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FORWARD

This dissertation on "A Study of the Policy of Location of Industries, A Case Study of Three State Industrial Corporations and some Recommendations for an Industrial Location Strategy in Sri Lanka " was submitted as one part of the M.Sc.(Town and Country Planning) degree examination in December, 1976. It was written over a period of 2 - 3 months and during part of this time the students were engaged in other course work.

During the course the students prepared group projects in the fields of Housing, National Urbanisation Planning, Regional Planning and Urban Development Planning . Written papers were submitted on the subjects of Development Planning and Planning Methods and Policies, and examinations in Applied Planning Theory (two papers) and Planning Practice.

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August 1978

**A STUDY OF THE POLICY OF LOCATION OF INDUSTRIES, A CASE
STUDY OF THREE STATE INDUSTRIAL CORPORATIONS AND SOME
RECOMMENDATIONS FOR AN INDUSTRIAL LOCATION STRATEGY IN
SRI LANKA**

A Dissertation

Presented to

the Department of Town and Country Planning

Katubedda Campus University of Sri Lanka



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In Partial Fulfilment

of the Requirements for the Degree

Master of Science in Town and Country Planning

A. L. S. PERERA

DECEMBER, 1976

This study is concerned with the location of industries in Sri Lanka, a case study of the location of three selected state industrial corporations in the Colombo Region and some recommendations towards an industrial location strategy in Sri Lanka.

The discussion in the study has been pursued in five chapters. The first Chapter reviews the major theoretical concepts of location of industries. It discusses the Weberian and Loschian theories of industrial location and subjects these theories to a critical appraisal. The final section of the Chapter examines the relevance of the major theoretical concepts of industrial location to Sri Lanka.

The second Chapter reviews government policy with regard to industrial location. It presents a survey of policy of industrial location and examines the locational implications of the industrial policy in Sri Lanka in its historical perspective. The next section critically evaluates the effectiveness of the current industrial policy as regards the location of industries and finally presents the opinion of the Colombo Municipal Council on the subjects of location of industries within the City limits. It also observes that the problems of the City should be viewed in a more comprehensive manner.

The third Chapter comprises the empirical portion of the study. It justifies the selection of only state ventures and examines the location of the three selected state industrial corporations in terms of locational criteria established in the discussion in Chapter One. The three industries are the Ceylon Ceramics Corporation, the Ceylon Steel Corporation and the State Graphite Corporation. The final section in this Chapter discusses the limitations to the study and critically analyses the merits and demerits of their respective locations accompanied by some observations on the subject.

Chapter Four of the study highlights some points for consideration in the formulation of a policy on industrial location. It commences with an attempt to restate the problem in a more comprehensive way by taking into consideration the various issues raised in the previous chapters. The final section in this Chapter suggests some strategies towards a rational policy of industrial location.

Chapter Five of the study comprises of the conclusions and recommendations.



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v

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LIST OF CONTENTS

	Page No.
Synopsis	iii
Acknowledgements	v
List of Maps	vi
List of Tables	vii
List of Figures	vii
Introduction	viii
Chapter 1 - A Review of the Major Theoretical Concepts of Location of Industries	1
Chapter 2 - Review of Government Policy with regard to Industrial Location	18
Chapter 3- An Empirical Study of the Location of Three Selected State Industrial Corporations	43
 University of Moratuwa, Sri Lanka. Electronic Theses & Dissertations www.lib.mrt.ac.lk	
Chapter 4 - Towards a Rational Policy of Industrial Location	65
Chapter 5 - Conclusions and Recommendations	75
Schedule Industries in Sri Lanka	88
Bibliography	92

LIST OF MAPS

vii

Map No.		Page No.
1.	Map of Sri Lanka showing District-wise Distribution of Public Industry	12
2.	Map of Sri Lanka showing Industries	13

LIST OF TABLES

Table No.		
1.	District-wise location of Industrial Units upto 16.9.69.	34
2.	District-wise location of all State Industrial Corporations and Private Sector Establishments upto 31.12.74.	35
3.	Industrial Projects approved under the D. D. C. Scheme upto 31.12.74.	37
4.	Spatial Classification of Industries	45

LIST OF FIGURES

Figure No.		
1.	Weber's Locational Traingle	5
2.	Weber's 'Least Cost' Approach	5
3.	Loschian Demand Curve and Cone	7