

The cost of Covid for Sri Lanka's poor

Covid, budget and the common man - EDITORIAL

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By 19 November 2020, a total of 19,280 of our citizens had contracted the coronavirus, 74 unfortunates succumbed to the disease and 13,271 of those stricken with the sickness had recovered.

During the first wave of the pandemic, the country was locked down for three months. At that time the Governor of the Central Bank revealed, daily paid workers comprise nearly 60% of the country's total workforce.

He added that approximately 24% comprising nearly 660,000 persons lost their jobs overnight during that lockdown.

Mr Lenus Jayatilake of the United Federation Of Labour emphasises around 200,000 workers - mainly minor staff in the hotel industry have been furloughed.

He added, under the National Labour Advisory Council Agreement, workers' salaries have been slashed by over 50%, with unionised workers receiving around Rs. 14,500/- per month.

Workers on the tea and rubber plantations -persons who bring in the second largest section of the country's foreign exchange earnings- continue to receive a daily wage of Rs. 750/- per day for less than 20 days work a month. Paddy and vegetable farmers continue to be fleeced by money lenders and middlemen who purchase their crop for a pittance and resell the product to consumers at exorbitant rates.

For instance, Agriculture Minister Aluthgamage claimed a 'Vegetable Mafia' was purchasing vegetables like Leeks from farmers in Nuwara Eliya at Rs. 20 per kg and reselling it in Colombo at Rs. 140 per kg. He added potatoes were being bought up at Rs. 140 per kg and resold at Rs. 260.

Persons involved in small-time business enterprises such as handicraft, carpentry shops, fish vendors, suppliers of lunch packets etc have lost their source of income.

Yet, it costs a family of four -father, mother and two children- a minimum of Rs. 27,550/- to have two basic meals a day. What this all adds up to is, that more and more families are eating less, the children of Sri Lanka are going hungry, under-fed and malnourished. It also means parents have no cash to spend on children's education or travel.

In the event of a child falling seriously ill, it would mean curtains for the family concerned. Just when it appeared the virus was waning, in October the second wave of the coronavirus struck. A number of workers at a garment factory at Minuwangoda took ill with what was later discovered to be the coronavirus.

With management unable to take measures necessary to protect the health of their workforce, the

virus spread to all parts of the country via workers from that establishment

Today once again sections of the country have been placed in 'isolation'. Large sections of the population have once again lost their sources of income and large numbers of our people including the more vulnerable sections of society -children and the aged- are being forced into near-starvation conditions.

It was in the midst of these sad events this large body of our people, who comprise and include farmers, fisher-folk migrant workers, and people in many sectors who have become unemployed looked to the budget to provide them with much-needed relief.

Premier Mahinda Rajapaksa, presenting his budget for the fiscal year 2021 opened with a promise to increase estate workers' wages to Rs.1,000 a day.

But the Planters' Association immediately shot down the proposal saying they would not be making the payment without a government subsidy. As there is no allocation in the budget to subsidise this payment, will this promised payment to plantation workers once again hang fire?

The government promises to pay Rs. 2 per dollar sent in by migrant workers via Sri Lanka banks. But most of these unfortunates had lost their employment and look to the Government to repatriate them back to Sri Lanka. The budget stipulates that the 8% VAT will continue. So, we cannot expect a lowering in the cost of living. The lowering of taxes on import of vehicle spare parts and reduction of interest on housing loans does not help the ordinary workman/woman as most of them are not viewed as being credit-worthy by banks and many of them are on the verge of bankruptcy.

The budget promises a 5-year tax relief to individuals, and milk production companies including agriculture, fisheries and farming. Sadly, ordinary farmers, cultivators and fisher-folk are not taxpayers. They are mainly indebted.

The budget emphasizes long-term development and this is good and necessary.

But the government needs to heed the cries of vulnerable sections of society who are desperate. They are also the voter-base of the government.

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