

**Emergency Market Mapping and Analysis of the Masonry Labour Market System
Kilinochchi and Mullaitivu Districts, Northern Province, Sri Lanka
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I. Introduction

Wage labour is one of the primary livelihood strategies of resettled households in Kilinochchi and Mullaitivu districts, Northern Province, Sri Lanka. Since these districts have been resettled following the war, food insecurity has reached very high levels and large proportions of the populations do not engage in the production of food or have the income means to support their food needs. In addition to this, large scale efforts are underway to support resettled households to reconstruct their homes. Government and private sector actors are rebuilding roads, public facilities, and businesses. This boom in reconstruction suggests that there will be employment opportunities in construction-related fields, such as masonry, and that promotion of these fields may be useful in helping households to meet their food and household needs. Even though women are involved in the construction industry, they are usually engaged in the lowest paying jobs and very rarely work as masons or masonry labourers.

This market assessment of the masonry labour market seeks to understand how well the current masonry market is functioning relative to the demand for labour, and whether there are opportunities to promote job creation in this sector. Specifically, this analysis seeks to answer three key analytical questions:

- What capacity does the mason market have to meet the demand of household construction in resettled areas?
- What interventions are most appropriate to increase supply of masons to meet the need?
- What are the barriers/challenges for local masons to engage in the construction sector?

The analysis focuses on housing construction due to the relative ease of quantifying demand for housing due to government and aid agency support for housing schemes and owner-driven housing programs. However, the analysis does recognize that the demand for masonry labour from the non-housing segment of the industry is significant and attempts to understand how these construction works will influence the masonry market system.

The following analysis shows that the masonry market system is functioning fairly well. Due to insufficient supply of masons from Kilinochchi and Mullaitivu, a large number of masons and masonry labourers have arrived in the district from outside to fill the demand for workers. This outside presence and the anticipated large demand in non-housing construction suggests that there are ample opportunities for local workers to engage in the masonry market system as unskilled workers or as skilled masons. The report concludes with a series of recommendations to promote and reform the vocational training opportunities currently available for the masonry sector, and to link these institutions with chief masons for advanced on-the-job training opportunities. Such recommendations will speed the engagement of local unemployed workers in the masonry sector and benefit those resettled families in need of homes and public buildings.

II. The Context and Current Situation

More than three decades of armed conflict between the Sri Lanka Armed Forces (SLA) and Liberation Tigers of Tamil Elam (LTTE) led to a steady deterioration of the food security situation along with social and economic infrastructure in Northern Province of Sri Lanka. Kilinochchi and Mullaitivu are two districts in the north that were severely affected in the final phase of the war during January to May 2009. The final war displaced nearly 300,000 people, kept in the transit camps located in 'Menik farm' in the Vavuniya district. In mid-2009, resettlement programs began returning those displaced in the war to their home communities in Kilinochchi and Mullaitivu, and as of February 2012 around 6,000 IDPs (1800 families) remained in the Menik-farm camps awaiting return to their homes¹.

Returnees have had access to basic relief services in terms of shelter material, food, and water and sanitation facilities, in order to re-start their lives and livelihoods². While basic relief services have helped improve protection and resume the livelihood activities, poverty levels in these areas remain high, and the household-level income generated by returnees is far below the poverty line. Surveys in 2011 found that returnees from Kilinochchi earned a per capita income of only 2,189 per month and around 26% live below half the poverty line³⁴. Expenditure patterns reveal that average households spend nearly 60% of income on food, mainly rice, vegetables and fish, while other expenditures include education, debt repayments, household consumables and transport⁵.

As a result, up to 25% of the population of Kilinochchi District is highly food insecure with a similar proportion likely in Mullaitivu District once food distributions cease⁶⁷. Although food is available, prices are high and communities living in the North have low incomes, which lead to very low purchasing power and limited access the available food items. Lack of sufficient production and income sources have resulted in large reductions of household assets (between March 2010 and March 2011, families who reported owning jewelry dropped dramatically from 80% to 5 % in Kilinochchi and from 80% to 41% in Mullaitivu⁸) and an increase in indebtedness, reinforcing risks and occurrence of food insecurity.

The population of Kilinochchi and Mullaitivu largely pursue livelihood strategies in three areas – agriculture (including livestock), fishing, and wage labor. The two districts are primarily

¹ OCHA Joint Humanitarian and Early Recovery Update, February 2012 – Report #40.

² Detailed account of the relief interventions by the humanitarian actors can be found in the Joint Humanitarian and Early Recovery Update by OCHA, February 2012.

³ Food Security in the Northern, Eastern and North Central Provinces: Food Security Assessment Report, Sri Lanka, April 2011, by Ministry of Economic Development, HARTI and WFP

⁴ The National Poverty line for the period March 2011 is LKR3, 318.

⁵ *ibid*

⁶ *Source: Food Security in Northern, Eastern and North Central Province, WFP, Ministry of Economic Development and Hector Kobbekaduwa Agrarian Research and Training Institute, May 2011*

⁷ The termination of WFP general food distribution six to nine months into the resettlement period results in a reduction in available sustenance of families in Kilinochchi and Mullaitivu.

⁸ *Source: Food Security in Northern, Eastern and North Central Province, WFP, Ministry of Economic Development and Hector Kobbekaduwa Agrarian Research and Training Institute, May 2011*

agricultural areas that cultivate lowland irrigated rice, highland crops such as groundnut and green gram, and vegetables. Ocean and lagoon fishing also provides significant livelihood opportunities for nearly 3,000 households. Lastly, recent food security study estimated that 24% of household income is generated by non-agricultural daily wage labour, representing the third largest livelihood activity.

III. Methodology

EMMA (Emergency Market Mapping and Analysis) is a rapid market analysis approach designed to be used in the short-term aftermath of a sudden-onset crisis. It is premised on the rationale that a fuller understanding of the most critical markets in an emergency environment enables key decision makers (donors, NGOs, government policy makers, etc.) to consider a broader range of responses based on market realities. The methodology used for this study adapted the standard EMMA approach to the post-war and resettlement context of Northern Sri Lanka, but nevertheless followed closely the EMMA 10-step process including a focus on key critical market systems and a combined gap, market, and response analysis. Comparison to a baseline market system was not used in this analysis. Due to the duration of the war, and the significant changes in the market environment, reference to a pre-displacement market system is not possible or appropriate. Instead, market maps illustrate the market system as it is currently functioning and in certain cases, how it is anticipated to function in the future.

The EMMA team was made up of 17 members from three organizations – Oxfam (lead), Danish Refugee Committee, and NGAGDO – and four external consultants, including two value chain specialists, a financial systems specialist, and one lead facilitator providing overall technical support for market analysis and reporting. Six of the team members were EMMA-trained prior to this assessment. In addition, a four-day training in the EMMA tools was provided for two members of each critical market system prior to the start of fieldwork. The team was divided into five sub-teams, and each sub-team was responsible for analyzing one critical market system.

This assessment took place from 1-18 May, including seven days of desk-based secondary research and EMMA refresher training in Colombo, and 11 days of field work in Kilinochchi and Mullaitivu districts, Northern Province, Sri Lanka. The masonry market system analysis relied on qualitative and quantitative information from secondary sources as well as primary data collected from 36 semi-structured interviews with key informants and three focus group discussions with 35 households representing unemployed workers, resettled households, and participants in vocational training.

IV. Target population

The target population for this analysis is war-affected and resettled population in Kilinochchi and Mullaitivu districts, Northern Province, Sri Lanka, totaling 230,800 people. This paper analyzes the masonry market system as an income market. Up to 25% of these households are estimated to rely on wage labour, of which masonry is a significant employment option. However, the masonry market system benefits all resettled households who require masonry services for housing construction or repairs, construction of public buildings and infrastructure, and who benefit from providing services to the masonry workers. As a result, the overall target group for this analysis is the entire resettled population within the target districts.

However, within this large population there is a specific focus on unemployed labourers. There are 10,000-15,000 unemployed workers seeking consistent work in wage labour, particularly male and female youth up to age 35, the majority of whom have studied only up to or below the ordinary level qualifications. This analysis seeks to better understand what the opportunities are for engagement of youth in this market. Expanding opportunities for workers in the masonry sector, in line with the labour needs of the whole community, has the potential to speed reconstruction and recovery.

The following table shows the seasonal patterns of the masonry market system relevant for the market system analysis below.

Seasonal Calendar for the Masonry Market System												
Masonry Sector-Related Activity	J	J	A	S	O	N	D	J	F	M	A	M
Rainy Season						Flood/Less Demand						
Festival							Less Work				Less Work	
Agriculture Harvesting								High Demand				
Dry season	High Demand										High Demand	

V. Selection of critical market systems

Five critical markets were selected for this study using a three-step approach during the EMMA refresher training and fieldwork preparation phase prior to the start of data collection. Market selection focused on identifying those market systems that were most critical for ensuring

survival, for promoting and protecting livelihoods, and for ensuring income for the target population.

First, a long list of market systems critical was generated for each of the three primary livelihood groups in the two target districts (wage labour, agriculture, and fishing). These lists were then prioritized based on how critical each market is for the food security, livelihood, and income needs of each livelihood group. In total, a long-list of 84 market systems for wage labour, agricultural, and fishing livelihood groups was prioritized into 21 market systems. Those prioritized include: red rice, coconut oil, dhal, bicycles, mamoty (hoe), farm labour, fishing labour, construction labour, cassava, wheat flour, eggplant, corrugated tin sheeting, kitchen utensils, sugar and tea, canned fish, chili, coconut, brinjal, tomato, okra, and transitional shelter materials.

These 21 markets were then ranked according to six criteria to determine which markets were most appropriate for each livelihood group. The criteria used for ranking were:

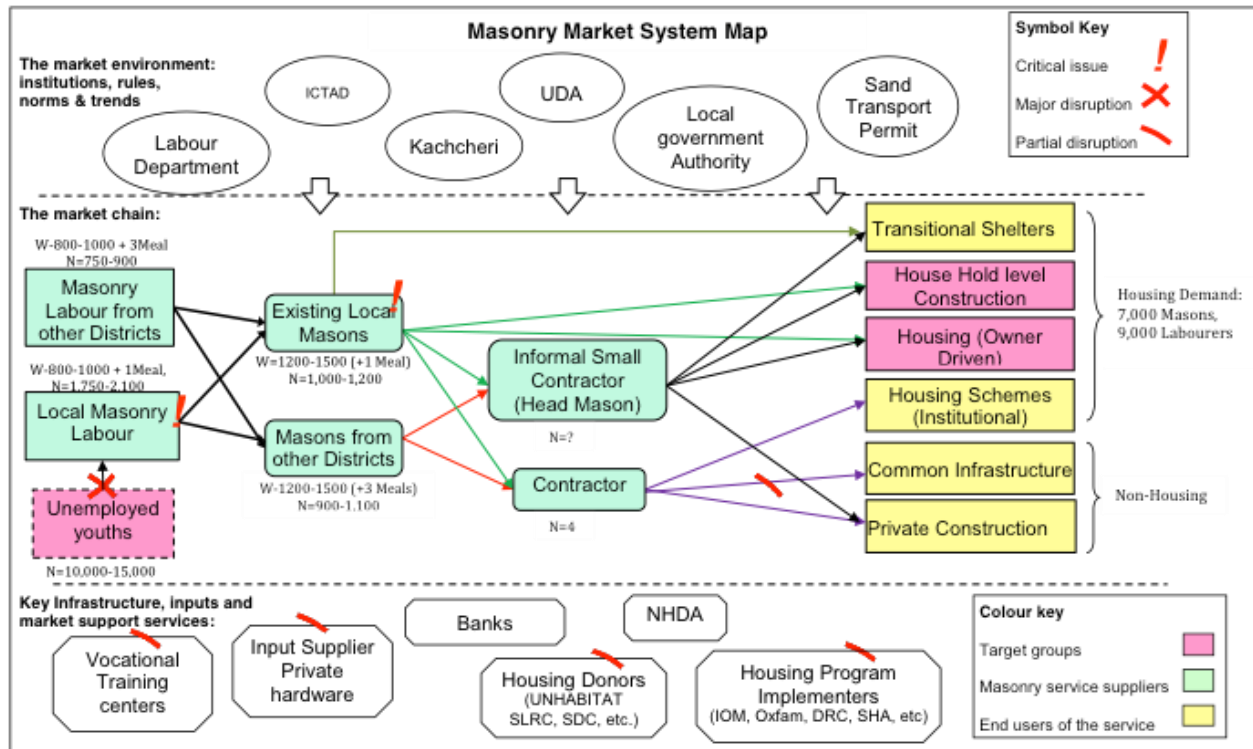
1. The market is related to significant or urgent need
2. The market system is affected by the emergency
3. The market system fits the agency mandate
4. Seasonal factor and timing are appropriate
5. The market system is consistent with government or donor plans
6. Programming options in the market system are likely to be feasible

The high-ranking market systems were then compared across the three livelihood groups and there were several market systems that overlapped, being critical for multiple livelihood groups. The five highest-ranking different market systems were deemed to be the most critical for the target population and selected for this study.

The five critical markets examined by this EMMA team are: 1.) Red Rice – supply market; 2.) Groundnut – income market; 3.) Credit services – supply market; 4.) Masonry labour – income market; 5.) Milking cow – supply market.

VI. The Market system

The market map below is a visual depiction of the masonry market system. This map illustrates the connections between the mason labourers and skilled masons and their employers in order to deliver housing and other construction projects. In addition, there are a series of institutions and policies which regulate the functioning of this market system as well as infrastructure, inputs, and services which facilitate the connections between workers, contractors, and households seeking permanent homes.



The Market Chain

- Masonry Labourers:** There are about 2,500 – 3,000⁹ masonry labourers, primarily men, working in housing construction in the two districts, including about 30% that are coming to the district for work from outside districts. Because many areas of Mullaitivu is only recently resettled, many people have not yet entered the workforce full time, meaning the percentage of masonry labour from outside districts is higher in Mullaitivu, which account for 50% of the total masonry labourers work in the district, while it's 20% in Kilinochchi. There is an average ratio of 1.3 labourers to each mason for a house construction project. Working as a labourer is also the main source of on the job training to become a mason, which need about one year of regular working in the sector plus interest and commitment to get skilled. The average wage for masonry labour is 8,00 - 1,000 LKR per day at present, but the established minimum wage for masonry labour is 600 LKR/day
- Existing local masons:** There are roughly 1,000 – 1,200¹⁰ local masons from the Kilinochchi and Mullaitivu working in housing construction in the same districts, almost

⁹ Under the housing assistance provide by agencies & government, it has estimated for 45 mason days and 60 masonry labour days for a 500 sq ft house (BOQ from UN Habitat). At present 4,382 (source: district planning Secretariats) new house are under construction, masons work on 3 house simultaneously. Accordingly, 1,460 masons are working in construction of new houses (fully damaged houses). Number of masons working in repairing partly damaged houses and working in construction of transition shelters were calculated in a similar way.

¹⁰ Calculated based on the information provided by master masons and contractor businesses.

all of them are men and have become masons through experience by working as masonry labourers. Local masons are paid a daily wage of 1,200 - 1,500 plus lunch. The level of experience among local masons is less compared to that of outside masons, mainly due to the fact that local masons were displaced over the last several years and did not have opportunities to practice their trade. As a result, the quality of work of local masons is perceived to be lower than masons coming from outside the districts. Almost all the local masons reporting having sufficient work at the moment and only very few masons do not work as masons at present due to other priorities. The frequent absenteeism of local masons to work has resulted preference for outside masons among contractors and households.

- **Masons from outside the district:** Over 900 – 1,100 masons from outside districts work in housing construction in the two districts, majority of them are from Eastern province, and some are from Jaffna and southern districts. Almost all of them have become masons through experience by working as masonry labour. Outside masons are paid a daily wage of 1,200 - 1,500, the same as for local masons but they have to be provided three meals plus accommodation. The level of experience of outside masons is higher compared to local masons as they have had the opportunity to work in this sector for long time. Further, masons from outside districts work continuously to complete the task, and therefore, the preference for outside masons is higher.
- **Informal small-scale contractors (head masons):** There is substantial number of experienced masons from within and outside the target districts who operate as independent, small-scale contractors. They are not formally licensed by the authorities. They take contracts from households that build owner-driven housing, and they hire other masons and masonry labourers to work with them to complete the project. Further, they do construction of transitional shelters and construction of latrines, etc for institutional clients in Mullaitivu district.
- **Contractors:** There are about 20 registered local small contractor businesses engage in construction of houses and other infrastructure, and about 27 unregistered small contractor businesses. Each contractor hires teams of masons and has the capacity of building 20 -30 houses simultaneously. Majority of the masons and masonry labour hired by these contractors are from outside districts.
- **Households:** The total number of resettled families in Kilinochchi and Mullaitivu districts up to date is 68,602, of which 46,144 families need to build or repair their houses, and 5,585 households are in need of transitional shelters¹¹. There are several types of programs to assist these households to rebuild or repair their homes, including temporary transitional shelter consisting of a concrete floor and temporary walls and roofs, owner-driven housing programs, as well as agency-built housing developments to

¹¹ Source: 1st Quarter 2012 Progress report, District annual Implementation Programme -2012, District Secretariat

house resettled households. Delays in getting the housing grant installment from agencies and difficulties in getting required sand and timber in time are among the key constraints face by the households in constructing their houses.

	No of houses Need	No. of HH received assistance	Total gap
HH Fully damage	52,045	13,304	38,741
HH Partly damage	13,383	5,980	7,403
HH need transitional shelters	14,012	8,427	5,585

Market Infrastructure, Inputs and Services

- **Aid Agencies:** Many humanitarian and government agencies are engaged in housing and public works construction. Agencies such as UN Habitat, SLRC and Swedish Development Corporation implement housing development projects, as well as others. All together the humanitarian and government agencies seek to build or repair over 52,000 homes and transitional shelters in the target districts¹².
- **Vocational Training (VT) Providers:** There are only very few VT providers that offer masonry courses, VTA and NAITA are the main players. They have the capacity to produce 85 trainees per year, however they report difficulty in recruiting participants and that most participants seek further advanced technical training after receiving a certificate as opposed to entering masonry work. A new VT training center, supported by GIZ, is being constructed in the target area, however it is unclear whether this center will offer masonry courses.
- **Housing loan providers:** National Housing Development Authority (NHDA) operates a housing loan scheme for the households, especially to the government employees. This is a key element for stimulating demand for masonry workers.

VII. Key findings

Gap Analysis

¹² Source: 1st Quarter 2012 Progress report, District annual Implementation Programme -2012, District Secretariat

The analysis below shows that the masonry the current market system is providing sufficient numbers of masons to meet the need within the housing sector. However, demand for masons and masonry labour from non-housing construction, including public buildings, infrastructure works, and private construction is anticipated to increase dramatically as ongoing works progress and planned projects come online. A quantitative analysis of the gap in masons and masonry labourer for non-housing construction is not possible, however the analysis shows that significant growth in masonry demand well beyond the current supply of masons is anticipated in the near term and to continue for many years to come.

Masonry Supply Gap – Housing Construction

A total of 68,602 families have been resettled in the two districts, and 52,545 houses of these families had been fully damaged. Out of this amount 8,922 houses have been already constructed while another 4,382 house are under construction. The number of houses still needing to be constructed for the resettled families is 38,741. In addition to the fully damaged houses 7,867 partly damaged houses are there to be repaired and 5,585 transitional shelters require basic masonry construction.

With donor support and through government funding, affected families are provided with a housing grant of 500,000 LKR in five installments to build their houses in an owner driven arrangement. The recommended size of the house is 500 square feet, which requires two mason-work months (45 days) and 60 masonry labourer days. Based on these estimates, 7,000 masons are needed to complete the all the war-related housing construction in one year. The present supply of masons is less than 30% of this total, meaning it would take a minimum of an additional 3.5 years to complete the number of planned houses with the current supply of masons working in the housing sector. It is also anticipated that the total number of houses under construction will take a year to complete, meaning the anticipated time to complete all planned housing works with the current supply of skilled masons is 3.5 – 4.5 years.

The gap for masonry labour is similar to that of supply of skilled masons. On average, 1.3 masonry labourers are required for each mason, meaning the demand for masonry labour is over 9,000 people while the current supply is little less than 2,500 persons. With the current supply of masonry labourers it will take 3.5 – 4.5 years to complete the current and planned houses.

Most government, donor, and aid agency permanent housing schemes are operating on a 5-year timeline to complete construction, meaning the current number of masons appears sufficient to meet the needs of these housing programs in the period of time required. Most households would prefer to complete construction more rapidly, which would require an increase in the number of masons and mason labourers available. Details of the housing construction needs and the present supply & demand for masons are given in the table below.

	Fully damaged houses	Partly damaged houses	Transition shelters	Total
<i>Current supply of masons for on-going construction of houses/transitional shelters</i>				
No. under construction	4,382	1,613	825	
No. of mason work month needed/unit	2	0.75	0.125	
Average duration take to complete (months/unit)	6	3	1	
Ave. no. of units ea mason can construct simultaneously	3	4	8	
No. of masons currently engaged (= current supply working in housing)	1,461	403	103	1,967
<i>Need for Masons to construct remaining houses/transitional shelters</i>				
No. of units to be constructed	38,741	7,867	5,585	
No. of Masons required to complete within a year (Demand)	6,457	492	58	7,007
Time needed to complete with current supply (Years)				3.56

Masonry Supply Gap – Public Infrastructure Construction

A large number of common/public infrastructure constructions also on-going on and planned, creating significant additional demand for masons and masonry labourers (see table below). A useful quantitative analysis of the number of masons working on these projects, and the mason and masonry labour demand from these construction works not possible given the unspecified timeframes for completion, differing construction designs and vastly varying requirements for masonry workers.

However, what this analysis does show is that an overwhelming majority (close to 95%) of the planning public infrastructure construction works have not even started. This large body of construction work indicates two key points relevant for the masonry market system:

1. The number of masons engaged in non-housing construction is relatively small relative to the demand from construction projects. Based on conversations with contractors, it is estimated that the number of masons working in non-housing construction is only about 20% of the total number of masons working in housing, meaning only 400 masons are currently working in the non-housing construction where over 600 projects are currently planned. Additionally, despite the large number of projects underway or planned (as shown for Kilinochchi in the table below), masons do not report having any trouble finding work. All masons consulted during this analysis reported that they are fully employed. These two factors suggest that there is a very limited number of masons

available, if any, to meet the demand of the current and growing number of public works and infrastructure projects that will require their services.

2. The relatively low proportion of these planned projects that have actually begun indicates that the demand for masons and masonry labourers will likely be very strong long into the future. Of the 670 planned construction projects, less than 5% of the money has been spent, meaning there is a large proportion to continue in the coming years. It is not possible to say how much of the planned construction will actually be implemented, but the list below represents only the planned projects in Kilinochchi and does not take into account public infrastructure needs in Mullaitivu or private construction works. Altogether, the demand for masons and masonry labour, while currently focused on housing construction, likely expand dramatically as the public infrastructure works come online over the next several years.

Common Infrastructure construction – Kilinochchi district¹³

Name of the Department	Type of Activity/Work	No of Projects	Total Allocation (Million-LKR)	Expenditure (Million-LKR)	% To be finished %
Dept. of Agrarian Development	Building and Minor Irrigation Tank	19	7.5	0	100.00%
Dept. of Agriculture Research	Construction of new buildings, water tank, Field well and Peripheral fence	12	97.6	0	100.00%
Irrigation	Maintenance of irrigation schemes, Public Building, SWE Scheme	16	464.499	214.62	53.80%
Water Supply Board	Water Supply & Sanitation, Immediate water supply facility and Tube Wells	6	20,808.3	21.49	99.90%
Education	Repairs of Building, Renovation of CR Building	51	91.27	0.38	99.58%
Health	Reconstruction of Buildings, Renovation of waste water treatment plant, Urgent repairs to concrete slab area of GH building, Construction of Buildings and Re-Construction of MO quarters	28	134.99	7.38	94.53%
Local Government	Construction of Vegetable and Fish Market & Shopping Complex, Reconstruction of Vadiyadi PS office Building, Public library Building, Reconstruction Of Ayurvedic Hospital, Reconstruction of Bus stand at Palai town Stage I, Renovation of Office Building	14	82.566	0	100.00%
Road Development Department	Road Development Works	13	480.8	83.08	82.72%
Road Development Authority	Reconstruction of Kudamuruddy Bridge and road development work.	9	11,410.5	0	100.00%
Cooperative	Construction of Building, Repairing of Building	51	18.61	1	94.63%

¹³ Source: 1st Quarter 2012 Progress report, District annual Implementation Programme -2012, District Secretariat

Name of the Department	Type of Activity/Work	No of Projects	Total Allocation (Million-LKR)	Expenditure (Million-LKR)	% To be finished %
District Secretariat	Reconstruction and Construction of Buildings	18	315.8	0	100.00%
Ministry Of Economic Development (Emergency Northern Recovery Project)	Rehabilitation of tank	188	1,197.733	711.53	40.59%
Ministry Of Economic Development (North East Community Restoration Development and Project)	Rehabilitation of Roads and bridge and Building	59	245.204	149.77	38.92%
Ministry Of Economic Development (Re-awakening Project)	Renovation of Health Care Center & Training Center, Renovation of Rural Training Centre, Construction of dug well, Renovation of Preschool, common hall, Paddy Store, Coir Industry, Culvert & Road	186	326.07	6.89	97.89%
Total		670	35,681.442	1,196.14	96.65%

In addition to the projects listed in the table, there are additional construction projects planned and underway that require further masons and masonry labourers, again only in Kilinochchi:

- A large sport complex
- Proposed buildings for Agriculture and Engineering faculties
- 70 schools
- Doctor's quarters at hospitals
- Central Market
- Bus stand
- Vocational Training complex currently being constructed with GIZ.

These public works projects do not take into account private-sector construction. Several large-scale private construction works underway include two large garment factories, a Cargills processing center and many other small private sector constructions are going on in the district.

Market Analysis

The market system for masonry labourers and skilled masons in the target districts appears to be fairly well integrated throughout the island. The relatively high demand for masons in the target districts has resulted in more masons from outside coming in to fill the demand. Currently just fewer than 40% of the masons and masonry labourers working in housing reconstruction in Kilinochchi and Mullaitivu districts are from outside the districts. While this means that the overall market system has responded well to the current demand, it also means that there are potential opportunities to increase local participation in the market system, particularly as unskilled masonry labourers. This is increasingly the case with the potential for a very large demand for masons coming online in the near future as public works and infrastructure projects progress. There are a series of constraints facing the market system that limit the engagement of local masons, masonry labour, and unemployed workers from fully participating in the masonry market system in Kilinochchi and Mullaitivu districts. Additionally,

there are a high number of female-headed households that cannot engage with the well-paying masonry market system given the male-ownership of the market system.

Limited supply of masons and masonry labour: If housing schemes and owner-driven housing programs are to be implemented over an extended, 4-5 year period, then the current supply of masons and masonry labourers in the labour market can provide sufficient workers to meet the demand for housing construction. However, if the program requires more rapid implementation in a 1-2 year timeframe to assure the target population has an adequate home, then the supply of local masons is not sufficient to meet the construction demand. Outside of the housing construction, it appears that there is substantial, growing, and long-term demand for masons and masonry labour, and that this demand is currently unfilled. It is possible that this increased demand may be filled by more masons from outside the target district, but this demand for masons represents a key opportunity to train and to engage unemployed youth in the masonry market system to earn a consistent income.

Limited masonry skills-training opportunities: According to current practices, masonry skills are mainly obtained through experience by working as masonry labourers over a period of one year or more. Though there are some vocational training providers that offer skills training courses for the masonry sector, their capacity is very limited at present. Additionally, there is a fairly low interest in following the masonry VT courses, meaning training centers are facing difficulties in recruiting sufficient number of students for their courses. The long duration of these courses (up to one year, full-time) and location of the training centers (only in main cities) are the main reasons that interest in the courses is low. Students have difficulty in committing to a year of training away from their homes without the option of earning income. The VT providers lack the funding to provide participants with a stipend that would encourage more people to participate in the training program and become certified to enter the workforce at a more skilled level.

Additionally, although there are substantial number of master masons and quite a number of contractors that have the capacity to train unemployed youths as masons through on the job training (OJT), they are reluctant to do so. The costs of such OJT are fairly high, including a legally required minimum wage of 610 LKR per day and the time invested in teaching and coaching the trainees. The productive working time dedicated to OJT would reduce the mason's number of projects completed.

Lack interest in masonry work: The lack of willingness and motivation among unemployed youths to enter in to the masonry sector is another major constrain in increasing the supply of local skilled masons for the construction demand. There are about 10,000 – 15,000 unemployed youths in the target districts, but generally masonry work is limited to men and has the perception of only being suitable for less educated (having below O/L education qualifications) workers. As a result, only about 25% of these unemployed workers consider working in masonry, and of these workers, the masonry sector competes with agriculture for their labour. Realistically, roughly 10-12% if the unemployed population is willing to work in the masonry

market system as suitable for them, even despite the relatively high wages and income earning potential.

Additionally, there is a general lack of awareness of the income earning potential in masonry, likely because the current level of development and construction work is relatively new for the target districts and many people are unsure of the potential for sustained incomes from the sector. In addition to this, people perceive masonry as being a lot of hard work, as compared to agricultural labour, and requiring many years of working as a labourer before having the opportunity to become a skilled mason (unless your family is also engaged in masonry, in which case there are more opportunities to enter as a skilled mason). Without that level of experience as a masonry worker, many don't believe there are opportunities for newcomers to work in the sector. Additionally, many youth perceive masons as a less respectable profession, mainly because of the low education levels of those working in the sector.

Limitations on supply of building materials: Building materials, particularly sand and timber require a permit to be transported across districts. The permit process can take a long time and constrains the speed (and demand) for housing construction and masonry labour.

Housing grant delays: Many households and masons have reported delays in the delivery of housing grant installments to households. This slows down the construction process and reduces the demand for construction labour.

Limitations on engagement of local masons in construction: Because of displacement for several years, many of the masons from the target districts were not able to practice their trade during over the last 3 or 4 years. They have less experience and there are fewer chief masons from local area, and local masons are less likely to be hired by chief masons from outside the area. Additionally, local masons are themselves going through the resettlement process and as such have various additional requirements for their time to support their own household needs that the outside masons do not face.

Anticipated functioning of the market system

The current supply of masons and labourers is likely to be sufficient for housing construction, however this is dependent on a large numbers of workers from outside the district who cost more (due to need to provide housing and food). If demand increases for masons, as anticipated due to large number of public works and infrastructure projects planned, a greater number of masons will likely enter the target area. The influx of outside masons would increase as a result of the insufficient supply of local masons, and with the increasing demand, the price of masons may go up further, putting extra pressure on households in need of getting their housing construction completed.

VIII. Recommendations

1. Support VT service providers to train unemployed youths in masonry:

Support VT service providers to train more unemployed youths in masonry can be considered as a direct response to address the issue of shortage of skilled masons as well as to create sustainable livelihood for resolving the issue of unemployment among the youths in recently resettled families. However, the present capacity of VT service providers is limited and at the same time, the willingness of unemployed youths to follow masonry training course is quite low due to number of reasons. To address these constraints, it is recommended to provide VT centers with required tools, equipment, and materials required for training, etc. to enhance their capacity to offer good quality training, to conduct community level awareness campaigns, and to provide a monthly allowance or incentive to attract unemployed youths to the VT training program¹⁴. Implementation of this intervention would result increase of supply of local masons, assist resettled families to recover their livelihood as well as to reduce the duration that would take to complete the housing requirement of the target population. The in-house training should be started in June/July or Oct/Nov, for making the trainees ready for their OJT (Recommendation #2) in the dry season. This intervention is feasible with the available capacity of VT providers and number of potential youths. Additionally, these VT programmes can encourage women recruits to pursue work opportunities in the masonry sector. Many of the participants in VT courses are already women, however they largely opt to continue their studies at higher levels than to enter the technical fields. Considering the significant work opportunities and potential for consistent and high wages, masonry may be an attractive income opportunity for women, particularly if men continue to shy away from the sector.

2. Revise VT training curriculum to include on-the-job training (OJT) with contractors

This response too can be considered as a direct response to address the issue of shortage of skilled masons as well as to create sustainable livelihood for resolving the issue of unemployment among the youths in recently resettled families. According to the normal practice over 95% of the masons learn masonry by working as masonry labour continuously over one or two years period. This duration can be reduce to six-months by providing them a proper training on theory and practical over about 20 days and then placing them on an organized OJT programme. There are over 47 small contractor businesses in the two districts and each of them contracts to construct 30 – 40 houses. These contractors showed their interest and willingness to offer OJT facilities to unemployed youths with short formal training if they were supported to pay 50% of the salary of these trainees over the training period. Accordingly, this response proposed to train 300 youths on a short training organized at cluster level and place them for OJT through a MoU with small contractors. Pay 50% of the salary for 6 months and coordinate with NAITA to certify the trainees at the end of OJT. Successful implementation of this response will result in increase of supply of local masons in short period of time, assist unemployed youths in resettled families to recover their livelihood as well as to speed up the completion of housing construction of the target population. This intervention is a

¹⁴ Secondary sources (Rapid assessment of opportunities for market oriented livelihood interventions, conducted by SEDCO, 2010) supported findings from key informant interviews that VT participation would increase dramatically if monthly support stipends or incentives were offered to defray the costs of attending.

highly feasible option with the present capacity of contractors and availability of unemployed youth potential to attract to the sector.

Recommended Response	Effect on market system and target group	Key risks and assumptions	Timing and feasibility
<p>Support VT service providers to train more (200) unemployed male and female youth in masonry.</p> <ul style="list-style-type: none"> • Conduct community level awareness • Provide required tools and equipment to training providers • Pay monthly allowance (for travelling etc.) to trainees 	<p>Increase supply of local masons.</p> <p>Speed up the completion of housing construction.</p> <p>Reduce the social issues that have been happened due to outside masons.</p> <p>Create sustainable livelihood for unemployed youths.</p>	<p>Selection and recruitment of right trainees. Criteria need to develop.</p> <p>Women may find it difficult to convince contractors on their capability of being masons.</p> <p>Finding sufficient work after about three years. It's assumed that ongoing intensive construction will remain for another 4 years period.</p>	<p>The training should be started in June/July or Oct/Nov. then The trainees will be ready for their OJT in the dry season.</p> <p>This intervention is feasible with the available capacity of VT providers and No. of potential youths.</p>
<p>Design and implement OJT programme with contractors.</p> <ul style="list-style-type: none"> • Organize 15 – 20 days training course at cluster level • Place them for OJT through contractors with MoU 	<p>Increase supply of local masons.</p> <p>Speed up the completion of housing construction.</p> <p>Reduce the social issues that have been happened due to outside masons.</p> <p>Create sustainable livelihood for unemployed youths.</p>	<p>Selection and recruitment of right trainees. Criteria need to develop.</p> <p>It's assumed that contractors will motivate to provide genuine support in OJT.</p>	<p>The initial training should be started in July or February, February is better as it provide the opportunity to complete OJT fully in the dry season.</p> <p>This intervention is feasible with</p>

Recommended Response	Effect on market system and target group	Key risks and assumptions	Timing and feasibility
<ul style="list-style-type: none"> • Pay 50% of the salary for 6 months • Provide certification at end of OJT 		Finding sufficient work after about three years. It's assumed that ongoing intensive construction will remain for another 4 years period.	the available contractors and No. of potential youths.

Citations

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Summary of Construction and Need of House in Mullaitivu District as at 7th of May 2012

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Annex 1: Response Options Framework

The response options framework is an EMMA tool to document the brainstorming process used in identifying the best response recommendations based on the market system. The table below contains the long list of ideas and concepts considered by the market analysis team when thinking through the most appropriate responses for the masonry market system.

Programming Response Options Considered for the Masonry Sector				
<i>Response activities / combinations</i>	<i>Key risks and assumptions</i>	<i>Timing issues</i>	<i>Likely effect on market system and target groups</i>	<i>indicators</i>
Support VT service providers to train more (200) unemployed youths in masonry. <ul style="list-style-type: none"> • Conduct community level awareness • Provide required tools and equipment to training providers • Pay monthly allowance (for travelling etc.) to trainees 	Selection and recruitment of right trainees. Criteria need to develop. Finding sufficient work after about three years. It's assumed that ongoing intensive construction will remain for another 4 years period.	should be started in June/July or Oct/Nov.	Increase supply of local masons. Speed up the completion of housing construction. Reduce the social issues that have been happened due to outside masons. Create sustainable livelihood for unemployed youths.	# of youth trained Percentage of trained youths are in masonry profession

Programming Response Options Considered for the Masonry Sector				
<i>Response activities / combinations</i>	<i>Key risks and assumptions</i>	<i>Timing issues</i>	<i>Likely effect on market system and target groups</i>	<i>indicators</i>
Design and implement OJT programme with contractors. <ul style="list-style-type: none"> • Organize 15 – 20 days training course at cluster level (for 300 trainees) • Place them for OJT through contractors with MoU • Pay 50% of the salary for 6 months • Coordinate for RPL at the end of OJT 	Selection and recruitment of right trainees. Criteria need to develop. It's assumed that contractors will motivate to provide genuine support in OJT. Finding sufficient work after about three years. It's assumed that ongoing intensive construction will remain for another 4 years period.	should be started in July or February, February is better	Increase supply of local masons. Speed up the completion of housing construction. Reduce the social issues that have been happened due to outside masons. Create sustainable livelihood for unemployed youths.	# of youths completed the 20-day training # youths completed OJT # of students certified in RPL # of youths continue in masonry profession
Support present VT providers to setup branches / start masonry courses in high potential locations	Feasibility of running masonry courses in long run. Sufficient number of students would be able to attract through awareness and motivation campaigns.	It may need at least six months to start courses	Increased supply of masons. Sustainable livelihood for unemployed youths.	# of masonry courses conducted # of student trained
Promote more VT providers to offer masonry training courses	Capacity of VT providers to offer more masonry courses.	It may need at least six	Increased supply of masons.	# of masonry courses conducted

Programming Response Options Considered for the Masonry Sector				
<i>Response activities / combinations</i>	<i>Key risks and assumptions</i>	<i>Timing issues</i>	<i>Likely effect on market system and target groups</i>	<i>indicators</i>
<ul style="list-style-type: none"> • Provide technical and financial assistance to VT providers 	Sufficient number of students would be able to attract through awareness and motivation campaigns.	months to start courses	Sustainable livelihood for unemployed youths.	<p># of student trained</p> <p># of students find employment as masons</p>
Train masonry labourers already in the sector to become qualified masons in shorter period. (Short theory & practical training on weekends over three months period while working as masonry labour)	<p>Willingness of existing masonry labourers to follow training course</p> <p>It would be able to attract masonry labourers to follow short training on weekends.</p>	Would take 4-6 months	Increased supply of skilled masons.	<p># of masonry labour trained</p> <p># of masonry labour promoted as skilled masons within 6 months</p>
Build the technical and management capacity of local small contractors and to train their workers.	<p>Willingness of small contractors to attend training.</p> <p>Would be able to attract small contractors for short training on weekends</p>	Would take at about 3 -4 months	Increased capacity of local small contractors to take more contracts, recruit more masons and complete more houses	<p># of contractors trained</p> <p># of masons trained by contractors</p>