

## Labor Rights Case Study Report

<b>Report No:</b>	GHRF/2026/LR-SL21
<b>Title:</b>	<b>Investigation into the 'Overwork Culture' and Exploitation of Youth Human Rights within Professional Accounting Internships in Sri Lanka</b>
<b>Data Source:</b>	BBC Sinhala News Report (Published January 21, 2026) & Official Publications of CA Sri Lanka

### 1. INTRODUCTION AND BACKGROUND

Mandatory professional accounting internship training remains a strict baseline prerequisite for management undergraduates specializing in accounting across state universities, as well as for candidates pursuing professional charters under the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). This training is legally binding to finalize graduation or charter accreditation.

However, a toxic and deeply exploitative "overwork culture" has institutionalized within accounting practices and audit firms across Sri Lanka. Young trainee professionals are routinely forced to work unconscionable hours, managing intense corporate workloads for highly nominal, subpar allowances. This systematic labor exploitation has re-entered fierce public and socio-legal debate following the catastrophic demise of Chamith Darshana, a young intern who lost his life in a road accident while returning home after an excessively long overnight shift at an audit firm.

### 2. GLOBAL AND LOCAL CONTEXT

The Research & Analysis Division of the GHRF highlights that this crisis is not isolated to Sri Lanka but reflects a predatory global corporate paradigm that directly compromises basic youth human rights for corporate margins.

- **The Ernst & Young (EY) Tragedy in India:** In 2024, the tragic demise of Anna Sebastian Perayil, a 26-year-old Chartered Accountant who passed away due to overwhelming work pressures just four months after joining EY India, ignited international outrage against the dehumanizing corporate culture of toxic overwork.
- **The Situation in Sri Lanka:** Empirical data and individual accounts confirm that the structural environments across accounting and auditing firms in Sri Lanka heavily mirror the identical pressures that led to the Indian tragedy, actively endangering young lives.

### 3. VICTIM TESTIMONIES AND FIELD REALITIES

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#### A. Testimony of Nishadi (Peak Tax Filing Season - June to December)

- **Dehumanizing Working Conditions:** During the peak corporate tax filing window, Nishadi was forced to work continuous day-and-night shifts. On multiple occasions, she was structurally compelled to sleep and live inside the office premises for an entire week.
- **Abysmal Infrastructure:** Operating in an office environment lacking basic human sanitation facilities like showers, she had to borrow a plastic bucket from the office pantry assistant to wash. Nights were spent sleeping on the floor of the executive boardroom.
- **Withholding of Overtime and Stipends:** Despite clocking 15 to 20 service hours per day, she received no overtime (OT) compensation beyond her nominal LKR 18,000 monthly allowance. Furthermore, the firm routinely withheld an promised LKR 2,000 incremental allowance reserved for interns completing one full year.

#### B. Testimony of Sandamali (Deprivation of Educational Rights)

- **Disruption of Academic Obligations:** Despite an official standard working schedule of 8:00 AM to 5:00 PM, corporate management systematically detained her in the office until 11:30 PM daily. The firm's management routinely denied her mandatory leave required to attend essential state university lectures, research milestones, and final thesis presentations.
- **Severe Shift Fatigue:** On one occasion, after reporting to work at 8:00 AM, she was forced to work a continuous, exhausting 20-hour shift extending into the next morning. Suffering severe physical and mental breakdown, she officially resigned from the firm to preserve her health.

### 4. THE STATUTORY POLICY VS. OPERATIONAL REALITY GAP IN CA SRI LANKA

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According to the official statutory blueprints issued by the Institute of Chartered Accountants of Sri Lanka, the mandated minimum monthly stipend framework for interns is structured as follows:

Student Training Tier	Official CA Minimum Stipend (LKR)	Operational Reality and Shift Durations
Student Level (Unqualified)	LKR 12,000	While CA statutory guidelines mandate a baseline completion of 220 working days per year, in practice, firms systematically force interns to clock multiple times that volume, enforcing mandatory weekend shifts (Saturdays/Sundays), public holidays, and deep overnight corporate tracking with absolute zero overtime (OT) remuneration.
Business Level	LKR 15,000	
Corporate Level	LKR 19,000	
Strategic Level	LKR 30,000	

**Corporate Dual Governance (Conflict of Interest):** Industry insiders and professionals point out a severe structural contradiction: the senior partners and directors who command these private audit firms are simultaneously the senior governing members and decision-makers within CA Sri Lanka. Consequently, the same individuals who dictate minimum student stipends and training hours are actively exploiting the student base to maximize their private corporate profits.

**Official CA Response:** Following intense public and social media outrage catalyzed by the death of Chamith Darshana, CA Sri Lanka issued a formal statement assuring that they are taking the matter seriously and will review the current system. However, student collectives point out that baseline stipends (such as the LKR 12,000 rate) have remained unchanged since 2015, rendering them entirely unlivable under current economic inflation.

## 5. GHRF CONCLUSIONS AND POLICY RECOMMENDATIONS

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The Research & Analysis Division of the Global Human Rights Front (GHRF) strongly concludes that "holding professional qualifications and degrees hostage" to coerce young laborers into executing 15+ hour daily shifts without overtime compensation constitutes criminal labor exploitation. This directly violates the core conventions of the International Labour Organization (ILO) and basic universal human rights declarations.

### Our Policy Recommendations:

- 1. Statutory Enactment of the "Right to Disconnect":** Legislation must be formalized granting interns an absolute legal right to disconnect from corporate communications, tracking, emails, or active work assignments past the standard 5:00 PM cutoff, protecting their private hours and weekends.
- 2. Mandatory Overtime Enforcement and Inflation-Indexed Stipends:** Factoring in intense economic inflation, the baseline CA stipend must be legally mandated at a minimum of LKR 40,000. Furthermore, state labor authorities must make it legally non-negotiable for audit firms to pay time-and-a-half overtime (OT) for every hour logged past the standard 8-hour daily limit.
- 3. Independent Labor Audits and Anonymous Grievance Platforms:** Establish an independent monitoring body and a fully encrypted anonymous reporting hotline outside the executive sphere of CA Sri Lanka. Audit firms found violating labor codes or exploiting trainees must face the immediate, permanent revocation of their institutional "Training License."