



THE POLICY OF WAGE AND SALARY ADMINISTRATION OF
PUBLIC CORPORATIONS IN SRI LANKA

By

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Abstract

Public Corporations have been used as a useful tool of implementing economic and social policies of Sri Lanka during last three decades. They have ^{been} scattered among every major activity area of the national economy. But there is now an atmosphere of criticism of Public Corporations. Most criticisms are centered on the shortcomings and the weaknesses involved in the formulation and implementation of policies of Public Corporations. A general ground of agreement of these various criticism is that the policies of Public Corporations are not formulated and implemented in an efficient manner and at sufficient level.

In this study, an attempt is made to show the significance of the policy making process of Public Corporations in Sri Lanka. The scope of the problem was however restricted to the policy of wage and salary administration, and the study was limited to a macro level research, and the duration was limited to the period after 1977 for the purpose of collecting data.

The present thesis was prepared in two parts. The first part of the thesis provides the background necessary for the understanding of the problem, gives a brief description regarding the Public Corporation sector of Sri Lanka, their objectives and the theoretical survey pertaining to the policy of wage and salary administration. The final section of this part presents the study framework.

The second part is the key section of this thesis. The first section of this part deals with a description about the field

survey. This part contains an examination of the relationship between the policy of wage and salary administration and the factors from various aspects , such as economic, social, political and managerial. This was done by testing four hypotheses. The statistical analysis was used to test the hypotheses. Finally, an attempt was made to discover the nature of the existing policy of wage and salary administration of Public Corporations and an effort was also made to find out the degree of contribution of these policies to the objectives of Public Corporations and to determine the degree of suitability of these policies.

It appears that there is no purposefully formed policies in the Public Corporation sector. It is being closely related to the factors from the political aspect and therefore, the other important objectives are not taken into consideration to a desirable extent. In conclusion the policy of wage and salary administration of Public Corporations of Sri Lanka is not suitable for the achievement of the major goals of the national economy. As a result the main issue that confronts the policy makers is the problem of creating a suitable pay policy for the Public Corporation sector in Sri Lanka.