) three components of the PAP have been covered, the PAP itself, the doubling of food stamps and the free mid-day meals. This is because the money is being meaningfully and profitably spent, with end use supervision. There is no waste. The PAP has built in conservation and economising elements. As new employment is created, people will rise above the threshold of poverty.

People who are not entitled to food stamps would not be given the benefit. Surveys have confirmed that very large numbers of well to do people are receiving food stamps. The people will themselves decide who are the really poor and the real beneficiaries of PAP.

Investment

The more important component of the PAP is the investment part. At the end of two years every family will have capital assets - an earning asset in the bank. They are free to employ it for production. The people will be motivated to co-operate, be self-reliant and use resources in their own environment for production. They can be geared to big manufacturing units. The family becomes a miniature factory serving a much larger unit. The PAP is a basic prerequisite for rapid development of the backward rural sectors.

Extracted from a recent article and also a speech reported in the 'Daily News.'