Summary
The conclusions of the Rapid Livelihood Household Survey conducted jointly by ILO/WFP, indicate that 80 per cent of the tsunami affected households lost their main source of income, and 90 per cent of those households that had productive assets saw them destroyed or damaged. The findings will be used to support the Government’s planning of its response to the loss of livelihoods.

Survey objective
- To assess households’ livelihood situation, plans for the future and needs for assistance.

Survey design
- The survey covered 1,627 respondents from households in 8 of the most affected districts. Households in camps, affected but still at home, and displaced with friends and families were included. 40% of the respondents were women.

Composition of affected households
- In 24% of the households, those of working age and able to work will have to financially support at least two or more dependents
- More than 20% of affected households have only one or no household member at working age. These households are likely to be in a vulnerable situation, as they will rely on only one main income earner.

Sectors affected
- Sectors that the survey shows to be affected are fisheries (main source of income for 36% of households), services and retail trade (23% excluding hospitality), and public employees and manufacturing.
- Many people employed in the hospitality industry were not captured by the survey, as they used to work on the coast but do not live there. The survey covered directly affected areas only. It is known from other sources (Ceylon Tourism Board and World Bank) that an estimated 27,000 jobs were lost in the guesthouses and hotels alone. This demonstrates that the impact on livelihoods of the tsunami is much more profound than what can be observed in the directly affected areas.
Poverty profile and access to social security schemes

- Nearly 30% of households affected by the tsunami were poor before the disaster as indicated by expenditure of less than Rs 5,000 per month. The highest incidence of poor affected households was found in Hambantota and Batticaloa.

- Affected households whose main income derived from fisheries, manufacturing and public sector employment were found to be typically poorer than other affected households.

- 53% of affected households received social assistance before the disaster, 41% of all households were Samurdhi recipients. Other types of social assistance (such as Triposha, Poor relief, Government pension) covered each less than 10% of households.

- 87% of all affected households lack coverage by any social security scheme (SSS). Of the 13% who are covered, fewer than two-thirds know how to receive benefits.

Loss of houses and productive assets

- Almost half of the respondents’ houses were totally destroyed by the tsunami, and nearly all (94%) suffered some damages. In Mullaitivu, Ampara and Trincomalee districts the extent of damage to houses is particularly high.

- Households who were not displaced also suffered important damages to their house (77% of their houses were partially damaged, 14% totally destroyed).

- 80% of all privately-owned productive assets were totally damaged and 14% partially damaged. All types of assets were affected. The degree of damages varies slightly across assets: 70% of crops and buildings have been lost (totally damaged), while close to 90% of fishing equipment has been lost.

- Nine households out of ten had some private productive assets before the tsunami. Of those, 87% had lost one productive asset or more, and an additional 9% had at least one productive asset partially damaged.
Current livelihood situation

- More than 80% of all households in affected areas are estimated to have lost their main source of income as a result of the tsunami.
- 97% of households whose main income came from the fisheries sector have lost their main source of income. Other most affected sectors in terms of the extent of job losses are retail trade, agriculture, and manufacturing. 70% of households in these sectors have lost their main income.
- Currently half of all households depend primarily on public and private aid.
- Although a large majority of affected households had already received food, medicine and clothing as relief assistance, only 6% had received cash directly.

Livelihood strategy for the future

- 20% of affected household expect not to rely on the same sector of activity as their main source of income as before the tsunami. This share is highest among those previously working in agriculture and fisheries sectors.
- 22% of respondents expect to work in a different location than before the disaster. This proportion is higher among people intending to be wage employed (one-third), women (24%), and in Colombo, Galle, Trincomalee and Batticaloa districts.
- 16% and 12% of women and men respectively currently lack a clear livelihood strategy for the future (they do know what to do to earn an income in the future).

Skills assessment

- 14% of respondents estimate that they do not have the right skills to do the work they intend to do. This rate was higher (around 20%) for respondents from poor households, women respondents and people expecting to be in wage employment.

Needs assessment for those planning to be in business or in wage employment

- Of the 67% of respondents who indicated how they expect to obtain their income in the future, 79% expect to be self employed or run a business. This percentage is the same among women and men.
- More productive assets were lost by households whose members plan to be self-employed or in business.
- More than 90% of those intending to be self-employed or in business estimate that their skills are adequate for the work they are planning to do. The same percentage has previous experience in doing business.
71% of those intending to be self-employed or in business do not expect that their business will need skilled or unskilled workers. Most respondents will be self-employed or running businesses that do not need additional workers.

94% of people planning to be self-employed or in business lack funds for their business. Of those, 66% expect to receive a grant, and 30% expect to get a loan.

Overall, in at least 56% of all households one person or more can be expected to need funds for financing their business or self-employment.

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**Self-employed and in business: Financial needs and expectations**

- **Do not have the funds**: 94%
- **Have funds**: 6%
- **Get a grant**: 64%
- **Get a loan**: 30%
- **Family & friends**: 6%

ILO Colombo
15th February, 2005