

Impact of Resettlements on Living Standards of Low Income Families in Colombo

**Dissertation Submitted to the University of Sri Jayewardenepura as a
Partial Fulfillment for the Requirements of the Final Examination of
the M.Sc. in Real Estate Management and Valuation Degree**

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The work described in this dissertation was carried out under the supervision of Mrs. P. P. Lalanie Senior Lecturer and any report on this has not been submitted in whole or in part to any University or any other institute for another Degree / Examination or any other purpose.



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Acknowledgement

This study was pursued with the assistance, guidance, and advice of Mrs. P.P.Lalanie, Senior Lecturer and former Head of Department of Business Economics, University of Sri Jayawardenapura, Sri Lanka. She assisted me not only in the capacity of supervisor of my dissertation, but also her continuous guidance and encouragement through out of the study. It is only because of her direct involvement and the dedication that I was able to complete this research in a successful manner.

I am grateful to the present course coordinator and former Head of the Department of Estate Management and Valuation of the University and Senior Lecturer Mrs.K.G.P.K. Weerakoon.

Especial thanks should go to Mrs. Janaki Edirisinghe, Head of the Department, Prof. R.G. Ariyawansa, Mrs. T.U.G.P.Perera and all the other Lecturers of the Department of Estate Management and Valuation of the University for their Valuable Instructions and guidance on this study.

Also especial thanks should go to Prof. K.Siddisena of Colombo University and to Prof. K.Deheragoda of department of Geography for giving me valuable instructions at the initial stage of this study.

I would like to thank to the former Director (Land Development and Management) of the Urban Development Authority, Mr. E.M.R.U.B. Dorakumbura and Mrs.Vishaka Koralage, former Deputy Registrar, of Moratuwa Univercity for the instructions and advice given to me to success the research.

Further, I express my gratitude to all persons and institutions for assisting me in numerous ways in this study and in particular to Mr. G.Vithana, Deputy General Manager of the National Housing Development Authority, officers of the Department of Census and Statistics, and Colombo Municipal Council, officers of the Urban Development Authority.

I acknowledge the fullest cooperation and encouragement of my beloved wife for the success of my study. I might also finally express my gratitude to my son Pasindu for the interest he took in my work, which though disturbing at the time, was also significantly encouraging and endearing.

Further, I wish to thank my friends Prathap, Sanjaya and Knishka, for offering me their kind assistance whenever necessary and Mrs. T.Meeriyagalle for undertaking the word processing.

This study is dedicated to persons who gave their effort to establish The MSc. in Real Estate Management and Valuation Degree programme in the Department of Estate Management and Valuation, University of Sri Jayawardenepura.

Abstract

As a result of urbanization in and around the Colombo city, people migrated to Colombo city in searching better facilities and employments. Due to this reason the land values in the area went very high, low income people who employed in the informal sector and others travel to Colombo city for employment and for other reasons had to settle in and around Colombo city. These people could not afford the land value that increased tremendously. Therefore, these people settled in the informal settlements using government lands, reservations and fire gaps within the Colombo city. This situation created adverse consequences on the urban economy and its productivity. It's a major problem for the development of the city of Colombo.

Therefore, the families live in these settlements had to be resettled for the development of Colombo based on the government policies and planning guidelines. In this context institutions involving these programs have expressed their views, to provide shelters to low income people for a better future. However, there was no any formal study that has been carried to evaluate impact of resettlement schemes on the living standard of low income people.

Due to these circumstances the current study is aimed to fill the gap that was felt as a long term need in the study and research field. Hence this study is to undertake a formal study for measuring the impacts of resettlement on the living standard of low income people in Colombo.

The Dematagoda resettlement housing scheme under the Beira Lake restoration project that has been launched by the Urban Development Authority to resettle families that lived in a railway reservation near Beira Lake, was selected as the case study. This relocation project was initiated in year 2008 and completed in year 2010.

Main objective of the current study is to measure the impact of resettlement on the living standard of low income families who have resettled under this project. The assets based approach on living standard was selected as the method for measuring living standard since it is highly applicable to the sample selected. The Living Standard Index is constructed by using the Multiple Correspondence Analysis to quantify the changes in living standard. The living standard table is extracted and expressed whole the living standard changes with reference to the low income people and the measuring all the changers in one figure.

In the descriptive analysis, it was revealed that the living standard of more than 90% of the families have been improved by relocation and some criterions of the living standard only have degraded to very few families in the resettlement scheme. The living standard index values of all families have increased more than 100% in year 2011, when compared the value in 2008. However, these remarkable results only can experience if current living standard compared with the earlier situation before relocation. Hence, living standard index value of year 2011 can be used as a bench mark for future comparisons of living standard.

Therefore, it is concluded that resettlement has more positive impact on the families who have resettled through the resettlement projects.

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List of Abbreviations

CBN	- Cost of basic Needs
CCPL	- Colombo Consumer Price Index
CMC	- Colombo Municipal Council
CPH	- Census of Population and Housing
DCS	- Department Of Census and Statistics
DCSSL	- Department of Census and Statistics Sri Lanka
GDP	- Gross Domestic Product
HIES	- Household income and Expenditure Surveys
HTHP	- Hundred Thousand Houses Program
MCA	- Multiple Correspondence Analysis
NGO	- Non Government Organization
NHDA	- National Housing Development Authority
OPL	- Official Poverty Line
PCA	- Principle Component Analysis
UBN	- Unmet basic Needs
UDA	- Urban Development Authority
UNICEF	- United Nations Children's Funds
REEL	- Real Estate Exchange Limited
NWS & DB	- National Water Supply and Drainage Board
LIS	- Low Income Settlement

CHAPTER ONE

Introduction

1.1. Background of the Study

According to the history Colombo City initially became important as the harbor based city. Therefore all the international community setup their main camps in the city of Colombo and use it as the administrative city.

In the area the jobs, transport, and other facilities were highly developed. These facilities, employment opportunities, and infrastructure facilities become the magnet to attract people to the city.

After the Colonial period the Colombo became the main business city in Sri Lanka. People who came searching for job opportunities had to reside in the city. However, these people could not afford the land value in this area and tend to use government lands and other reservation for their residential purposes.

Due to urbanization in and around Colombo concentration of population has been increasing for the last three decades. Those habitats became underserved settlements, and had to face difficulties in having basic infrastructure facilities, increasing degraded living conditions deteriorating urban atmosphere and experiencing awful health and sanitation conditions. This situation had undesirable consequences on the urban economy and its productivity.

To alleviate poverty, socio economic and physical deterioration some steps have been taken by earlier Governments, International Organizations such as UNICEP to assist urban service program, The Slum and Shanty Upgrading Program, Community Development Councils in 1980, Hundred Thousand Houses Program (HTHP) in 1978-1983, Urban Sub Housing program in 1984 and Million Housing Program in 1993 etc. However, these programs were unable to provide enduring answer to the urban poverty and urban deterioration.

Due to over demand of the services, the facilities and employment requirements; people migrated to Colombo city. Due to non affordability of the land and housing prices in the area low income employees who engage in informal jobs were settled in the fire gaps, government lands, reservations ,common spaces.

On the other hand, due to well established infrastructure social and economical factors, for the land value in this area went very high. Then the lands were fragmented and some of the government and private land were used by people without any permission. Therefore this problem is the most challenging task that has to be faced when keeping first step towards the development of Colombo city as well as creating spaces for the same.

Under the government policy for next 5 years on development of Sri Lanka “Mahinda Chinthana Idiri Dakma”, Colombo city is to be developed as one of the main tourist attraction cities in the Asia. To implement this policy decision, encumbered lands in the Colombo MC area will have to be released by relocation of people who are living there for long period of time.

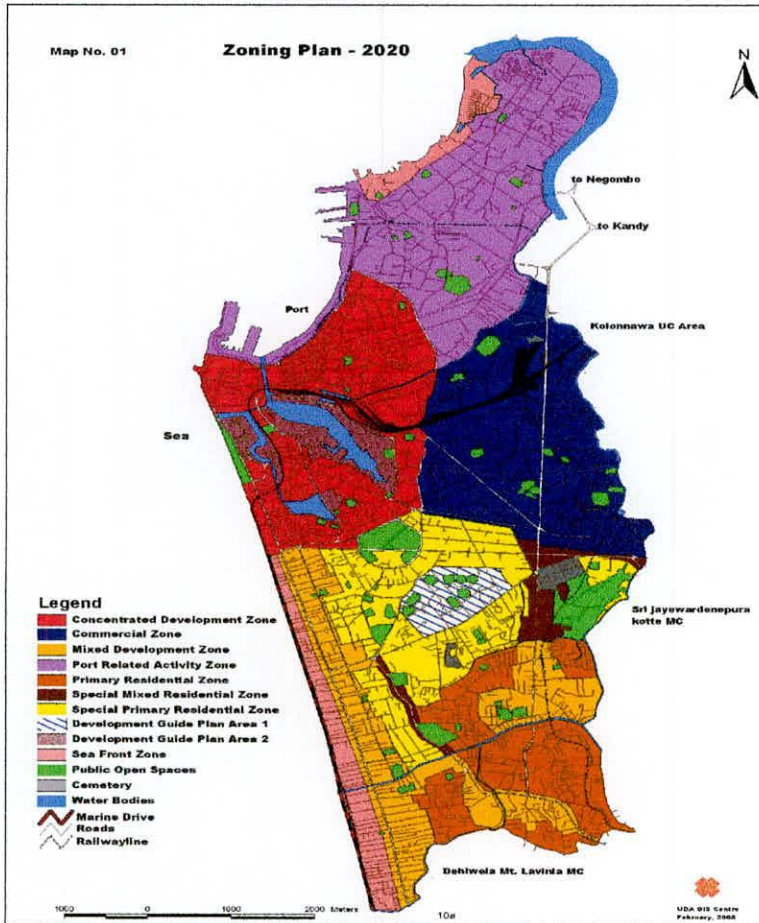
As stated above, Government proposes to develop Colombo as an international standardized city that can attract more tourists for business, leisure and other purposes such as educational and cultural exchange etc. In this context the Colombo city should be changed to cater to these requirements. These changes would require lager space for development. Hence the most challenging task to create space that means clear lands to get required spaces.

Most of Government lands in Colombo area are encroached by unauthorized occupants. Some of these lands have been acquired to the Government Institutions with the occupants in at the time of acquisition. Majority of the occupants in these lands are low income earners. Hence, these occupants would have to be resettled to develop the said lands.

In the meantime, Urban Development Authority has prepared the Zoning Plan for year 2010 to 2020. According to that some zones have been changed and new Zones

have been introduced. It is also required to relocate the occupants who reside in the non residential zones to implement zoning plan.

Figure 1.1 : Zoning Plan for Colombo Municipal Area for 2010-2020



Source : City of Colombo Development Plan 2010- UDA

In Sri Lanka, Most of unauthorized occupancies are spread in the common spaces, government lands, fire gaps, and reservations (security, road, and other reservations.) Most of them are low income families and they have no other alternative lands or shelter to live or enough funds to purchase alternative accommodation. Therefore, they need some help to settle in another location. Hence, relocation projects are handled only by the government. Usually, the mass media, politicians, NGO’s, and civilians tend to criticize the relocation projects without searching long term impacts of them.

At the beginning of relocation process it seems that people who are being relocated are suffering due to demolition of their homes, losing job opportunities and social

relationships etc. As Sri Lanka is a country that has more concern on social welfare, all these relocates are provided with new homes, infrastructure and social welfare facilities at the end of the process. However, duration of every Relocation project goes beyond one year or consists of several paces which has over one year project duration. Therefore, Relocation projects are normally considered as long term projects. Hence, the parties who criticized the project at the beginning will not be able to evaluate the whole project and their outcome.

1.2. Statement of the Problem

It is not clear whether resettlements schemes degrade the living condition of low income families or upgrade them. Therefore people present their views on resettlements schemes based on their gut feelings. Some may argue resettlements leads to degrading the living condition of low income groups by viewing the temporary disturbances at the early stages of the relocation project. The others may try to emphasis the necessity of relocation for development of the country. Therefore, there is a contradiction on the actual net benefit or losses to the people at the end of relocation projects.

Therefore, the current study aims to measure the impact of relocation on the living standard of low income families to identify whether relocation upgrades the living condition or degrades the same.

1.3. Objectives

General Objective

The objective of the study is to identify impact of resettlements on living standards of resettled low income families

Specific objectives

1. Identify the changes in the living standard of the resettled families.
2. To construct Composite living index to measure the living standard of the resettled families.

1.4. Significance of the Study

In line with the Colombo City Development, together with the “Janasevana” Program almost all slums and shanty dwellers will be relocated by the government while providing the houses to them some steps of this program have already been launched by the government Institutions such as Urban Development Authority (UDA) National Housing Development Authority (NHDA). Out of these two intuitions the UDA plays the main role in the context of relocation of people. As per the powers vested with the UDA for urban development under the Urban Development Act. No. 41 of 1974 this task is somewhat easier to the UDA to effect relocation than the other institutions.

In this situation people who are staying in government land without legal documents and also the people who have government grants deeds and individual ownership deeds are also relocated for the development purposes. These relocatees as well as other parties as discussed above criticize these relocation approach as these relocatees are relocated forcefully.

In the meantime, Government institutions (specially UDA) point out that they do this exercise for the betterment of the majority as well as for these relocatees at the completion of these projects. If this statement is true the ultimate benefit should go to these relocatees too. Therefore the living standards of them would be enhanced.

However, It could not be found a formal study which has been done to measure the living standard changes of the relocatees after the completion of the resettlement projects. Therefore the current study is timely important as an effort to evaluate the impact of resettlement on living standard of low income families.

On the other hand result of the current study helps to minimize weaknesses and maximize the strengths of the future projects of resettlements.