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NEWSLINE
Daily by Faraz

“Questioning The Answers”

WHEN STATE POWER BECOMES A POLITICAL WEAPON

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But buried inside the 28-page judgment is another extraordinary episode: what happened after an undertaking was given to the country’s highest court.

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NEWSLINE

There are judgments which decide disputes. And then there are judgments which say something much larger about how a country is governed.

The Supreme Court's decision delivered on September 15 in SC/FR Application 241/2024 belongs firmly in the second category. At its heart was an investigation launched following a complaint concerning the conduct of two former senior CID officers, Ravi Seneviratne and Shani Abeysekara, in relation to matters surrounding the Easter Sunday attacks.

But what emerged from the judgment was a much bigger constitutional question: what happens when the enormous investigative power of the State is turned towards political ends?

The answer from the Supreme Court could hardly have been clearer.

The Court found, on a balance of probabilities, that Chief Inspector D. K. Induka De Silva and then Inspector General of Police Deshabandu Thennakoon abused their police powers in order to counter and neutralise the political campaign of the two petitioners and thereby advance the interests of the political establishment then in power.

Those are serious findings in any democracy.

The petitioners had become involved with the Retired Police Collective supporting the National People's Power during the run-up to the 2024 Presidential Election. A complaint was subsequently made against them by retired police officer Palitha Roshan Siriwardena concerning alleged failures connected with investigations preceding the Easter attacks.

The Supreme Court examined not merely the existence of that complaint but its timing, the circumstances surrounding it and the remarkable speed with which the police machinery responded.

The Court found that Siriwardena had acted mala fide in lodging the complaint with a political motive.

It noted that then IGP Thennakoon acted with "great haste" in forwarding it to the CID and traced how statements were recorded and reports subsequently placed before the Magistrate's Court.

The Court went considerably further.

It found sufficient evidence to conclude that Induka De Silva and Thennakoon had acted maliciously to assist Siriwardena and advance his political objectives. Their conduct, the Court held, amounted to an abuse of lawful authority for political purposes.

The judgment consequently found violations of the petitioners' fundamental rights guaranteed under Articles 12(1) and 13(1) of the Constitution equality and equal protection of the law, and protection against arrest except according to procedure established by law. The Court found that the danger of the petitioners being arrested and detained for political reasons in the run-up to the election had been real and well-founded.

But the significance of this judgment extends far beyond two retired police officers.

The Supreme Court articulated a principle that should resonate through every police station, ministry and government department in Sri Lanka: public power does not belong to the political party temporarily occupying office.

"The abuse of executive power for partisan political ends strikes at the very foundation of constitutional government that is premised on the rule of law," the judgment says.

Public power, the Court continued, exists for lawful public purposes and never as an instrument for advancing the electoral or political interests of those who temporarily possess political power.

There is another part of this judgment which deserves equal attention.

During the proceedings, an Additional Solicitor General appearing for the Attorney General informed the Supreme Court that proceedings arising from the relevant complaint before the Fort Magistrate's Court would be brought to an end.

What followed plainly troubled the Court.

The judgment records that subsequent letters from the Attorney General's Department appeared inconsistent with the undertaking. Earlier in the judgment, Justice K. M. G. H. Kulatunga described what followed as a "subtle attempt" to keep the investigation alive under another Attorney General's file despite what had been represented to Court.

The language became stronger still.

The judge recorded a "profound sense of sadness" that an officer of the Attorney General had either failed to keep an undertaking made to the Court or had deliberately made an intimation which was not intended to be honoured. The Court stressed that undertakings are extremely serious and observed that intentionally disregarding one could amount to contempt. It nevertheless decided to put the episode to rest without further consequence.

That ought not make the episode insignificant.

The Attorney General's Department occupies a unique position within Sri Lanka's justice system. Its officers regularly make representations upon which courts, accused persons, investigators and the State itself rely. If an undertaking to the Supreme Court means precisely what it says as surely it must the Court's observations deserve attention well beyond this particular case.

Ultimately, the Supreme Court held that Induka De Silva, Deshabandu Thennakoon and Palitha Roshan Siriwardena had infringed the fundamental rights of Seneviratne and Abeysekara under Articles 12(1) and 13(1). The Court found that Siriwardena had instigated the two police respondents to use executive power for an ulterior political purpose and had acted in connivance with them.

The Court ordered De Silva to pay Rs 10,000 personally to each petitioner and Siriwardena Rs 50,000 to each. More significantly, it ordered that **no further investigation be conducted into the June 24, 2024 complaint**, which the Court found to have been mala fide, malicious and politically motivated. The Attorney General was directed to advise the IGP accordingly.

Chief Justice P. Padman Surasena and Justice Achala Wengappuli agreed with Justice Kulatunga's judgment.
Governments change. Police chiefs change. Attorneys General change. Political opponents become governments and governments become political opponents.

That is precisely why the principle established here matters.

A police investigation carries enormous coercive power. It can summon a citizen, search property, seize documents, restrict liberty and ultimately place somebody before a criminal court. Those powers cannot become another weapon in the political armoury of whichever government happens to hold office.

The Supreme Court has now said so in unusually uncompromising terms.

Sri Lanka has spent decades arguing about the politicisation of its institutions. This judgment is therefore about considerably more than Seneviratne, Abeysekara, Thennakoon or one investigation arising from the Easter attacks.

It is about the line separating **the State from the government of the day**.

When that line disappears, equal protection under the law begins to disappear with it.
Be that as it may.

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THE JUDGES MUST PAY TAX. NOW THE SUPREME COURT HAS HAD THE FINAL WORD.

High Court Judges, District Judges and Magistrates are liable for income tax and APIT can lawfully be deducted from their remuneration, the Supreme Court has ruled. But the judgment also contains an important message for the State: taxing judges is lawful paying them adequately matters too.

NEWSLINE

Judges must pay income tax.
After more than three years of litigation over whether Sri Lanka’s judicial officers could lawfully be subjected to Advance Personal Income Tax, the Supreme Court has given what is now the definitive answer.

They can.

In a judgment delivered on September 15, a five-member Supreme Court bench dismissed three appeals brought by associations representing judicial officers and upheld the application of the country’s income-tax regime to their remuneration.

The appeals arose from litigation brought by the High Court Judges’ Association, the Judicial Service Association and the association representing judicial officers of Labour Tribunals. They challenged a 2023 Court of Appeal decision which had rejected attempts to prevent APIT being deducted from judicial remuneration. The five-member bench comprised Chief Justice P. Padman Surasena and Justices A. L. Shiran Gooneratne, Janak De Silva, Mahinda Samayawardhana and Arjuna Obeyesekere.

The dispute was never simply about whether judges disliked paying tax.

It raised a constitutional argument about what a judge actually is.

The judicial officers argued that they were not employees of the State, or of another person, in the conventional sense. The judiciary is a separate arm of government and judicial independence depends upon judges remaining constitutionally insulated from executive control. Treating them as ordinary employees for taxation purposes, they argued, sat uneasily with that independence.

There was another argument.

Judicial remuneration enjoys constitutional protection. The appellants contended that deducting APIT effectively reduced their remuneration and therefore engaged the constitutional safeguards intended to protect the judiciary from interference through its pay. They sought to stop future deductions and recover money already deducted.

The Supreme Court rejected those arguments.

Justice Janak De Silva held that the Inland Revenue Act does not establish an ordinary employer-and-employee relationship between judicial officers and those responsible for paying their remuneration. Rather, for the purposes of APIT, the legislation identifies the person or institution paying that remuneration so that somebody has responsibility for deducting the tax.

That distinction is important.

A mechanism requiring tax to be deducted from a judge’s remuneration does not transform the judge into an employee answerable to the executive. Nor, the Court concluded, does a generally applicable and non-discriminatory income tax become unconstitutional merely because it reaches the judiciary.

There is also history here.

This argument did not suddenly begin in 2026. When amendments to the Inland Revenue legislation were challenged in 2022, the Supreme Court had already considered claims that judges formed a distinct category and that subjecting them to taxation threatened judicial independence.

And when the dispute reached the Court of Appeal, that Court noted that judicial officers had previously contributed through PAYE and APIT. It observed that deduction of tax from judicial remuneration was not itself a new creation of the 2022 amendments; what had changed significantly were the applicable tax rates.

The latest Supreme Court judgment therefore settles the central practical questions.

High Court Judges, District Judges and Magistrates covered by the proceedings are liable to income tax on their remuneration. And the authorities responsible for paying them may deduct APIT from that remuneration.

But there is another side to this judgment which should not disappear beneath the obvious headline.

The Court acknowledged the financial difficulties experienced by judicial officers following the imposition of income tax.

Its answer was not a tax exemption.

It was **adequate remuneration**.

Justice De Silva’s judgment emphasised that judicial officers should be remunerated in a manner reflecting the responsibilities they carry, the independence expected of them and the unusually demanding standards of personal and professional conduct imposed by judicial office.

Adequate remuneration, the Court observed, is connected to maintaining the independence, dignity and effectiveness of the judiciary.

That creates an important distinction.

Equality before a generally applicable tax law does not mean pretending that every public office carries identical responsibilities.

Judges exercise the judicial power of the People. Their independence from government is not a privilege bestowed upon individual judges; it is a constitutional protection ultimately intended for the citizen who appears before them.

That independence cannot mean immunity from an ordinary, non-discriminatory tax.

But neither should the application of tax become an excuse for allowing judicial remuneration to fall to a level inconsistent with the responsibilities and restrictions of judicial office.

Sri Lanka therefore emerges from this litigation with two propositions rather than one.

Judges must pay their taxes.

And the State must take seriously what it pays its judges.

The three appeals were dismissed without costs. Chief Justice Surasena and Justices Samayawardhana and Obeyesekere agreed with Justice De Silva’s judgment, while Justice Shiran Gooneratne agreed with the conclusions concerning liability for income tax and APIT but expressed a different view on aspects of the constitutional reasoning.

The broader principle is refreshingly uncomplicated.

Judicial independence protects judges from improper interference in performing their constitutional function. It does not place them outside the country’s tax system.

Be that as it may.

THE TRAINS STOP. THE COUNTRY PAYS.

Four railway unions have launched a 48-hour strike demanding the removal of the General Manager of Railways. The Government has refused, many trains have continued running, but ticket counters have been disrupted and the Railway says it could be losing around Rs 5 million a day. Once again, an industrial dispute inside a state institution is being paid for by the travelling public.

NEWSLINE

A 48-hour railway strike has brought another long-running dispute inside Sri Lanka Railways into the open, with several unions demanding the removal of General Manager Ravindra Pathmapriya while the Government insists that a senior public official cannot simply be dismissed because unions demand it.

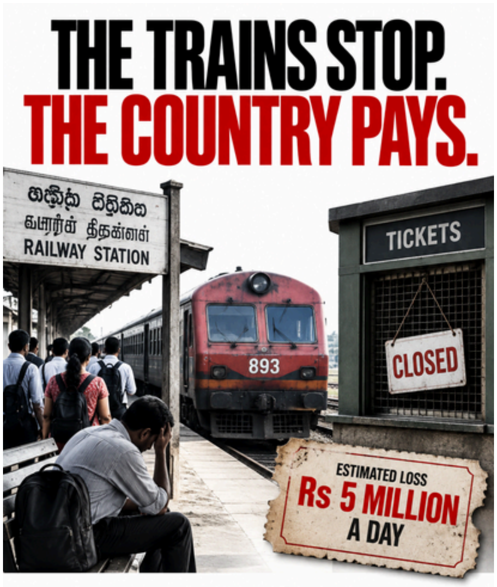
The industrial action involves station masters, assistant drivers and railway yard workers and follows complaints over the administration and operation of a

"Questioning The Answers"

THE TRAINS STOP...

railway system already struggling with delays, cancellations, ageing equipment and serious locomotive availability problems.

The unions say their grievances have accumulated over a considerable period and include concerns about administration, operational failures, passenger facilities and disciplinary issues involving railway employees. Their central position is that confidence in the General Manager has broken down and that changing the person at the top has become necessary if the Department is to function properly.



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The Government has taken a different position. Deputy Transport Minister Dr Prasanna Gunasena has argued that a General Manager cannot simply be removed on the demand of a trade union and that allegations concerning his administration must be dealt with through the appropriate process. That principle matters because while trade unions unquestionably have the right to expose failures and resort to lawful industrial action, a strike cannot itself become the disciplinary procedure through which a public official is removed.

What makes this strike particularly interesting is that the railway has not stopped altogether. Office and school trains continued operating on Thursday and attempts were made to maintain long-distance and other services, although several trains, including night-mail services, were cancelled as the industrial action began.

The disruption instead extended to ticket counters, producing the extraordinary spectacle of trains continuing to carry passengers while revenue collection was affected.

The General Manager has estimated that the disruption to ticket sales could cost Sri Lanka Railways nearly Rs 5 million a day. That may appear insignificant beside the billions routinely discussed in government expenditure, but this is a railway system that can scarcely afford to lose another rupee unnecessarily.

A Railway Department report disclosed this week that only 50 of its 98 locomotives were operational. That means almost half the locomotive fleet was unavailable even before the strike began, which raises a question considerably larger than the personalities involved in the present dispute: what exactly has happened to one of the country's most important public transport systems?

For hundreds of thousands of Sri Lankans, the railway is not an optional service. It is how they get to work, how children reach school, how government employees reach their offices and how families living considerable distances from Colombo avoid the much greater cost of travelling by road. When the railway fails, the economic cost therefore extends far beyond the revenue lost at a ticket counter.

The unions are entitled to argue that poor administration ultimately damages passengers and that industrial action may sometimes be the only means available to force attention upon longstanding problems.

But that argument carries a corresponding responsibility to demonstrate clearly what those failures are, while management and the Transport Ministry have an equal responsibility to answer them rather than allowing another dispute to drift towards confrontation.

There is also a larger issue about the way Sri Lanka handles industrial relations in essential public services. Too often negotiations continue until the threat of a strike becomes real, positions harden and the public suddenly discovers that it has become an unwilling participant in a dispute about which it knew remarkably little the previous day.

Sri Lanka Railways belongs neither to its General Manager nor its trade unions. It belongs to the public, which finances it and depends upon it. Whatever grievances exist inside the Department must therefore be resolved without forgetting the people standing on railway platforms wondering whether the next train will arrive.

The first day of this strike has already demonstrated something rather revealing: even with industrial action underway, much of the railway can apparently continue moving. The real test is whether management, unions and the Government can make it work properly when everybody returns to work.

Be that as it may.

RS 46 BILLION FOR MUDUN ELA. WILL COLOMBO FINALLY STOP FLOODING?

Sri Lanka is preparing another major assault on Colombo's flooding problem, this time centred on the Mudun Ela drainage basin. The proposed investment is enormous around Rs 46 billion. If it works, thousands of families could benefit. But after decades of drains, canals, pumps and flood-control projects, there is one question taxpayers are entitled to ask: will this actually fix the problem?

NEWSLINE

Colombo does not need another study to establish that it floods. A few hours of sufficiently heavy rain can turn roads into rivers, trap commuters, inundate homes and expose the extraordinary vulnerability of parts of the country's commercial capital and its surrounding suburbs.

The problem is old, enormously expensive and, despite years of investment, stubbornly persistent.

The latest answer is the proposed Mudun Ela development, an undertaking carrying a price tag of around Rs 46 billion and intended to improve the management of storm water and reduce flooding across areas affected by the drainage basin. At that scale, this is no longer simply another drainage improvement.

It is a major public investment whose success or failure will eventually be measured in homes protected, roads kept open and communities spared repeated flooding.

Mudun Ela is important because Colombo's flooding cannot be understood simply by looking at the drains beside its roads. Water has to move through an interconnected system of canals, retention areas, wetlands and waterways before eventually being discharged, and restrictions at one point can have consequences kilometres away.

Rapid urbanisation has meanwhile covered enormous areas of naturally absorbent ground with concrete, buildings and roads, leaving storm water with fewer places to go.

That is why merely widening a drain or cleaning a canal may provide temporary relief without solving the underlying problem. Flood protection has to consider the entire catchment, including water retention, pumping capacity, encroachments, construction, solid-waste disposal and the preservation of wetlands that perform an enormous drainage function without sending the Government an invoice.

The Rs 46 billion figure therefore deserves attention not because flood mitigation is unnecessary but because it is so necessary.

If Sri Lanka is going to commit that amount of public money to the Mudun Ela basin, taxpayers should be able to see precisely what is being built, how the expenditure has been calculated, what geographical areas will benefit and what measurable reduction in flooding the project is expected to deliver.

There should also be a clear answer to what happens after construction is completed. Sri Lanka has never suffered from a shortage of infrastructure projects; maintenance is another matter.

A sophisticated drainage system clogged by garbage, obstructed by illegal construction or allowed to deteriorate can eventually become an extremely expensive version of the system it replaced.

Climate adds another complication. Infrastructure designed around yesterday's rainfall patterns may not

RS 46 BILLION...

be sufficient for tomorrow's extreme weather. A Rs 46 billion flood-control programme must therefore be designed not merely to deal with the floods Colombo already knows but with the increasingly intense rainfall events it may have to confront in the decades ahead.

There is an economic argument for getting this right. Flooding destroys household possessions, damages businesses, interrupts transport, reduces productivity and forces government agencies repeatedly to spend money responding to emergencies that better infrastructure might have prevented.

Properly designed flood mitigation can therefore save considerably more than it costs.

But that calculation works only if the project actually delivers the promised protection. Sri Lanka's recent economic history has taught the country a painful lesson about large public investments: the size of a project is not evidence of its value.

The Mudun Ela development should consequently be welcomed as an opportunity to tackle a serious and longstanding problem, but accompanied from the beginning by unusually rigorous transparency.

The public should know the engineering objectives, procurement arrangements, implementation timetable, environmental safeguards and the benchmarks against which success will eventually be judged.

Rs 46 billion can buy an enormous amount of concrete.

What Colombo needs it to buy is considerably more valuable: dry homes, passable roads and a city that does not surrender every time the heavens open.

Be that as it may.

DAMBULLA WHO WAS TAKING PEOPLE'S MONEY?

The Central Bank has publicly named a Dambulla resident who it says accepted deposits without authority between 2019 and 2022, using promissory notes and loan agreements. He has now been ordered to stop taking money and repay outstanding deposit liabilities. But the disclosure leaves some rather important questions unanswered including how much money was collected, from how many people and how much remains unpaid.

NEWSLINE

The Central Bank has taken the unusual step of publicly naming a Dambulla resident after determining that he had accepted deposits from members of the public in contravention of the Finance Business Act. The notice, published on September 16, identifies the individual as Pemadasage Indika Premakumara and says the activities occurred over a period stretching from 2019 to 2022.

According to the Central Bank, the money was accepted through the issuing of promissory notes and the entering into of loan agreements. Following an investigation under Section 42 of the Finance Business Act No. 42 of 2011, the Bank says it determined on July 15 this year that the deposits had been accepted in contravention of the law.

Two directions have now been issued. Premakumara has been ordered not to accept further deposits from the public through loan agreements, promissory notes or any other method, and he has also been directed to repay all remaining deposit liabilities.

So far, that sounds like a regulator doing precisely what a regulator is supposed to do. The difficulty begins with what the public notice does not tell us.

There is no figure for the total amount of money accepted. There is no number for how many people placed their money with the individual.

There is no indication of the value of the liabilities still outstanding, nor does the notice explain when those outstanding sums must be repaid.

Those are not insignificant details. If the purpose of publishing the notice is to protect the public, the scale of what occurred is surely part of the public interest, particularly for anyone who may have handed over money and is now wondering what happens next.

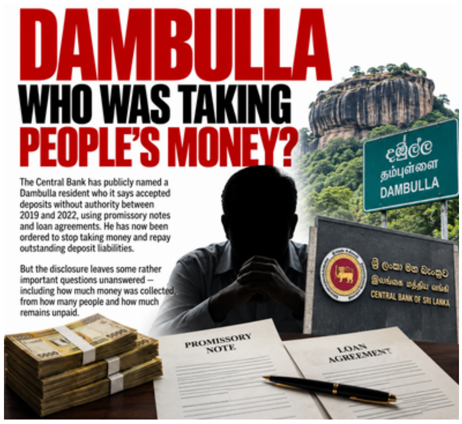
There is also the question of time. The Central Bank says the deposits were accepted between 2019 and 2022. Its determination was made on July 15, 2026, and the public notice followed on September 16.

That does not by itself establish that the regulator knew about the activity throughout the intervening years, but it does make the chronology important. When did the Central Bank first become aware of the deposit-taking, when did its investigation begin, and what triggered it?

The distinction between an ordinary private loan and the business of accepting deposits from the public matters enormously.

Sri Lanka regulates deposit-taking because the moment members of the public are invited to hand over their savings with an expectation that the money will be returned, the potential consequences of failure extend far beyond an ordinary commercial disagreement.

A licensed bank or finance company operates inside a regulatory structure involving capital requirements, supervision and other safeguards.



Somebody accepting money outside that framework does not suddenly acquire those protections merely because the transaction is described as a loan agreement or accompanied by a promissory note.

Sri Lanka hardly needs reminding what can happen when people entrust their savings to schemes they believe are safe.

The attraction is often perfectly understandable: an apparently better return, a persuasive recommendation or confidence in the person collecting the money.

The danger becomes apparent only when somebody asks for the capital back and discovers that a piece of paper is not the same thing as cash in the bank.

That is why the Central Bank's action in this case is important.

But enforcement after unauthorised deposit-taking has occurred is only one part of regulation. The more difficult objective is detecting it early enough to prevent members of the public becoming exposed in the first place.

The Central Bank has now told the individual to repay what remains outstanding.

The next stage deserves watching rather carefully.

How much must be repaid?

How many people are waiting for their money?

And, most importantly, will they actually get it back?

Be that as it may.

"Questioning The Answers"

YOSHITHA'S NAVAL TRAINING IS NOW HEADING TOWARDS TRIAL

It happened years ago: Yoshitha Rajapaksa was sent to Britain for specialist naval training. Now CIABOC alleges that he did not possess the required qualifications and that arranging the training caused a financial loss to the State. The Colombo High Court has ordered the corruption case against Rajapaksa and former Navy Commander Wasantha Karannagoda to proceed to a pre-trial conference.

NEWSLINE

A controversy over Yoshitha Rajapaksa's naval training has moved another significant step through the criminal justice system, with the Colombo High Court ordering that the corruption case against him and former Navy Commander Admiral of the Fleet Wasantha Karannagoda be called for a pre-trial conference.

Both men appeared before Colombo High Court on September 17 and are presently on bail. The case has been brought by the Commission to Investigate Allegations of Bribery or Corruption, and the allegations remain to be proved in court.

At the centre of the prosecution is Rajapaksa's training at the Britannia Royal Naval College in the United Kingdom. CIABOC alleges that arrangements were made for him to undergo the training despite his not possessing the qualifications required for it and that the circumstances resulted in financial loss to the Government.

That takes the story beyond the familiar argument about privilege enjoyed by the relative of a powerful politician. It is now a criminal prosecution in which the precise decisions taken, who authorised them, what rules applied and what expenditure was incurred will have to be tested through the judicial process.

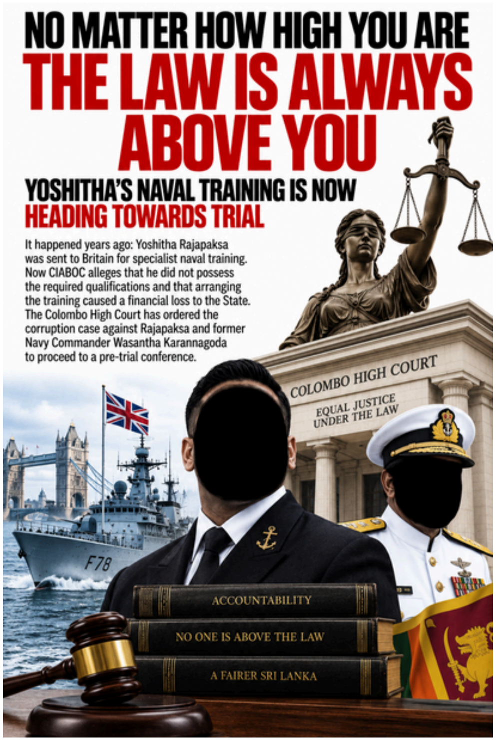
Karannagoda was Commander of the Sri Lanka Navy during the period relevant to the allegations, while Rajapaksa is the son of former President Mahinda Rajapaksa. The prosecution therefore inevitably attracts political attention, but the questions before the Court are ultimately much narrower: whether the elements of the corruption offence alleged by CIABOC can actually be established against the two accused.

The pre-trial conference is important because it allows the Court and the parties to identify the issues that will require determination, deal with documentary and procedural matters and prepare the case for trial. It is therefore considerably more meaningful than another announcement that an investigation is continuing.

There is a broader public-interest question too. Training military officers overseas can be expensive, particularly when the State meets course fees, travel, allowances and associated expenditure. Such opportunities are also potentially career-changing for the officers selected.

The integrity of the selection process consequently matters both to the taxpayer and to other officers competing for the same opportunities.

If CIABOC's allegation is that normal qualification requirements were bypassed, the trial should establish exactly what those requirements were at the relevant time, whether exemptions were permitted, who possessed authority to grant them and precisely what role each accused is alleged to have played.



The financial-loss allegation similarly requires precision. It should become clear what expenditure the prosecution says should never have been incurred and how that loss has been calculated.

A corruption prosecution cannot ultimately rest upon the political prominence of an accused person;

it must succeed or fail upon admissible evidence capable of proving the alleged offence.

That principle works both ways.

No person should receive preferential treatment because of political connections, but neither should political prominence lower the evidential threshold required for conviction.

Yoshitha Rajapaksa and Wasantha Karannagoda are entitled to the same presumption of innocence as anybody else standing before a Sri Lankan court.

What makes this case important is therefore not simply the Rajapaksa name.

It is an opportunity to examine how decisions were made inside one of the country's most important institutions and whether the rules governing public expenditure and professional advancement were applied equally.

WE CAN'T EVEN FIND A BANDAGE?

Patients at the National Hospital and other major state hospitals are reportedly being asked to buy basic surgical supplies from outside pharmacies because items including crepe bandages are in short supply. After everything Sri Lanka's health service has been through, this should be the easiest problem to solve. Apparently it isn't.

NEWSLINE

There are complicated problems in healthcare and there are problems which ought not to be complicated at all.

A shortage of crepe bandages at some of Sri Lanka's major hospitals falls rather firmly into the second category.

Patients at the National Hospital in Colombo and other major hospitals are reportedly facing shortages of basic surgical supplies used for wound dressing, post-operative care and orthopaedic treatment. In some instances patients are being asked to obtain the required items from outside pharmacies.

The immediate inconvenience is obvious, but the human consequence deserves rather more thought. A patient who has already reached a government hospital because he or she cannot afford private treatment may suddenly be told that an item needed for that treatment has to be purchased outside.

For somebody accompanied by relatives that may mean an irritating trip to a pharmacy; for an elderly or seriously ill patient who has arrived alone, it can become a considerably greater problem.

The shortage has been attributed to delays in the Medical Supplies Division's procurement process, while mechanisms which allow hospital directors to purchase essential supplies locally are intended to provide a means of dealing with temporary shortages. That makes the question of why shortages are nevertheless reaching patients all the more relevant.

This is not happening because Sri Lanka has suddenly discovered that hospitals require bandages. The machinery for forecasting, purchasing and distributing these extraordinarily basic products plainly exists. The question is why it has apparently failed to ensure uninterrupted availability where the supplies are actually needed.

Nor can the wider procurement problem have come entirely as a surprise. The Government has already acknowledged procurement challenges affecting the uninterrupted supply of essential medicines and surgical consumables and has sought alternative mechanisms for obtaining urgently needed supplies.

That makes the present shortage worth examining beyond the question of whether a particular hospital can find another box of bandages tomorrow.

"Questioning The Answers"

WE CAN'T EVEN...

Sri Lanka has spent years discussing pharmaceutical procurement, emergency purchases, regulatory failures, shortages, excess stocks and expired stocks. Somewhere inside that enormous system there must surely be room for the unremarkable achievement of ensuring that a hospital has enough material to dress a wound.

The issue is not that shortages can never occur. Forecasts can be wrong, suppliers can fail, tenders can be delayed and consumption can unexpectedly increase. A functioning supply system is judged by how quickly it identifies such failures and moves stock or purchases replacements before the problem reaches the bedside.

There is a particularly uncomfortable contradiction when a state hospital can provide doctors, nurses, operating theatres and sophisticated equipment but leaves a patient searching outside its gates for something as elementary as a bandage. The cost of the missing item may be relatively small; the message it sends about the management of the system is considerably larger.

Sri Lanka's public health service remains one of the country's most valuable institutions precisely because treatment is supposed to be available irrespective of a patient's ability to pay.

Every time patients are sent outside to purchase something necessary for their treatment, however inexpensive, a little piece of that principle is chipped away.

This therefore requires more than another explanation that procurement has been delayed. The Health Ministry should establish exactly which hospitals are short, how much stock is required, why the shortage occurred and how quickly normal supplies can be restored.

We are not talking about some experimental cancer drug costing thousands of dollars a dose.

We are talking about a bandage.

Be that as it may.

SRI LANKA'S REFORMERS PROMISED MEDIA FREEDOM. SO WHY IS THE STATE MOVING CLOSER TO THE NEWSROOM?

Anura Kumara Dissanayake came to power promising a new political culture and an independent media. A government-created professional body for journalists now tests how different that new order really is.

By Kithmi Gunaratne

Sri Lanka's government came to power promising to dismantle the habits of an old political order. Now it is asking Parliament to approve legislation that would create a statutory institute responsible for maintaining professional standards among journalists and other media workers, beginning its life under an interim council appointed by the media minister. For an administration elected on the promise of political transformation, the contradiction deserves far more scrutiny than it has received.

On 23 September, Parliament is scheduled to hold the second-reading debate on the Chartered Institute of Media Professionals of Sri Lanka Bill.

The legislation, first gazetted on 5 June and presented to Parliament in July, proposes an institute intended to introduce and maintain professional standards, conduct training and examinations, enrol members, promote ethical conduct and advance media education.

There are genuine problems behind the government's case. Sri Lankan journalism has been damaged by political ownership, commercial pressure, sensationalism and weak employment protections, while many provincial reporters work under precarious conditions.

Better training and stronger professional institutions are not unreasonable objectives. The question is why achieving them requires placing political authority so close to the institution being created to define professional journalism.

That question became considerably harder to dismiss on 8 September, when the Speaker announced the Supreme Court's determination on the Bill. The Court found clause 3(i) vague and inconsistent with Articles 12(1) and 14(1)(g) of the Constitution, while clause 4(o) was also inconsistent with those provisions and clause 5(4)(b) was inconsistent with Article 12(1).

The relevant provisions would require the special majority prescribed by Article 84(2) if passed unchanged, although the Court set out amendments or deletion that would remove the inconsistencies. The remainder of the Bill was found not inconsistent with the Constitution.

This distinction matters: Article 14(1)(g) protects the freedom to engage in a lawful occupation, profession, trade, business or enterprise, rather than being the Constitution's freedom-of-expression provision. But the determination still means concerns about the design of the legislation cannot simply be dismissed as political alarmism.

Nor has opposition come from a fringe of the media industry. The Sri Lanka Press Institute, Newspaper Society of Sri Lanka, Editors' Guild, Free Media Movement, Sri Lanka Working Journalists' Association, Muslim Media Forum, Tamil Media Alliance, Federation of Media Employees Trade Union and the Sri Lankan chapter of the South Asia Free Media Association have objected to the legislation.

Their primary concern is particularly revealing: the government-led nature of the initiative.

They have argued that credible professional bodies are normally developed by the professions themselves before receiving statutory recognition, rather than being designed by the state for the profession it intends to organise.

The actual text of the Bill explains why that objection matters. Until the institute's permanent council is elected and appointed, the minister would appoint an interim council consisting of the secretary to the relevant ministry and six people with at least 20 years' experience in media nominated by that secretary.

That interim council would have the power to make the initial rules governing how many members are selected, the criteria by which they are selected and the process for creating the permanent council.

In other words, the institution's founding membership architecture would be built by a body whose existence begins with a ministerial appointment.

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"Questioning The Answers"

SRI LANKA'S REFORMERS ...

The Bill goes further than training and professional development. It provides for a disciplinary committee to investigate allegations of "professional misconduct" by members.

That does not automatically make the legislation an instrument of censorship. Governments have legitimate interests in education, professional development and creating institutional structures capable of raising standards. Journalism itself cannot demand immunity from criticism while complaining about everybody else's lack of accountability.'

But journalism occupies an unusual place in a democracy. Its job frequently requires journalists to investigate, challenge and embarrass the same political authorities responsible for making laws. That relationship makes institutional distance from government particularly important.

Sri Lanka certainly needs better journalism. It needs stronger professional standards, better training, more protection for provincial reporters, improved employment conditions and a serious conversation about ethics in an industry transformed by social media and collapsing traditional business models.

The question is not whether journalism should improve.

It is who gets to build the machinery that decides what improvement looks like.

President Dissanayake promised Sri Lanka a different political culture. A government confident in that promise should not need to keep its hand anywhere near the architecture

17 TIMES TO THE IMF. ARE WE REALLY GOING BACK FOR NUMBER 18?

By Faizer Mustapha PC MP

Four years after Sri Lanka defaulted on its external debt, the country's economic stabilisation is, by most conventional measures, a genuine achievement. Reserves have been rebuilt, a primary surplus delivered, debt restructuring is largely complete, and the sovereign rating has been moving in the right direction.

It was against this backdrop that Krishan Balendra, Chairman of the Ceylon Chamber of Commerce, used the Sri Lanka Retail Forum 2026 to argue that Sri Lanka should consider a follow-on International Monetary Fund (IMF)-supported programme, or an equivalent framework, once the current Extended Fund Facility (EFF) lapses in March 2027.

He deserves to be heard. Few people have watched the mechanics of this crisis and recovery as closely as he has, and his instinct that reform momentum should not evaporate the moment the programme's final review is signed off is not wrong.

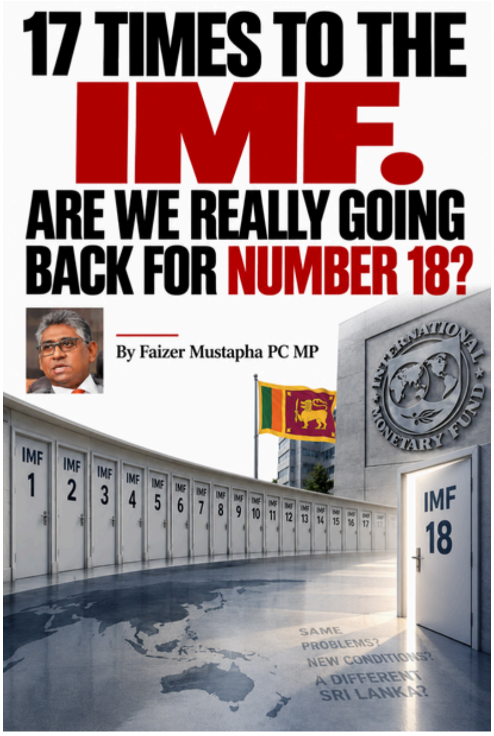
Where I part company with him is on the remedy.

The question of what comes after March 2027 deserves a harder answer than an instinctive return to Washington. Four years into this programme, it is worth asking not only what the reform effort has built, and for whom, but whether a 17th encounter with the Fund, and now an 18th, is actually capable of fixing what is wrong with the model.

My own view is that it is not, and that Sri Lanka should resist the pull towards a follow-on arrangement rather than sign up for one.

THE HUMAN COST

Before the mechanics of fiscal policy, it is worth asking who has actually paid for this stabilisation. Public sector salaries were frozen for extended periods even as inflation eroded their value, hitting hardest the households least able to absorb it.



On the government's own figures, more than four-fifths of state expenditure still goes on salaries, welfare and debt interest, leaving little room for the infrastructure, health and education spending that builds lasting resilience.

In a recent international comparison, Sri Lanka's minimum wage, adjusted for purchasing power, ranked 120th out of 130 countries, among the lowest anywhere in the world, and the World Food Programme has had to mount an emergency response to worsening food insecurity even as Colombo's investor conferences describe a recovery well under way.

None of this means adjustment was avoidable in 2022; it almost certainly was not.

It does mean the human cost has been severe, is still being paid, and deserves to weigh as heavily in this debate as the movement of a sovereign rating.

THE TAX BURDEN

Start with an uncomfortable point at the heart of the programme's own design. Sri Lanka's overall tax revenue rose from roughly eight per cent of GDP in 2021 to almost 14 per cent by 2024, one of the fastest fiscal turnarounds anywhere, driven overwhelmingly by value added tax, raised to 18 per cent having been cut to as little as eight per cent in the tax giveaways of 2019 that helped trigger the crisis.

The standard corporate income tax rate rose to 30 per cent and, at the IMF's own repeated urging, a raft of opaque tax holidays and what one 2024 assessment bluntly summarised as "corporate freebies" were wound down.

That correction was overdue. Generous, poorly targeted exemptions were, as researchers have documented, one of the quieter causes of the fiscal collapse, starving public services of revenue while doing little to broaden the economy. Nobody serious should want that regime back.

The trouble is what has, and has not, replaced it.

Sri Lanka cannot build a sustainable economy simply by repeatedly extracting more from the same narrow group of taxpayers. Nor can taxation substitute indefinitely for the harder work of expanding production, improving productivity, creating better-paid employment and broadening the tax base through genuine economic growth.

STABILITY IS NOT THE SAME AS PROSPERITY

The IMF programme was designed principally to restore macroeconomic stability. On that measure, it has achieved a great deal. Inflation was brought under control, reserves were rebuilt, the exchange rate stabilised and fiscal discipline returned after years in which political expediency repeatedly overwhelmed economic common sense.

But stabilisation is the foundation of recovery, not recovery itself.

A country does not become prosperous because its spreadsheets balance. It becomes prosperous when businesses invest, workers become more productive, exports expand, wages rise sustainably and households acquire enough disposable income to participate meaningfully in the economy.

The danger is that Sri Lanka begins treating the maintenance of IMF compliance as an economic strategy in itself rather than as the platform upon which a genuinely competitive economy must be constructed.

THE ARGUMENT FOR NUMBER 18

There is, of course, a serious argument for continuing with the Fund. Balendra is right that policy credibility matters. Investors contemplating long-term commitments to Sri Lanka need confidence that the country will not return to the fiscal indiscipline, arbitrary taxation, monetary financing and politically convenient exchange-rate management that helped produce the 2022 collapse.

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17 TIMES TO THE IMF...

A successor programme could provide an external anchor. It could reassure creditors and ratings agencies, reinforce fiscal discipline and make it politically harder for a future government to abandon reforms when they become inconvenient.

Those are not trivial benefits.

The question is whether Sri Lanka really requires another IMF programme to behave responsibly.

At some point, a sovereign state has to demonstrate that fiscal discipline is something it practises because it understands the consequences of doing otherwise, not because an international institution is standing over its shoulder.

THE ALTERNATIVE

Rejecting an 18th IMF arrangement does not mean rejecting reform. Quite the opposite. It requires Sri Lanka to own reform.

Parliament should establish binding fiscal rules capable of surviving changes of government.

Independent institutions should be strengthened rather than weakened. State-owned enterprises should be required to operate transparently and commercially where appropriate. Procurement must become genuinely competitive. Tax administration must improve so that compliance expands without simply increasing rates on those already paying.

Above all, Sri Lanka needs a production strategy.

Agriculture, manufacturing, logistics, tourism, technology and internationally traded services cannot remain slogans appearing in policy documents. The country needs to identify where it possesses genuine competitive advantages and then remove the obstacles preventing businesses from exploiting them.

That means cheaper and more reliable energy, efficient ports, predictable taxation, faster approvals, better technical education, functioning commercial dispute resolution and an end to the habit of changing economic rules whenever political winds change.

None of that requires an IMF programme.

It requires government.

THE REAL TEST

There are risks in leaving the Fund without a successor arrangement. Markets may worry about policy slippage. Ratings agencies will watch fiscal performance closely. Borrowing costs could rise if investors believe Sri Lanka is returning to old habits.

Those risks should not be dismissed.

But neither should they become an argument for permanent economic supervision.

Sri Lanka has been to the IMF 17 times because successive governments repeatedly failed to fix the structural weaknesses that sent us there.

If the answer to completing programme number 17 is simply to begin programme number 18, we should at least have the courage to ask what that says about everything we supposedly learned.

Krishan Balendra is right about one thing above all: reform momentum cannot stop in 2027.

Where we differ is over who should provide the discipline.

After 17 programmes, perhaps the most important reform Sri Lanka can make is learning to discipline itself.