PROVINCIAL
VOCATIONAL EDUCATION AND TRAINING (VET) PLAN
NORTHERN PROVINCE

2014-2018

TERTIARY AND VOCATIONAL EDUCATION COMMISSION
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Foreword

In view of the mandate of planning and coordination, the Tertiary and Vocational Education Commission (TVEC) undertook this study at the request of Hon. Governor of the Northern Province as the Northern Provincial Council was yet to be appointed. The International Labour Organization (ILO), Colombo Office provided required funding for the planning exercise.

The TVEC, under the provisions of Tertiary and Vocational Education (TVE) Act No 20 of 1990, has been established with the mandate for planning, coordination and quality assurance of the Technical and Vocational Education and Training (TVET) programmes conducted by many training providers in the country. This Act has provisions to establish a qualification system and accordingly the National Vocational Qualifications (NVQ) Framework was established which addresses national level coordination of TVET Programmes and Institutions. In fact, NVQ Operation Manual developed for the implementation of the NVQ Framework has outlined roles and responsibilities of different public sector TVET institutions. In parallel to the development of the NVQ framework, many attempts have been made to coordinate TVET programmes at district level and provincial level in order to rationalize their TVET programmes and use of their resources effectively.

TVE Act No 20 of 1990 has provisions to develop Provincial Vocational Education and Training (VET) Plans. This is the tool in the TVE Act to coordinate and rationalize district and provincial level TVET programmes. Further, the provincial VET Plan focused on identifying skills development needs of key industries in the province and to develop and deliver the TVET programmes accordingly.

Officials and staff of the Northern Provincial Council that was setup while the study was in progress, Officials of the 05 District Secretariats, representatives of key industries in the province and representatives of the provincial TVET institutions representing the key stakeholders were involved in the development of this VET Plan. We expect the cooperation of all these stakeholders to implement this VET Plan effectively in the province in order to strengthen and equip youth with employable skills.

Dr. Chandra Embuldeniya
Chairman
Tertiary and Vocational Education Commission

Acknowledgement

This Vocational Education and Training (VET) Plan is a result of team work of TVEC, Northern Provincial Council Office and International Labour Organization (ILO), Colombo Office. The study was started before the Northern Provincial Council was established, so the consent of the Hon. Governor, G. A. Chandrasiri was obtained instead the consent of the Chief Minister as per the provision of the TVE Act No. 20 of 1990. So, first I expressed my gratitude and appreciation to Hon. Governor of the Northern Province for his formal request to prepare a provincial VET Plan and for encouragement given at our first meeting we had in Colombo at his office. Chief Secretary, Mrs. R. Wijialudchumi chaired many meetings held with industrialists and has been a partner in this development exercise. Government Agents/District Secretaries of five Districts and other officers in each District Secretariat Offices cooperated with us from the inception of this development exercise. I acknowledge with appreciation the cooperation extended by these officials and staff of the Northern Provincial Council towards success of the national endeavor.

Many industrialists and employers of key industries, officials of relevant public sector institutions took part in sector workshops to assist us in analyses of manpower and skills demand. District Managers and Heads of training centres of NAITA, VTA, NYSC and other public sector Training Institutes and Principals of Technical Colleges in Northern Province actively took part in the TVET workshops to analyze skill supply side and to formulate strategies to bridge gaps of skills requirements. All those who attended the industry sector and TVET workshops deserve our appreciation.

As a team at the TVEC, this exercise was carried out and supervised by Mr. B. H. S. Suraweera, Deputy Director General, and was assisted by Mr. J. A. D. J. Jayalath, Director (Information Systems), Mr. Ajith Polwatte, Deputy Director (Planning & Research), Mr. G. A. M. U. Ganepola, Assistant Director (Planning & Research), along with the consultant to this project, Dr. Muttikrishna Sarvananthan. While commending their dedication and commitment to produce a much soughtafter report in a time where the Northern Province becoming a key partner of national economic development drive. Youth of the North should be brought into the mainstream development drive that takes place all over the country, I appreciate the work of all those who contributed for successful completion of this VET plan. Finally, I expect same level of cooperation from all officials to implement this VET plan in the Northern Province.

Dr. S. D. R. Perera
Director General
Tertiary and Vocational Education Commission

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ABBREVIATIONS

ADB – Asian Development Bank

GDP – Gross Domestic Product

IBRD – International Bank for Reconstruction and Development

IDA – International Development Association

IFC – International Finance Corporation

IDB – Industrial Development Board

ILO – International Labour Organization

NAITA – National Apprentice and Industrial Training Authority

NPC – Northern Provincial Council

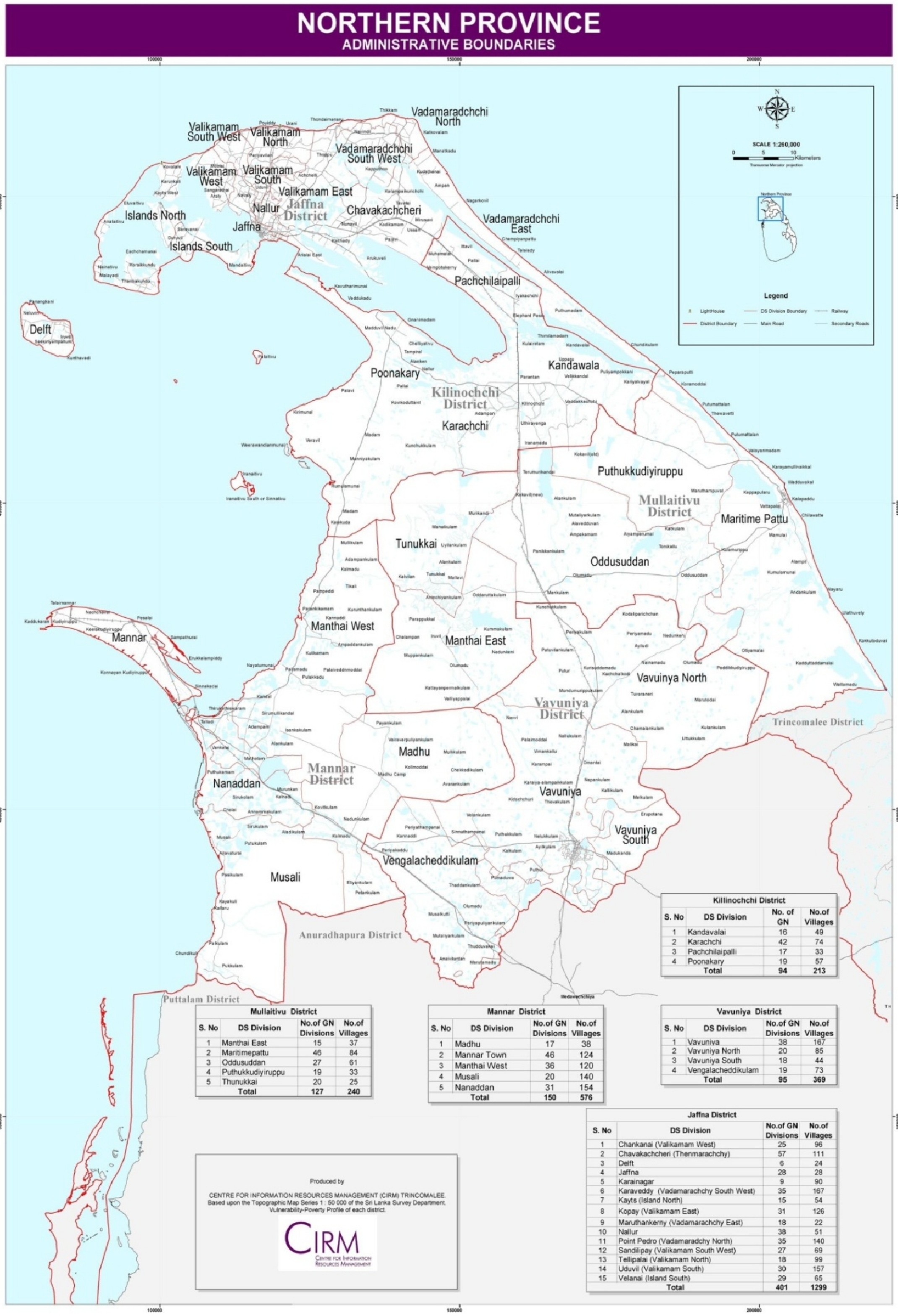
PGDP – Provincial Gross Domestic Product

TVEC – Tertiary and Vocational Education Commission

TVET – Technical and Vocational Education and Training

VET – Vocational Education and Training

VTA – Vocational Training Authority



Killinochchi District

S. No	DS Division	No. of GN	No.of Villages
1	Kandavalai	16	49
2	Karachchi	42	74
3	Pachchilaipalli	17	33
4	Poonakary	19	57
	Total	94	213

Mullaitivu District

S. No	DS Division	No.of GN Divisions	No.of Villages
1	Manthai East	15	37
2	Maritimepattu	46	84
3	Oddusuddan	27	61
4	Puthukkudiyiruppu	19	33
5	Thunukkai	20	25
	Total	127	240

Mannar District

S. No	DS Division	No.of GN Divisions	No.of Villages
1	Madhu	17	38
2	Mannar Town	46	124
3	Manthai West	36	120
4	Musali	20	140
5	Nanaddan	31	154
	Total	150	576

Vavuniya District

S. No	DS Division	No.of GN Divisions	No.of Villages
1	Vavuniya	38	167
2	Vavuniya North	20	85
3	Vavuniya South	18	44
4	Vengalacheddikulam	19	73
	Total	95	369

Jaffna District

S. No	DS Division	No.of GN Divisions	No.of Villages
1	Chankanai (Valikamam West)	25	96
2	Chavakachcheri (Thenmarachchy)	57	111
3	Delft	6	24
4	Jaffna	28	28
5	Karainagar	9	90
6	Karaveddy (Vadamarachchy South West)	35	167
7	Kayts (Island North)	15	54
8	Kopay (Valikamam East)	31	126
9	Maruthankerny (Vadamarachchy East)	18	22
10	Nallur	38	51
11	Point Pedro (Vadamaradchy North)	35	140
12	Sandilipay (Valikamam South West)	27	69
13	Tellipalai (Valikamam North)	18	99
14	Uduvil (Valikamam South)	30	157
15	Velanai (Island South)	29	65
	Total	401	1299

Source: Centre for Information Resource Management (CIRM), Northern Provincial Council, Jaffna, Northern Province.
http://www.np.gov.lk/index.php?option=com_content&view=article&id=19

EXECUTIVE SUMMARY

The objective of the provincial Vocational Education and Training Plans (VET Plans) has been to bridge the gap between the demand for and supply of skilled personnel in different sectors in different provinces of the country. Developing provincial VET plans by the TVEC began in 2009 and the Northern Provincial VET Plan (2014) is the fifth in the series after Sabaragamuwa (2009), Eastern (2010), Southern (2011), and North Western (2012) Provincial VET Plans.

There are numerous private, public, and non-governmental service providers of vocational education and training, both formal and informal, spread throughout the country that need to be optimised and rationalised. The Provincial VET Plan is a mechanism through which the optimisation and rationalisation of the delivery of skills training at provincial and district levels is envisaged. It facilitates demand-driven training programmes through the optimal and rational use of human, material, and technological resources.

The Northern Province has undergone enormous economic, environmental, human, legal, physical, political, social, and technological destruction and displacement as a result of the protracted armed conflict over a period of quarter century. Whilst nationally the unemployment rate (e.g. 4.4% in 2013) and the headcount poverty ratio (e.g. 6.7% in 2012-13) have been at single digit levels in the post civil war period, the unemployment (e.g. unemployment rate among women in Kilinochchi district was 29% in 2012) and poverty ratios (e.g. the headcount poverty ratio in Mullaithivu district was 29% in 2012) have been at significantly higher double-digit levels, especially among women, in many of the conflict-affected districts in the country.

The fastest growing economic sub-sectors those made considerable contribution (over five percent) to the Provincial Gross Domestic Product (PGDP) in the Northern Province in the first two years after the civil war were the fisheries and ‘other food crops’ (green chilies and red onions) in the agriculture sector, construction in the industrial sector, and wholesale and retail trade, transport, and banking, insurance, and real estate in the services sector. The foregoing sub-sectors grew at high two-digit (over 50%) or three-digit rate (over 100%). Although the government services (that incorporates public administration, defence, and other government services) continued to make the single largest contribution to the Northern PGDP in 2011 (25%), this sub-sector has had negative growth in 2011. In a nutshell, the services sector is the economic driver of the provincial economy and will continue to be so in the future as well. Therefore, the development of skills in the province also should prioritise the services sector.

Severe depletion of the quantity and quality of skilled and quasi-skilled human resources has posed critical challenges to the post civil war recovery. For example, according to the Household Income and Expenditure Survey (HIES) 2009/10, only about 7% of the Jaffna district population had passed the General Certificate of Education (G.C.E) Advanced Level (A/L) (Grade 12) whereas nationally 11% had passed the G.C.E. A/L. Similarly, only 10% of the Jaffna district population had passed the G.C.E. Ordinary Level (O/L) (Grade 10) while almost 15% of the national population had passed the G.C.E. (O/L).

The unprecedented economic, physical, and social reconstruction efforts underway urgently require large numbers and diverse quality of skilled personnel. The vocational education and training institutions in the North lack adequately qualified and competent teachers, trainers, and evaluators to produce competitive and quality human capital due to the exodus of human capital to other parts of the country and abroad. Due to the lack of qualified and competent teachers, the vocational institutions have been hiring under-qualified and incompetent teachers on ad hoc basis to keep these educational institutions running. Over a period of time such ad hoc teachers have been made permanent thereby downgrading the quality and standards of training institutions permanently. Therefore, critical actions have to be taken to remedy this perpetuation of low quality of training in the Northern Province.

However, the relatively younger population, especially in the Vanni districts, and the untapped reservoir of female labour offer windows of opportunities for the Northern Province and the country at large. The four Vanni districts (Kilinochchi, Mannar, Mullaithivu, and Vavuniya) have relatively younger population than all other provinces, barring the Eastern Province, which provides them a comparative advantage vis-à-vis other provinces in the labour market. The Northern Province has the second lowest, after the Eastern Province, female labour force participation rate in the country, which could be potentially increased in order to stimulate the post-civil war economy.

The cardinal principle on which this Northern VET Plan and Strategy has been prepared is to foster **QUALITY** skills training. This quality is envisaged in terms of National Competency Standards of the National Vocational Qualifications (NVQ) Framework of Sri Lanka and international benchmarks so that an internationally competitive labour force is created over time. The quality enhancement should take place both among the teachers as well as the students. Of course, quality improvements entail additional costs and so does personnel increase. It would be ideal if the quality could be improved at the same time as the numbers are increased.

Since the services sector dominates the national and the Northern Provincial economy it is opportune to promote the service culture, which entails attitudinal changes among teachers and students alike.

One advantage the vocational education sector has is that the students and the teachers are more focused on their studies and training than some other higher educational institutions and therefore could be more amenable for attitudinal changes. One of the most critical attitudinal changes required is to develop skilled entrepreneurs as opposed to skilled personnel as in the past.

Skilled personnel would know only the technical aspects of a particular skill. In contrast, a skilled entrepreneur would not only know the technical aspects of a particular skill but also know financial management, marketing, and continuous up-scaling of that skill in a competitive market place. Hence, an integrated curricular incorporating the technical and entrepreneurial skills need to be developed in each and every skills category in order to inculcate multi-skilling or multi-tasking to nourish skilled entrepreneurs.

Another advantage the skills development sector has is that it is by and large practical doing, which requires minimal usage of language. Therefore, skills transfer could take place much more rapidly than knowledge transfer across cultures and countries. That is, language is a minimal barrier in the vocational education and training sector. Hence, the dearth of competent trainers of skills in the Northern Province could be offset by trainers from other parts of the country as well as from abroad. Besides, the trainers from outside the province also provide an opportunity for the re-building of the broken inter-communal relationships during the time of the civil war.

As noted in chapter one, huge number and variety of skilled personnel are in demand in the Northern Province. Every effort need to be taken to increase the capacity of existing vocational education institutions to train the requisite skilled personnel. One way of overcoming the lack of capacity is to outsource the training requirements to the private and non-governmental sector through a competitive, open, and transparent call for tender.

When it comes to implementation of the VET plan, the TVEC will set-up a Provincial Steering Committee (PSC) in the North with the Chairmanship of the Chief Secretary of the Provincial Council in order to implement the proposals herein.

The PSC will be a multi-stakeholder unit incorporating training institute representatives (drawn from the public, private, and non-governmental institutions), private sector employers within the province (micro, small, medium, and large enterprises encompassing the major sub-sectors such as agriculture, banking/finance, construction, manufacturing, light engineering, education/health, English/ICT/BPO/ life skills, hospitality, transport, etc), and national/provincial/local government representatives. This PSC may outsource the training requirements through a call for tender or any other formal procedure. The PSC will meet according to a pre-decided calendar and review progress during the medium and long terms. The proposed implementation model should be a private-public partnership with strong linkages to industries within as well outside the province.

CHAPTER 1
Vocational Education and Training Plan and Strategy

1.0.Introduction

This Vocational Education and Training Plan and Strategy is derived from analyzing primary and secondary data pertaining to skills demand and supply all over the country and specific to the Northern province. Primary data were gathered through the key industries survey held in the province and secondary data were gathered from the *Rapid Assessment of Registered Public and Private Vocational Education and Training Institutions in Eastern and Northern Provinces of Sri Lanka* (covering Ampara and Batticaloa districts in the East and Mannar and Vavuniya districts in the North) by the International Labour Organisation (ILO) in 2012, *Sri Lanka: Building the Skills for Economic Growth and Competitiveness – Challenges and Opportunities* by the World Bank in 2013, and *The National Human Resources and Employment Polic*y (NHREP) *for Sri Lanka* by the Secretariat for Senior Ministers (on the directive of the President of Sri Lanka) in 2012, among many other international experiences.

1.1.National Situation

As many studies suggest, there is a critical mismatch between supply of the (primary, secondary, and tertiary) education sector and demand of the labour market in Sri Lanka. In spite of significant expansion of and access to primary and secondary education in Sri Lanka since independence, poor quality and lagging relevance of such education has resulted in non-competitive cognitive skills of the labour force. Paradoxically and unfortunately high level of educated youth unemployment in Sri Lanka coexists with unmet demand for skilled labour in various fields and in various parts of the country. It is clearly evident that the education sector in Sri Lanka is supply-driven rather than demand-driven. Resources (financial, human, and material) are allocated based on inputs (e.g. number of students enrolled, variety of courses offered) rather than outputs/outcomes (number of pass-outs, employment after qualifying/training, salaries of passed-out pupils, etc).

Whilst 56% of employers expect high-skilled employees to have passed G.C.E. A/L, only 18% of the total population of Sri Lanka has passed A/Ls. In the same way, whilst 70% of employers expect low-skilled employees to have passed G.C.E. O/L, only 35% of low-skilled and 40% of self-employed workers have passed O/Ls. Similarly, while 60% of employers expect high-skilled employees should have completed TVET and 24% of employers expect low-skilled employees should have completed TVET, in fact only 16% of the national labour force has acquired TVET.

Only sixteen percent of the labour force in Sri Lanka has successfully acquired TVET which is lower than in many lower middle income countries of the world. Out of the foregoing, seventy three percent has only certificate level qualification with minimal skills and only one percent has vocational technology degree. Moreover, out of the fifteen percent that had undergone apprenticeship, only thirty seven percent had done it in formal institutions and the rest sixty three percent had done it in informal institutions. (World Bank, 2013: 13) These national statistics, whilst disappointing, hide wide provincial variations.

1.2. Overarching Goals and Recommendations

The overarching goals and proposals outlined herein are based on the primary and secondary data analysis and various other means of information gathering that took place during the VET plan development phase. As evidenced from national accounts the share of the government revenue as a share of the GDP has been declining and the consequent ever shrinking fiscal space, and the government's policy shift towards abandoning the monopoly of the state in the provision of higher (post secondary school) education and inculcating competitiveness into higher education. This VET plan has been developed around ten (10) goals as set out below;

Goal 1: Increasing equity and access to training
Goal 2: Undertaking regular audits of TVET institutions
Goal 3: Improving quality and relevance of training programs
Goal 4: Encouraging lifelong learning
Goal 5: Facilitating and promoting mobility of courses and students across boarders
Goal 6: Promoting entrepreneurship mindset among TVET trainees
Goal 7: Promoting career guidance as a marketing tool in TVET sector
Goal 8: Expanding existing geographic based TVET information system incorporating GI of NP
Goal 9: Undertaking research and development activities in TVET sector
Goal 10: Make available required number of trained personnel as forecasted
Goal 11: Promoting performance based funding

Goal 1: Increasing equity and access to training

The VET plan development initiative undertook in the Northern province identified certain geographical areas where there are no or insufficient training provision that deprive equity and access to training by the youth of the province. Hence, the plan suggests establishing training in these locations as an action of priority by responsible public and private providers.

Goal 2: Undertaking regular audits of TVET institutions

It is high time to undertake a thorough audit of the VET institutions in Sri Lanka as we are cognisant of the fact that audit of VET institutions is even more important in the NP which has been physically cut-off from rest of the country for long and therefore inspection, monitoring, and evaluation of VET institutions and standards of courses have not taken place for decades.

Goal 3: Improving quality and relevance of training programs

The standards of TVET that VET Plan for Northern Province should aspire are national standards as put in place by the National Vocational Qualifications framework. Thus, the NVQ should steer the VET in the North. The training providers should transform existing training into competency based training as per national competency standards endorsed by the TVEC for use by training providers.

The Northern Province should aim for super quality, enduring, and inclusive multi-skilling and e-skilling of its labour force both young and old, females and males, and able and differently able. Efficiency, labour market relevance, and quality in knowledge and skills provision and innovation, creativity, and entrepreneurship in learning experience should be the guiding principles of the inclusive multi-skilling and e-skilling of the northern labour force. Vocational education and training should be modernised by way of promotion of work-based and life-long learning and mobility of students and teachers through exchange programmes.

Goal 4: Encouraging lifelong learning

Work-based or experience-based individualised learning improves learning outcomes as a result of competence-based learning, assessments, and qualifications. Vocational education and training is indispensable for lifelong learning which could be termed Eternal Vocational Education and Training (EVET). As the Jaffna district population ages, resulting in rapid mid-career changes, it is imperative to update and upgrade skills continually and regularly. Similarly relatively younger population in the Vanni mainland requires inspirational multi-skilling and e-skilling of its labour force to cater not only to local and national demand but also to international demand. Moreover, as the Northern Province is home to extraordinarily large number of (women) single-headed households and physically and psychologically challenged persons as a consequence of the long drawn-out civil war, flexible, home-based, irregular time-based training opportunities have to be made available in order for the disadvantaged population to reconcile family, learning, and work.

Goal 5: Facilitating and promoting mobility of courses and students across boarders

Inter-provincial and overseas (especially in South Asia) apprenticeship to vocational students and trainees and trainers should be facilitated. Such inter-provincial and overseas apprenticeship would on the one hand help overcome language and cultural barriers and on the other hand promote self-confidence, adaptability, sense of responsibility, employability, and cross-cultural communication, understanding, and competencies. Mobility of students and teachers of vocational education and training should be encouraged through parts of the study or training period to be spent in vocational education and training institutions outside the province or abroad (particularly in South Asia). The physical mobility of students and teachers inter-provincially or inter-country wise should be complemented by virtual mobility through the use of Information and Communication Technologies (e-learning).

Goal 6: Promoting entrepreneurship mindset among TVET trainees

Individual students should be empowered to develop their learning experience through innovative, creative, and tailor-made ICT tools, including e-learning, to enhance access to and flexibility of training programmes. Moreover, all students across the entire fields of study and curricula should be encouraged and have access to the ability to transform ideas into practice, creativity, and self-confidence that would result in 'education for entrepreneurship'. Entrepreneurship should be embedded in the competence framework of teachers and trainers of VET.

Goal 7: Promoting career guidance as a marketing tool in TVET sector

Career guidance in VET should be transformed from 'testing' to 'tasting'. That is, in lieu of testing potential students for suitability, potential students should be provided opportunity to taste different skills in order to make informed choice/s of their learning. VET should create and nurture awareness of self-employment as a career option and trainees should be encouraged to start their own business. VET should unearth critical thinking, curiosity, initiative, embed intrinsic motivation of individuals, and instill risk-taking culture.

Goal 8: Expand existing geographic based TVET information system incorporating GI of NP

The mismatch between the world of work and the training provided at technical colleges should be corrected. Therefore, a rolling labour market information system should be developed in order to constantly assess and estimate the demand for different types of skills in different industries and geographical areas in rapidly changing markets and world of jobs. The primary data collection should begin at the periphery (village) and move upwards to divisional, district, provincial, national, and international levels.

Goal 9: Undertaking research and development activities in TVET sector

Skills training have little to do with text books and more to do with visual, graphic, and oral digital multimedia tools and resources. The development of digital multimedia tools and resources with sub-titles in all three languages (English, Sinhala, and Tamil) will be also cost-effective. The TVEC can strengthen current research program towards this and various other aspects of vocational training, learning, monitoring, and evaluation in order to foster qualitative improvements in the same.

Goal 10: Make available required number of trained personnel as forecasted

Given the economic development phase and the priorities of the Government, the TVET system should be geared to provide required trained personnel for support of the development. The Northern province also should be geared for training of persons as forecasted in this VET Plan over the next 5 years. Teachers may also exchanged for capacity building within the country and inter country basis.

Goal 11: Promoting performance based funding

There are numerous public authorities (at national, provincial, district, and local government levels) running vocational training institutions under different Ministries. The Vocational Training Authority (VTA), National Apprentice and Industrial Training Authority (NAITA), Industrial Development Board (IDB), Women's Rural Development Society (WRDS), Municipal and Urban Councils and Pradesha Sabhas are all running vocational training programmes. IDB, NAITA, and VTA do come under different Ministries thereby resulting in fragmentation of institutional policies, quality assurance standards, and monitoring and evaluation. Therefore, there is a critical need for consolidation, rationalisation, and streamlining of VET policies, curriculum, and monitoring and evaluation criteria and standards by amalgamation of multitude of institutions to critical minimum. The funding of public VET institutions should be solely based on performance and outcomes.

A thorough audit of all private (including non-governmental and informal) and public VET institutions should be undertaken to assess the existing physical, material, laboratory, machinery/equipment, teaching/learning resources, and human resources capacity by commissioning international auditors in order to facilitate international benchmarking of VET in Sri Lanka. Further, a rolling tracer survey (annual) should be permanently instituted at the provincial and national levels to track the job and career paths of students passing out of all the VET institutions. Moreover, a rolling survey (annual) of attitudes towards VET should be instituted in the NP for awareness raising about and marketing of VET and career guidance.

1.3. Quantum of Skilled Personnel Required

It was estimated in Chapter 3 that a total of 284,099 skilled labourers would be required in all the sectors during the course of the next four years (2015-2018); split into 22.9% females, 75.7% males, and 1.4% either females or males. (See the following table) However, as noted in Chapter 3, sample sizes in certain sectors and districts are too small to arrive at reliable estimates and therefore these data are at best conjectural.

Summary of Demand for Skilled Labour by Sector and Gender

(Extrapolated data – shares in the parentheses)

SECTOR	Female	Male	Female or Male	TOTAL
Agriculture, Fisheries & Livestock	20,776 (25.8)	59,784 (74.2)	0	**80,560** (28.4)
Communication	836 (8.6)	8,892 (91.4)	0	**9,728** (3.4)
Construction	559 (0.8)	71,552 (99.2)	0	**72,111** (25.4)
Education & Health	12,824 (58.9)	8,848 (40.6)	112 (0.5)	**21,784** (7.7)
English, ICTs & Life Skills	8,624 (35.6)	15,624 (64.4)	0	**24,248** (8.5)
Finance	3,840 (27.1)	7,890 (55.7)	2,445 (17.2)	**14,175** (5.0)
Hospitality	861 (18.4)	3,752 (80.4)	56 (1.2)	**4,669** (1.6)
Miscellaneous	16,744 (37.6)	26,312 (59.1)	1,456 (3.3)	**44,512** (15.7)
Transport	0	12,312 (100.0)	0	**12,312** (4.3)
TOTAL	**65,064** (22.9)	**214,966** (75.7)	**4,069** (1.4)	**284,099** (100.0)

Out of the estimated total of 284,099 required skilled labourers in the next four years (2013-2016), 79,622 are required in 2013 (28% of the total), 69,450 are required in 2014 (24.4%), 63,020 are required in 2015 (22.2%), and 72,007 are required in 2016 (25.3%). Thus on average about 71,000 skilled labourers are expected to be in demand in the next four years (2013-2016). (See the following table)

Summary of Demand for Skilled Labour by Sector and Year

(Extrapolated data - shares in the parentheses)

SECTOR	2015	2016	2017	2018	TOTAL
Agriculture, Fisheries & Livestock	18,444 (22.9)	21,624 (26.8)	16,960 (21.1)	23,532 (29.2)	**80,560** (28.4)
Communication	2,926	2,584	2,356	1,862	**9,728**

SECTOR	**2015**	**2016**	**2017**	**2018**	**TOTAL**
	(30.1)	(26.6)	(24.2)	(19.1)	(3.4)
Construction	19,006 (26.4)	15,953 (22.1)	17,501 (24.3)	19,651 (27.3)	**72,111** (25.4)
Education & Health	6,440 (29.6)	5,712 (26.2)	5,096 (23.4)	4,536 (20.8)	**21,784** (7.7)
English, ICTs & Life Skills	7,448 (30.7)	5,656 (23.3)	5,320 (21.9)	5,824 (24.0)	**24,248** (8.5)
Finance	4,020 (28.4)	3,060 (21.6)	3,510 (24.8)	3,585 (25.3)	**14,175** (5.0)
Hospitality	1,190 (25.5)	1,253 (26.8)	1,127 (24.1)	1,099 (23.5)	**4,669** (1.6)
Miscellaneous	16,120 (36.2)	11,024 (24.8)	8,528 (19.2)	8,840 (19.9)	**44,512** (15.7)
Transport	4,028 (32.7)	2,584 (21.0)	2,622 (21.3)	3,078 (25.0)	**12,312** (4.3)
TOTAL	**79,622** (28.0)	**69,450** (24.4)	**63,020** (22.2)	**72,007** (25.3)	**284,099** (100.0)

1.4 Types of Skills in Demand

The following table catalogues the skilled labour in demand in the Northern Province as revealed in the primary data collected by the survey (column 1) and whether or not vocational study courses are available in skills in demand in different districts (columns 2-6).

It is plainly evident that there are no vocational study courses available for most of the skills in demand in corresponding district/s.

Availability (√) or Non-Availability (×) of Course for Skills in Demand by District - April 2013

	Jaffna	**Kilinochchi**	**Mannar**	**Mullaithivu**	**Vavuniya**
1. Agriculture, Fisheries & Livestock					
1. Accountant			×		
2. Cattle breeder – Dairy farming assistant (115)					√
3. Coir processor				×	
4. Dry / Can fish processor	×				
5. Food & beverage processor	×			×	×
6. Harvest operator	×		×		
7. Ice producer	×				
8. Machine operator			×		
9. Marketing officer/ Sales representative			×		
10. Out board/ Inboard motor repairer				×	
11. Packaging staff			×		
12. Paddy processor - Agricultural production technology (17)	√	×	×		
13. Poultry breeder – Livestock production technology (20)	√	×		×	√
2. Communication					
1. Audio / video repairer – Radio, TV, and allied equipment repairer (38)	√				√
2. Cable TV service provider – ICT technician (52)	√				
3. Call centre operator		×			
4. Internet service provider - ICT technician (52)	√				
5. Land phone repairer – Telecommunication technician (81)	√			×	
6. Marketing officer/ Sales representative					×
7. Mobile phone repairer - Telecommunication technician (81)	√	×	√	×	√

	Jaff na	**Kilino chchi**	**Manna r**	**Mullai thivu**	**Vavun iya**
8. Telephone operator	×				
9. Television repairer - Radio, TV, and allied equipment repairer (38)	√	×	√	×	√
3. Construction					
1. Accountant	×				
2. Brick maker – Construction craftsman (masonry) (32)	×			√	√
3. Carpenter – Wood craftsman (building) (12)	√	×	√		√
4. Civil Engineer	×				×
5. Draughts person - (92)	√			×	√
6. Electric wiring person Electrician (20)	√				√
7. Heavy-vehicle driver	×		×	×	×
8. Light-vehicle driver	×			×	
9. Mason - Construction craftsman (masonry) (32)	√		×	×	√
10. Moulder/ caster	×				
11. Painter					×
12. Plumber - (36)	√		×	×	√
13. Quantity surveyor	×			×	
14. Road constructor					×
15. Structural Engineer	×			×	×
16. Supervisor – Construction site supervisor (83)	√				
17. Technician – Construction technology (7)	√		×	×	×
18. Tiling person	×				×
19. Welder - (44)	√	√		×	√
4. Education & Health					
1. Bio medical technician		×			
2. Child care assistant / counselor		×			
3. Eye specialist	×				
4. Laboratory Technician	×	×			
5. Nurse – Nurse assistant (46)	√	×	×	×	
6. Paramedic	×	×	×		
7. Pharmacist	×	×	×		
8. Physical exercise trainer	×				
9. Preschool teacher	×	×		×	×
10. Private tuition teacher	×		×		
5. English, ICTs & Life Skills					
1. Accounts teacher	√				
2. Administrator	×				
3. Computer instructor – Computer application assistant (14)	√				
4. English language teacher	×		×		×
5. Hardware technician –Computer hardware technician(16)	√	√		×	√
6. Lecturer					×
7. Manager	√				
8. Marketing Officer	×				
9. Network Administrator – Computer network technician (17)	√	×			×
10. Public Relations trainer	×				
11. Receptionist					×
12. Sinhala Language/Spoken Teacher					×
13. Software technician	√		×	×	×
14. Spoken English Tutor	×				×
15. Web Designer	√				×
6. Finance					
1. Bank customer care assistant	×	×			×
2. Bank customer executive	×				×
3. Insurance broker	×		×		
4. Insurance executive	×		×	×	
5. Leasing executive	×				×
6. Leasing officer	×	×			×

	Jaff na	Kilino chchi	Manna r	Mullai thivu	Vavun iya
7. Loan officer	×				
8. Micro finance/ Market development officer	×				×
9. Office assistant/Clerk/Typist/Secretary – Clerk (general) (73)	√				
10. Security officer	×				
11. Stock broking executive	×				×
12. Stock broking officer	×				×
7. Hospitality					
1. Administrator					×
2. Beauty therapist – Beautician (9)	√	×			√
3. Bridal dresser – Beautician (9) Make-up artist (88) Hair stylist/hair dresser(23)	×	×			√
4. Cake maker / baker – Baker (7)	×		×		√
5. Cash controller/cashier – Cashier (super market/general (58)	√				
6. Chef	×		×		
7. Cleaner	×				
8. Driver					×
9. Ice cream maker	×				
10. Maintenance officer	×				
11. Manager					×
12. Pastry maker/ baker	×	×			×
13. Receptionist/ Customer care assistant – Receptionist (52)	×	√	×		
14. Room care assistant	×				
15. Security officer	×				
16. Store keeper					×
17. Waiter / Waitress	×		×	×	×
8. Miscellaneous					
1. Aluminium fabricator - (1)				√	√
2. Biscuit maker	×				
3. Book binder	×	×			×
4. Clothing designer – Pattern maker (apparel production) (66)	√				
5. Designer at studio – Computer graphic designer (15)					√
6. Jewellery maker	×		×		×
7. Studio lab assistant					×
8. Studio lab operator					×
9. Leather footwear maker – Footwear craftsman (29)	√				
10. Optician					×
11. Refrigerator & Air conditioning – Refrigerator & air conditioning mechanic (39)					√
12. Photographer	×	×			×
13. Sales person					×
14. Printer	×	×	×	×	×
15. Screen printer	×				×
16, Solar/Wind energy salesperson	×				
17. Tailor (55a)	√	√		√	√
18. Tree cutter	×				
19. Typesetter (graphic) – Desktop publisher (18)					√
9. Transport					
1. Automobile mechanic – Automobile technology (10)	√	×	√		√
2. Boat sailor	×				
3. Bus / Lorry driver	×	×	×	×	×
4. Conductor cum cleaner	×			×	
5. Refrigerated-vehicle driver	×				
6. Servicing person – Vehicle servicemen & interior cleaner (103)	√				
7. Tyre retreader	×				×
8. Wheel aligner	×		×		
9. Wirer					×

Source: Chapter 3 above; Tertiary and Vocational Education Commission (TVEC)
http://www.tvec.gov.lk/nvq/images/Ncs_table.pdf

Notes: Column 1: Skills in demand based on the survey results and the corresponding approximate skill category (and number) according to the National Competency Standards of the TVEC.
http://www.tvec.gov.lk/nvq/images/Ncs_table.pdf

Columns 2 – 6: Availability (√) or Non Availability (×) of course in the corresponding skill in demand in different districts.

While on average 71,000 skilled labourers (in variety of skills in all the sectors of the economy) are required annually in the Northern Province in the next four years, only about 7,500 persons completed vocational courses in the north during 2012. (See Chapter 4 section 8) Thus, currently only about ten percent of the total requirements of skilled labourers is trained by the registered vocational education and training centres, both private and public, in the five districts of the North. Besides, 21,582 students dropped out from School (at G.C.E. O/L and A/L) in the NP in 2010. (See Chapter 4 section 5) Only about one-third of the school drop-outs (7,500) appear to have taken-up VET in the North assuming all the persons who had completed VET courses were school drop-outs. Moreover, the average number of skilled personnel required annually (71,000) far outweigh the total number of school drop-outs (21,582). Therefore, there are plenty of opportunities for older adults to get on board VET as well.

The following table highlights the divisional secretariat areas in four out of five districts in the Northern Province, namely Jaffna, Kilinochchi, Mannar, and Mullaithivu, where currently there is no registered TVET institution/s in existence. Altogether there are thirty four divisional secretariat areas in the province. There are twelve (35%) divisional secretariat areas in the NP without a single registered TVET institution. Therefore, in order to provide equality of opportunity to access VET for the youths in those divisional secretariat areas, private or non-governmental service providers should be incentivised to establish at least one VET centre in each of the following divisional secretariat areas; failing which the public sector should fill-in this gap.

Divisional Secretariat	**Total Registered Vocational Education Institutions**
Jaffna district	**16**
1. Delft (Nedunththivu)	0
2. Island South (Velanai)	0
3. Vadamarachchi East (Maruthengkerny)	0
4. Vadamarachchi South West (Karavetty)	0
5. Valikamam East (Kopay)	0
6. Valikamam North (Kankesanthurai)	0
Kilinochchi District	**8**

Divisional Secretariat	Total Registered Vocational Education Institutions
7. Pachchilaipalli	0
Mannar District	**6**
8. Madhu	0
9. Manthai West	0
10. Musali	0
Mullaithivu District	**7**
11. Puthukudiyiruppu	0
12. Weli Oya	0
Vavuniya District	**13**
TOTAL Northern Province	**50**
TOTAL Sri Lanka	**855**

Source: Tertiary and Vocational Education Commission, pp61-62 (Jaffna), 61 (Kilinochchi), 60 (Mannar), 60-61 (Mullaithivu), 59-60 (Vavuniya). http://www.tvec.gov.lk/pdf/all-inst%20data.pdf

The following table catalogues the skills in demand by industries/enterprises in respective districts where there is no course available either at the private or public TVET institution in the same district.

	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
1. Agriculture, Fisheries & Livestock					
1. Accountant			×		
3. Coir processor				×	
4. Dry / Can fish processor	×				
5. Food & beverage processor	×			×	×
6. Harvest operator	×		×		
7. Ice producer	×				
8. Machine operator			×		
9. Marketing officer/ Sales representative			×		
10. Out board/ Inboard motor repairer				×	
11. Packaging staff			×		
12. Paddy processor - Agricultural production technology (17)		×	×		
13. Poultry breeder – Livestock production technology (20)		×		×	
2. Communication					
3. Call centre operator		×			
5. Land phone repairer – Telecommunication technician (81)				×	
6. Marketing officer/ Sales representative					×
7. Mobile phone repairer - Telecommunication technician (81)		×		×	
8. Telephone operator	×				
9. Television repairer - Radio, TV, and allied equipment repairer (38)		×		×	

	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
3. Construction					
1. Accountant	×				
2. Brick maker – Construction craftsman (masonry) (32)	×				
3. Carpenter – Wood craftsman (building) (12)		×			
4. Civil Engineer	×				×
5. Draughts person - (92)				×	
7. Heavy-vehicle driver	×		×	×	×
8. Light-vehicle driver	×			×	
9. Mason - Construction craftsman (masonry) (32)			×	×	
10. Moulder/ caster	×				
11. Painter					×
12. Plumber - (36)			×	×	
13. Quantity surveyor	×			×	
14. Road constructor					×
15. Structural Engineer	×			×	×
17. Technician – Construction technology (7)			×	×	×
18. Tiling person	×				×
19. Welder - (44)				×	
4. Education & Health					
1. Bio medical technician		×			
2. Child care assistant / counselor		×			
3. Eye specialist	×				
4. Laboratory Technician	×	×			
5. Nurse – Nurse assistant (46)		×	×	×	
6. Paramedic	×	×	×		
7. Pharmacist	×	×	×		
8. Physical exercise trainer	×				
9. Preschool teacher	×	×		×	×
10. Private tuition teacher	×		×		
5. English, ICTs & Life Skills					
1. Accounts teacher					
2. Administrator	×				
3. Computer instructor – Computer application assistant (14)					
4. English language teacher	×		×		×
5. Hardware technician –Computer hardware technician(16)				×	
6. Lecturer					×
8. Marketing Officer	×				

	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
9. Network Administrator – Computer network technician (17)		×			×
10. Public Relations trainer	×				
11. Receptionist					×
12. Sinhala Language/Spoken Teacher					×
13. Software technician			×	×	×
14. Spoken English Tutor	×				×
15. Web Designer					×
6. Finance					
1. Bank customer care assistant	×	×			×
2. Bank customer executive	×				×
3. Insurance broker	×		×		
4. Insurance executive	×		×	×	
5. Leasing executive	×				×
6. Leasing officer	×	×			×
7. Loan officer	×				
8. Micro finance/ Market development officer	×				×
10. Security officer	×				
11. Stock broking executive	×				×
12. Stock broking officer	×				×
7. Hospitality					
1. Administrator					×
2. Beauty therapist – Beautician (9)		×			
3. Bridal dresser – Beautician (9) Make-up artist (88) Hair stylist/hair dresser(23)	×	×			
4. Cake maker / baker – Baker (7)	×		×		
6. Chef	×		×		
7. Cleaner	×				
8. Driver					×
9. Ice cream maker	×				
10. Maintenance officer	×				
11. Manager					×
12. Pastry maker/ baker	×	×			×
13. Receptionist/ Customer care assistant – Receptionist (52)	×		×		
14. Room care assistant	×				
15. Security officer	×				
16. Store keeper					×
17. Waiter / Waitress	×		×	×	×

	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
8. Miscellaneous					
2. Biscuit maker	×				
3. Book binder	×	×			×
6. Jewellery maker	×		×		×
7. Studio lab assistant					×
8. Studio lab operator					×
10. Optician					×
12. Photographer	×	×			×
13. Sales person					×
14. Printer	×	×	×	×	×
15. Screen printer	×				×
16, Solar/Wind energy salesperson	×				
18. Tree cutter	×				
9. Transport					
1. Automobile mechanic – Automobile technology (10)		×			
2. Boat sailor	×				
3. Bus / Lorry driver	×	×	×	×	×
4. Conductor cum cleaner	×			×	
5. Refrigerated-vehicle driver	×				
7. Tyre retreader	×				×
8. Wheel aligner	×		×		
9. Wirer					×

Source: Chapter 3 above; Tertiary and Vocational Education Commission (TVEC) http://www.tvec.gov.lk/nvq/images/Ncs_table.pdf

1.5. Meeting the Demand in the Short-Term

Therefore, it is physically and practically impossible to increase and improve the capacity of the existing private and public vocational training institutions in the North to produce the speedily required number of additional skilled labour in the rapidly emerging Northern Province. Besides, the estimated high demand for skilled labour in the north is because of the pent-up demand and a consequence of the massive post-civil war reconstruction and resurrection work underway and therefore may not be enduring. Moreover, one of the striking drawbacks of this plan is that it has not gauged the interest/demand for vocational education and training from potential students. Furthermore, this plan has not undertaken an audit of the physical, laboratory/equipment/machinery, and human teaching resources in all the vocational education and training institutions. In the foregoing scenario it is not prudent to increase and improve the capacity of the existing private and public institutions with public money.

This plan is for short-term (2015-2018) and therefore short-term solutions have to be found to fill the critical skills gap facing the NP. There are quantitative and qualitative critical gaps in physical spaces, training equipments and machinery, and above all human teaching resources in the province. The critical skills gap could be filled (partially) by drawing-in skilled labour from other parts of Sri Lanka in the short-run subject to Tamil language proficiency. An alternative option is to promote and provide vocational education and training in English language that would have global recognition. Moreover, international development partners of Sri Lanka (especially in South Asia) could be requested to provide scholarships for trainers and trainees of VET from northern Sri Lanka.

The teachers of VET institutions are paid paltry salary of Rs.15,000 per month (World Bank, 2013) which is anathema to decent work. Although university academics have increased their salaries significantly through direct trade union action in recent times, teachers in further education (including VET) institutions are languishing in non-competitive compensation regimes. This is a critical under-motivation factor in the TVET sector that should be addressed as a matter of urgency. However, any pay rise should be based on performance and output/outcomes as opposed to across-the-board raise. What we sow is what we could expect to reap.

1.6. Integrated Curricula

A key strategy proposed hereby to increase the quantity and improve the quality and relevance of vocational education and training in northern Sri Lanka is to develop integrated curricula encompassing soft and hard skills. Teaching and learning of hard skills alone is inadequate to compete and sustain in the world of vocations in the twenty-first century. All vocational courses must have soft skills modules such as cost accounting (beyond basic numeracy), customer care (time keeping, ethical codes, disclosure of requisite information to customers, etc), occupational safety, management, etc, as integral part of the curricula. Necessary trade-related attitudes, ethics/values, and norms should be inculcated on top of the hard skills. That is, the objective of different vocational courses should be to mould and create wholesome skilled entrepreneurs rather than just carpenters, plumbers, electricians, motor mechanics, tailors, cooks/chefs, et al (hard skilled personnel). Because, by and large, most skilled personnel tend to be self-employed in the case of Sri Lanka and beyond.

1.7. Dedicated Personnel

The Northern Provincial Vocational Education and Training Plan should be assigned dedicated personnel (one or two) to be based either at TVEC in Colombo or seconded to the Provincial Department of Education in order to closely monitor the progress of the implementation of the VET Plan, collect data on the local labour market and private and public training institutions regularly, and provide career guidance at schools and community centres.

It is claimed that although the national government has assigned two career guidance officers to each divisional secretariat area in the country to visit local schools and create awareness of vocational education opportunities, a survey in selected villages of the Eastern, Northern, and North Central provinces has indicated that over 90% of the schools interviewed have had no visits from these career guidance officers, and 78% of school leavers interviewed were unaware of any vocational education opportunities in their locality or the district. (De Mel, et al, 2013: 8)

1.8. Implementation Matrix Proposed

The following is a snapshot of implementation of the proposals emanating from this plan during the course of this VET Plan (2015-2018).

		2015	**2016**	**2017**	**2018**	**Policy Options / Implementing Authority**
Goal 1: Increasing equity and access to training						
1.1	Establish training centres where no or insufficient training institutions are located	√	√	√		VTA, DTET, NYSC, NAITA and other private providers
1.2	Introduce courses which are in demand in NP in specific and country and overseas in general	√	√	√		VTA, DTET, NYSC, NAITA and other private providers
Goal 2: Undertaking regular audits of TVET institutions						
2.1	Audit of all the registered VET institutions (both public and private) in the NP for physical, material, machinery/equipment, laboratory, teaching personnel capacity in terms of quantity and quality (most	√	√			TVEC

		2015	2016	2017	2018	Policy Options / Implementing Authority
	important) for each and every training course curriculum					
2.2	Implementation of the recommendations of the audit report in conjunction with the outcomes/results of survey of attitudes towards VET (3) and tracer survey (4)	√	√	√	√	TVEC
Goal 3: Improving quality and relevance of training programs						
3.1	Register all training institutions in NP	√	√	√	√	TVEC
3.2	Accredit all courses in NP for which NCS are available	√	√	√	√	TVEC
3.3	Install QMS in selected training centres	√	√	√	√	TVEC
Goal 4: Encouraging lifelong learning						
4.1	Update and upgrade skills of current work force continually and regularly	√	√	√	√	TVEC, and all providers and NGOs in NP
4.2	Skills upgrading of disadvantaged in NP	√	√	√	√	TVEC, and all providers and NGOs in NP
Goal 5: Facilitating and promoting mobility of courses and students across boarders						
5.1	Organize inter-provincial and overseas (especially in South Asia) apprenticeship to vocational students and trainees and trainers	√	√	√		NAITA, VTA
Goal 6: Promoting entrepreneurship mindset among TVET trainees						
6.1	Include entrepreneurship unit/module across all NCS and CBT curricula	√	√			TVEC, NAITA, UNIVOTEC
6.2	Refresher course for instructors on entrepreneurship	√	√	√		TVEC, NAITA, UNIVOTEC

		2015	2016	2017	2018	Policy Options / Implementing Authority
Goal 7: Promoting career guidance as a marketing tool in TVET sector						
7.1	Organize awareness for potential and existing trainees, parents and general public on TVET	√	√	√		All providers of TVET and NGOs in NP
Goal 8: Expand existing geographic based TVET information system incorporating GI of NP						
8.1	Incorporate training institutes in the NP in TVEC GIS	√	√			TVEC
Goal 9: Undertaking research and development activities in TVET sector						
9.1	Institution of a rolling (annual) survey (as opposed to one-off) of attitudes towards VET among different age groups in the NP	√				*ala* Special Eurobarometer 369 implemented by TVEC / NPC
9.2	Institution of a rolling (annual) online tracer survey (as opposed to one-off) of outputs of VET institutions in the NP	√				TVEC / NPC
9.3	Institution of a rolling independent labour market survey on skills demanded through primary data collection	√				TVEC /NPC
9.4	Establishing and implementing international benchmarks for the curricula of all available and proposed VET courses and introduction of integrated curricula proposed herein. This should be part of the audit proposed above (1)	√				TVEC
Goal 10: Make available required number of trained personnel as forecasted						
10.1	Quantum of skilled personnel to be trained	71,000	71,000	71,000	71,000	A combination of the following modalities could be explored (i) Recruit teachers/trainers from other parts of the

		2015	2016	2017	2018	Policy Options / Implementing Authority
						country subject to language proficiency (ii) Recruit teachers/trainers through bilateral agreements. http://www.everonn.com/ (courtesy of De Mel, et al, 2013) (iii) Change the medium of teaching/training to English so that teachers/trainers could be sought from many countries (iv) Facilitate VET in South Asian countries through scholarships offered by host countries (v) Provide mobile or on-site VET as opposed to classroom-based. (vi) Establish satellite VET centres in peripheral areas of the Vanni
10.2	Teacher and student exchange within the country and probably with South Asian countries as well	√	√	√	√	TVEC / individual VET centres

		2015	2016	2017	2018	Policy Options / Implementing Authority
10.3	Upward revision of remuneration of VET teachers / trainers according to performance determined market based competitive rates	√	√	√	√	TVEC
Goal 11: Promoting performance based funding						
11.1	Introduce outcome based funding among all public TVET institutions	√	√	√		Ministry and the TVEC

1.9. Envisioned Medium to Long Term Strategy

The tertiary and vocational education sector in Sri Lanka, including in the Northern Province, should be overhauled in the medium and long term. Given the ever shrinking fiscal space the state cannot continue to be the overwhelming provider of relevant and quality TVET in Sri Lanka. Swift promotion, incentivisation, and facilitation of the private sector to become the leading or primary provider of TVET are *sine qua non* for Sri Lanka to transition from a low-paid labour intensive, public sector led, patronage-based, and factor-driven economy into a higher-paid, capital intensive, private sector led, merit-based, and efficiency-driven economy of the twenty-first century.

The financing of the TVET sector should be based on market principles. This mechanism of TVET funding will greatly improve the standards and quality of tertiary educational institutions and teaching and learning outcomes of the courses on offer.

CHAPTER 2

Introduction

2.0. Background

In terms of the Tertiary and Vocational Education Act No.20 of 1990, three main objectives of the Tertiary and Vocational Education Commission (TVEC) are:

(i) Policy development, planning, coordination, and development of tertiary and vocational education at all levels according to the human resources needs of the country;
(ii) Development of a nationally recognised system for granting of tertiary and vocational education certificates and other academic qualifications; and
(iii) Maintenance of academic and training standards in all registered public, non-governmental, and private institutions providing tertiary and vocational education.

Towards fulfilling the first of the foregoing objectives, TVEC has developed and periodically updated Vocational Education and Training (VET) Plans for key industrial sectors of the national economy of Sri Lanka since 1999. Section 11 (4) of the TVE Act No.20 of 1990 mandates the TVEC to prepare Provincial VET Plan on the request of the Chief Minister of a province for the development of the tertiary and vocational education sector in that province.

Amidst a number of public, non-governmental and private vocational education and training service providers in each province, rationalisation and optimisation of training programmes and human and material resources become imperative. Hence, Provincial VET Plan could be a tool to ensure rational and optimal delivery of vocational education and training at the provincial and sub-provincial levels. The Provincial VET Plan is prepared through a consultative process involving vocational education and training service providers and other key stakeholders (such as agriculture, industry, and services sector personnel, schools, students, representatives of labour, and civil society) in the province.

The President of the country would approve such provincial plan/s subject to amendments or not in consultation with the Minister in charge of vocational education and training. Once the approval of the President is obtained, respective provincial council owns the VET Plan and takes necessary steps to make the service providers accountable for its effective implementation. The progress of the implementation of the Provincial VET Plans will be periodically reviewed at the respective district and provincial progress review meetings incorporating public administrative personnel and service providers.

The VET Plans outline strategies to bridge the gap between demand and supply of skilled human-power in respective sectors or provinces. Such plans are useful for different stakeholders such as industrialists who demand skilled labour, service providers of technical and vocational education and training, and consumers of technical and vocational education and training (primarily youths). Coordination among stakeholders is of critical importance for effective implementation of the VET Plans. It enables service providers of technical and vocational education and training to offer demand-driven tailor-made programmes with rational and optimal use of human and material resources available.

This is the fifth Provincial VET Plan prepared by the TVEC, having completed Sabaragamuwa (2012), Eastern (2012), Southern (2012), and North Western (Wayamba) (2013) provincial plans in the past two years.

2.1. Context

The Northern Province is emerging after a long drawn-out civil war that ended in May 2009. Mass displacements (internal and external), destruction of economic, physical, and social infrastructures, and depletion of quantity and quality of skilled and semi-skilled human resources are factors that make the province the most dispossessed among the nine provinces in the country. Besides, higher levels of unemployment and under-employment/disguised unemployment, especially among females, is an additional burden the province shoulders even after five years since the end of the civil war. At the same time unprecedented economic, physical, and social reconstructions taking place throughout the province during the five years after the end of the civil war require large volume and variety of skilled and semi-skilled personnel in shortest possible time.

The foregoing are the challenges this VET Plan attempts to address. Preparation of the Northern VET Plan has been different in certain respects, vis-à-vis the other provincial VET Plans, due to the abnormal context in which this has been done. For example, in the absence of an elected provincial government, the consent for the preparation of the Provincial VET Plan was sought from the Governor of the Province in mid-2012. Whilst all other provinces have just two or three districts each, the Northern Province has five districts despite having the lowest provincial population in the country which makes coordination and optimisation difficult.

Chapter 3 provides a macroeconomic and social overview of the province which is indispensable for gauging the skills needs in the province.

2.2. Process

The process of preparation of the VET Plan has been reasonably inclusive. The inaugural/inception workshops towards the preparation of the VET Plan were held in all the five districts of the province during 23-25 July 2012. These inaugural workshops outlined the mandate, purpose, and modalities of the preparation of the VET Plan to the district, sub-district, and provincial public administrative personnel and service providers of technical and vocational education and training in the respective districts. Besides, these workshops were utilised to obtain feedback from the participants in order to identify the key economic activities or sectors in each district.

Following the inaugural workshops, in order to estimate the demand for different skilled personnel in different industries and services a survey among private employers (both formal and informal) was undertaken during the last quarter of 2012 to obtain primary data. The data processing was undertaken during the first quarter of 2013 and a workshop to disseminate the preliminary survey results among employers and service providers (of technical and vocational education and training) in all five districts was conducted in mid-March 2013 in Vavuniya. Subsequently, taking into account the feedbacks from the participants in this workshop, the final survey report was prepared. (See Chapter 4)

The availability or supply of students to vocational education institutions and availability or supply of vocational education and training courses in each district were compiled from the available secondary data for each district. These data was disseminated to technical and vocational education and training service providers throughout the province in order to verify the authenticity of data through two workshops in Jaffna and Vavuniya in July 2013. Feedbacks from these workshops enabled us to arrive at reasonable estimates of supply of students to and supply of courses in vocational education and training throughout the province. (See Chapter 5)

The Vocation Education and Training Plan and Strategy for the Northern Province was derived from the data in Chapters 3, 4, and 5 and few other secondary sources. This Plan and Strategy was disseminated to district, sub-district, and provincial public administrative personnel and service providers of technical and vocational education and training in the respective districts in April 2014 in order to validate the same. The feedbacks from these workshops were used to strengthen the plan and strategy. (See Chapter 1)

Methodological details used in each chapter are outlined in respective chapter.

2.3. Limitations

This Provincial VET Plan did not seek the needs and attitudes of the prospective students of technical and vocational education and training in the province. It also did not undertake a tracer study of the students who have passed-out of technical and vocational education institutions in the province in the past few years which could have revealed the uptake and outcomes of the training programmes that are in place. Furthermore, the survey undertaken for Chapter 3 may not be entirely representative because of too small size of sample in certain sectors and districts.

Nonetheless, primary and secondary data and information contained herein will be valuable to the Provincial Ministry of Education of the Northern Province and the Tertiary and Vocational Education Commission of the National Government, businesses, provincial public services personnel, technical and vocational education and training providers in the province (private and public), and above all to the present and future members of the provincial labour market.

CHAPTER 3

Economic Drivers of the Northern Province

3.0. Introduction

At the time of independence the Northern Province was made-up of four districts, viz. Jaffna, Mannar, Mullaithivu, and Vavuniya. In February 1984, Kilinochchi District was carved-out of the Jaffna District making the total number of districts in the province to five. The Northern Province (NP) covers an area of 8,846 sq.km accounting for around 13.5% of the total land area of the island. According to the Census of Population and Housing 2011 (undertaken in March 2012) the NP had a total population of 1,058,762 accounting for 5.2% of the total population of 20,263,723 in the country. In fact, the northern population has declined by (-) 4.6% in 2011 (or by 50,638) compared to 1981 when the population of the NP was 1,109,400. The Northern Province had the least population among the nine provinces in the country in 2011.

This chapter attempts to dissect the broad economic trends in the Northern Province (NP) of Sri Lanka in the aftermath of the civil war that ended in May 2009. It is, in fact, premature to dissect the economic trends because of inadequate data pertaining to economic development and the labour market in the conflict-affected regions in the post-civil war period including gender segregated data.

Firstly, there is a two-year time lag for disaggregated provincial data to be released by the Central Bank of Sri Lanka (CBSL) and the Department of Census and Statistics (DCS). Thus, currently the most up to-date disaggregated data available for the provinces pertains to the years 2010 and 2011. So far there are disaggregated provincial data for just two years (2010 and 2011) in the aftermath of the civil war that ended in May 2009. There was mass exodus of almost 300,000 people from the entire districts of Kilinochchi and Mullaithivu as well as exodus of people from selected Divisional Secretariat (sub-district) areas in Mannar and Vavuniya districts.

Secondly, in order to draw firm conclusions about macroeconomic trends in post-civil war situations we need to have data for at least five continuous years. Thus, until we have data for the five-year period 2010-2014 we cannot draw firm conclusions about economic trends. The disaggregated data for 2014 will be available only by mid-2016.

In spite of the foregoing limitations of data this chapter attempts to draw preliminary conclusions about certain trends of economic development in the NP vis-à-vis the national economy and in comparison to the historical trends in the province. It attempts to identify the key sub-sectors in terms of their shares in the provincial economy, their growth rates, occupational composition of the labour force, etc, overtime.

3.1. Dominance of Female Population

The gender composition of the population of Sri Lanka had changed according to the partial Census of Population undertaken in 2001; according to which for the first time the female population (9,438,100 – 50.2%) marginally outnumbered the male population (9,359,100 - 49.8%). It was a partial census because the census could not be undertaken in the eight districts of the Eastern and Northern Provinces of Sri Lanka and therefore it was based on estimated population in these eight districts.

In the Census of 2011 (first complete Census undertaken since 1981) the gap between the female (10,431,322 – 51.5%) and male (9,832,401 – 48.5%) population in Sri Lanka has further widened in favour of females. Among the eight former conflict-affected districts, only Mannar and Mullaithivu districts had a marginally majority male population (50.4% and 50.2% respectively) defying the national trend (all other 23 districts in the country had higher share of females than males). In five out of the other six districts of the former conflict-affected region, female population outnumbered male population albeit by a lower margin than the national divide (51.5%: 48.5%). Moreover, female population in the Jaffna district (52.8%) was proportionately higher than the national average (51.5%). Even at the Census of 1981 Jaffna (the only district in the country at that time) had a slightly larger female population (50.3%) than the male population.[1] The lowest share of male population in the Jaffna district (out of all the 25 districts in the country) is partly due to mass migration of male population overseas and partly because of large number of deaths and disappearances among its male population as a result of the civil war. The gender majority of the population is just a symbolic or cosmetic change for the women of Sri Lanka including Jaffna women. However, it is an important change for the policy-makers and administrative personnel to be aware of and get sensitised.

3.2. Recent Economic Growth

The Provincial Gross Domestic Product (PGDP)[2] in the Northern Province has been rising immediately after the end of the civil war. The PGDP at current prices (i.e. in nominal terms) in the

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[1] Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3

[2] The compilation of Provincial Gross Domestic Product (PGDP) commenced only in the 1990s at the National Planning Department of the Ministry of Finance and planning, which was originally undertaken retrospectively for the period 1990 to 1996. Later, in early 2000s the Central Bank began compiling PGDP retrospectively from 1996 onwards on an annual basis. However, it is done in an indirect way; i.e. by way of decomposing the national GDP by province, which is inherently unreliable. The methodological problems confronting the PGDP are: (a) very little

Northern Province grew by 21.8% in 2010 (as against 15.9% growth of the national GDP at current prices or in nominal terms), 27.8% in 2011 (as against 16.8% growth of the national GDP at current prices or in nominal terms), and 25.9% in 2012 (as against 15.9% growth of the national GDP at current prices or in nominal terms) in the immediate aftermath of the civil war. The PGDP is worked out only at current prices because of the unavailability of provincial consumer price indices (inflation). (Table 1)

In 2010 it is mining and quarrying (248%) and allied construction sub-sectors (103%) in the industrial sector and the wholesale and retail trade (138%) and hotels and restaurants (170%) in the services sector that fuelled the growth; whereas in 2011 other food crops (146% - red onions, green chilies, etc), firewood and forestry (105%), other agriculture crops (87%), and fisheries (78%) in the agriculture sector, mining and quarrying (83%) and construction (56%) in the industrial sector, and wholesale and retail trade (61%), hotels and restaurants (65%), transport (69%), and banking, insurance, and real estate, etc, (114%) in the services sector fuelled the growth in the North. (Table 3) The per capita income in the Northern Province also grew substantially but at a lower rate than the PGDP in 2010 and 2011; by 21.1% in 2010, 26.1% in 2011, and by 42.6% in 2012 at current prices. (Table 1) The huge rise in per capita income in 2012 was due to the downward revision of provincial population data as per the latest census. Similarly, higher rate of per capita income growth vis-à-vis the GDP growth rate at the national level in 2012 was also due to downward revision of the national population data according to the latest census.
The national GDP growth rate for 2012 was 15.9% at current prices (nominal terms) down from 16.8% at current prices (nominal terms) in 2011. The national GDP growth rate at constant prices (or in real terms) was 6.4% in 2012 against 8.3% in 2011.

The macroeconomic structure of the economy of the Northern Province along with the national economy is outlined in Table 2 in order to dissect the differences in national and regional economic structures in terms of the size (in monetary terms) and share of the total.

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availability of intra-provincial data, (b) limited availability of data on inter-provincial trade, services, and transactions, (c) absence of provincial price indices that makes the estimation of real PGDP impossible, and (d) the time lag of one year between the availability of the national data and the provincial breakdown (Muthaliph, 2005: 11-12, cited in Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp6).

Therefore, the data presented here are conjectural. Nevertheless, what are relevant for our purpose are the broad trends rather than precise numbers. Besides, PGDP of all the provinces are compiled using a common set of arbitrary assumptions and uniform methodology; hence distortions in data emanating from methodological problems are common to all the provinces. Therefore, the broad trends arising out of inter-provincial comparison are indicative of the differences between the provinces in relative terms (quantitatively and qualitatively). For comparative analysis percentage shares are more useful than absolute quantity and therefore the former is used as much as possible.

In the agriculture sector, paddy (item 1.5 in Table 2 - 3.5% to the PGDP in 2011), chilies and onions (catalogued under 'other food crops' – item 1.7 in Table 2 - 10.6% to the PGDP in 2011), and fisheries (5.1% to the PGDP in 2011) are the main contributing sub-sectors in the North. In the cultivation of agriculture crops women's participation is by and large confined to agriculture labourers during planting and harvesting periods. Female farmers on their own right are minimal in the North and rest of the country. There appears to be marginal wage discrimination (if at all) among female and male agriculture labourers in the North. This could be due to widespread labour shortage during planting and harvesting periods throughout the North. The plantation sub-sector (tea and rubber) is one of the largest employers of women in the country, but the plantation sub-sector is non-existent in the North.

Females do not go into the ocean to fish. However, when fishermen bring the fish catch to the shore it is mostly women (usually kith and kin of the fishermen) who remove the fish from the nets and sell, preserve, or dry them. Thus, in fishing also women's participation is by and large restricted to labourers; mostly unpaid family labour. But women are extensively involved in the retail marketing of fresh fish in the North, particularly in the Jaffna district.

In the industrial sector, construction (10.9% to the PGDP in 2011) and the allied mining and quarrying (5.0% to the PGDP in 2011) sub-sectors are the only dominant sub-sectors in the North. The construction sub-sector also has a male-dominated labour force throughout the country due to predominantly out-door nature of the job. Although significant proportion of chemical, civil, and mechanical engineers of Sri Lanka is females (including in the North) considerable proportion of them do not practice their vocation due to out-door nature of job and/or household commitments.

The services sector is where bulk of the paid female labour is concentrated in the NP (indeed throughout the country). The wholesale and retail trade (7.2% to the PGDP in 2011), banking, insurance, and real estate, etc (7.7% to the PGDP in 2011), government services (24.8% to the PGDP in 2011) (public administration, defence, and other government services baring defence), and private services are the sub-sectors those employ most number of females. Although the transport sub-sector accounted for 11.6% of the PGDP in the North in 2011 it does not employ many females.

The retail businesses (more than wholesale businesses) employ considerable proportion of females partly because of in-door job, relatively higher trustworthiness, and partly because females may command lower wages than males. Similarly banks employ a higher proportion of females (than the insurance and leasing companies) because of in-door job and relatively higher trustworthiness of women. The insurance and leasing companies employ relatively lower proportion of women because of mostly out-door nature of jobs.

The government services (public administration, defence, and other government services) accounted for 7.5% of the national GDP in 2012 and reportedly employs about 1.2 million employees (out of total employed persons of 7.2 million). The public administration and other government services (in the 'government services' sub-sector) is the largest single employer of women in Sri Lanka. The public administration and other government services include Sri Lanka Administrative Service (SLAS), Sri Lanka Educational Service (SLES), and the Sri Lanka Health Service (SLHS), etc. Because of the universal free public education and public health services in the country, a large number of teachers, nurses, doctors, health care workers are employed in the public services; the majority of whom are females.

The public service is sub-divided into state (national government), provincial (provincial government), and semi-government (statutory boards, authorities, and commissions that come under the national government) services. According to the last Census of Public and Semi Government Sector Employment undertaken in 2006, whereas in the state service 40.0% are female and 60.0% are male employees, it was the reverse in the provincial public service where 59.7% are female and 40.3% are male employees. In the semi-government service females accounted for only 25.5% and males accounted for 74.5% of the total employees.[3] Since the provincial public service dominates the public service in the provinces we can conclude that the majority of public sector employees are females in the NP.

But the defence services (air force, army, civil defence force, coast guard, navy, and police) could be employing the least number of women within the government services sub-sector; understandably because not many women would like to work in the defence services which are national public service. Out of the total personnel in the defence services our hunch is that less than 10% would be females.

The government service is the largest single contributing sub-sector to the provincial GDP in the North throughout the civil war which continues to date (even five years after the end of the civil war in May 2009). According to the latest data available, in 2011, the government services sub-sector contributed 24.8% to the northern economy (it contributed 45.5% in 2010), which was just 8.1% nationally (8.9% in 2010). (Table 2) The foregoing figure was higher in the previous years in the NP as well as at the national level. Unfortunately the Central Bank does not disaggregate the government services data into public administration, other government services, and defence.

[3] Department of Census and Statistics, Census of Public and Semi Government Sector Employment 2006 http://www.statistics.gov.lk/Abstract2011/CHAP4/AB4-15-5.pdf

According to Table 3 the fastest growing sub-sectors with substantial contribution to the PGDP in the North (Table 2) are 'other food crops' (red onions and green chilies) (contributed 10.6% to PGDP and grew by 146% in 2011), fisheries (contributed 5% to PGDP and grew by 78% in 2011), construction (contributed 11% to PGDP and grew by 56% in 2011), wholesale and retail trade (contributed 7% to PGDP and grew by 161% in 2011), transport (contributed 11.6% to PGDP and grew by 69% in 2011), and banking, insurance, and real estate, etc (contributed 7.6% to PGDP and grew by 114% in 2011). Although the government services had the highest single contribution to PGDP in 2011 (24.8%) it had a negative growth of (-) 27.2% in 2011. After the end of the civil war the contribution of the government services to PGDP has drastically declined in the North; yet it was three times higher than the contribution of the government services to the national GDP (8.1% in 2011).

3.3. Framework of Analysis

According to the Cities Alliance, the competitiveness of a city, district, or province is determined by four core local economic indicators:[4]

(i) **Structure of the Economy** - indicators of the size and sectoral composition of the economy of the district/province.

(ii) **Local Endowments** – territorial specific indicators that influence competitiveness such as natural resources, public and private property, access to markets, transport, communication, and other economic and social infrastructure.

(iii) **Human Capital** – indicators of characteristics of the local population and labour force by gender, age, educational level, and occupations.

(iv) **Institutions** – indicators of the quality and effectiveness of formal (local government) and informal institutions, which are softer determinants of competitiveness. The competence of institutions is a crucial determinant of economic competitiveness despite the difficulty of measurement.

In addition to the local economic indicators, it is critical to consider the national economic indicators as well which are bound to impact on the local economy. Thus, the overall size and growth of the national economy, economic sectoral structure, productivity, investment, and exports (national economic structure), transport, communications, utilities, and financial infrastructure (national endowments), demographic characteristics, occupational structure and income, and education and

[4] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp17.

skills (human capital), and institutions (governance – rule of law, transparency and accountability) could be proxy indicators of local (city/district/province) competitiveness.[5]

Numerous data analysis tools (such as time series analysis, growth indexes, composite indexes, benchmarking, GIS mapping, sector share analysis, value-added analysis, economic base analysis, location quotient, specialisation index, input-output analysis, social accounting matrix, cluster mapping, value-chain analysis, asset mapping, skills audit, stakeholder analysis / institutional mapping, etc) could be employed to analyse the local and national economic data (indicators) compiled for assessment of the local economy.[6] There is considerable overlap between certain data analysis tools outlined above.

Local economic competitiveness can be assessed using SWOT (strengths, weaknesses, opportunities, and threats) analysis, problem analysis, competitive advantage analysis, and scenario planning.[7] There is some overlap between some of these analytical tools.

In this chapter economic base analysis[8] is employed to assess the economic drivers of the districts in the Northern Province of Sri Lanka. It is important to note that the NP is just emerging out of a protracted armed conflict and therefore data availability is very limited. Besides, the quality of existing data is not sound. Therefore, the analysis based on available data is conjectural.

3.4. Structure of the Macro Economy

First of all, it is important to understand the economic contribution made by the Northern Province to the national economy in historical perspective. Since the population of Jaffna district accounts for 55% of the total population of the Northern Province (despite being just one of the five districts in the province), among other factors, we could safely assume that the Jaffna district contributes more than half of the Provincial Gross Domestic Product (PGDP) of the NP. That is, because of the high economic density of the Jaffna district it accounts for the majority of the economic output of the NP.

Economic density is referred to as output generated by a unit of land. That is, economic density is measured by the value-added or gross domestic product produced per square kilometre of land area.

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[5] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp19.

[6] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp73-110.

[7] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp111-121.

[8] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp87-88.

The economic density is higher where the amount of labour and capital per square kilometre are higher. Hence, economic density is highly correlated with population and employment densities.[9]

The Northern Province had contributed the lowest share of 2.2% in 2000 and the highest share of 4.4% in 1990 to the national Gross Domestic Product (GDP) during the period 1990 (earliest provincial data available) and 2012 (latest provincial data available). In 1990, the share of the NP in the national GDP was the second lowest after the Eastern Province. However, since 1991 until 2012 (the latest year for which data is available) the share of the NP in the national GDP was the lowest among all the nine provinces in the country. According to provisional estimate NP's share in the national economy was 4.0% in 2012; the lowest among all provinces.[10]

The lowest contribution to the national economy by the NP may not be entirely surprising given the fact that NP is the least populous province out of the nine provinces in the country. However, given the fact that (according to the latest census) the northern population accounted for 5.2% of the total population of the country, 4.0% contribution by the NP to the national economy in 2012 falls far short of its potential.

Secondly, it is useful to look at the composition of the economy of the Northern Province and compare it with the national economy. While the shares of the agriculture and services sectors in the NP economy were higher than in the national economy, the share of the industrial sector in the NP economy was significantly lower than in the national economy. However, the agriculture sector's share in both the national and provincial economies has been declining overtime. However, in the NP agriculture sector's share has increased during the ceasefire (e.g. 2002-2004) and post-civil war years (e.g. 2011).

The agriculture sector's share in the national economy has declined from 20% in 2001, to 18% in 2004, 13% in 2008, 2009 and 2010, 12% in 2011, and 11% in 2012. On the other hand, the agriculture sector's share in the northern provincial economy increased from 21% in 2001 to 28% in 2003 and 2004, then declined consistently to 20%, 19%, and 16% in 2008, 2009, and 2010 respectively, then shot-up to 24% in 2011 and then declined to 20% in 2012. (Table 7)

In contrast, the industrial sector's share in both the national and provincial economies has been rising overtime, though the gap between the industrial sector's share in the national and provincial

[9] Nallari, Raj, Breda Griffith, and Shahid Yusuf, (2012), *Geography of Growth: Spatial Economics and Competitiveness*, Washington D.C: The World Bank, pp29.

[10] See Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp98 for data from 1990 to 2005; Central Bank of Sri Lanka, *Annual Report 2012*, Statistical Appendix Table 4 for data from 2006 to 2011; Central Bank of Sri Lanka, *Sri Lanka Socio Economic Data 2013*, pp49 for 2012 data.

economies is huge. However, the magnitude of rise in the share of the industrial sector in the NP was significantly higher than the magnitude of rise in the national economy. The share of the industrial sector in the national economy had increased from 27% in 2001 and 2004 to 30% in 2008 and 2009, and then marginally declined to 29% in 2010, again increased to 30% in 2011, and 31.5% in 2012. On the other hand, the share of the industrial sector in the northern provincial economy had marginally increased from 7% in 2001 and 2004 to 8% in 2008, 9% in 2009, and then shot-up to 15% in 2010, 19.5% in 2011, and 23.5% in 2012. (Table 7) The upsurge in the share of the industrial sector in the NP economy in 2010, 2011, and 2012 was due to the post-civil war reconstruction work being undertaken (as reflected in the contributions of construction and the allied 'mining and quarrying' sub-sectors) and therefore will continue for a few more years to come.

However, there is a stark difference between the composition of the industrial sector at the national level and the provincial level in the NP. While the manufacturing sub-sector was the driving force within the industrial sector in the national economy, the construction sub-sector was the driving force within the industrial sector in the northern provincial economy. The manufacturing sub-sector accounted for over 60% of the value-addition within the industrial sector in the Sri Lankan economy during the period 2006-2010. In contrast, the construction sub-sector accounted for nearly 22%, 59%, and 59% of the value-addition within the industrial sector in 2006, 2010, and 2011 respectively in the NP. Ironically, in 2006 the utilities sub-sector accounted for the largest value-addition within the industrial sector in the NP largely because of huge expenditures on electricity generation in the Jaffna peninsula. Besides, in 2010 and 2011 the 'mining and quarrying' sub-sector accounted for the second largest share (nearly 23% and 27% respectively, rising from 13% in 2006) within the industrial sector of the NP (Table 8) because this sub-sector is complementary to the construction sub-sector.

While the share of the services sector in the national economy has been rising over time during the first decade of this century, it has been more or less stagnant in the NP (except 2004) albeit at a higher share than at the national level. The share of the services sector rose gradually from 53% in 2001, to 55% in 2004, to 57% in 2008 and 2009, to 58% in 2010 and 2011, and to 57.5% in 2012 nationally. Hence, the share of the services sector in the national economy has been stagnant during the last five years under consideration (2008-12). In the NP, the services sector accounted for 72% of the provincial economy in 2001, declined considerably to 65% in 2004 (ceasefire year), increased again to 72% in 2008 and 2009 (conflict years), and then declined to 69% in 2010 and 57% in 2011 and 2012 (post-war years). (Table 7) Although the dominance of the services sector in the northern provincial economy (in absolute terms as well as in comparison to the overall national economy) is not a bad thing, the decomposition of the services sector in the NP unveils the weakness of the northern economy vis-à-vis the national economy. (See below)

The decline of the agriculture sector's contribution and the increase in the contribution of the services sector to the national and provincial economies are compatible with Sri Lanka's graduation into lower middle-income country status. However, stagnation in the contribution of the industrial sector (hovering around 30.0%) to the national economy, very low contribution of the industrial sector to the northern provincial economy, and the domination of the construction sub-sector within the industrial sector in the northern provincial economy are the issues that causes concern.

Moreover, the decomposition of the services sector in the NP vis-à-vis the national economy (or the western provincial economy) reveals further weakness in the northern provincial economy. Whereas at the national level, Wholesale and Retail Trade (35.8%), Transport and Communication (21.6%), and Banking, Insurance, Real Estate, etc (18.7%) jointly accounted for 76% of the services economy in 2011, in the NP public administration, defence, and other government services ('Government Services' sub-sector) accounted for 43.5% of the provincial services economy in 2011, after peaking to 71% in 2009 and contributing 63% in 2010.[11] The 'Transport and Communication' sub-sector contributed the second highest 22.4% to the provincial services economy in 2011. Besides, the Banking, Insurance, Real Estate, etc, accounted for just around 7% in the provincial services economy in 2006 and 2010, which almost doubled to 13.6% in 2011. The Wholesale and Retail Trade sub-sector has also increased its contribution to 12.6% of the provincial services economy in 2011. (Table 9) The productivity in the private sector-led transport and communication, banking, insurance, real estate, and wholesale and retail trade is much higher than in the government services such as public administration, defence, and other government services.[12] Therefore, despite the end of the civil war in the North in May 2009, the dominant share of the public administration, defence, and other government services sub-sector as a proportion of the provincial services economy and the overall provincial economy (following paragraph) is a serious cause for concern.

Furthermore, the 'Government Services' (public administration, defence, and other government services) accounted for almost 25% of the total provincial economy in 2011 (LKR 60 billion out of LKR 241 billion provincial economy), which was just 8% in the national economy (LKR 532.5 billion out of the total national economy of LKR 6,544 billion in 2011).[13] The 'Government Services' accounted for 38% of the northern provincial economy in 2003 and 2005 (ceasefire years), 49% and

[11] Which was 56% in 2004 and 62% in 2005.
[12] According to the preliminary results of the Census of Population and Housing 2011 undertaken in March 2012, the total population of Sri Lanka is 20,277,597 (20.3 million). The total public sector employees were 1,232,477 (1.2 million) (including government & semi-government employees both national and provincial - inclusive of armed forces personnel) in 2011 according to the Central Bank Annual Report 2011 (Table 54). Accordingly, for every 16 citizens there is 1 public sector employee that is one of the highest public sector personnel per capita in Asia and indeed the World. Hence, the Sri Lankan economy is burdened with a bloated bureaucracy. (See also Sarvananthan, Muttukrishna, (2011), "Sri Lanka: Putting Entrepreneurship at the Heart of Economic Revival in the North, East, and Beyond", *Contemporary South Asia*, Vol.19 No.2, June, pp206&209.
[13] Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka 2012*, pp36.

51% in 2007 and 2009 respectively (conflict years), and then dropped to 45% in 2010 and 25% in 2011 (post-civil war years).[14]

Although the agricultural (including fisheries) output and construction output have increased in the Northern Province after 2009 in absolute terms, structural weaknesses in the composition of the provincial economy remains but appears to be changing considerably.

Having looked at the outputs of different sectors and sub-sectors in the northern economy we shall turn to the labour input into different sectors and sub-sectors of the northern economy, which will reveal the labour productivity across sectors and provinces.

The proportions of the employed population in the agriculture sector in the NP in 1985-6, 1995-6, 2004, 2011, and 2012 were significantly higher than agriculture sector's share in the provincial economy throughout the years under consideration, which was the case nationally as well. While the proportions of the employed population in the industrial sector in the NP in 2004 and 2011 were higher than the share of the industrial sector in the provincial economy (only marginally so in 2011), it was the reverse at the national level. The proportions of the employed population in the services sector at national and provincial (NP) levels were lower than the shares of the services sector in the national and provincial economies. (Tables 7&10) Hence, the foregoing data demonstrates that labour productivity in the agriculture sector in the NP is very low and only marginally low in the industrial sector; however, the productivity in the services sector is quite high. This also means that there is severe underemployment in the agriculture sector and marginal underemployment in the industrial sector in the Northern Province.

In 1985-6, 1995-6, 2004, 2011, and 2012 the share of the employed population in the agriculture sector in the NP (55%, 56%, 38%, 35%, and 31% respectively) was higher than the corresponding share in Sri Lanka as a whole, except in 2012 (49%, 40%, 31%, 33%, and 31% respectively). The share of the employed population in the industrial sector in 1985-6, 1995-6, 2004, 2011, and 2012 was lower in NP (13%, 7%, 18%, 21%, and 23% respectively) vis-à-vis Sri Lanka (18%, 20%, 25%, 24%, and 26% respectively). While the share of the employed population in the services sector in the NP (32% and 37% respectively) was marginally lower than in the country as a whole (33% and 40% respectively) in 1985-6 and 1995-6, was the same in 2004 (45% in NP as well as SL), but higher in 2011 and 2012 (44% and 46% respectively in NP as against 43% in SL). (Table 10)

[14] Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka*, various years, Colombo.

The foregoing data indicate that the gaps between the NP and the country as a whole as regards employment concentration in different sectors have sharply narrowed in the post-civil war period (2011 and 2012). Thus, there is greater convergence of employment patterns between the nation and the region.

Both at the national and provincial levels agricultural output is significantly lower than the agricultural employment in 2011 and 2012 (in the 1980s, 1990s, and 2000s as well). The gap between agricultural output and employment is much greater at the national level (-21% and -20% respectively in 2011 and 2012) than at the provincial level (-11% each in 2011 and 2012). While the industrial output (30% and 31.5% respectively in 2011 and 2012) is greater than industrial employment (24% and 26% respectively in 2011 and 2012) at the national level, it was the reverse in the NP in 2011 (19% output against 21% employment) and the same in 2012 (23% output against 23% employment). In contrast, both at the national and provincial levels, services output is significantly higher than services employment. The gap between services output and employment at the national level (+15% in 2011 and +14.5% in 2012) is only marginally higher than at the provincial level (+12% in 2011 and +11% in 2012). (Table 11)

The foregoing data suggest that labour productivity in the services sector is significantly higher than in the agriculture and industrial sectors in the NP whereas the labour productivity in the industrial and services sectors was significantly higher than in the agriculture sector in the country as a whole.

3.5. Economic Base Sectors and their Growth Potentials

The economic base analysis is an exercise in mapping the structure of the local economy in terms of the (i) basic sector (also known as export sector), and (ii) non-basic sector. The basic (or export) sector refers to all goods and services sold outside the boundaries of the city (or district or province). The non-basic sector refers to goods and services sold within the local economy such as output from grocery retailing, hairdressing, restaurants, and other local services. Economic base analysis is based on the economic base theory according to which money earned from the basic/export sectors is the main source of growth in the economy that determines the rate of employment and growth of employment in the non-basic sectors that caters to local consumption. Economic base analysis is an analytical tool used to forecast income and employment generation in the local economy.[15]

[15] Cities Alliance, The, (2007), *Understanding your Local Economy: A Resource Guide for Cities*, Washington D.C, pp87-88.

In this section the main economic base sectors or sub-sectors present in the Northern Province are briefly reviewed, since it is their dynamics that are most important factors that drive the economies of the districts located within it.

The government services (public administration, defence, and other government services), transport and communication (overwhelmingly the former), construction, 'other food crops' (chilies, onions, etc), banking, insurance, real estate, etc, wholesale and retail trade, and fisheries are the seven largest contributing economic sub-sectors in the Northern Province (NP) accounting for over 80% of the PGDP in the past nine years (2003-2011). The government services were the single largest sub-sector that contributed between 25% (lowest in 2011) and 51% (highest in 2009) of the PGDP and the other six sub-sectors contributed between 1% and 13% each to the PGDP during 2003-2011. (Table 12)

3.5.1. Government Services

The generic government services (which include public administration, defence, and other government services) contributed almost 40% to the northern provincial economy during the ceasefire time (2003 and 2005), almost 50% during the time of civil war (2007 and 2009), and 43% and 25% respectively in the post-civil war years (2010 and 2011). (Table 12) In the Eastern Province the government services contributed between 12% and 20% in the last decade. Nationally and in other provinces the government services contributed less than 9% to the respective P/GDPs in the last decade.

As we had pointed-out earlier Sri Lanka is saddled with a bloated bureaucracy and an overgrown defence force which are drain on the national economy. With the total public debt of Sri Lanka equivalent to around 75% of its GDP and the total government revenue (both tax and non tax revenue) accounting for just 11% of the GDP, it is high time that Sri Lanka right-sizes its bureaucracy and the armed forces and release scarce financial resources to produce higher productivity goods and services.[16] However, public administration and other government services have been boon to women because those employ large number of females.

3.5.2. Construction

The contribution of the construction sub-sector to the northern provincial economy has almost doubled between 2005 and 2011. The construction sub-sector that accounted for 5.3% of the PGDP in 2007 had increased its share to 10.9% in 2011. (Table 12) This was primarily due to the

[16] Sarvananthan, Muttukrishna, (2011), "Sri Lanka: Putting Entrepreneurship at the Heart of Economic Revival in the North, East, and Beyond", *Contemporary South Asia*, Vol.19 No.2, June, pp206.

reconstruction of roads, bridges, houses, public buildings, schools, and hospitals in the aftermath of the civil war that ended in May 2009. However, the construction boom now being experienced in the North may not last long as the historic data in Table 12 and the experience of the Eastern Province shows. Nonetheless, construction of economic and social infrastructure is an on-going process that needs to last not only in the short and medium terms, but in the longer term as well.

Therefore, two of the current top three contributing sub-sectors to the northern economy, viz. government services and construction are undesirable and probably unsustainable respectively. However, the construction of economic and social infrastructure in the NP (such as the northern railway line reconstruction, Kankesanthurai (KKS) harbour development, Palaly airport reconstruction and expansion, and the Asian highway project via the Talaimannar port, etc) has a potential to contribute considerably to the provincial economy as it attempts to catch-up with the rest of the country's economy and get connected to the global economy.

That leaves the transport and communication (overwhelmingly the former), onions, chilies, etc ("other food crops"), banking and finance, wholesale and retail trade, and fishing sub-sectors to be the consistent and positive contributors to the northern provincial economy for a considerable period of time in the past and future too. (Table 12)

3.5.3. Transport and Communication

The transport and communication (overwhelmingly the former) sector contributed almost 9% to the PGDP during the ceasefire time (2003 and 2005), but less during 2006-2009, and then increased to almost 10% in 2010 and almost 13% in 2011. (Table 12) It is likely to increase its contribution further in the forthcoming years as the region integrates with the rest of the nation.

The transport services that serve more than the local population and local enterprises could be considered base economic activities. Because of the harsh environmental and climatic conditions and the primacy accorded to education (aka human capital development), historically large proportion of the northern population has been studying and working outside the Jaffna peninsula, particularly in and around Colombo and abroad as well. It is claimed that the legendary 'Yarl Devi' train plying between Kankesanthurai (KKS) and Colombo was the highest revenue earning rail route of the erstwhile Ceylon Government Railways (CGR) in the country. Further, the Palaly airport in Jaffna used to be the second international airport of the country with regular flights to Colombo and Tiruchirappalli (Trichy in short) in Tamilnadu State in India until the late-1970s.

In addition, hundreds of lorries used to ply daily between Jaffna and other parts of the country (particularly Colombo) carrying agriculture produce (including fresh fruits and vegetables) and fresh and dried fish from the peninsula and taking back food and other consumer products that are in short supply or not produced locally. The erstwhile Jaffna district was a combination of the present-day Jaffna and Kilinochchi districts and was host to the largest district population outside of the Colombo and Gampaha districts. Therefore, the markets in Jaffna were the largest outside of the Colombo metropolitan area (aka Greater Colombo area – parts of Colombo and Gampaha districts).

The situation has changed dramatically during the past thirty-years because there is no railway connection to Jaffna from the rest of the country since the mid-1980s and the Palaly airport has been reduced to a military airport with a skeleton commercial air service to Colombo. However, the road transport has recovered enormously since the end of the civil war as the major mode of transport for goods, passengers, and tourists.

Jaffna is poised to regain its transport hub status in the near future (within the next five years) with several transport infrastructure projects in the pipeline such as the reconstruction of the railway line between KKS and Vavuniya, KKS harbour development, Palaly airport reconstruction and expansion, and the resumption of the ferry service between Talaimannar and Rameswaram in India.

Telecommunications and internet services (especially mobile phone and internet services) have expanded rapidly in Jaffna in the post-civil war period because of over half of the original inhabitants of the district live outside the Northern Province and abroad.

3.5.4. Agriculture Crops

Historically, NP (particularly Jaffna district) has been the major producer of cash crops such as red onions and green chilies (referred to as ‘other food crops’ in the PGDP data). Paddy was also a significant crop particularly in the Vanni districts. During the ceasefire time (2003 and 2005) ‘other food crops’ sub-sector contributed 11.5% and 13% to the PGDP. Although its contribution declined between 2006 and 2010 it contributed over 10% to the PGDP in 2011. (Table 12)

The Northern Province produced 11.6% of the total production of paddy in the country in pre-conflict time in 1980 and 8.3% of the national production during the ceasefire time in 2005. The paddy output of the NP in the aftermath of the civil war accounted for 2.6% of the national output in 2010, 5.4% in 2011, and 6.8% of the national output in 2012. In fact, in 2012 the NP produced marginally higher quantity of paddy (almost 260,000 metric tons) than it produced in 1980 (248,000 metric tons).

However, in proportionate terms the NP accounted for nearly half the share of the national output in 2012 (6.8%) compared to 1980 (11.6%).

Historically, Mannar district was the largest producer of paddy in NP (115,000 metric tons in 1980, 38,000 metric tons in 2005, and 67,630 metric tons in 2012) followed by Kilinochchi district (53,000 metric tons in 2005 and 73,884 metric tons in 2012). (Table 13) While Jaffna (average yield of 2,680 kgs per hectare of land area during Maha 2011-12 season) and Mullaithivu (average yield of 2,994 kgs per hectare of land area during Maha 2011-12 season) districts had the lowest productivity of paddy in the country, the productivity in other northern districts were comparatively higher than many other districts in the country.[17] Hence, paddy cultivation in Jaffna and Mullaithivu districts should be discouraged and encouraged in other districts.

In 1980 (pre-civil war time) NP produced almost 56% of the total production of red onions in Sri Lanka, which had dropped to 20.6% in 2005 (ceasefire time), and then increased to 36% in 2010 (post-civil war time). Jaffna district dominated the production of red onions in the north (45.4%) followed by Mullaithivu (7.2%) in 1980. Jaffna district still dominated red onion production in 2010 (22.5%) followed by Vavuniya (9.2%) and Mullaithivu (2.1%) districts. (Table 14) Although the national level production data is available for 2011 provincial and district breakdown is unavailable to date (mid-213).

Similarly, NP accounted for 22% of the total green chili production in the country in 1980 (pre-civil war time), which had shrunk to 8.4% in 2005 (ceasefire time) and to almost 6% in 2010 (post-civil war time). While Jaffna (13.0%), Mullaithivu (5.6%), and Vavuniya (2.6%) districts dominated the production of green chilies in 1980, Vavuniya (3.7%) and Jaffna (1.8%) districts accounted for almost the entire production in the province in 2010. (Table 15) Although the national level production data is available for 2011 provincial and district breakdown is unavailable to date (mid-2013).

There were severe restrictions on the supply of fertilisers and pesticides to Jaffna in particular and the North in general for agriculture use during the time of the civil war (1990-2009) that had curtailed agricultural production. Besides, laying of hundreds of thousands of anti-personnel mines on agriculture lands by both the warring parties had curtailed cultivation. However, agricultural production has resumed in earnest on large scale after the end of the long drawn-out civil war.

Although the foregoing agriculture produce in Jaffna may not regain its predominance in the pre-civil war times, those could still be catalyst to sustainable economic growth and well-being of the people.

[17] Department of Census and Statistics cited in Central Bank of Sri Lanka, *Annual Report 2012*, Statistical Appendix Table 16.

3.5.5. Banking and Finance

Northern people are reputed or disparaged for their thriftiness. Historically, savings have been high among the northern people compared to saving habits of people from other parts of Sri Lanka. Therefore, banking and financial services thrived in Jaffna. Like many other sectors and sub-sectors this sub-sector has been severely affected by the civil war. However, in the aftermath of the civil war there is an upswing in the financial sector's growth in the north which is reflected in the recent data. Banking, insurance, real estate, etc, contributed 7.7% to the PGDP in 2011 having contributed less than 4% prior to 2006. (Table 12) The financial sector's contribution to the PGDP has doubled between 2005 (3.9%) and 2011 (7.7%).

The upswing in this sub-sector will continue to grow in the long-term as well because finance is the key to sustainable economic growth. Several national banks, one international bank (HSBC), and insurance and leasing companies have opened or re-opened branches throughout the province and the Colombo Stock Exchange (CSE) has established a regional trading centre in the City of Jaffna and Vavuniya town.

3.5.6. Wholesale and Retail Trade

Due to severe economic embargo on the Northern Province between 1990 and 2009 (barring 2002-2006) there has been a huge pent-up demand for consumer goods including consumer durables in the North. Therefore, the contribution of wholesale and retail trade to the PGDP soared during the ceasefire time (2003 and 2005) and in the post-civil war year 2011, which is expected to continue for few more years. However, the proportionate contribution of the wholesale and retail trade to the PGDP in the post-civil war year 2011 (7.2%) was less than half that of the ceasefire years 2003 and 2005 (15-16%). (Table 12)

The import trade (3.5%) and domestic trade (3.4%) accounted for almost the entire wholesale and retail trade in 2011 with export trade accounting for just 0.3%. (Table 2)

3.5.7. Fisheries

The Northern Province is largely a coastal province, except the district of Vavuniya. The fisheries sub-sector accounted for 12.0% of the PGDP in 2003. However, the contribution of the fisheries sub-sector to the PGDP has shrunk to 3 - 5% in recent years. (Table 12) While a total of 91,616 metric tons of fish was caught in the NP in 1980 it has dropped by nearly one-third to 62,150 metric tons in 2012. (Table 16)

In 1980, the fish catch in the NP accounted for almost 49% of the total fish catch in the entire country. While Jaffna district accounted for the highest share (28.9%), Kilinochchi (6.4%), Mannar (6.2%), and Mullaithivu (5.6%) districts also contributed considerably. However, NP's contribution to the total fish catch in the country has shrunk to just 12.8% in 2012. In recent times, only Jaffna (8.7% in 2005 and 5.4% in 2010) and Mannar (5.5% in 2005 and 2.8% in 2010) districts contributed bulk of the fish catch in the province. (Table 16) District-wise fish catch data for 2011 and 2012 are unavailable to-date (mid-2013).

Jaffna is a peninsula and as a consequence fishing is a natural occupation of the people along the coastal areas of the peninsula and in the islands off the peninsula. Jaffna had 20,600 active fisherpersons and a total fishing population of 85,000 in 2010.

Jaffna is famous for seafood; especially high-value seafood such as crabs, lobsters, and prawns, which used to be even exported abroad. However, severe restrictions on off-shore fishing during the time of civil war (for security reasons) has debilitated the occupation and driven-out fisherpersons to find alternative employment. Poaching by fisherpersons from other countries (especially by Indian fisherpersons) is an additional stumbling-block for the recovery of fishing in Jaffna.

There still remain limited security restrictions on the use of certain fishing harbours and deep-sea fishing. But more disturbing is the unfair competition from Indian fishing trawlers that intrude into Sri Lankan waters. Although the fish catch in the NP has increased in absolute quantity in post-civil war period (34,410, 48,520, and 62,150 metric tons in 2010, 2011, and 2012 respectively) it has not reached the quantity of fish caught in the pre-conflict period (91,616 metric tons in 1980). (Table 16)

3.6. Local Endowments

Mineral Resources

So far Sri Lanka is not known to have any energy (coal, petroleum, natural gas, uranium, etc) or metallic (gold, silver, platinum, etc) mineral resources in any part of the country. Nonetheless, it does possess non-metallic industrial mineral resources. These industrial minerals include graphite, limonite, rutile, zircon, quartz, feldspar, clay, kaolin, apatite (phosphate rock), silica sand, mica, calcite, and dolomite. These minerals, except graphite, are mined in quarries or surficial pits. There are two underground graphite mines in Bogalla and Kahatagaha.[18]

From time to time there has been speculation about potential petroleum deposits in the Gulf of Mannar off the Mannar Island. Currently there is an attempt to scientifically probe this speculation. Two non-metallic mineral resources, viz. silica sand and Miocene limestone, available in the Northern Province are in the Jaffna peninsula.

Silica Sand

Ampan and Vallipuram villages in Vadamarachchi East area of the Jaffna peninsula are endowed with very large deposits of silica sand, which can be used in the manufacture of glass and ceramic products. Silica sand is also used as moulding and abrasive material, and most recently in high technology industries (computer micro chips production). Silica sand production in Sri Lanka has been on steady decline over the years from 35,000 metric tons in 1998 to 12,000 metric tons in 2002.[19]

The export of silica sand is prohibited in any form. Currently, silica sand in the Vadamarachchi East is not utilised for any industrial purpose. Therefore, there is untapped potential to set up glass, ceramic, and high technology industries in the Vadamarachchi East area of the Jaffna peninsula.

Miocene Limestone

The centre of Jaffna peninsula is endowed with Miocene limestone that can be used for the manufacture of cement. Besides, inland coral deposits are also found overlying the Miocene limestone in the peninsula. Further, coral beds can be found in the Delft Island, off the Jaffna peninsula, as well. Corals are used for production of lime. Mining of coral is prohibited within 300metres inland from the coast and 2kilometres offshore.[20]

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[18] Geological Survey and Mines Bureau, (2003), pp1 cited in Sarvananthan, Muttukrishna, (2010), *The Economy of the North with special reference to Jaffna*, December, Point Pedro Institute of Development, Point Pedro, Northern Sri Lanka, unpublished, pp22.

[19] Geological Survey and Mines Bureau, (2003), pp10 cited in Sarvananthan, Muttukrishna, (2010), *The Economy of the North with special reference to Jaffna*, December, Point Pedro Institute of Development, Point Pedro, Northern Sri Lanka, unpublished, pp22.

[20] Geological Survey and Mines Bureau, (2003), pp12&15 cited in Sarvananthan, Muttukrishna, (2010), *The Economy of the North with special reference to Jaffna*, December, Point Pedro Institute of Development, Point Pedro, Northern Sri Lanka, unpublished, pp22.

The total cement consumption in the country was about 2.3million tons in the early 2000s. However, only around 50% of this demand was met by local production, the rest was imported.[21] Cement is also used in the manufacture of asbestos sheets, though many countries have banned the production and use of asbestos due to health reasons. There was a cement factory in Kankesanthurai, which was destroyed during the civil war. Though technically and economically it is possible to reconstruct that cement factory, environmentally it should not be. Limestone excavations have depleted the underground water tables/resources in the Jaffna peninsula. Hence, environmentalists would argue against the reconstruction of the cement factory in the Jaffna peninsula.

Salt

In the Kilinochchi district of the Northern Province salt can be produced in Elephant Pass though it has not been functional during the civil war. There is already a saltern in Elephant Pass, which can be developed further to fulfill the refined and iodised salt needs of the country.

Tourism

Tourism has become a key service industry in the NP during the past four years of post war period. Out of curiosity (because NP was virtually shut out to people in the South as well as foreigners from about 1990 till early 2002 and then from early 2006 to December 2009) as well as on working visits thousands of people travel to the North, especially Jaffna, daily by road. There are historic sites as well as revered religious sites that attract thousands of people to the Northern Province.

These have generated a fairly reasonable domestic tourism industry within the Jaffna peninsula, particularly in the city and suburbs, and the Vanni mainland. However, these are mostly guesthouses that lack professionalism or service provision akin to the hospitality trade. Hence, there is a long felt need for professional development of the tourism industry in the province to national as well as international standards. Since the hospitality trade is labour intensive it could generate considerable number of employment. Besides, through backward linkage tourism could also provide a lucrative market for local vegetables, fruits, meat, milk, dairy products, fish, crabs, lobsters, beverages, etc.

Casuarina beach in Karainagar and the Manalkadu beach in Vadamarachchi East in the Jaffna peninsula have high tourism development potential. The beaches in this area are not as extensive or attractive as those which are already prime tourist destinations in the South and East of Sri Lanka.

[21] Geological Survey and Mines Bureau, (2003), pp32 cited in Sarvananthan, Muttukrishna, (2010), *The Economy of the North with special reference to Jaffna*, December, Point Pedro Institute of Development, Point Pedro, Northern Sri Lanka, unpublished, pp22.

Given that any resort tourism in Jaffna will have to compete directly with these, it would seem that such plans are not very sound at least in the short term, except for attracting Jaffna residents and visiting Diaspora.

The Vanni mainland has few historical cultural sites, wildlife and bird sanctuaries, and nature reserves that are conducive for eco tourism. Historic Madhu Church and Thiruketheswaram Hindu Temple in Mannar district, Birds sanctuaries in Kilinochchi district (Chundikulam) and Mannar district (Vankalai), and Wilpattu nature reserve in Mannar district are some such tourist attractions in the Vanni.

3.7. Human Resources

Though the Census of Population and Housing 2011 covered all the districts in the country only limited data of the Census has been released thus far and the latest Household Income and Expenditure Survey (HIES) 2009/10 did not cover the four districts of the Vanni mainland (Kilinochchi, Mannar, Mullaithivu, and Vavuniya). The HIES is undertaken every three years and only the preliminary report of the 2012/13 has been released by late 2013, which has very limited provincial and district breakdown of data. Besides, regular labour force data and employment patterns data have been unavailable for all five districts since 1990. Although the labour force survey has recommenced in the North in 2011 the data are not very reliable.

In many respects the Jaffna district is significantly different from the Vanni mainland. Firstly, Jaffna is a peninsula, whereas Kilinochchi (North West Sri Lanka), Mannar (North West Sri Lanka), and Mullaithivu (North East Sri Lanka) have coastline, and Vavuniya is a landlocked district. Secondly, while Jaffna is densely populated, all other four districts are sparsely populated jungle areas. Thirdly, while Jaffna farmers depend on underground well water for agriculture, the farmers in the Vanni district depend on hundreds of small and big tanks where rainwater is preserved.

Whereas the population density of Sri Lanka is 323 persons per square kilometre, it is 181 in the Northern Province (56% of the national average) according to the latest census. But there is stark contrast between the population density of Jaffna and the population densities of the Vanni districts. Whereas the population density of Jaffna district is almost double that of the island as a whole, i.e. 628 persons per square kilometre, the population densities of Kilinochchi (94), Vavuniya (93), Mannar (53), and Mullaithivu (38) are the lowest in the country. (Table 4) While the population density of the Jaffna district has significantly decreased from 795 persons per square kilometre in 1981 to 628 persons per square kilometre in 2011 (-21.0%), the population densities of Kilinochchi (76 to 94 persons per square kilometre) and Vavuniya (36 to 93 persons per square kilometre) have increased during the same period. Ironically, the population densities of Mannar and Mullaithivu districts have not changed at all between 1981 and 2011. (Table 4)

Because of the sparsely populated nature of the districts in the Vanni, providing economic (electricity, pipe-borne water, telecommunications, etc), physical (roads, bridges, etc), and social (hospitals, schools, etc) infrastructure to the people have been very costly to the government and therefore local populations have been deprived of such necessities of human life for long. However, the present government has invested enormously on such basic infrastructure in the past five years. The nature of the population dispersion in the Vanni districts is inimical to economies of scale and creation of markets for goods and services.

The Jaffna district is the only district in the country that experienced a sharp decline in the population (-20.0%) between 1981 and 2011 from 734,474 in 1981 to 588,378 in 2011. (Table 4) This is due to the exodus of large number of Jaffna population to other parts of the country and abroad as a direct consequence of the civil war between 1983 and 2009. The Jaffna district population accounted for 55.0% of the total population of the Northern Province in 2011, which was 67.0% in 1981. The Jaffna district population accounted for 4.9% of the total population of Sri Lanka in 1981, which almost halved to 2.9% in 2011. (Table 4)

According to the Census 2011, the Jaffna district had the highest share of females in the population (52.8%) among the twenty-five districts in the country in 2011.[22] The gender-ratio (males: females) of Jaffna district is 90.4, which means for every 100 females there are only 90 males in the population. Only in the age group of under 14-years males outnumber females in Jaffna; in all other age groups females outnumber males.[23] In Kilinochchi and Vavuniya districts also females outnumber males but only marginally so. In contrast, as noted before, males outnumber females only in Mannar and Mullaithivu districts (among all 25 districts in the country). (Table 5)

The former conflict-affected districts in the East and North (except Jaffna) have the youngest population in the country. Ampara, Batticaloa, Kilinochchi, Mannar, Mullaithivu, Trincomalee, and Vavuniya districts have the highest shares of less than 15 years old population among the twenty five districts in the country. For example, the proportion of less than 15 years old population in the total district population is highest in Kilinochchi district where 33.1% of the district population is under 15 years old followed by Trincomalee (32.2%), Batticaloa (31.3%), and Mullaithivu (30.9%). (Table 6) It

[22] Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3
[23] Department of Census and Statistics, (2011), *Enumeration of Vital Events - Northern Province - 2011*, http://www.statistics.gov.lk/PopHouSat/VitalStatistics/EVE2011_FinalReport.pdf

is significantly less than 30.0% in the districts outside the East and North.[24] As a corollary, the proportion of 60 years and over population is the least in the northern districts except Jaffna. (Table 6) Kegalle (14.6%), Matara (14.6%), Galle (14.5%), and Jaffna (14.4%) districts had the highest shares of 60 years and over population in the country.[25]

Paradoxically, in spite of the relatively younger population in the East and North, the labour force participation in these provinces is the lowest in the country. Among the twenty five districts in the country Jaffna (37.1%), Batticaloa (38.0%), Kilinochchi (39.7%), Ampara (40.2%), Mannar (40.4%), Vavuniya (41.6%), Trincomalee (42.6%), and Mullaithivu (42.7%) had the lowest labour force participation rates in the country. (Table 6) This is primarily due to significantly lower labour force participation of women in the East and North. The labour force participation rates in almost all other districts are nearly 50.0% or over.[26] The low labour force participation in the former conflict-affected districts is a very serious matter that needs attention of the policy makers urgently.

According to official statistics, while the unemployment rate in the country as a whole was 4.2% in 2011 and 4.0% in 2012 it was almost double in Mannar district (8.1%) and more than double in Kilinochchi district (9.3%) in 2011 (district breakdown for 2012 is unavailable to date). (Table 6) The unemployment rates for Jaffna, Mullaithivu, and Vavuniya are unavailable due to unreliability of data as a result of small (survey) cell sizes. However, this author feels that the foregoing figures are gross underestimations.

This author does not agree with the definition of 'working age population' used in the labour force survey in Sri Lanka. According to the Department of Census and Statistics the total number of people who are ten years old or over are considered to be the 'working age population'.[27] In fact, we would argue that it will be more appropriate to consider 15-59 years old population as the working age population. Further, the labour force survey in Sri Lanka considers anyone working at least one hour during the week in which the survey is carried-out to be employed.[28] This is a very low threshold for the status of employment. Such a low threshold gives an artificially higher employment rate which is

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[24] Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3
[25] Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3
[26] Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2011*, pp57. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf
[27] Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2011*, pp71. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf
[28] Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2011*, pp71. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

deceptive. Moreover, unpaid family labour ("contributing family workers") is considered being employed[29] which is unrealistic.

Accordingly, total number of 15-59 years old population in the NP in 2011 was 647,271. (Table 6) However, the entire working age population need not be working because some of them may be still studying at school or higher education institutions and some may not be able to work because of disability or some other legitimate reason. Therefore, if we assume 450,000 as the eligible working age population that is available for work in the NP, and consider 302,488 as the total employed population in 2011 (Table 6), there is a staggering 32.8% unemployment rate (147,512 / 450,000 (x) 100) in the North. Similarly, the rate of unemployment in the entire country is 18.0% according to the foregoing method of computation.[30]

Of course, nearly one hundred and fifty thousand unemployed persons in the NP include people who voluntarily do not want to work for some reason or the other. However, from a policy maker's point of view such high proportion of eligible persons in the population not being in employment, irrespective of voluntarily or involuntarily, is a gross economic waste.

According to the latest Household Income and Expenditure Survey[31] (HIES) 2009-10, the demographic characteristics of the Jaffna district was somewhat different from that of the country as a whole. The Jaffna district in the NP was the only district fully covered by the HIES 2009-10 and therefore discussed herein. The salient features of the demographic characteristics of the Jaffna district are as follows:

- While only 33.4% of the national population had "never married", 41.4% of the Jaffna District population had "never married".[32] Besides, among the female-headed households in the country, while nationally 17.8% were in the age group of 25-39 years old, 20.0% of the female-headed households in the Jaffna District were in the age-group of 25-39 years.[33] While

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[29] Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2011*, pp71. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

[30] The total 15-59 years old population in the country is 12,566,467 (12.6 million) but only 10,000,000 (10 million) is considered to be eligible for employment in the working age population; whereas only 8,196,927 (8.2 million) is employed according to the latest annual labour force survey (2011). Therefore, the unemployment rate is - 1,803,073 (total unemployed persons) divided by 10,000,000 (eligible for work population) times 100 - 1,803,073 / 10,000,000 x 100 = 18.0%.

[31] The latest HIES was undertaken between July 2009 and June 2010 (first one after the end of the civil war) throughout the country. However, three northern districts, namely Kilinochchi, Mannar and Mullaitivu were not covered by this survey. In addition Vavuniya North DS division of the Vavuniya district was also not covered. Therefore, the data pertaining to the Northern Province and Vavuniya district are not entirely representative.

[32] Department of Census and Statistics, Household Income and Expenditure Survey 2009/10, Table A7.

[33] Department of Census and Statistics, Household Income and Expenditure Survey 2009/10, Table A9.

32.3% female-headed households were married in the country as a whole, only 21.1% of the female-headed households in Jaffna were married.[34]

- While 14.7% of the population in the country had passed the General Certificate of Education Ordinary Level (G.C.E. O/L) (Grade 10) public examination, only 10.1% of the Jaffna District population had passed the same. Similarly, whereas 11.2% of the country's population had passed the G.C.E. A/L (Advanced Level) (Grade 12) public examination and above, only 7.2% had passed the same in Jaffna.[35]

The forgoing data indicate that there was considerably higher share of unmarried population in Jaffna vis-à-vis the country as a whole; the female-headed households in Jaffna were relatively younger compared to the total number of female-headed households in the country; a significantly lower share of the female-headed households in Jaffna was married in comparison to the married female-headed household population in the country; and that the general educational level in Jaffna was lower than that of the country as a whole.

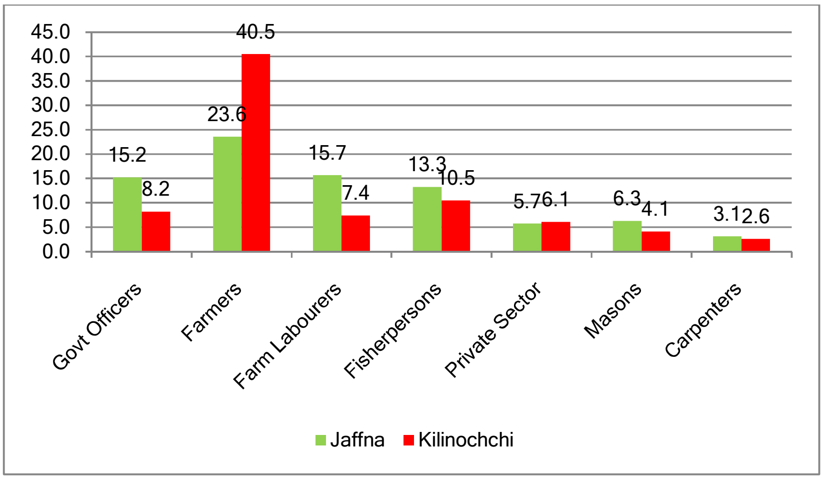
Historically Jaffna has been relatively better off than all other districts in the Northern Province in terms of living standards, educational level, health status, occupations, income level, etc. Vast majority of the Jaffna population is landowning class of people. That is, only 8% of the Jaffna district population did not own any land at all in 2002 compared to 12% in 1982.[36] In other words, 92% of the Jaffna population did own land as of 2002. However, majority of the landholdings in Jaffna are very small and therefore not suitable for commercial farming.

As mentioned earlier Jaffna was and is the most prosperous district in the Northern Province. Next to farming, public sector employment (government administrative service – including health and educational services, semi-government, plus cooperative staff) is the major source of employment to the people in the district. Traditionally, Jaffna society accords highest priority to education and as a result Jaffna people occupied a prime position in white collar jobs, particularly in the public sector. In 2010 farmers accounted for 23.6%, farm labourers 15.7%, public officials 15.2%, and fisherpersons 13.3% of the total employed persons in the Jaffna district.[37] (See the following graph)

[34] Department of Census and Statistics, Household Income and Expenditure Survey 2009/10, Table A10.
[35] Department of Census and Statistics, Household Income and Expenditure Survey 2009/10, Table A5.
[36] Jaffna District Secretariat, *Jaffna District Statistical Information 2003*, pp63.
[37] Jaffna District Secretariat, *Jaffna District Statistical Hand Book 2011*, pp285-94.

Share of the Employed Population by Occupation

2010 - 2011



Source: *Jaffna District: Statistical Hand Book 2011 & Statistical Hand Book 2012: Kilinochchi District.*

In 2011 farmers accounted for 40.5%, fisherpersons 10.5%, farm labourers 7.4%, public officials 8.2%, and private sector employees 6.1% of the total employed persons in the Kilinochchi district.[38] (See the foregoing graph)

Poverty

The incidence of poverty (head-count index) in the country has drastically declined during the past twenty years. While the percentage of population living below the poverty line in the country was 26% in 1990/91, it had dropped to just 9% in 2009/10. Rural and urban poverty has declined more than in the estate areas. (Table 17)

However, according to the latest available data, the Northern Province (barring the four Vanni districts) had the second highest incidence of poverty (among all the provinces) where almost 13% of the population was deemed poor.[39] Moreover, among 21 out of 25 districts in the country (excluding Kilinochchi, Mannar, Mullaithivu, and Vavuniya), Jaffna district had the second highest incidence of poverty at 16%.[40] (Table 17) District-wise data reveal that all the districts in the country barring the districts in the NE had experienced reduction in the population living below the official poverty line over the years.

[38] Kilinochchi District Secretariat, *Statistical Hand Book - 2012: Kilinochchi District*, pp177.
[39] Almost 15% of the population in the Eastern Province was poor.
[40] Over 20% of the population in Batticaloa District was poor.

For data on multidimensional poverty indicators in the Northern Province vis-à-vis other provinces, see Chapter 7 of the latest periodic poverty assessment in Sri Lanka carried-out by the World Bank.[41]

3.8. Current and Potential Economic Drivers

This section recapitulates the current economic drivers of the districts in the Northern Province (NP) and also identifies the potential economic drivers of the districts in the NP.

Currently, construction, financial services, fishing, other food crops (onions and chilies), paddy, transport and communication (especially the former), and wholesale and retail trade are the seven economic sub-sectors that would qualify as economic drivers in the NP. Only the construction sub-sector appears to be an economic driver in all five districts because of long neglected and devastated economic, physical, and social infrastructures and private properties. Financial services are economic drivers in Jaffna and Vavuniya districts only due to economies of scale. Fisheries sector is presently an economic driver only in Jaffna and Mannar districts. Chilies and onions are economic drivers in Jaffna, Mullaithivu, and Vavuniya districts. Paddy is currently an economic driver only in Mannar district. Transport and communication is an economic driver only in the Jaffna district. The wholesale and retail trade is an economic driver in Jaffna and Vavuniya districts but may not last long as the pent-up demand wanes. (See the following table)

However, construction of infrastructure (physical and virtual), development of economic institutions (such as law & order, political & fiscal decentralisation, property rights for land, and financial integration), financial services (banking, insurance, real estate, capital market, etc), fishing, human capital development (such as education and skills training services), manufacturing industries, other food crops (chilies and onions), transport and communication, women, and youth could be ten potential economic drivers in the NP. Construction, economic institutions, and human capital are potential economic drivers across all five districts; fisheries in all but Vavuniya distl institutions in Jaffna, Kilinochchi, and Vavuniya districts; manufacturing, chilies and onions, transport and communication, and women in Jaffna district; and youths in Kilinochchi and Mullaithivu districts are also potential economic drivers in certain districts of the province. (See the following table)

The economic (electricity, integrated transport systems, ICTs, and telecommunications) and social (hospitals, schools, etc) infrastructure have to be restored and upgraded and new ones developed in the NP in order to get connected physically and virtually to the economic hub of the Western Province

[41] World Bank, The, (2007), 'Social and Economic Situation in the Conflict-Affected North and East', Chapter 7 in Sri Lanka Poverty Assessment - Engendering Growth with Equity: Opportunities and Challenges: Washington, DC: The World Bank; Sarvananthan, Muttukrishna, (2009a), "Poverty in the Conflict Affected Region of Sri Lanka: An Assessment", *Indian Journal of Regional Science*, Vol.41 No.1, June, pp103-121.

and thereon to the rest of the world. In the modern world, lack of fast highways, airports, and harbours connecting different cities within and outside the country could be partially compensated by the development of Information and Communication Technologies (ICTs) in interior parts of the country which are much more cost-effective. Modern virtual connectivity (ICTs) is less costly and less time-consuming than the traditional modes of physical connectivity (roads, railways, and sea and air ports). Thus, physical distance could be bridged considerably through virtual connectivity. However, an economy (such as the economy of NP) dominated by primary produces (agriculture and fisheries) with limited secondary produces (such as manufacturing and construction) need to depend heavily on physical connectivity such as roads, railways, and sea and air ports. Therefore, construction of physical and virtual infrastructure could be potential economic driver of the NP.

The Economic Drivers of the Districts in the Northern Province

ECONOMIC DRIVERS **Economic Sub-Sector**	**Jaffna District**	**Kilinochchi District**	**Mannar District**	**Mullaithivu District**	**Vavuniya District**
Current (in alphabetic order)					
1. Construction – Infrastructure	√	√	√	√	√
2.Financial Services – Banking, Insurance, Real Estate, Capital Market, etc	√				√
3. Fisheries	√		√		
4. Other Food Crops – Chilies and Onions	√			√	√
5. Paddy		√	√		
6. Transport and Communication	√				
7. Wholesale and Retail Trade	√				√
Potential (in alphabetic order)					
1. Construction – Infrastructure (physical & virtual)	√	√	√	√	√
2. Economic Institutions – law & order, property rights for land, political & fiscal decentralisation, financial integration	√	√	√	√	√
3.Financial Services – Banking, Insurance, Real Estate, Capital Market, etc	√	√	√	√	√
4. Fisheries	√	√	√	√	
5. Human Capital	√	√	√	√	√
6. Manufacturing Industries	√				
7. Other Food Crops – Chilies and Onions	√				
8. Transport and Communication	√				
9. Women	√				
10. Youth		√		√	

Secondly, human capital in the NP (including Jaffna) is lower than the average of the country in terms of lower and higher secondary public examination results in spite of the perceived pre-civil war competitive advantage. Human capital in Jaffna and Vavuniya districts is relatively better than in other three districts. Therefore, enhancement of human capital is *sine qua non* to enhance the competitiveness of the NP. Jaffna and Vavuniya is endowed with a University and few vocational and further educational institutions. Other three districts have a few vocational and further educational institutions. The quality of school education and tertiary education needs to be improved in addition to increasing the number of admissions and output of students. The educational level of a district population is strongly correlated to the economic growth of the district. Education is a critical ingredient in the local agglomeration economies and the districts boost the accumulation of human capital in the province.[42] Therefore, human capital enhancement should be a thrust activity in the Northern Province.

Thirdly, economic institutions such as law and order, property rights for land, political and fiscal decentralisation[43], financial integration, etc, needs to be restored and strengthened in the NP. As a result of the prolonged armed conflict, such economic institutions have deteriorated in the past three decades.[44] While physical infrastructure connects places virtual infrastructure and economic institutions connects people.[45] Hence, the development of economic institutions is imperative for enhancing the comparative advantage and competitiveness of the districts in the Northern Province.

Manufacturing industries has the potential to become an economic driver of the district of Jaffna because of its logistical advantage with the restoration of the erstwhile railway line to Colombo, upgrading of the Kankesanthurai (KKS) harbour, and the expansion and upgrading of the Palaly airport resulting in an integrated transportation hub thereby getting connected to one of the world's fastest growing economies, viz. India, which is just a short distance from the Jaffna peninsula. The foregoing integrated transportation hub could create the necessary logistical infrastructure for setting up export-oriented manufacturing industries and promoting entrepot trade with modest value-addition to India, South East Asia, and the rest of the world. Thus, an industrial park could be established in the integrated transportation hub of the Jaffna peninsula surrounding the areas of the Jaffna City, KKS harbour, and the Palaly airport.

[42] For empirical evidence see Nallari, Raj, Breda Griffith, and Shahid Yusuf, (2012), *Geography of Growth: Spatial Economics and Competitiveness*, Washington D.C: The World Bank, pp54& 58.
[43] See Sarvananthan, Muttukrishna, (2011), "Fiscal Devolution: A stepping stone towards conflict resolution in Sri Lanka", *Economic Review*, Vol.37 Nos.1&2, April/May, pp44-48.
[44] See Sarvananthan, Muttukrishna, (2009), "The Path to Economic and Political Emancipation in Sri Lanka", *Conflict Trends*, Issue 4, pp13-22 for a comprehensive policy brief on the role of economic institutions in the emancipation of the conflict-affected regions in Sri Lanka.
[45] Nallari, Raj, Breda Griffith, and Shahid Yusuf, (2012), *Geography of Growth: Spatial Economics and Competitiveness*, Washington D.C: The World Bank, pp8.

The financial sector will continue deepening its catalyst role in the economy of the Northern Province capitalising on the intrinsic protestant ethic of the average citizen of the North. Cultivation of 'other food crops' such as chilies and onions will continue to be an economic driver of the district of Jaffna taking advantage of its red-earth. Fishing will continue to be an economic driver in four out of five districts in the North keeping with its natural advantage.

Another critical competitive advantage of the Vanni districts of the NP is its relatively younger population compared to most other districts in the country. A 'demographic dividend' is realised when the number of working-age population increases more rapidly than the number of dependent/elderly population in a geographic area or country.[46] South Asian countries (except Sri Lanka) are currently reaping a demographic dividend which will continue until 2040 (and beyond in Afghanistan). In Sri Lanka the demographic dividend ended in 2005.[47]

However, in contrast to most other districts in the country, Kilinochchi, Mannar, Mullaithivu, and Vavuniya districts in the Vanni (especially Kilinochchi and Mullaithivu) are endowed with a relatively younger population; a uniquely northern demographic peace dividend. (See section 8 on human resources above)

Therefore, the Northern Province should take full advantage of this uniquely northern demographic peace dividend and convert it into economic peace dividend by focusing their economic revival strategies and synergies on women and youths.

[46] Nayar, Reema, et al, 2012, *More and Better Jobs in South Asia*, Washington D.C: The World Bank, pp1.
[47] Nayar, Reema, et al, 2012, *More and Better Jobs in South Asia*, Washington D.C: The World Bank, pp2.

APPENDIX

Table 1

Recent Growth of the Northern Economy

2008 – 2012

		2008	2009	2010	2011	2012 Provisional
Northern Province	**PGDP** current prices Rupees Million	**139,001** (33.4)	**155,828** (12.1)	**189,740** (21.8)	**242,512** (27.8)	**305,287** (25.9)
	Agriculture Rupees Million	**27,837** (49.3)	**28,582** (2.7)	**30,970** (8.4)	**58,423** (88.6)	**59,730** (2.2)
	Industry Rupees Million	**10,496** (18.3)	**14,534** (38.5)	**28,836** (98.4)	**47,275** (56.1)	**71,929** (52.2)
	Services Rupees Million	**100,668** (31.2)	**112,711** (12.0)	**129,933** (15.3)	**136,814** (5.3)	**173,629** (26.9)
	Per Capita Income Rupees	**118,601** (31.9)	**131,279** (10.7)	**159,044** (21.1)	**202,000** (27.0)	**288,000** (42.6)
Sri Lanka	**GDP** current prices Rupees Million	**4,410,682** (23.2)	**4,835,293** (9.6)	**5,604,104** (15,9)	**6,543,313** (16.8)	**7,578,554** (15.8)
	Agriculture Rupees Million	**590,144** (41.1)	**613,694** (4.0)	**717,910** (17.0)	**791,761** (10.3)	**833,477** (5.3)
	Industry Rupees Million	**1,295,470** (21.0)	**1,434,701** (10.7)	**1,649,268** (15.0)	**1,956,658** (18.6)	**2,388,241** (22.1)
	Services Rupees Million	**2,525,099** (20.8)	**2,786,897** (10.4)	**3,236,926** (16.1)	**3,794,893** (17.2)	**4,356,837** (14.8)
	Per Capita Income Rupees	**218,167** (22.0)	**236,445** (8.4)	**271,346** (14.8)	**314,000** (15.7)	**373,000** (18.8)

Source: Central Bank of Sri Lanka, (2013), *Economic and Social Statistics of Sri Lanka 2013*, April, pp35-36.

Central Bank of Sri Lanka, (2013), *Sri Lanka Socio Economic Data 2013*, September, pp49

Note: Numbers in the parentheses are year-on-year (annual) growth rate in percentage.

Table 2

Composition of the Northern Economy

2009 - 2011

Sector	Northern Province Rupees Million			Sri Lanka Rupees Million		
	2009	2010	2011 Provisional	2009	2010	2011
AGRICULTURE	**28,582** **(18.3)**	**30,970** **(16.3)**	**58,464** **(24.2)**	**613,694** **(12.7)**	**717,910** **(12.8)**	**792,457** **(12.1)**
1.**Agriculture, Livestock and Forestry**	**23,644** **(15.2)**	**24,040** **(12.7)**	**46,114** **(19.1)**	**534,140** **(11.0)**	**624,134** **(11.1)**	**683,254** **(10.4)**
1.1. Tea	0	0	0	64,476 (1.3)	72,314 (1.3)	67,896 (1.0)
1.2. Rubber	0	0	0	19,278 (0.4)	44,096 (0.8)	62,724 (1.0)
1.3. Coconut	4,808 (3.1)	2,157 (1.1)	2,781 (1.2)	52,585 (1.1)	60,439 (1.1)	72,439 (1.1)
1.4. Minor Export Crops	0	0	0	13,086 (0.3)	17,888 (0.3)	18,088 (0.3)
1.5. Paddy	3,290 (2.1)	5,225 (2.8)	8,484 (3.5)	102,776 (2.1)	113,883 (2.0)	95,807 (1.5)
1.6. Livestock	3,897 (2.5)	4,772 (2.5)	6,478 (2.7)	52,412 (1.1)	54,526 (1.0)	57,484 (0.9)
1.7. Other Food Crops	10,001 (6.4)	10,407 (5.5)	25,607 (10.6)	163,276 (3.4)	191,408 (3.4)	233,292 (3.6)
1.8. Plantation Development	394 (0.3)	145 (0.1)	178 (0.1)	11,169 (0.2)	11,878 (0.2)	13,009 (0.2)
1.9. Firewood and Forestry	523 (0.3)	493 (0.3)	1,012 (0.4)	35,861 (0.7)	33,720 (0.6)	36,010 (0.6)

Sector	Northern Province Rupees Million			Sri Lanka Rupees Million		
	2009	2010	2011 Provisional	2009	2010	2011
1.10. Other Agricultural Crops	731 (0.5)	841 (0.4)	1,574 (0.7)	19,222 (0.4)	23,982 (0.4)	26,504 (0.4)
2. **Fishing**	**4,938 (3.2)**	**6,930 (3.7)**	**12,351 (5.1)**	**79,554 (1.6)**	**93,777 (1.7)**	**109,204 (1.7)**
INDUSTRY	**14,534 (9.3)**	**28,836 (15.2)**	**45,005 (18.7)**	**1,434,701 (29.7)**	**1,649,268 (29.4)**	**1,956,658 (29.9)**
3. **Mining and Quarrying**	**1,875 (1.2)**	**6,526 (3.4)**	**11,944 (5.0)**	**79,204 (1.6)**	**89,226 (1.6)**	**112,386 (1.7)**
4. **Manufacturing**	**3,190 (2.0)**	**4,428 (2.3)**	**5,148 (2.1)**	**875,562 (18.1)**	**1,009,003 (18.0)**	**1,191,579 (18.2)**
4.1.Processing (tea, rubber, & coconut)	607 (0.4)	227 (0.1)	320 (0.1)	38,354 (0.8)	45,707 (0.8)	53,384 (0.8)
4.2. Factory Industry	1,765 (1.1)	3,136 (1.7)	3,416 (1.4)	795,032 (16.4)	916,407 (16.4)	1,084,256 (16.6)
4.3. Cottage Industry	818 (0.5)	1,066 (0.6)	1,413 (0.6)	42,176 (0.9)	46,888 (0.8)	53,939 (0.8)
5. Utilities - Electricity, Gas, and Water	**1,147 (0.7)**	**966 (0.5)**	**1,532 (0.6)**	**113,687 (2.4)**	**127,625 (2.3)**	**141,474 (2.2)**
5.1. Electricity	859 (0.6)	788 (0.4)	1,308 (0.5)	96,321 (2.0)	106,029 (1.9)	115,854 (1.8)
5.2. Gas	268 (0.2)	154 (0.1)	200 (0.1)	12,224 (0.3)	15,616 (0.3)	19,003 (0.3)
5.3. Water	21 (0.0)	24 (0.0)	25 (0.0)	5,142 (0.1)	5,980 (0.1)	6,616 (0.1)
6. **Construction**	**8,323 (5.3)**	**16,916 (8.9)**	**26,381 (10.9)**	**366,248 (7.6)**	**423,414 (7.6)**	**511,220 (7.8)**
SERVICES	**112,711 (72.3)**	**129,933 (68.5)**	**137,730 (57.1)**	**2,786,897 (57.6)**	**3,236,926 (57.8)**	**3,794,893 (58.0)**
7. **Wholesale and Retail Trade**	**4,527 (2.9)**	**10,793 (5.7)**	**17,387 (7.2)**	**948,425 (19.6)**	**1,096,961 (19.6)**	**1,357,662 (20.7)**
7.1. Import Trade	3,092 (2.0)	5,631 (3.0)	8,429 (3.5)	282,929 (5.9)	341,798 (6.1)	468,713 (7.2)
7.2. Export Trade	568 (0.4)	843 (0.4)	698 (0.3)	138,950 (2.9)	157,590 (2.8)	186,904 (2.9)
7.3. Domestic Trade	867 (0.6)	4,319 (2.3)	8,259 (3.4)	526,546 (10.9)	597,573 (10.7)	702,046 (10.7)
8. **Hotels and Restaurants**	**230 (0.1)**	**621 (0.3)**	**1,025 (0.4)**	**24,988 (0.5)**	**33,213 (0.6)**	**44,254 (0.7)**
9. **Transport and Communication**	**12,912 (8.3)**	**18,667 (9.8)**	**30,815 (12.8)**	**599,934 (12.4)**	**709,400 (12.7)**	**818,386 (12.5)**
9.1. Transport	11,109 (7.1)	16,625 (8.8)	28,076 (11.6)	558,206 (11.5)	656,469 (11.7)	753,942 (11.5)
9.2. Cargo – Ports & Civil Aviation	0	0	0	21,488 (0.4)	25,667 (0.5)	28,149 (0.4)
9.3. Post and Telecommunication	1,803 (1.2)	2,043 (1.1)	2,739 (1.1)	20,240 (0.4)	27,263 (0.5)	36,295 (0.6)
10. **Banking, Insurance, and Real Estate, etc**	**7,712 (4.9)**	**8,734 (4.6)**	**18,679 (7.7)**	**499,304 (10.3)**	**597,540 (10.7)**	**709,316 (10.8)**
11. **Ownership of Dwellings**	**2,385 (1.5)**	**2,951 (1.6)**	**3,244 (1.3)**	**161,485 (3.3)**	**171,871 (3.1)**	**189,269 (2.9)**
12. **Government Services –** Public Administration, Defence, & other Govt Services	**79,901 (51.3)**	**82,200 (43.3)**	**59,868 (24.8)**	**445,543 (9.2)**	**500,547 (8.9)**	**532,455 (8.1)**
13. **Private Services**	**5,045 (3.2)**	**5,967 (3.1)**	**6,713 (2.8)**	**107 ,219 (2.2)**	**127,393 (2.3)**	**143,551 (2.2)**
GROSS DOMESTIC PRODUCT At current prices	**155,828 (100.0)**	**189.740 (100.0)**	**241,200 (100.0)**	**4,835,293 (100.0)**	**5,604,104 (100.0)**	**6,544,009 (100.0)**

Source: Central Bank of Sri Lanka, (2013), *Economic and Social Statistics of Sri Lanka 2013*, April, pp35-36.

Note: Numbers in the parentheses are percentage share of the total.

Table 3

Growth Rates of Economic Sectors in the Northern Province

2009 - 2011

Sector	Northern Province			Sri Lanka		
	2009	**2010**	**2011** Provisional	**2009**	**2010**	**2011**
AGRICULTURE	**2.7**	**8.4**	**88.8**	**4.0**	**17.0**	**10.4**
1.**Agriculture, Livestock and Forestry**	**(-)4.1**	**1.7**	**91.8**	**2.3**	**16.8**	**9.5**
1.1.Tea	-	-	-	12.1	12.2	(-)6.1
1.2.Rubber	-	-	-	(-)31.2	128.7	42.2
1.3. Coconut	14.9	(-)55.1	28.9	(-)19.4	14.9	19.9
1.4. Minor Export Crops	-	-	-	(-)9.6	36.7	1.1
1.5. Paddy	(-)39.3	58.8	62.4	2.8	10.8	(-)15.9
1.6. Livestock	(-)7.6	22.5	35.8	14.6	4.0	5.4
1.7. Other Food Crops	7.9	4.1	146.1	7.1	17.2	21.9
1.8. Plantation Development	48.7	(-)63.2	22.8	16.9	6.3	9.5
1.9. Firewood and Forestry	(-)2.4	(-)5.7	105.3	15.6	(-)6.0	6.8
1.10. Other Agricultural Crops	(-)4.4	15.0	87.2	5.5	24.8	10.5
2. **Fishing**	**55.5**	**40.3**	**78.2**	**17.1**	**17.9**	**16.5**
INDUSTRY	**38.5**	**98.4**	**56.1**	**10.7**	**15.0**	**18.6**
3. **Mining and Quarrying**	**480.5**	**248.1**	**83.0**	**10.4**	**12.7**	**26.0**
4. **Manufacturing**	**19.7**	**38.8**	**16.3**	**10.6**	**15.2**	**18.1**
4.1. Processing (tea, rubber & coconut)	44.9	(-)62.6	41.0	18.9	19.2	16.8
4.2. Factory Industry	11.7	77.7	8.9	10.3	15.2	18.3
4.3. Cottage Industry	23.0	30.3	32.6	9.1	11.2	15.0
5. Utilities - Electricity, Gas, and Water	**86.5**	**(-)15.8**	**58.6**	**8.6**	**12.3**	**10.9**
5.1. Electricity	168.4	(-)8.3	66.0	10.6	10.1	9.3
5.2. Gas	(-)2.9	(-)42.5	29.9	(-)7.1	27.7	21.7
5.3. Water	5.0	14.3	4.2	17.1	16.3	10.6
6. **Construction**	**20.7**	**103.2**	**56.0**	**12.0**	**15.6**	**20.7**
SERVICES	**12.0**	**15.3**	**6.0**	**10.4**	**16.1**	**17.2**
7. **Wholesale and Retail Trade**	**2.4**	**138.4**	**61.1**	**(-)0.1**	**15.7**	**23.8**
7.1. Import Trade	(-)7.8	82.1	49.7	(-)17.6	20.8	37.1
7.2. Export Trade	15.2	48.4	(-)17.2	(-)6.6	13.4	18.6
7.3. Domestic Trade	50.0	398.2	91.2	15.1	13.5	17.5
8. **Hotels and Restaurants**	**-**	**170.0**	**65.1**	**21.2**	**32.9**	**33.2**
9. **Transport and Communication**	**(-)7.8**	**44.6**	**65.1**	**13.0**	**18.2**	**15.4**
9.1. Transport	29.3	49.7	68.9	25.0	11.6	14.8
9.2. Cargo – Ports &Civil Aviation	-	-	-	(-)0.4	19.4	9.7
9.3. Post and Telecommunication	(-)66.7	13.3	34.1	(-)67.7	34.7	33.1

Sector	Northern Province			Sri Lanka		
	2009	2010	2011 Provisional	2009	2010	2011
10. **Banking, Insurance, and Real Estate, etc**	**0.5**	**13.3**	**113.9**	**20.8**	**19.7**	**18.7**
11. **Ownership of Dwellings**	**14.1**	**23.7**	**9.9**	**13.9**	**6.4**	**10.1**
12. **Government Services –** Public Administration, Defence, & Other Government Services	**16.9**	**2.9**	**(-)27.2**	**17.0**	**12.3**	**6.4**
13. **Private Services**	**21.7**	**18.3**	**12.5**	**21.5**	**18.8**	**12.7**
GROSS DOMESTIC PRODUCT At current prices	**12.1**	**21.8**	**27.1**	**9.6**	**15.9**	**16.8**

Source: Central Bank of Sri Lanka, (2013), *Economic and Social Statistics of Sri Lanka 2013*, April, pp35-36.

Table 4

Demography of the Northern Province in Historic Perspective

1981 - 2011

Population	Census 1981	Population Density 1981 (Persons per sq.km.)	Census 2011	Population Density 2011 (Persons per sq.km.)
Sri Lanka	14,846,274	230	20,263,723	323
Northern Province	1,098,108	132	1,058,762	181
Jaffna District	734,474	795	583,378	628
Kilinochchi District	90,778	76	112,875	94
Mannar District	105,276	53	99,051	53
Mullaithivu District	73,886	39	91,947	38
Vavuniya District	93,694	36	171,511	93

Source: Department of Census and Statistics, (2012), *Population of Sri Lanka by District - Census of Population and Housing 2011* (preliminary report), http://www.statistics.gov.lk/PopHouSat/CPH2011/Pages/sm/CPH%202011_R1.pdf

Table 5

Gender of the Northern Population

Census 2011

Population	Female	Male	Total
Sri Lanka	10,431,322 (51.5)	9,832,401 (48.5)	20,263,723 (100.0)
Northern Province	546,644 (51.6)	512,118 (48.4)	1,058,762 (100.0)
Jaffna District	307,845 (52.8)	275,533 (47.2)	583,378 (100.0)
Kilinochchi District	57,217 (50.7)	55,658 (49.3)	112,875 (100.0)
Mannar District	49,084 (49.6)	49,967 (50.4)	99,051 (100.0)

Population	Female	Male	Total
Mullaithivu District	45,767 (49.8)	46,180 (50.2)	91,947 (100.0)
Vavuniya District	86.731 (50.6)	84,780 (49.4)	171,511 (100.0)

Source: Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3

Table 6

Northern Population by Age and Employment

Census 2011 & Annual Labour Force Survey 2011

	Sri Lanka	Northern Province	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
1. **Total Population**	20,263,723 (100.0)	1,058,762 (100.0)	583,378 (100.0)	112,875 (100.0)	99,051 (100.0)	91,947 (100.0)	171,511 (100.0)
2. **Less than 15 years old**	5,228,927 (25.8)	287,748 (27.2)	144,866 (24.8)	37,315 (33.1)	28,960 (29.2)	28,409 (30.9)	48,198 (28.1)
3. **5 – 59 years old**	12,566,467 (62.0)	647,271 (61.1)	354,732 (60.8)	65,734 (58.2)	62,256 (62.9)	55,882 (60.8)	108,667 (63.4)
4. **60 years and over**	2,468,329 (12.2)	123,743 (11.7)	83,780 (14.4)	9,826 (8.7)	7,835 (7.9)	7,656 (8.3)	14,646 (8.5)
5. **Total Labour Force**	8,554,730	318,486	177,241	31,693	31,832	22,293	55,427
6. **Labour Force Participation Rate**	47.8	N.A	37.1	39.7	40.4	42.7	41.6
7. **Employed**	8,196,927	302,488	171,747	28,735	29,255	19,551	53,200
8. **Rate of Employment**	95.8	95.0	96.9	90.7	91.9	87.7	96.0
9. **Unemployed**	357,803	N.A	N.A	2,958	2,577	N.A	N.A
10. **Rate of Unemployment**	4.2	N.A	N.A	9.3	8.1	N.A	N.A

Source: Rows 1-4 - Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3

Rows 5-10 - Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2011*, http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

Table 7

Composition of the National and Provincial GDP by Sectors (%)

2001 - 2012

Sector	2001		2004		2008		2009		2010		2011		2012 (provisional
	SL	NP	SL	NP	SL	NP	SL	NP	SL	NP	SL	NP	SL	NP
Agriculture	20%	21%	18%	28%	13%	20%	13%	19%	13%	16%	12%	24%	11%	20%
Industry	27%	7%	27%	7%	30%	8%	30%	9%	29%	15%	30%	19%	31.5	23%
Services	53%	72%	55%	65%	57%	72%	57%	72%	58%	69%	58%	57%	57.5	57%
TOTAL	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Source: Central Bank of Sri Lanka, *Annual Report 2012*, Statistical Appendix Table 4; Central Bank of Sri Lanka, (2013), *Sri Lanka Socio Economic Data 2013*, September, pp49 for 2012 data; see Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp99 for 2001 & 2004 data.

Table 8

Decomposition of the National and Provincial Industrial Sector (%)

2006 - 2011

	2006		2010		2011 (provisional)	
	SL	**NP**	**SL**	**NP**	**SL**	**NP**
Industrial Sector	100.0	100.0	100.0	100.0	100.0	100.0
1. Manufacturing sub-sector	62.7	22.1	61.2	15.4	60.9	11.4
1.1 Cottage industry	3.4	13.2	2.8	3.7	2.8	3.1
1.2 Factory industry	57.3	7.5	55.6	10.9	55.4	7.6
1.3 Processing industry (coconut/rubber/tea)	2.0	1.4	2.8	0.8	2.7	0.7
2. Construction sub-sector	24.1	21.9	25.7	58.7	26.1	58.6
3. Utilities sub-sector (electricity, gas & water)	8.1	43.0	7.7	3.3	7.2	3.4
4. Mining & Quarrying sub-sector	5.1	13.0	5.4	22.6	5.7	26.5

Source: Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka* 2009 (pp35) & 2013 (pp35&36)

Table 9

Decomposition of the National and Provincial Services Sector (%)

2006 - 2011

	2006		2010		2011 (provisional)	
	SL	**NP**	**SL**	**NP**	**SL**	**NP**
Services Sector	100.0	100.0	100.0	100.0	100.0	100.0
1. Wholesale & Retail Trade sub-sector	38.7	5.5	33.9	8.3	35.8	12.6
2. Transport & Communication sub-sector	20.2	12.7	21.9	14.4	21.6	22.4
3. Banking, Insurance, Real Estate sub-sector	15.7	7.5	18.5	6.7	18.7	13.6
4. Public Administration & Defence sub-sector	15.1	66.2	15.5	63.3	14.0	43.5
5. Other Services	10.3	8.1	10.3	7.3	9.9	8.0

Source: Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka* 2009 (pp35), 2013 (pp35&36).

Table 10

Employed Population by Economic Sector (%)

1985 - 2012

	Agriculture					**Industry**					**Services**				
	1985-86	**1995-96**	**2004**	**2011**	**2012**	**1985-86**	**1995-96**	**2004**	**2011**	**2012**	**1985-86**	**1995-96**	**2004**	**2011**	**2012**
SL	49	40	31	33	31	18	20	25	24	26	33	40	45	43	43
NP	55	56	38	35	31	13	7	18	21	23	32	37	45	44	46
Jaffna	46	46	38	31	26	16	8	20	24	25	38	47	42	45	49
Kilinochchi		77	42	37	38		4	10	19	22		19	48	44	40
Mannar	64	64	49	49	39	11	7	12	12	15	26	30	39	39	46
Mullaithivu	78	77	56	55	55	5	4	10	19	15	17	19	35	26	30
Vavuniya		77	27	32	30		4	14	15	24		19	60	53	46

Source: Department of Census and Statistics, *Sri Lanka Labour Force Survey: Annual Report 2012*, http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2012.pdf

Department of Census and Statistics, *Labour Force and Socio-Economic Survey*, various years, cited in Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp101.

Table 11

Output and Employment by Economic Sector in Sri Lanka and Northern Province (%)

2010 - 2012

		Sri Lanka			**Northern Province**		
		2010	**2011**	**2012**	**2010**	**2011**	**2012**
Agriculture	**Output**	13	12	11	16	24	20
	Employment	33	33	31	NA	35	31
Industry	**Output**	29	30	31.5	15	20	23
	Employment	24	24	26	NA	21	23
Services	**Output**	58	58	57.5	69	56	57
	Employment	43	43	43	NA	44	46

Source: derived from Tables 7 & 10.

Table 12

Highest Contribution to the Northern Economy by Economic Sub-Sector (%)

2003 - 2011

Highest sub-sector contribution	**2003**	**2005**	**2007**	**2009**	**2010**	**2011**
1. Government Services	37.8	38.6	48.8	51.3	43.3	24.8
2. Transport and Communication (primarily the former)	8.9	8.5	6.1	8.3	9.8	12.8
3. Construction	1.7	4.4	5.3	5.3	8.9	10.9
4. Other Food Crops (chilies, onions, etc)	11.5	13.0	5.6	6.4	5.5	10.6
5. Banking, Insurance, Real Estate, etc	1.0	3.9	6.4	4.9	4.6	7.7
6. Wholesale and Retail Trade	14.9	15.9	5.2	2.9	5.7	7.2
7. Fishing	12.0	5.7	3.0	3.2	3.7	5.1

Source: Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka*, various years.

Table 13

Paddy Production

1980 – 2012

Metric tons	**1980**	**2000**	**2005**	**2010**	**2011**	**2012**
Sri Lanka	2,134,000 (100.0)	2,861,000 (100.0)	2,013,000 (100.0)	4,300,600 (100.0)	3,874,801 (100.0)	3,845,944 (100.0)
Northern Province	248,000 (11.6)	84,000 (2.9)	168,000 (8.3)	110,600 (2.6)	210,126 (5.4)	259,937 (6.8)
Jaffna	65,000 (3.0)	21,000 (0.7)	14,000 (0.7)	20,000 (0.5)	20,381 (0.5)	20,611 (0.5)
Kilinochchi		N.A	53,000 (2.6)	3,000 (0.1)	45,998 (1.2)	73,884 (1.9)

Metric tons	1980	2000	2005	2010	2011	2012
Mannar	115,000 (5.4)	19,000 (0.7)	38,000 (1.9)	44,000 (1.0)	48,706 (1.3)	67,630 (1.8)
Mullaithivu	33,000 (1.5)	22,000 (0.8)	34,000 (1.7)	15,000 (0.3)	27,666 (0.7)	36,232 (0.9)
Vavuniya	36,000 (1.7)	22,000 (0.8)	29,000 (1.4)	28,000 (0.7)	67,375 (1.7)	61,580 (1.6)

Source: 2010, 2011 & 2012 - Department of Census and Statistics cited in Central Bank of Sri Lanka, *Annual Report 2010, 2011 & 2012*, Statistical Appendix Table 16.

1980, 2000 & 2005 - Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp102.

Note: In 1980 Jaffna district included Kilinochchi district as well. Figures in the parentheses are share of the national output.

Table 14

Red Onion Production

1980 – 2011

Metric tons	1980	2000	2005	2010	2011 Provisional
Sri Lanka	55,629 (100.0)	42,502 (100.0)	109,281 (100.0)	61,810 (100.0)	72,339 (100.0)
Northern Province	31,109 (55.9)	17,404 (40.9)	22,484 (20.6)	22,280 (36.0)	N.A
Jaffna	25,283 (45.4)	10,046 (23.6)	11,422 (10.5)	13,900 (22.5)	N.A
Kilinochchi		1,262 (3.0)	1,111 (1.0)	1,210 (2.0)	N.A
Mannar	153 (0.3)	269 (0.6)	206 (0.2)	157 (0.2)	N.A
Mullaithivu	3,992 (7.2)	1,622 (3.8)	4,010 (3.7)	1,290 (2.1)	N.A
Vavuniya	1,680 (3.0)	4,205 (9.9)	5,735 (5.2)	5,723 (9.2)	N.A

Source: 2010 & 2011 Department of Census and Statistics, *Statistical Pocket Book 2012*, pp45. Department of Census and Statistics, *Statistical Abstract 2011*, http://www.statistics.gov.lk/Abstract2011/CHAP5/AB5-21.pdf

1980, 2000 & 2005 - Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp103.

Note: In 1980 Jaffna district included Kilinochchi district as well. Figures in the parentheses are share of the national output.

Table 15

Green Chili Production

1980 – 2011

Metric tons	1980	2000	2005	2010	2011 Provisional
Sri Lanka	50,987 (100.0)	52,305 (100.0)	60,870 (100.0)	49,000 (100.0)	44,398 (100.0)
Northern Province	11,245 (22.1)	2,877 (5.5)	5,142 (8.4)	2,890 (5.9)	N.A
Jaffna	6,620 (13.0)	825 (1.6)	1,301 (2.1)	861 (1.8)	N.A
Kilinochchi		929 (1.8)	1,024 (1.7)	11 (0.0)	N.A
Mannar	458 (0.9)	684 (1.3)	362 (0.6)	176 (0.3)	N.A
Mullaithivu	2,865 (5.6)	267 (0.5)	1,056 (1.7)	35 (0.1)	N.A
Vavuniya	1,302 (2.6)	172 (0.3)	1,399 (2.3)	1,807 (3.7)	N.A

Source: 2010 & 2011 Department of Census and Statistics, *Statistical Pocket Book 2012*, pp45. Department of Census and Statistics, *Statistical Abstract 2011*, http://www.statistics.gov.lk/Abstract2011/CHAP5/AB5-21.pdf

1980, 2000 & 2005 - Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp104.

Note: In 1980 Jaffna district included Kilinochchi district as well. Figures in the parentheses are share of the national output.

Table 16

Fish Catch

1980 – 2012

Metric tons	1980	2000	2005	2010	2011	2012 Provisional
Sri Lanka	187,678 (100.0)	296,380 (100.0)	153,180 (100.0)	384,670 (100.0)	444,830 (100.0)	486,170 (100.0)
Northern Province	91,616 (48.8)	31,880 (10.8)	24,280 (15.9)	34,410 (8.9)	48,520 (10.9)	62,150 (12.8)
Jaffna	54,253 (28.9)	14,450 (4.9)	13,370 (8.7)	20,890 (5.4)	N.A	N.A
Kilinochchi	12,050 (6.4)	5,050 (1.7)	1,460 (1.0)	560 (0.1)	N.A	N.A
Mannar	11,604 (6.2)	7,410 (2.5)	8,380 (5.5)	10,790 (2.8)	N.A	N.A
Mullaithivu	10,545 (5.6)	2,290 (0.8)	780 (0.5)	1,360 (0.4)	N.A	N.A
Vavuniya	3,164 (1.7)	2,680 (0.9)	290 (0.2)	810 (0.2)	N.A	N.A

Source: 2010-2012 - Department of Census and Statistics, cited in Central Bank of Sri Lanka, *Economic and Social Statistics of Sri Lanka 2013*, pp49.

1980, 2000 & 2005 - Sarvananthan, Muttukrishna, (2008), *The Economy of the Conflict Region: from economic embargo to economic repression*, Point Pedro (Sri Lanka): Point Pedro Institute of Development, pp109.

Note: In 1980 Jaffna district included Kilinochchi district as well. Figures in the parentheses are share of the national output.

Table 17

Headcount percentage of population under the poverty line

1990/91 & 2009/10

	1990/91	**2009/10**
National	26.1	8.9
Northern Province	not available	12.8
Jaffna District	not available	16.1
Kilinochchi District	not available	not available
Mannar District	not available	not available
Mullaitivu District	not available	not available
Vavuniya District	not available	not available

Source: Department of Census and Statistics, *Household Income and Expenditure Survey* 1990/91 and 2009/10 (pp35).

CHAPTER 4

Demand for Skilled Labour in the Northern Province

4.0. Introduction

A random sample survey was undertaken to estimate the demand for skilled and semi-skilled labour in the Northern Province for the four-year period beginning 2013 and ending 2016 as one of the core parts of the development of a Vocational Education and Training Plan (VET Plan) for the Northern Province. The survey among private businesses was limited to identifying the skills deficit only. Hence, this survey was not about private enterprises per se; instead it was about the skills deficit in private enterprises.

4.1. Methodology and Limitations

Questionnaire-based interviews of private businesses and self-entrepreneurs (sole-proprietor businesses) were undertaken from November 2012 to February 2013 in all five districts of the Northern Province. Altogether 425 such businesses were successfully interviewed during the course of the three-month period by a team of fourteen interviewers out of 500 interviews originally planned for. Considerable number of interviews was unsuccessful and therefore was discarded. The questionnaire had sixteen questions, both open (4) and closed (12), in order to estimate the current and future numbers of labour in each skill category, soliciting information on hard and soft skills deficiencies, and the cause/s of such deficiencies.

The businesses covered by the survey were divided into eight economic sectors (or sub-sectors) and a residual 'miscellaneous' sector, viz. (in alphabetic order) (i) Agriculture, Fisheries, and Livestock (ii) Communication (iii) Construction (iv) Education and Health, (v) English language, Information and Communication Technologies (ICTs), and Life Skills (vi) Finance (vii) Hospitality (viii) Miscellaneous and (ix) Transport. The choice of most of these sectors was based on International Standard Industrial Classification (ISIC revision 3). The foregoing sectors were selected on the basis of considerable contribution made to the provincial economy in monetary value (construction, finance, and transport), significant share of the employed population engaged in the sector (agriculture, fisheries, and livestock), and visibly mushrooming private institutions (in communication, education and health - pre-schools, primary health care centres, hospitals, etc, English, ICTs, and life skills, and hospitality - hotels, restaurants, etc, sectors) because of large number of personnel with inadequate competencies, skills, and qualifications employed in these businesses despite their marginal contribution in terms of monetary value to the provincial economy.

The types of skilled and semi-skilled personnel in demand in various sectors in different districts were identified and proposed by the participants in the inception workshops held in each of the five districts in the north in late July 2012. The survey designers then assigned such identified skilled and semi-skilled labour categories to the eight sectors proposed above based on ISIC revision 3. Certain skilled and semi-skilled labour categories that could not be incorporated into the eight sectors were assigned to the residual 'miscellaneous' sector. Hence, both the skills categories and sectors were identified by the relevant stakeholders and knowledgeable persons and by objective criteria respectively. Moreover, additional skilled and semi-skilled labour categories were incorporated into the questionnaire as and when individual interviewees mentioned in their responses during the course of the interviews.

The distribution of the total sample by district and sector was based on the respective district population and the total number of employed population in the respective sectors according to the latest Census of Population and Housing (2011) and the latest Annual Labour Force Survey (2011) respectively. In accordance with both the foregoing criteria, highest number of interviews was conducted in the Jaffna district followed by Vavuniya, Kilinochchi, Mannar, and Mullaithivu in descending order. The following table catalogues the proposed (numbers in the parentheses) and realised interviews in each district and each sector.

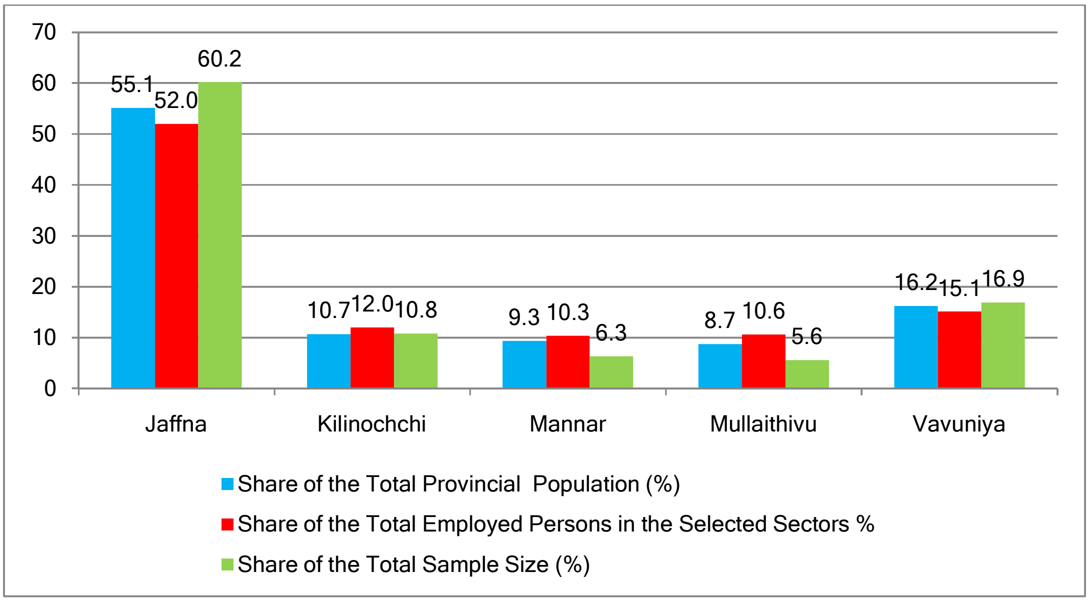
Distribution of Planned and Realised Sample Size by District and Sector

(Numbers in the parentheses are the planned sample size)

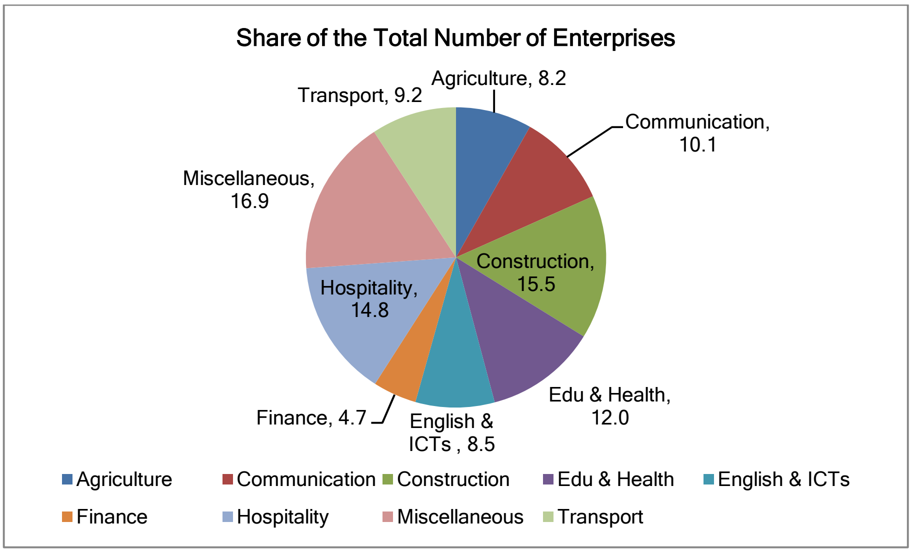
Sector	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	Total
Agriculture, Fisheries & Livestock	**14** (30)	**5** (6)	**4** (3)	**4** (3)	**8** (8)	**35** (50)
Communication	**24** (30)	**6** (6)	**2** (3)	**3** (3)	**8** (8)	**43** (50)
Construction	**34** (30)	**10** (10)	**5** (8)	**4** (7)	**13** (15)	**66** (70)
Education & Health	**34** (30)	**6** (6)	**3** (3)	**3** (3)	**5** (8)	**51** (50)
English, ICTs & Life Skills	**26** (40)	**2** (6)	**2** (3)	**1** (3)	**5** (8)	**36** (60)
Finance	**11** (30)	**1** (6)	**1** (3)	**1** (3)	**6** (8)	**20** (50)
Hospitality	**47** (40)	**5** (6)	**3** (3)	**1** (3)	**7** (8)	**63** (60)
Miscellaneous	**46** (40)	**6** (6)	**4** (3)	**4** (3)	**12** (8)	**72** (60)
Transport	**20** (30)	**5** (6)	**3** (3)	**3** (3)	**8** (8)	**39** (50)
TOTAL	**256** (300)	**46** (58)	**27** (32)	**24** (31)	**72** (79)	**425** (500)

Since the Jaffna district accounts for 55% of the total population of Northern Province (NP) (according to the Census of Population and Housing 2011 undertaken in March 2012) and 52% of the total number of employed population in the NP (according to the latest Annual Labour Force Survey undertaken in 2011) 256 interviews (60% of the total 425) were undertaken in the Jaffna district. The second most populous district being Vavuniya (16%) accommodating second largest share of the total employed population (15%) in the province 72 interviews (or 17% of the total) were conducted there. Forty six interviews in Kilinochchi accounted for 10.8%, twenty seven interviews in Mannar accounted for 6.4%, and twenty four interviews in Mullaithivu district accounted for 5.6% of the total interviews. The following chart portrays the share of the each district in terms of population, share of the employed population in the selected sectors in each district, and the share of the total interviews (sample size) in each district.

While the Jaffna district had considerably higher share of the sample (60%) than its total population (55%) and employed population (52%), Mannar and Mullaithivu districts had considerably lower shares of the sample (6.3% and 5.6% respectively) vis-à-vis shares of the district population (9.3% and 8.7% respectively) and shares of the employed persons (10.3% and 10.6% respectively). In Kilinochchi and Vavuniya districts the respective shares of the sample size (10.8% and 16.9% respectively) were more or less in alignment with the respective shares of the district population (10.7% and 16.2% respectively) and shares of the employed population (12% and 15% respectively).



The following pie chart depicts the share of each sector out of the total number of enterprises interviewed in all five districts. Accordingly, miscellaneous sector (72) accounted for 16.9% of the total number of enterprises responding to the survey (425), construction 15.5%, hospitality 14.8%, education and health 12.0%, communication 10.1%, transport 9.2%, English, ICTs, and life skills 8.5%, agriculture, fisheries, and livestock 8.2, and finance 4.7%.



The following table provides a breakdown of different types of businesses within each of the nine sectors that would indicate different skilled labour involved in different businesses within each sector.

Agriculture, Fisheries, and Livestock

The agriculture sector (includes, crops, fisheries, forestry, and livestock) accounted for 16.0% of the PGDP in 2010 according to latest provisional estimates. The decomposition of the foregoing figure reveals that crops accounted for 9.5%, fisheries accounted for 3.7%, forestry accounted for 0.3%, and livestock accounted for 2.5%.[48] In terms of labour, out of 302,488 total employed persons in 2011 in the Northern Province, 106,196 (or 35.1%) were engaged in agriculture, fishery, forestry, and livestock.[49]

In the agriculture, fisheries, and livestock sector nineteen farmers (54%), seven fisherpersons (20%), and eleven livestock breeders (31%) were interviewed in all five districts. Altogether there were thirty five respondents in this sector in all five districts. (See the following table) In many instances, farming families are involved in both crop agriculture and livestock breeding simultaneously, which is the reason that the total of farmers, fisherpersons, and livestock breeders is higher than the total number of respondents in this sector.

[48] Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
[49] Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

There is a popular perception that the agriculture sector (broadly defined to include crops, fisheries, forestry, and livestock) is the single largest sector in the Northern Province (NP) which is untrue. Firstly, the agriculture sector contributed little less than 25% to the provincial GDP (PGDP) in 2011 and is expected to decline in the upcoming years as construction sub-sector in the industrial sector is expected to increase the industrial sector's share in the provincial economy. (See Chapter 2) Secondly, according to the latest Annual Labour Force Survey 2011, only 35% of the total employed persons in the province were involved in agriculture. We would argue that even this share of the total employed population in agriculture is unnecessary but it is there because of lack of alternative employment opportunities. Further, NP had the lowest number of persons involved in the agriculture sector (106,196) among all the nine provinces in the country that accounted for only 3.9% of the total number of persons engaged in agriculture throughout the country (2.7 million).

Moreover, extensive fieldwork in the NP in the past decade has revealed to this author that younger generation of the farmer and fisher families are not much interested in carrying-on with the occupation of their parents and grandparents. This is partly because of longtime economic embargo on the NP which severely restricted the supply of fertilisers and pesticides to farmers and severe restrictions on fisherpersons (in terms of distance they could venture into the ocean to catch fish and nighttime fishing was prohibited in most parts of the Eastern and Northern Provinces) which have made younger farmers and fisherpersons to find alternative jobs and partly because of mass migration to other parts of the country and abroad. The majority of the population that fled to India was farmers and fisherpersons.

Furthermore, many universities in Sri Lanka have agriculture faculties which produce over one thousand graduates in agriculture sciences every year. Besides, there are numerous agricultural colleges under the Department of Agriculture both at the national and provincial levels. Anecdotal evidence suggests that the majority of graduates in agriculture sciences do not in fact work in or on the agriculture sector. The fact that the university system in Sri Lanka does not necessarily cater to the changing demands in the labour market is reflected by the fact that while the majority of farmers in Sri Lanka are males majority of agriculture and veterinary sciences graduates are females.[50]

Therefore, the total sample size of 35 respondents in the agriculture, fisheries, and livestock sector in all five districts is reasonably representative given the economic and labour market contexts of the province and the aspirations of youths.[51] However, certain sample sizes in some districts in different types of agriculture are too small to reveal anything meaningful. The sample sizes of farms in Mannar

[50] University Grants Commission, University Admissions 2010/11, Table 2, http://www.ugc.ac.lk/downloads/statistics/stat_2011/chapter%202.pdf

[51] For the aspirations of northern youth in not so distant past see Sarvananthan, Muttukrishna, (2006), *Children of War: Aspirations and Opportunities*, Point Pedro (Sri Lanka): Point Pedro Institute of Development.

(3), Mullaithivu (2), and Vavuniya (1), fisheries in Mannar (1) and Mullaithivu (1), and livestock in Jaffna (2), Kilinochchi (1), Mannar (0), and Mullaithivu (1) are too small to arrive at any reliable estimates. (See the following table)

Communication

According to latest provisional estimates the communication sector accounted for just 1.3% of the PGDP in Northern Province in 2010.[52] Further, according to the latest labour force survey, 16,308 persons (5.4% of the total) were employed in the transport, storage, and communication sector out of 302,488 total employed persons in 2011 in the NP.[53] Unfortunately decomposition of the foregoing figure is unavailable.

Altogether forty three businesses in the communication sector were interviewed in all the districts under consideration. Communication centres and internet cafes, phone repair shops, television repair shops, cable TV service providers, and audio and video repairers are the businesses those comprised the communication sector in the survey. Some of the respondents were involved in more than one of the foregoing businesses and therefore the total number of businesses does not tally with the total number of respondents. Twenty communication centres/internet cafes (46.5%), eighteen phone repair shops (41.9%), thirteen television repair shops (30.2%), one cable television service provider, and two audio/video repairers (4.7%) were interviewed in all five districts. (See the following table)

The sample sizes of cable TV service providers (1) and audio/video repairers (2) in all five districts are too small and hence may not be representative. Further, samples of phone repair shops in Kilinochchi (2), Mannar (1), and Vavuniya (2) districts and television repair shops in Kilinochchi (2), Mannar (1), and Mullaithivu (1) districts are too small to make reliable estimates. (See the following table)

Construction

The construction sector accounted for 8.3% of the PGDP of the NP in 2010 according to latest provisional estimates.[54] Out of the total employed population in the NP, 39,542 (or 13.1%) were employed in construction, mining and quarrying, and electricity, gas, and water supply in 2011.[55] Unfortunately breakdown of the forgoing figure into construction and others is not available.

[52] Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
[53] Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60.
http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf
[54] Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
[55] Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60.

Construction sector is composed of variety of trades such as construction of building, highway, bridge, water supply and drainage, irrigation and land drainage, and dredging and reclamation, etc. Different types of construction work may require different types of skilled labour. The respondents in our survey were of three kinds, viz. building, road and bridge, and welding. There is an overlap between building and road/bridge construction as many firms tend to undertake both types of construction work.

According to the survey, fifty two (or 78.8%) of the respondents were engaged in building and/or road/bridge construction work, one (1.5%) exclusively in road/bridge construction, and thirteen (19.7%) in welding work (an allied work of construction). By district, out of the total sample of 66, thirty four (or 51.5%) were in Jaffna, thirteen (or 19.7%) in Vavuniya, ten (or 15.2%) in Kilinochchi, five (or 7.6%) in Mannar, and four (or 6.1%) in Mullaithivu. (See the following table)

While by type of construction work building and/or road/bridge and welding dominate the sample, by district the sample spread is in line with the respective district population share. The solitary road/bridge construction firm in Vavuniya and single welding firm in Mullaithivu cannot be representative of the respective sub-sectors in those districts. Besides, in Mannar and Vavuniya districts building and road/bridge construction is the only sub-sector covered by the survey.

Education and Health

The combined education and health sector in the survey is restricted to private dispensaries (health centres), hospitals, pharmacies, pre-schools, and private tutors. There were altogether fifty one respondents in all five districts under consideration; two-thirds (66.7%) of the respondents in Jaffna, 11.8% in Kilinochchi, 5.9% each in Mannar and Mullaithivu districts, and 9.8% in Vavuniya district. Mannar and Mullaithivu district sample sizes (three each) are too small and therefore may not be representative. (See the following table)

By sub-sector pre-schools dominated the sample accounting for 47% (24 out of 51) of the respondents, followed by pharmacies (15 or 29.4%) and dispensaries (9 or 17.6%). The sample sizes of private hospitals and private tutors (two each) are negligible and consequently may to be representative. (See the following table) There is an overlap between dispensaries and pharmacies.

English, ICTs, and Life Skills

There is mushrooming of English language, information and communication technology, and life skills (public relations, leadership, and presentation skills, etc) educational institutions in the province particularly in Jaffna and Vavuniya districts. English language and computer studies centres are the two categories of institutions which fall into this sector. There is an overlap between these sectors because many institutions provide both ICT and language teaching and learning services.

Out of the thirty six respondents in the sector, twenty eight (77.8%) provided computer studies and twenty one (58.3%) provided English language teaching. Among the districts, Jaffna accounted for 72.2% of the total sample (or 26), Vavuniya 13.9% (or 5), Kilinochchi and Mannar 5.6% (or 2) each, and Mullaithivu 2.8% (or 1) of the total sample. (See the following table)

The sample sizes of Jaffna and Vavuniya only could be regarded as representative because the sample sizes of other three districts are too small. Twenty respondents out of 26 (76.9%) in Jaffna were computer centres and sixteen respondents (or 61.5%) were English language centres. In Vavuniya all five respondents were computer centres and three out of five (60%) doubled-up as English language centres as well. (See the following table)

Type of Business	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
Agriculture, Fisheries, & Livestock						
Farms	9 (64.3)	4 (80.0)	3 (75.0)	2 (50.0)	1 (12.5)	19 (54.3)
Fisheries	5 (35.7)		1 (25.0)	1 (25.0)		7 (20.0)
Livestock	2 (14.3)	1 (20.0)		1 (25.0)	7 (87.5)	11 (31.4)
Total Number of Respondents	**14**	**5**	**4**	**4**	**8**	**35**
Communication						
Communication Centres/ Internet Cafes	11 (45.8)	3 (50.0)		3 (100.0)	3 (37.5)	20 (46.5)
Phone Repair Shops	10 (41.7)	2 (33.3)	1 (50.0)	3 (100.0)	2 (25.0)	18 (41.9)
Television Repair Shops	6 (25.0)	2 (33.3)	1 (50.0)	1 (33.3)	3 (37.5)	13 (30.2)
Cable TV service providers	1 (4.2)					1 (2.3)
Audio / Video repairers	1 (4.2)				1 (12.5)	2 (4.7)
Total Number of Respondents	**24**	**6**	**2**	**3**	**8**	**43**
Construction						
Building Construction	26 (76.5)	6 (60.0)	5 (100.0)	3 (75.0)	12 (92.3)	52 (78.8)
Road/Bridge Construction					1 (7.7)	1 (1.5)
Welders	8 (23.5)	4 (40.0)		1 (25.0)		13 (19.7)
Total Number of Respondents	**34**	**10**	**5**	**4**	**13**	**66**
Education & Health						
Health Centres	4	3	1	1		9

Type of Business	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
	(11.8)	(50.0)	(33.3)	(33.3)		(17.6)
Hospitals	2 (5.9)					2 (3.9)
Pharmacies	13 (38.2)	1 (16.7)	1 (33.3)			15 (29.4)
Pre Schools	14 (41.2)	3 (50.0)		2 (66.6)	5 (100.0)	24 (47.0)
Private tutors	1 (2.9)		1 (33.3)			2 (3.9)
Total Number of Respondents	**34**	**6**	**3**	**3**	**5**	**51**
English, ICT & Life Skills						
Computer Centres	20 (76.9)		2 (100.0)	1 (100.0)	5 (100.0)	28 (77.8)
English Language Centres	16 (61.5)	2 (100.0)			3 (60.0)	21 (58.3)
Total Number of Respondents	**26**	**2**	**2**	**1**	**5**	**36**
Financial Services						
Banks	6 (54.5)	1 (100.0)			5 (83.3)	12 (60.0)
Insurance Companies	4 (36.4)		1 (100.0)	1 (100.0)	3 (50.0)	9 (45.0)
Leasing Companies	2 (18.2)				3 (50.0)	5 (25.0)
Stock Broking Firms	1 (9.1)				2 (33.3)	3 (15.0)
Total Number of Respondents	**11**	**1**	**1**	**1**	**6**	**20**
Hospitality						
Hotels	4 (8.5)		1 (33.3)		2 (28.6)	7 (11.1)
Restaurants / bakers	37 (78.7)	3 (60.0)	2 (66.7)	1 (100.0)	2 (28.6)	45 (71.4)
Beauty Care Centres	6 (12.8)	3 (60.0)			3 (42.9)	12 (19.0)
Total Number of Respondents	**47**	**5**	**3**	**1**	**7**	**63**
Miscellaneous						
Tailors	25 (54.3)	2 (33.3)		2 (50.0)	2 (16.7)	31 (43.1)
Printers/Book Binders/ Screen printers	6 (13.0)	2 (33.3)	2 (50.0)	1 (25.0)	2 (16.7)	13 (18.1)
Jewellery makers	4 (8.7)		2 (50.0)		2 (16.7)	8 (11.1)
Leather products makers	2 (4.3)					2 (2.8)
Biscuit makers	1 (2.2)					1 (1.4)
Tree cutter	1 (2.2)					1 (1.4)
Studio/Video photographer	8 (17.4)	2 (33.3)			1 (8.3)	11 (15.3)
Solar/Wind energy sales	1 (2.2)					1 (1.4)
Aluminium works				1 (25.0)	2 (16.7)	3 (4.2)

Type of Business	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
Refrigeration/ AC					1 (8.3)	1 (1.4)
Opticians					2 (16.7)	2 (2.8)
Total Number of Respondents	**46**	**6**	**4**	**4**	**12**	**72**
Transport						
Bus Transport Services	2 (10.0)	1 (20.0)	1 (33.3)	3 (100.0)	3 (37.5)	10 (25.6)
Automobile Service Centres	17 (85.0)	4 (80.0)	2 (66.7)		5 (62.5)	28 (71.8)
Refrigerated vehicle driver	1 (5.0)					1 (2.6)
Total Number of Respondents	**20**	**5**	**3**	**3**	**8**	**39**

Finance

The banking, insurance, real estate, etc, sector accounted for 6.4% of the PGDP in the north in 2010 according to latest provisional estimates.[56] According to the latest annual labour force survey, 5,487 persons (or 1.8% of the total) among the total employed population in 2011 in the north (302,488) was employed in the financial intermediation, real state, renting, and business activities.[57]

Almost all the commercial and specialised banks, finance companies, insurance companies, and leasing companies have opened several branches throughout the Northern Province. The stock broking firms are established only in Jaffna and Vavuniya towns. However, according to industry sources, many bank, insurance, and leasing company branches are not market driven; instead they have been driven by Central Bank directives, which is part of a government drive to shore up the post-civil war provincial economy.

Out of the total of twenty respondents in the financial sector twelve (60%) were banks, nine (45%) were insurance companies, five leasing companies (25%), and three (15%) stock broking companies. By district, eleven (or 55%) respondents were in Jaffna, six in Vavuniya (30%), and one (5%) each in Kilinochchi, Mannar, and Mullaithivu. (See the foregoing table) There is overlap between certain banks, insurance, and leasing businesses because some banks provide insurance and leasing services as well.

The sample sizes in Kilinochchi, Mannar, and Mullaithivu are negligible and therefore may not be representative.

[56] Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
[57] Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60.

Hospitality

The hotels and restaurants accounted for just 0.3% of the provincial GDP in 2010.[58] It has to be remembered that many hotels and restaurants in the north are informal enterprises and therefore may not have been accounted for in the PGDP. According to the latest annual labour force survey, 3,992 people were employed in hotels and restaurants throughout the province, which is 1.3% of the total employed population in the province.[59]

The hospitality sector in the survey comprised beauty centres, hotels, and restaurants. Total of sixty three enterprises in the hotels and restaurants were interviewed; out of which forty five (or 71.4%) were restaurants, twelve (or 19.0%) were beauty centres, and seven (11.1%) were hotels. By district, forty seven (or 74.6%) respondents were in Jaffna, seven (or 11.1%) in Vavuniya, five (or 7.9%) in Kilinochchi, three (or 4.8%) in Mannar, and one (or 1.6%) in Mullaithivu. (See the foregoing table)

The sample sizes in Mannar (hotels and restaurants), Mullaithivu (restaurant), and Vavuniya (hotels and restaurants) are too small to be representative sample.

Miscellaneous

The residual miscellaneous sector includes tailors, printers/book binders/screen printers, jewellery makers, leather product makers, biscuit makers, tree cutter, studio/video photographers, solar/wind energy sales, aluminium works, refrigeration/Air-conditioning repairer, and opticians. There were seventy two respondents in this sector. (See the foregoing table)

Tailoring, printing/binding, jewellery-making, and photography dominated the trades in the miscellaneous sector. As in the case of other sectors Jaffna and Vavuniya districts dominated the sample in this residual sector as well. (See the foregoing table)

Thirty one tailors (43.1%), thirteen book printers/binders (18.1%), eleven photographers (15.3%), and eight gold jewellery makers (11.1%) were the considerable respondents to the survey out of seventy two respondents in this residual sector. The sample sizes of other service providers are negligible. There were forty six respondents in Jaffna (63.9%), six respondents in Kilinochchi (8.3%), four respondents each in Mannar and Mullaithivu (5.6% each), and twelve respondents in Vavuniya (16.7%). (See the foregoing table)

[58] Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
[59] Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60.

Transport

The transport sector accounted for 8.2% of northern PGDP in 2010[60] and the transport, storage, and communication sector employed 16,308 persons (or 5.4%) out of total 302,488 employed persons in the province in 2011.[61]

There were thirty nine respondents altogether in the transport sector. Automobile repair shops and bus companies composed almost the entire interviews with a solitary refrigerated-vehicle driver. Out of total thirty nine interviews conducted twenty eight (or 71.8%) were auto repair shops and ten (or 25.6%) were bus companies. (See the foregoing table)

Twenty (or 51.3) interviews were conducted in Jaffna district followed by eight (20.5%) in Vavuniya district, five (12.8%) in Kilinochchi district, and three each (7.7% each) in Mannar and Mullaithivu districts. (See the foregoing table)

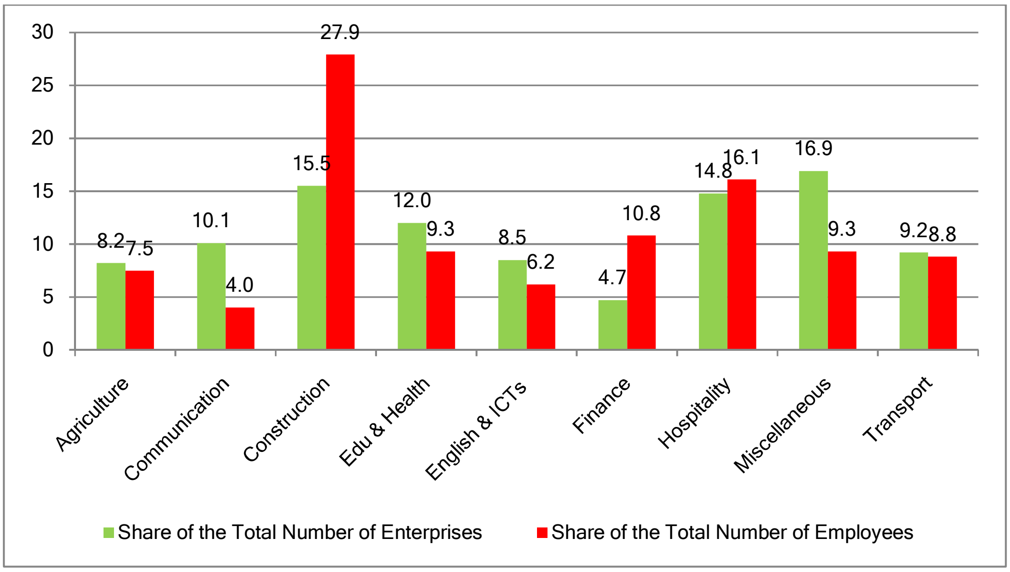
4.2. Current Number of Employees

All the enterprises interviewed in the survey (425 in total) employed a total of 3,332 persons in all the five districts of the Northern Province (NP). The shares of different sectors in the total number of enterprises interviewed and the total number of employees currently employed in all the interviewed enterprises are shown in the following bar chart.

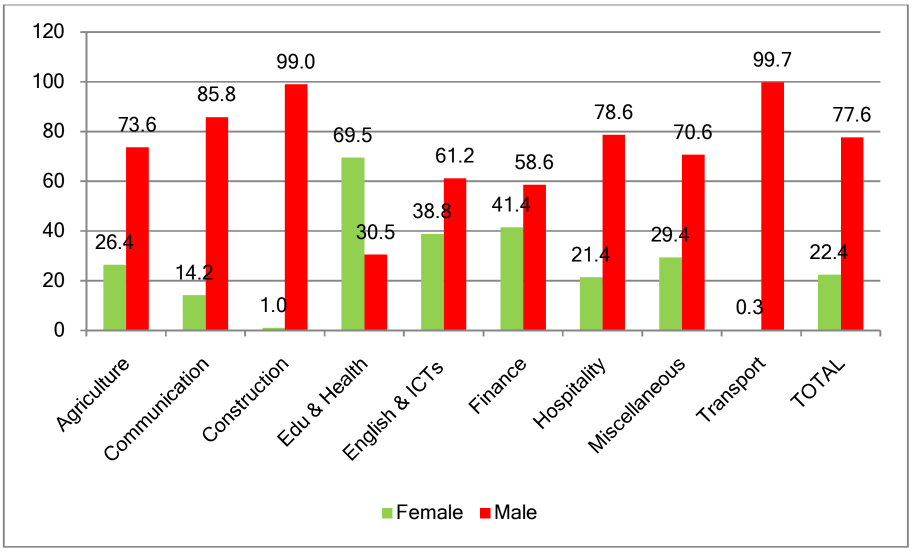
Accordingly, in terms of enterprises, the residual miscellaneous sector had the largest share of the total enterprises interviewed (16.9%) followed by construction (15.5%), hospitality (14.8%), education and health (12.0%), communication (10.1%), transport (9.2%), English, ICTs, and life skills (8.5%), agriculture (8.2%), and finance (4.7%).

In terms of the shares of different sectors in the total number of persons employed in all the enterprises interviewed, the construction sector had the highest share (27.9%) followed by hospitality (16.1%), finance (10.8%), education and health (9.3%), miscellaneous (9.3%), transport (8.8%), agriculture (7.5%), English, ICTs, and life skills (6.2%), and communication (4.0%).

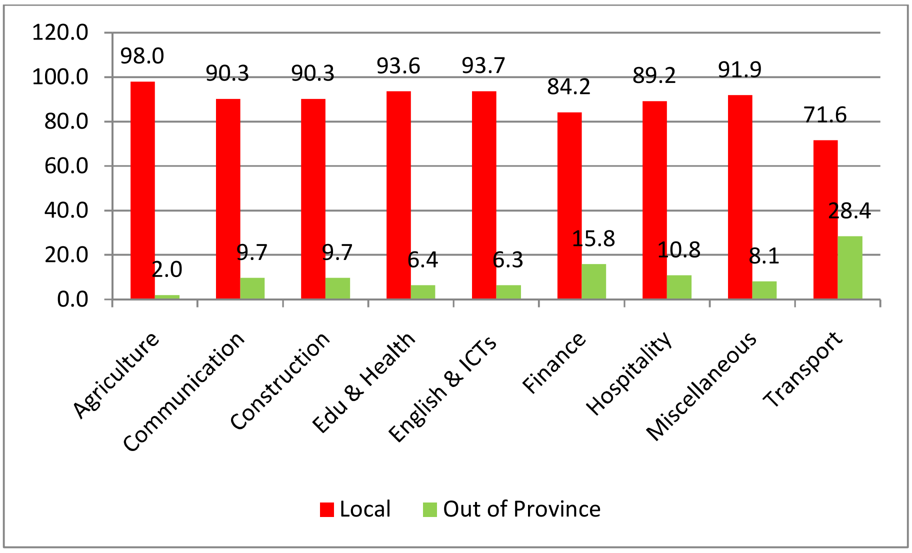
60 Central Bank of Sri Lanka, (2012), *Economic and Social Statistics of Sri Lanka 2012*, April, pp36.
61 Department of Census and Statistics, (2012), *Annual Labour Force Survey 2011*, pp60.



The shares of men and women among the total number of employees currently employed in different sectors in all the 425 enterprises interviewed in the survey are graphically represented in the following bar chart. Accordingly, women accounted for 69.5% of the total employed persons in the education and health sector, 41.4% in the finance sector, 38.8% in English, ICTs, and life skills sector, 29.4% in the (residual) miscellaneous sector, 26.4% in the agriculture, fisheries, and livestock sector, 21.4% in the hospitality sector, 14.2% in the communication sector, just 1.0% in the construction sector, and negligible 0.3% in the transport sector. Thus, education and health, finance, English/ICTs/life skills are the three sectors those employ highest shares of females and transport, construction, and communication are the three sectors those employ lowest shares of females among the nine sectors under consideration.



Due to dearth of skilled labour in the NP there is considerable skilled labour from outside the province working in various occupations throughout the province. By sector, the transport sector employs the highest share of out-of-province skilled labourers and the agriculture sector employs the least share of out-of-province labour. That is, 28.4% of the total employees in the transport sector of the north are from out-of-province; besides, 15.8% of the total employees in the finance sector, 10.8% of the total employees in the hospitality sector, 9.7% of the total employees each in communication and construction sectors, 8.1% of the total employees in the miscellaneous sector, 6.4% of the total employees in the education and health sector, 6.3% of the total employees in the English/ICTs/life skills sector, and just 2.0% of the total employees in the agriculture/fisheries/livestock sector in the north are from outside the province.



4.2.1. Agriculture, fisheries, and livestock

In the agriculture, fisheries, and livestock sector, 19 farmers, 7 fisherpersons, and 11 livestock breeders (35 respondents altogether) were interviewed in all five districts under consideration. In these thirty five (35) enterprises a total of two hundred and fifty (250) persons were employed in 2012 accounting for an average of seven (7) employees per enterprise. There were 66 females and 184 males employed in these enterprises, which accounted for 26.4% and 73.6% of the total number of employees respectively. Besides, there were just 5 (2.0%) out-of-province employees in total in all five districts; the two out-of-province employees in Jaffna district were harvester operator and paddy processor (both males) and three outboard/inboard motor repairers (all males) in Mullaithivu district. (Appendix Table 1.1)

There were altogether twenty two varieties of labourers employed in the agriculture, fisheries, and livestock enterprises which were interviewed for the survey - (i) accountant (ii) cattle breeder (iii) coir processor (iv) driver (v) dry/can fish processor (vi) manager (vii) finance officer (viii) food and beverage processor (ix) security officer (x) harvester operator (xi) labourer/helper (xii) ice producer (xiii) machine operator (xiv) marketing officer/sales representative (xv) outboard/inboard motor repairer (xvi) packaging staff (xvii) paddy processor (xviii) poultry breeder (xix) pressure controller (xx) production supervisor (xxi) production worker and (xxii) pulper. (Appendix Table 1.1)

There were seven key skilled occupations in the total sample of employees in the agriculture, fisheries, and livestock sector, viz. (a) paddy processors (66 or 26.4%) (b) food and beverage processors (39 or 15.6%) (c) poultry breeders (24 or 9.6%) (d) dry/can fish processors (23 or 9.2%) (e) ice producers (22 or 8.8%) (f) cattle breeders (16 or 6.4%) and (g) packaging staff (12 or 4.8%) in descending order. (Appendix Table 1.1)

4.2.2. Communication

There were altogether forty three (43) enterprises interviewed in the communication sector; twenty (20) communication centres/internet cafes, eighteen (18) phone repair shops, thirteen (13) television repair shops, one (1) cable TV service provider, and two (2) audio/video repairers were interviewed in all five districts. Altogether one hundred and thirty four (134) persons were employed in fifteen (15) different skilled occupations. Just nineteen (19 or 14.2%) out of the total number of employees were females and the rest were males (115 or 85.8%). (Appendix Table 1.2) There were, of course, overlapping functions of enterprises.

Besides, thirteen (13 or 9.7%) employees were from out-of-province and one hundred and twenty one (121) were locals. There were assistant managers (2 in Vavuniya), manager (1 in Vavuniya), customer care officer (1 in Vavuniya), marketing officer/sales representative (1 in Vavuniya), mobile phone repairers (3 in Jaffna, Mullaithivu, and Vavuniya), land phone repairers (2 in Jaffna and Mullaithivu), telephone operator (1 in Jaffna), and internet service providers (2 in Kilinochchi) from out of the NP. (Appendix Table 1.2)

There were fifteen categories of occupations in the communication sector, viz. (i) assistant manager (ii) audio/video repairer (iii) cable TV service provider (iv) call centre operator (v) customer care officer (vi) internet service provider (vii) land phone repairer (viii) manager (ix) marketing officer/sales representative (x) mobile phone repairer (xi) other staff (xii) team leader (xiii) technical officer (xiv) telephone operator and (xv) television repairer. (Appendix Table 1.2)

There were eight skills that were largely represented in the total sample of employees in the communication sector; viz. (a) television repairers (30 or 22.4%) (b) mobile phone repairers (29 or

21.6%) (c) telephone operators (12 or 9.0%) (d) customer care officers (12 or 9.0%) (e) marketing officer/sales representative (11 or 8.2%) (f) internet service provider (9 or 6.7%) (g) audio/video repairer (7 or 5.2%) and (h) land phone repairer (7 or 5.2%). (Appendix Table 1.2)

4.2.3. Construction

Total of sixty six (66) construction and allied (welding) enterprises were covered by the survey which together employed a total of 931 personnel. There was considerable overlap between building and road/bridge construction companies. However, the majority of respondents appear to be involved in building construction only. There were fifty two (52) building construction firms (considerable number could be involved in road/bridge construction as well), just one (1) road/bridge construction, and thirteen (13) welding firms.

The total number of personnel employed in all the respondent firms (931) was involved in twenty three (23) types of skilled labour such as (i) accountant (ii) brick maker (iii) carpenter (iv) civil engineer (v) electrical engineer (vi) draughts person (vii) electrical wiring person (viii) heavy-vehicle driver (ix) helper/labourer (x) light-vehicle driver (xi) mason (xii) moulder/caster (xiii) office assistant (xiv) painter (xv) plumber (xvi) electrician cum plumber (xvii) quantity surveyor (xviii) road constructor (xix) structural engineer (xx) supervisor (xxi) technician (xxii) tiling person, and (xxiii) welder. (Appendix Table 1.3)

There were just nine (9) female employees or 1.0% out of the total number of employees (931). These females were civil engineers (2), draughts persons (2), moulders/casters (2) in Jaffna district, and office assistants (3) in Mannar district. (Appendix Table 1.3)

Ninety (90) personnel out of the total (931) in the construction sector were from out-of-province (i.e. 9.7% of the total). There are insufficient skilled construction workers in the north in order to fulfill the demand created by massive reconstruction (roads, bridges, and buildings) works being undertaken in the post-civil war period. The out-of-province skilled labour in the construction sector comprised carpenters (21 in Jaffna, Mannar, and Mullaithivu districts), civil engineer (1 in Jaffna), electrical engineer (1 in Jaffna), masons (35 in Jaffna and Mullaithivu districts), tiling person (1 in Jaffna), brick makers (10 in Mullaithivu), draughts person (1 in Mullaithivu), electrical wiring persons (2 in Mullaithivu), heavy-vehicle drivers (2 in Mullaithivu), light-vehicle drivers (5 in Mullaithivu), plumbers (2 in Mullaithivu), quantity surveyors (2 in Mullaithivu), structural engineers (2 in Mullaithivu), technician (1 in Mullaithivu), and road constructors (5 in Vavuniya). (Appendix Table 1.3)

(a) Masons (216 or 23.2%) (b) carpenters (173 or 18.6%) (c) welders (77 or 8.3%) (d) electrical wiring persons (58 or 6.2%) (e) technicians (47 or 5.0%) (f) plumbers (41 or 4.4%) (g) road constructors (40 or 4.3%) (h) tiling persons (31 or 3.3%) (i) heavy-vehicle drivers (30 or 3.2%) (j) light-vehicle drivers (29 or 3.1%) (k) brick makers (25 or 2.7%) (l) draughts persons (21 or 2.3%) (m) civil engineers (15 or 1.6%) and (n) quantity surveyors (13 or 1.4%) are the largest numbers of skilled labour engaged in construction in the north. (Appendix Table 1.3)

4.2.4. Education and Health

The education and health sector is one of the worst affected sectors as a result of the civil war because of depletion of skilled/professional human resources and lack of material resources (books, medical equipments, essential medicines, etc) and intermediate goods such as fuel and power supply, and destruction or damage to physical infrastructure. Therefore, there is huge pent-up demand for educational and health services.

Fifty one (51) surveyed institutions in education and health sector employed a total of 311 persons in 2012 in all five districts under consideration. (i) Office assistant (ii) biomedical technician (iii) child care assistant/counselor (iv) eye specialist (v) hardware technician (vi) laboratory technician (vii) labourer (viii) nurse (ix) paramedic (x) pharmacist (xi) physical exercise trainer (xii) pre-school teacher and (xiii) private tuition teacher are thirteen types of labour employed in these institutions. (Appendix Table 1.4)

In terms of gender, two hundred and sixteen (216) employees (or 69.5%) out of the total 311 were females; the highest share of women among all the sectors under consideration. These women were employed as biomedical technician, child care assistant/counselor, laboratory technician, nurse, paramedic, pharmacist, pre-school teacher, and private tuition teacher. Altogether twenty (20) employees (or 6.4%) were from out-of-province, which includes nineteen (19) female nurses (eighteen in Jaffna district and one in Kilinochchi) and one male paramedic in Mannar district. (Appendix Table 1.4)

The largest numbers of skilled labour engaged in education and health sector in the north are (a) pre-school teachers (81 or 26.0%) (b) pharmacists (71 or 22.8%) (c) nurses (63 or 20.3%) (d) private tuition teachers (42 or 13.5%) (e) paramedics (17 or 5.5%) and (f) laboratory technicians (10 or 3.2%). (Appendix Table 1.4)

4.2.5. English, ICTs, and Life Skills

Two hundred and six (206) employees in thirty six (36) institutions were employed in English, ICTs, and Life Skills sector, which included eighteen (18) varieties of occupations; accounts teacher, administrator, computer instructor, English language teacher, French language teacher, hardware technician, lecturer, manager, marketing officer, network administrator, office assistant, organ teacher, public relations trainer, receptionist, Sinhala language/ spoken Sinhala teacher, software technician, spoken English tutor, and web designer. (Appendix Table 1.5)

Out of the total 206 employees 126 were males (61.2%) and 80 were females (38.8%). Women were engaged in a variety of occupations such as accounts teacher, English language teacher, hardware technician, network administrator, public relations trainer, software technician, spoken English tutor, web designer, office assistant, computer instructor, and Sinhala language/spoken Sinhala teacher. (Appendix Table 1.5)

Only thirteen employees (6.3%) were from out-of-province; nine in Jaffna and four in Vavuniya. Eleven males and two females from out-of-province were engaged in English language teaching, software technician, public relations training, spoken English tutoring, Sinhala language/spoken Sinhala teaching, and web designing. (Appendix Table 1.5)

(a) Software technicians (53 or 25.7%) (b) English language teachers (36 or 17.5%) (c) hardware technicians (35 or 17.0%) (d) network administrators (20 or 9.7%) (e) public relations trainers (12 or 5.8%) (f) spoken English tutors (12 or 5.8%) and (g) web designers (11 or 5.3%) are the major skilled occupations in the English, ICTs, and Life Skills sector in the north. (Appendix Table 1.5)

4.2.6. Finance

There were twenty respondent institutions in the financial sector, which included banks, insurance companies, leasing companies, and stock broking firms. However, certain banks provide insurance and/or leasing services as well and therefore the total of different types of financial institutions is greater than the total number of respondents. The respondents in Jaffna and Vavuniya accounted for eighty five per cent (85%) of the total sample and other three districts had just one respondent each. A number of financial institutions approached for interview in the Vanni were left out of the survey because they could not provide details of skilled personnel requirements in the future as decisions are taken at the respective head office in Colombo.

Twenty respondent financial institutions employed a total of three hundred and sixty (360) personnel in fifteen types of occupations, viz. manager, assistant manager, bank customer care assistant, bank executive, insurance broker, insurance executive, leasing officer, leasing executive, loan officer, micro finance market development officer, office assistant/clerk/typist/secretary, pawning and credit office cashier, security officer, stock broking officer, and stock broking executive. (Appendix Table 1.6)

One hundred and forty nine (149) or 41.4% of the total number of employees in the twenty financial institutions were women. Men accounted for 58.6% or 211 employees. Women were largely concentrated in the banks and insurance companies. Jaffna district employed vast majority of women (119 or 80.0%) and Vavuniya district employed nineteen (12.8%); which may indicate that women in Jaffna and Vavuniya are relatively better educated than in other districts. However, we cannot be certain about the foregoing because Kilinochchi, Mannar, and Mullaithivu districts had just one respondent each, which cannot be indicative of the entire sector in these districts. (Appendix Table 1.6)

Fifty seven (57) or 15.8% of the total employees are from out-of-province. The out-of-province employees were different types in different districts as follows: bank customer care assistants (Jaffna and Vavuniya), bank customer executives (Jaffna, Kilinochchi, and Vavuniya), stock broking officers (Jaffna), leasing officers (Kilinochchi), leasing executives (Kilinochchi and Vavuniya), insurance executives (Mullaithivu), office assistant/clerk/typist/secretary (Vavuniya), assistant manager (Vavuniya), manager (Vavuniya), pawning and credit office cashier (Vavuniya). (Appendix Table 1.6)

Main occupational categories in the financial sector are (a) insurance brokers (103 or 28.6%) (b) bank customer care assistants (80 or 22.2%) (c) insurance executives (77 or 21.4%) (d) stock broking officers (25 or 6.9%) (e) bank customer executives (22 or 6.1%) (f) leasing officers (15 or 4.2%) (g) leasing executives (14 or 3.9%) and (h) stock broking executives (9 or 2.5%). (Appendix Table 1.6)

4.2.7. Hospitality

Out of the sixty three (63) respondents in the hospitality sector forty five (or 71.4%) were restaurants, twelve (19.0%) were beauty care centres, and seven (11.1%) were hotels; one with overlapping services. Total of 538 persons were employed in the 63 enterprises in twenty one varieties of jobs; viz. (i) administrator (ii) auditor (iii) beauty therapy trainer (iv) beauty therapist (v) bridal dresser (vi) cake maker/baker (vii) cash controller/cashier (viii) chef (ix) cleaner (x) cooking assistant (xi) driver (xii) ice cream maker (xiii) maintenance officer (xiv) manager (xv) pastry maker/baker (xvi) receptionist/customer care assistant (xvii) room care assistant (xviii) security officer (xix) store keeper (xx) beauty therapy trainee and (xxi) waiter/waitress. (Appendix Table 1.7)

There were 115 female employees out of the total 538 accounting for 21.4% of the total. Beauty care centres hired the largest number of females followed by restaurants cum bakers. A total of fifty eight (58 or 10.8%) employees were from out-of-province who were working in Jaffna (39) and Vavuniya (19) districts. While restaurants cater to both locals and domestic tourists, hotels cater largely to domestic tourists and beauty care centres almost exclusively cater to local women. (Appendix Table 1.7)

The highest numbers of skilled employees in the hospitality sector are (a) waiters/waitresses (154 or 28.6%) (b) chefs (108 or 20.1%) (c) pastry makers/bakers (57 or 10.6%) (d) receptionist/customer care assistants (38 or 7.1%) (e) managers (29 or 5.4%) (f) room care assistants (24 or 4.5%) (g) cake makers/bakers (23 or 4.3%) (h) beauty therapy trainees (20 or 3.7%) (i) bridal dressers (16 or 3.0%) (j) beauty therapists (13 or 2.4%) (k) security officers (13 or 2.4%) and (l) cooking assistants (12 or 2.2%). (Appendix Table 1.7)

4.2.8. Miscellaneous

Seventy two (72) respondents in the residual miscellaneous sector employed three hundred and ten (310) people in nineteen types of skilled jobs such as (i) aluminium fabricator (ii) biscuit maker (iii) book binder (iv) clothing designer (v) designers at studio (vi) jewellery maker (vii) studio lab assistant (viii) studio lab operator (ix) leather footwear maker (x) optician (xi) photographer (xii) printer (xiii) refrigeration & air-conditioning technician (xiv) salesperson (xv) screen printer (xvi) solar/wind energy salesperson (xvii) tailor (xviii) tree cutter/surgeon and (xix) typesetter (graphic). (Appendix Table 1.8)

The major businesses in the miscellaneous sector were tailoring (31 or 43.1%), printing/book binding/screen printing (13 or 18.1%), studio/video photography (11 or 15.3%), and jewellery making (8 or 11.1%). (Appendix Table 1.8)

Women accounted for 29.4% or 91 out of the total 310 employees engaging in tailoring, book binding, printing, jewellery making, photography, screen printing, optician, and studio designer occupations mostly in Jaffna and Vavuniya districts. Out-of-province labour accounted for 8.1% or 25 out of the total 310 engaging in tailoring, jewellery making, printing, aluminium fabrication, optician, and salespersons mostly in Mannar and Vavuniya districts. (Appendix Table 1.8)

(a) Tailors (107 or 34.5%) (b) printers (45 or 14.5%) (c) photographers (29 or 9.4%) (d) book binders (22 or 7.1%) (e) jewellery makers (22 or 7.1%) (f) leather footwear makers (19 or 6.1%) and (g) screen printers (15 or 4.8%) were the skilled labour in service in large numbers in all five districts in the miscellaneous sector. (Appendix Table 1.8)

4.2.9. Transport

Thirty nine (39) transport enterprises engaged total of 292 personnel in all five districts under consideration. Automobile service centres (28) and private bus transport services (10) dominated the transport sector enterprises. The total number of personnel was engaged in fifteen (15) types of skilled labour occupations, viz. (i) assistant manager (ii) automobile mechanic (iii) boat sailor (iv) bus/lorry driver (v) cleaner (vi) conductor (vii) refrigerated-vehicle driver (viii) labourer (ix) manager (x) painter/tinkerer (xi) salesperson (xii) servicing person (xiii) tyre retreader (xiv) wheel aligner and (xv) wirer. (Appendix Table 1.9)

The transport sector had just one female manager in Vavuniya district. Eighty three (83 or 28.4%) out of 292 skilled labourers were from out-of-province; almost entirely in Jaffna (43) and Vavuniya (35) districts. The skilled labourers from outside the NP were working as bus/lorry drivers (42), conductors (18), automobile mechanics (14), wheel aligners (6), tyre retreader (1), painter/tinkerer (1), and manager (1). (Appendix Table 1.9)

The largest numbers of skilled labourers in the transport sector were (a) bus/lorry drivers (103 or %) (b) automobile mechanics (86 or 29.5%) (c) conductors (39 or 13.4%) (d) wheel aligners (15 or 5.1%) and (e) tyre retreaders (14 or 4.8%). The first two categories of skilled labourers were in all five districts but the latter three were in Jaffna, Mannar, and Vavuniya districts only. (Appendix Table 1.9)

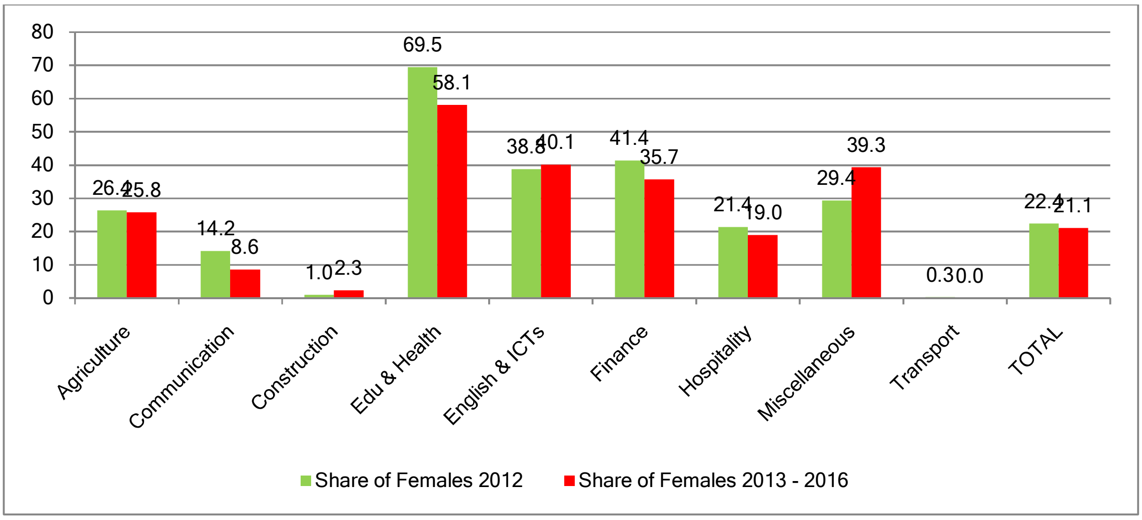
4.2. Future Number of Employees 2013 - 2016

The survey asked the respondents to indicate the number of additional/new employees likely to be recruited in each occupational category in each sector in the next four years beginning 2013 ending 2016.

The Northern Province is just emerging out of long drawn out civil war beginning July 1983 ending May 2009. There was total displacement of the entire population from Kilinochchi and Mullaithivu districts and partial displacement from Mannar and Vavuniya districts during the last phase of the civil war between 2006 and 2009. The resettlement process started in early 2010 which is still ongoing. Thus, it is barely three years since the resettlement of population began. Therefore, the businesses in the Vanni mainland are largely new micro enterprises which do not have the capacity to think strategically regarding the human resources needs in the years ahead. Even prior to the beginning of the civil war the Vanni was a sparsely populated vast jungle area with isolated pockets of population concentrations; that is, markets were very thinly spread. Moreover, there is also uncertainty regarding the role of the private sector in the post-civil war economic revival because of the state-driven infrastructure-led development strategy of the government and the participation and interference of the security forces in economic activities and markets.

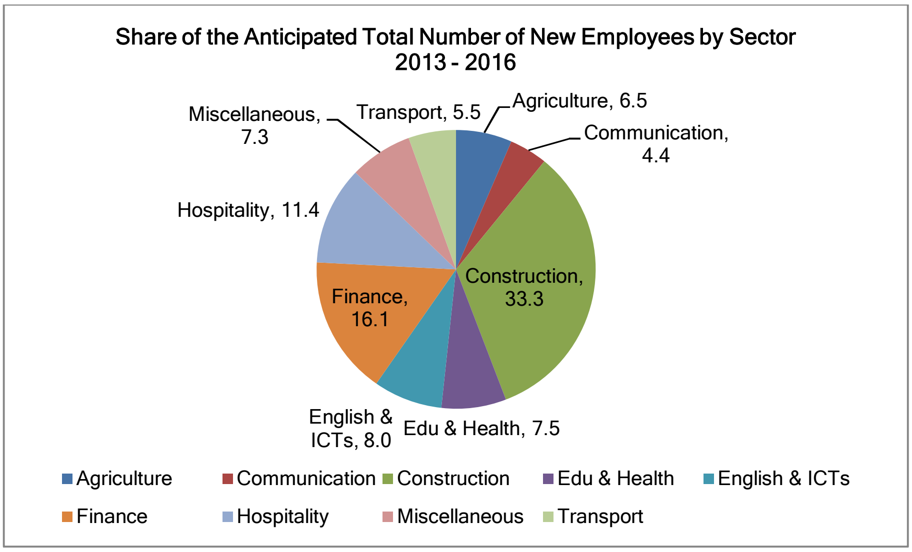
Due to the foregoing reasons the data emanating from the survey presented and analysed in this section could be conjectural and therefore should be considered cautiously.

According to all the respondents to the survey, altogether 5,857 new employees are expected to be recruited in the next four years (2013-2016) in all the nine sectors and in all the five districts under consideration. Out of the total of 5,857 anticipated new employees only 1,238 are expected to be women (21.1%), which is marginally lower than the share of women in 2012 (22.4%). It has to be remembered that 51.6% of the total population of Northern Province is female according to the latest census undertaken in March 2012.

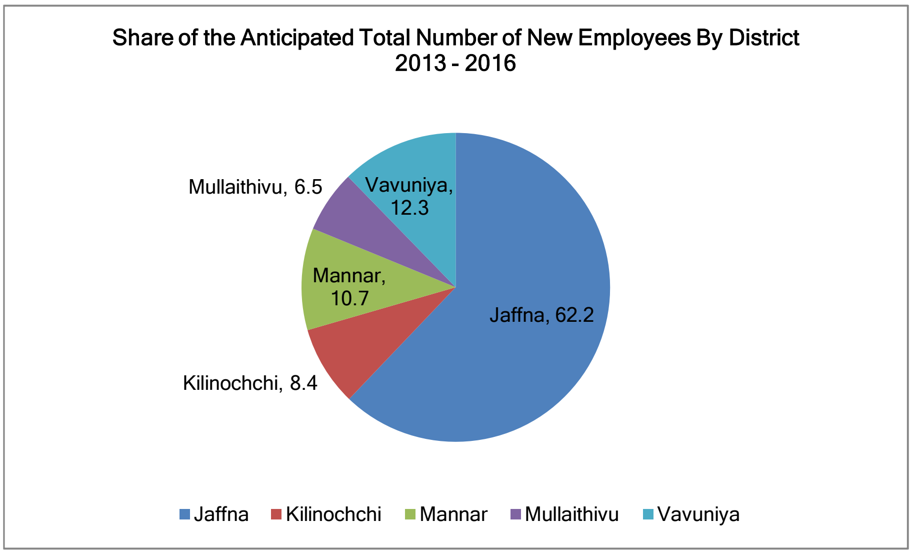


The share of women among the employed population in the north is expected to rise in the construction (by +1.3), English, ICTs & life skills (by +1.3), and the residual miscellaneous (by +9.9) sectors during 2013-2016. In all other six sectors the share of women is expected to decline considerably during 2013-2016: in agriculture (-) 0.6, communication by (-) 5.6%, education and health by (-) 11.4, finance by (-) 5.7, hospitality by (-) 2.4, and transport by (-) 0.3.

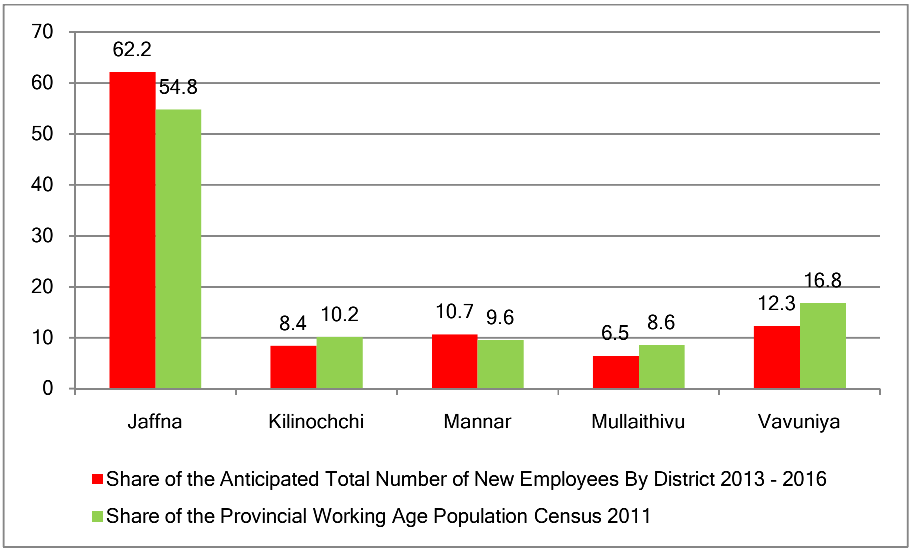
The shares of the anticipated total number of new employees in the north (in the selected nine sectors) during 2013-2016 distributed by sector are as follows: agriculture, fisheries, and livestock 6.5%, communication 4.4%, construction 33.3%, education and health 7.5%, English, ICTs, and life skills 8.0%, finance 16.1%, hospitality 11.4%, miscellaneous 7.3%, and transport 5.5%. Thus, construction, finance, and hospitality sectors are expected to be the largest providers of new employment in the north during the period 2013-2016. Further, communication 4.4%, transport 5.5%, and agriculture 6.5% sectors are expected to create the least numbers of new employments in the north during 2013-2016.



By district, Jaffna accounts for 62.2% of the anticipated total number of new employments to be created in the selected sectors during 2013-2016 in the north followed by Vavuniya 12.3%, Mannar 10.7%, Kilinochchi 8.4%, and Mullaithivu district 6.5% in descending order.



The shares of Jaffna and Mannar districts in the anticipated total new employment to be created in the selected sectors during 2013-2016 are higher than the corresponding districts' shares in the total working age population (15-59 years of age)[62] of the province. On the other hand, in Kilinochchi, Mullaithivu, and Vavuniya districts the respective shares in the total working age population of the province (647,271) are greater than the corresponding shares in the anticipated total new employment creation during 2013-2016. Thus, while Jaffna district accounts for 54.8% of the total working age population of the province it accounts for 62.2% of the new employment expected to be created (+7.4%). Similarly, while Mannar district accounts for 9.6% of the total provincial working age population it accounts for 10.7% of the expected creation of new employment (+1.1). On the other hand, while Kilinochchi district accounts for 10.2% of the total working age population it accounts for only 8.4% of the expected new employment creation (-1.8); Mullaithivu district working age population is 8.6% of the total whereas it accounts for 6.5% of the anticipated new employments (-2.1); the gap between the share of the total working age population (16.8%) and share of the expected employment generation (12.3%) in Vavuniya district is (-) 4.5%.



The forgoing figures indicate potentially inadequate employment opportunities in the next four years (2013-16) for the working age people of Kilinochchi, Mullaithivu, and Vavuniya districts.

4.3.2. Agriculture, fisheries, and livestock

Total of 380 new employees are expected to be recruited in the agriculture, fisheries, and livestock sector during the period 2013-2016 in all the five districts of the north. The foregoing number of

[62] Internationally, the 'working age' is defined as from the age of 15 to 59 years. However, the Department of Census and Statistics of Sri Lanka defines 'labour force' (working age) as 10 years and above. The data of the working age population is taken from the *Census of Population and Housing 2011* undertaken in March 2012.

demand for skilled personnel is spread throughout the four year period. The annual breakdown is provided in Appendix Table 2.1.

These new employees are expected to be recruited in thirteen different categories, viz. (i) accountant (ii) cattle breeder (iii) coir processor (iv) dry/can fish processor (v) food & beverage processor (vi) harvester operator (vii) ice producer (viii) machine operator (ix) marketing officer/sales representative (x) outboard/inboard motor repairer (xi) packaging staff (xii) paddy processor and (xiii) poultry breeder. (Appendix Table 2.1) However, there may be demand for various other skilled labour in the agriculture sector as well which could be outside the sample of this survey.

Women account for 25.8% (or 98) of the anticipated total number of 380 skilled personnel to be recruited in the agriculture sector in the next four years (2013-2016), which is marginally lower than the share of women in agriculture in 2012 (26.4%). The demand for women is restricted to just a few skilled occupations in the agriculture sector, viz. coir processors (Mullaithivu), dry/can fish processors (Jaffna), food and beverage processors (Jaffna and Vavuniya), packaging staff (Mannar), paddy processors (Jaffna and Kilinochchi), and poultry breeders (Jaffna and Vavuniya). (Appendix Table 2.1)

The demand for skilled labour in the agriculture, fisheries, and livestock sector is highest in the Jaffna district with 51.1% (or 194) of the total (380), followed by Kilinochchi (79 or 20.8%), Vavuniya (56 or 14.7%), Mannar (36 or 9.5%), and Mullaithivu (15 or 3.9%) district. Appendix Table 2.1)

Paddy processors (149 or 38.0%), food and beverage processors (79 or 20.7%), poultry breeders (47 or 12.3%), Ice producers (43 or 11.3%), cattle breeders (16 or 4.2%), dry/can fish processors (14 or 3.7%), and harvester operators (13 or 3.4%) are the main skilled labour in demand in the north in the next four years. (Appendix Table 2.1)

4.3.3.Communication

The communication sector is expected to recruit total of 256 new employees in different categories in the next four years (2013-2016) throughout the NP. The annual breakdown is given in Table 2.2. Audio/video repairer, cable TV service provider, call centre operator, internet service provider, land phone repairer, marketing officer/sales representative, mobile phone repairer, telephone operator, and television repairer are the nine types of skills in demand in the communication sector of the north. (Appendix Table 2.2) Of course, there may be numerous other skills requirement as well in the communication sector, which may not have been covered by the survey.

Out of the anticipated recruitment of 256 personnel only 22 are expected to be women accounting for just 8.6% of the total. In 2012, however, women accounted for 14.2% of the total employed in the communication sector in the north. Moreover, women are in demand only in selected skills in the communication sector and in just couple of districts, viz. marketing officers/sales representatives (2 in Vavuniya), telephone operators (14 in Jaffna), and television repairers (6 in Jaffna). (Appendix Table 2.2)

Television repairers (93 or 36.3%), mobile phone repairers (72 or 28.1%), telephone operators (29 or 11.3%), internet service providers (23 or 9.0%), land phone repairers (17 or 6.6%), and call centre operators (10 or 3.9%) are the skills most in demand. While mobile phone repairers and television repairers are required in all the five districts, telephone operators (Jaffna), internet service providers (Jaffna and Kilinochchi), land phone repairers (Jaffna and Mullaithivu), and call centre operators (Kilinochchi) are required in selected districts only. (Appendix Table 2.2)

Spatially, the demand for different skilled personnel is greatest in Jaffna district where 140 out of the total 256 (or 54.7% of the) anticipated new employment is to be created; followed by Kilinochchi (68 or 26.6%), Vavuniya (23 or 9.0%), Mannar (10 or 3.9%), and Mullaithivu (15 or 5.9%). (Appendix Table 2.2)

4.3.4.Construction

The construction sector is expected to absorb one-third (or 1,952) of the entire skilled labour requirements (5,861) in the NP in the next four years (2013-16) among the survey respondents. The type of skills in demand in the construction sector are (i) accountant (ii) brick maker (iii) carpenter (iv) civil engineer (v) draughts person (vi) electrical wiring person (vii) heavy-vehicle driver (viii) helper/labourer (ix) light-vehicle driver (x) mason (xi) moulder/caster (xii) office assistant (xiii) painter (xiv) plumber (xv) quantity surveyor (xvi) road constructor (xvii) structural engineer (xviii) supervisor (xix) technician (xx) tiling person and (xxi) welder. (Appendix Table 2.3)

Females account for just 2.3% (or just 44) of the total requirement of labour in the construction sector in the north (1,952) in the next four years (2013-16). This is because women are generally averse to outdoor nature of jobs. Civil engineer (just one in Jaffna), draughtswoman (just one in Jaffna), helper/labourer (10 in Jaffna), moulder/caster (4 in Jaffna), office assistant (21 in Mannar), and technician (7 in Jaffna) are the jobs available for women. The foregoing figures indicate that women are required negligibly in worthy skills such as civil engineer (1), draughtswoman (1), moulder/caster (4), and technician (7); besides, the entire foregoing demand is in Jaffna. However, the expected number of skilled female labour is marginally higher than the current number of skilled female labour in the construction sector (two each of civil engineers, draughtswomen, and moulder/caster). (Appendix Table 2.3)

It appears that masons (386 or 19.8%), carpenters (378 or 19.4%), plumbers (136 or 7.0%), technicians (117 or 6.0%), road constructors (110 or 5.6%), welders (95 or 4.9%), tiling persons (84 or 4.3%), heavy-vehicle drivers (76 or 3.9%), brick makers (73 or 3.7%), electrical wiring persons (72 or 3.7%), and draughtspersons (39 or 2.0%) are the skills in relatively high demand in the construction sector of the north in the upcoming four years (2013-16). (Appendix Table 2.3)

Jaffna district dominates the demand for skilled labour in the construction sector in the next four years (1,107 out of 1,952) accounting for 56.7% of the total; Vavuniya district accounts for 20.1% (or 392), Mannar 15.0% (or 292), Kilinochchi 4.3% (or 83), and Mullaithivu 4.0% (or 78). (Appendix Table 2.3)

4.3.5. Education and Health

Total of four hundred and thirty nine (439) personnel are expected to be inducted in the combined sector of education and health in the north in the forthcoming four years (2013-16). Eleven different categories of personnel are sought in the four years ahead, viz. office assistants, biomedical technicians, childcare assistants/counselors, eye specialists, laboratory technicians, nurses, paramedics, pharmacists, physical exercise trainers, preschool teachers, and private tuition teachers. (Appendix Table 2.4)

Out of the total anticipated new personnel in the education and health sector 58.1% is expected to be women (255). However, among the current employees almost 70% is female. Barring biomedical technicians and physical exercise trainers, women are sought in all other nine occupations. Highest number of women is sought in the occupations of preschool teachers (62 or 24.3% in Jaffna, Kilinochchi, Mullaithivu, and Vavuniya), pharmacist (61 or 23.9% in Jaffna, Kilinochchi, and Mannar), nurses (45 or 17.6% in Jaffna, Kilinochchi, and Mannar), private tuition teachers (33 or 12.9% all in Mannar district), and office assistants (25 or 9.8% all in Mannar). (Appendix Table 2.4)

Private tuition teachers (114 or 26.0%), pharmacists (103 or 23.5%), preschool teachers (65 or 14.8%), nurses (55 or 12.5%), and office assistants (50 or 11.4%) are the most sought-after jobs in the education and health sector. While office assistants are entirely required in Mannar district (50), private tuition teachers are almost entirely required in the Mannar district (108 in Mannar and just 6 in Jaffna), pharmacists are required in Jaffna (80), Kilinochchi (15), and Mannar (8) districts, preschool teachers in Jaffna (39), Kilinochchi (21), Mullaithivu (3), and Vavuniya (2), and nurses in Jaffna (34), Kilinochchi (15), Mannar (2), and Mullaithivu (4). (Appendix Table 2.4)

The demand for skilled labour in the education and health sector in the next four years is greatest in Jaffna where 181 out of the total 439 (41.2%) is sought; Mannar 170 (38.7%), Kilinochchi 79 (18.0%), Mullaithivu 7 (1.6%), and Vavuniya 2 (0.5%) account for the rest of the demand. (Appendix Table 2.4)

4.3.6. English, ICTs, and Life Skills

English, ICTs, and life skills are an emerging high demand sector in the north, particularly in Jaffna and Vavuniya districts. Four hundred and sixty six (466) skilled personnel in sixteen types are expected to be recruited in the four years beginning 2013 in all five districts. Accounts teachers, administrators, computer instructors, English language teachers, hardware technicians, lecturers, managers, marketing officers, network administrators, office assistants, public relations trainers, receptionist, Sinhala language/spoken language teachers, software technicians, spoken English tutors, and web designers are the sixteen types of skilled personnel expected to be recruited. (Appendix Table 2.5) In Mullaithivu there was just one respondent enterprise and therefore it may not be representative.

A substantial number of the anticipated new recruits are expected to be women; that is 187 out of 466 or 40.1% of the total. English language teachers (53 in Jaffna, Mannar, and Vavuniya), hardware technicians (20 in Jaffna and Vavuniya), network administrators (22 in Jaffna, Kilinochchi, and Vavuniya), public relations trainers (6 in Jaffna), software technicians (39 in Jaffna, Mannar, and Vavuniya), spoken English tutors (13 in Jaffna), and web designers (11 in Jaffna and Vavuniya) are the skills in which women are largely sought. (Appendix Table 2.5)

English language teachers (128 or 27.5%), software technicians (87 or 18.7%), hardware technicians (76 or 16.3%), web designers (42 or 9.0%), network administrators (31 or 6.7%), spoken English tutors (20 or 4.3%), computer instructors (19 or 4.1%), public relations trainers (13 or 2.8%) are the skilled personnel most in demand in the English, ICTs, and life skills sector in the north. (Appendix Table 2.5)

Geographically, overwhelming majority of the demand for skilled personnel in the English, ICTs, and life skills sector is in Jaffna (336 out of 466 or 72.1%) and Vavuniya (92 or 19.7%) districts. The rest of the demand in descending order is in Mannar (18 or 3.9%), Kilinochchi (13 or 2.8%), and Mullaithivu (8 or 1.7%). (Appendix Table 2.5)

4.3.7.Finance

The financial sector is visibly one of fastest growing sectors in the post-war Northern Province as numerous branches of banks, insurance companies, leasing companies, and pawning centres have opened-up in the last three years throughout the province. The financial sector is expected to generate the second highest number of employments after the construction sector in the selected nine sectors in the survey. It is important to note that the sample size in the financial sector was the lowest in our survey (just 20 or 4.7% of the total 425). Moreover, Kilinochchi, Mannar, and Mullaithivu had just one respondent enterprise each and therefore may not be representative.

Total of nine hundred and forty five (945) personnel are expected to be recruited in the forthcoming four year period (2013-16) in twelve types of occupations such as bank customer care assistants, bank executives, insurance brokers, insurance executives, leasing officers, leasing executives, loan officers, microfinance market development officers, office assistants/clerks/typists/secretaries, security officers, stock broking officers, and stock broking executives. (Appendix Table 2.6)

Women are expected to be recruited in substantial numbers in the financial sector as they are deemed to be more trustworthy than men on financial matters. That is, 35.7% of the anticipated total new recruits are expected to be women (337 out of 945). Nevertheless, the demand for women falls far short of their share in the population. Banks and insurance companies are where the demand for women is greatest; insurance companies are expected to recruit 243 (or 72.1% of the total - 130 insurance brokers in Jaffna and Mannar and 113 insurance executives in Jaffna and Mullaithivu) and banks 85 women (25.2% in total - 73 bank customer care assistants in Jaffna, Kilinochchi, and Vavuniya and 12 bank executives in Jaffna) in the next four years. Appendix Table 2.6)

The demand in the financial sector for skilled personnel is heavily concentrated in the insurance companies and banks; 447 insurance executives (or 47.3% of the total 945 in Jaffna and Mullaithivu districts) and 265 insurance brokers (or 28.0% of the total 945 in Jaffna and Mannar districts) are demanded in the next four years. Besides, 122 bank customer care assistants (or 12.9% of the total 945 in Jaffna and Vavuniya) and 37 bank executives (or 3.9% of the total 945 in Jaffna and Vavuniya) are demanded. (Appendix Table 2.6) However, it has to be noted that the insurance industry jobs are largely part-time.

Spatially, Jaffna district is expected to generate the highest number of employments in the financial sector accounting for two-third (66.6% or 629) of the total 945 (in all sectors except micro financing/market development). Mullaithivu district appears to demand the second largest number of personnel with 232 or 24.6% of the total (entirely in the insurance sector). However, the data of

Mullaithivu appears suspect given its low population. The demand in Vavuniya is 58 or 6.1%. (Appendix Table 2.6)

4.3.8. Hospitality

The hospitality sector is anticipated to induct the third largest number of skilled labour among the selected nine sectors after construction (1,952) and financial (945) sectors in the north. The hospitality sector seeks to generate 667 new skilled employment opportunities in the next four years (2013-16) in seventeen different categories such as administrators, beauty therapists, bridal dressers, cake makers/bakers, cash controllers/cashiers, chefs, cleaners, drivers, ice cream makers, maintenance officers, managers, pastry makers/bakers, receptionist/ customer care assistants, room care assistants, security officers, store keepers, and waiters/waitresses. There was only one respondent enterprise in Mullaithivu which is insignificant.

The demand for female skilled labour is one of the lowest in the hospitality sector (after transport, construction, and communication) among the selected nine sectors in the survey. Only 127 or 19.0% of the total (667) anticipated new labour is expected to be female. Females are largely sought in bridal dressing (32 or 25.4%), beauty therapy (20 or 15.9%), pastry making/baking (20 or 15.9%), waiting services (18 or 14.3%), reception/customer care (15 or 11.9%), cake making/baking (8 or 6.3%), and cooking (5 or 4.0%). (Appendix Table 2.7)

The greatest demand for skilled labour in the hospitality sector is in waiting (197 or 29.5% mostly in Jaffna and Mannar), cooking (153 or 22.9% in Jaffna and Mannar only), pastry making/baking (90 or 13.5% in Jaffna, Kilinochchi, and Mannar), customer caring (61 or 9.1% in Jaffna and Mannar only), bridal dressing (33 or 4.9% in Jaffna, Kilinochchi, and Vavuniya), room caring (29 or 4.3% in Jaffna only), cake making/baking (27 or 4.0% in Jaffna, Mannar, and Vavuniya), beauty therapy (22 or 3.3% in Jaffna, Kilinochchi, and Vavuniya), security (16 or 2.4% in Jaffna only), and managing (15 or 2.2% in Jaffna and Vavuniya only) services. (Appendix Table 2.7)

As in the case of other sectors as well, the demand for skilled labour in the hospitality sector is greatest in Jaffna district where 522 or 78.3% of the total (667) is sought in the next four years. The demand in Kilinochchi is 58 (or 8.7% - pastry making/baking, bridal dressing, and beauty therapy), Mannar 48 (or 7.2% - waiting, cooking, cake making/baking, and reception), Vavuniya 35 (or 5.2% - pastry making/baking, beauty therapy, waiting, cake making/baking, managing, administration, store keeping, and driving), and Mullaithivu just 4 (or 0.6%). (Appendix Table 2.7)

4.3.9.Miscellaneous

The residual miscellaneous sector is expected to recruit total of 428 skilled personnel in the five districts under consideration in the next four years (2013-16). Nineteen different skills are sought in this sector, viz. aluminum fabricator, biscuit maker, bookbinder, clothing designer, studio designer, jewellery maker, studio lab assistant, studio lab operator, leather footwear maker, optician, refrigeration and air-conditioning, photographer, salesperson, printer, screen printer, solar/wind energy sales person, tailor, tree cutter/surgeon, and typesetting (graphic). (Appendix Table 2.8)

The miscellaneous sector is expected to absorb 168 women or 39.3% out of the total (428) in various skills. Women are sought for tailoring (86 or 51.2%), printing (29 or 17.3%), bookbinding (26 or 15.5%), photographing (15 or 8.9%), jewellery making (5 or 3.0%), optician (3 or 1.8%), studio designing (2 or 1.2%), typesetting (1 or 0.6%), and salesperson (1 or 0.6%) jobs. (Appendix Table 2.8)

In the residual miscellaneous sector, tailors (148 or 34.6% in all districts except Mannar), printers (74 or 17.3% in all districts), photographers (56 or 13.1% in Jaffna, Kilinochchi, and Vavuniya), bookbinders (48 or 11.2% in Jaffna, Kilinochchi, and Vavuniya), jewellery makers (38 or 8.9% in Jaffna, Mannar, and Vavuniya), leather footwear makers (20 or 4.7% in Jaffna only), and aluminum fabricators (11 or 2.6% in Mullaithivu and Vavuniya) are the most sought after skills in the next four years in the NP. (Appendix Table 2.8)

The geographic spread of the demand for skilled labour in the residual miscellaneous sector reveals that two hundred and seventy eight persons in different skills (or 65.0% of the total) are sought in Jaffna district, eighty skilled personnel (or 18.7% of the total) are sought in Kilinochchi district, forty four (or 10.3%) are sought in Vavuniya district, fourteen (or 3.3%) in Mullaithivu, and twelve persons (or 2.8%) are sought in Mannar district in the next four years. (Appendix Table 2.8)

4.3.10. Transport

The transport sector could be broken-down into road, rail, air, and sea transport; each of the foregoing would require different skilled personnel. As you would note this survey almost entirely covered the road transport sub-sector only with just one respondent in the sea transport sub-sector. The air and rail transport sub-sectors have not been covered by the survey.

Three hundred and twenty four (324) skilled persons are required in variety of occupations in the transport sector in the forthcoming four years in the NP. There are ten skill categories in which there is demand for labour: namely, automobile mechanics, sailors, bus/lorry drivers, cleaners, drivers, refrigerated-vehicle drivers, servicing persons, tyre retreaders, wheel aligners, and wiring persons. (Appendix Table 2.9)

Unfortunately, this is the only sector (out of the selected nine sectors) in which females are not in demand. Not a single female is required out of the 324 anticipated labour. Bus/lorry drivers (114 or 35.2% in all five districts) and automobile mechanics (111 or 34.3% in all but Mullaithivu district) are the ones in demand most. Other skilled jobs in demand are conductors (44 or 13.6% in Jaffna only), tyre retreaders (26 or 8.0% in Jaffna and Vavuniya only), and wheel aligners (14 or 4.3% in Jaffna and Mannar only). (Appendix Table 2.9)

As usual Jaffna district has the highest demand for skilled labour in the transport sector as well. That is, 257 out of the total 324 (or 79.3% in all but cleaning and wiring jobs) requirements in the next four years are in Jaffna. Kilinochchi district accounts for 28 or 8.6% of the skilled labour requirements (automobile repairing and bus/lorry driving only), Vavuniya 16 (4.9% in automobile repairing, bus/lorry driving, tyre retreading, and wiring), Mannar 15 (4.6% in automobile repairing, bus/lorry driving, and wheel aligning), and Mullaithivu 8 (2.5% in bus/lorry driving and cleaning only) in the transport sector. (Appendix Table 2.9)

4.3. Extrapolation of the Demand for Skilled Labour Data emanating from the Survey

The foregoing data pertains to the limited number of interviews conducted by the survey. While there were 27,691 enterprises in the five districts of the NP, according to the Census of Trade and Services undertaken in October-November 2003[63], this survey interviewed just 425 enterprises in all five districts. Therefore, the limited data in the previous section (Tables 2.1 - 2.9) have to be extrapolated to the entire enterprises in the north.

Methodology

The extrapolation of data is undertaken using the latest Sri Lanka Labour Force Survey: Annual Report 2011, which covered the entire Northern Province for the first time after 1990, data as the baseline. The Labour Force Survey (LFS) uses the International Standard Industrial Classification (ISIC Revision 3) to categorise different sectors.

[63] Department of Census and Statistics, *Census of Trade and Services 2003-2006 Preliminary Report*, pp 14-15. Although this data is dated, especially in the case of the four districts in the Vanni mainland, this is the most recent data available.

The following matrix catalogues the different sector or sectors in this survey against the corresponding sector or sectors (industry group) in the LFS. The total number of persons employed in the province (all five districts) in each sector/s in our survey and in the labour force survey is also given in each cell. Since the LFS data do not give breakdown by district our survey data have been aggregated to the province.

However, this author is of the view that the total number of persons who are employed as determined by the Labour Force Survey undertaken by the Department of Census and Statistics (DCS) is an overestimation of the employed population. This is because, according to the LFS, a person working just one hour (or more) per week is considered "employed" which is abysmally low threshold.[64] In other words the extrapolation factors worked out below could be overestimations. Nevertheless we take the LFS data as the baseline data because of lack of data using alternative measure/s at the provincial or district levels.

Sector/s in the Survey	**Corresponding ISIC** (Revision 3) **Industry Group** (Annual Labour Force Survey 2011, page 60)
Agriculture, Fisheries, & Livestock **250**	Agriculture, Forestry, and Fisheries **106,196**
Communication and Transport **426**	Transport, Storage, and Communication **16,308**
Construction **931**	Construction, Mining & Quarrying, and Electricity, Gas, & Water Supply **39,542**
Education & Health and English, ICTs, & Life Skills **517**	Education, Health, and Social Work **29,087**
Finance **360**	Financial Intermediation, Real Estate, Renting, and Business Activities **5,487**
Hospitality **538**	Hotels and Restaurants **3,992**
Miscellaneous **310**	Manufacturing, Wholesale & Retail Trade, Repair of Motor Vehicles, Motorcycles, and Personal & Household Goods **64,250**

For example, according to the LFS there were 106,196 persons employed in the agriculture, forestry, and fisheries sector in 2011 in the entire Northern Province (NP). However, because not all agricultural jobs require skills, we take the current skilled labour in this sector as half of the total, i.e. 53.098. On the other hand, the agriculture, fisheries, and livestock sector employed 250 persons among the surveyed enterprises in all five districts of the north. Thus, there were two hundred and twelve (212) times more employed persons in the entire agriculture sector than among the surveyed agricultural enterprises. Therefore, all the data pertaining to the agriculture sector (different types of skills by district) in question number 2 will be extrapolated by a factor of two hundred and twelve.

[64] Department of Census and Statistics, *Annual Labour Force Survey 2011*, pp 71. http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

Similarly, while all the enterprises in the transport, storage, and communication sector employed 16,308 persons in the entire NP, in the enterprises in the communication and transport sectors in this survey there were 426 persons employed throughout the north. That is, there were thirty eight (38) times more employees in all the enterprises than in the surveyed enterprises of the combined communication and transport sector. Hence, all the data (different types of skills by district) in the communication and transport sectors in question number 2 will be extrapolated by a factor of thirty eight.

The construction, mining and quarrying, and electricity, gas, and water (utilities) enterprises employed a total of 39,542 people throughout the north; whereas the surveyed construction enterprises employed only 931 personnel in all the districts. Hence, all the enterprises employed forty three (43) times more than the surveyed enterprises. Therefore, all the data (different types of skills by district) pertaining to the construction sector in question 2 will be extrapolated by a factor of forty three.

The education, health, and social work sector in the north employed 29,087 people according to the latest labour force survey. The combined education and health and English, ICTs, and life skills sector in our survey employed 517 people. Therefore, the extrapolation factor is fifty six (56) for the data in both ‘education and health’ and ‘English, ICTs, and life skills’ sectors.

All the financial sector enterprises in the NP employed a total of 5,487 persons in 2011. The surveyed financial institutions in all five districts employed only 360. Thus, all financial institutions employed fifteen times (15) more than the surveyed institutions. Hence, all the data (different types of skills by district) pertaining to the financial sector in question 2 will be extrapolated by a factor of fifteen.

All the hotels and restaurants in the Northern Province employed a total of 3,992 persons in 2011, which is seven (7) times more than the employed persons in the corresponding surveyed enterprises (538). Therefore, all the data (different types of skills by district) in question number 2 of the hospitality sector will be extrapolated by a factor of seven.

While manufacturing, wholesale & retail trade, repair of motor vehicles, motorcycles, and personal & household goods sectors in the labour force survey employed a total of 64,250 persons the corresponding ‘miscellaneous’ sector in our survey employed only 310 persons. However, not all the jobs in the manufacturing and wholesale & retail trade, repair of motor vehicles, motorcycles, and personal & household goods sectors require skills (because the majority is in the wholesale & retail trade) and therefore only half the total is taken as skilled labour, i.e. 32,125. Hence, there were one hundred and four (104) times more employees in the entire corresponding enterprises than in the 'miscellaneous' sector enterprises in the survey. That is, the extrapolation factor for the miscellaneous sector data (different types of skills by district) in question number 2 is one hundred and four.

The following is the extrapolation matrix for all the sectors in all five districts of the Northern Province for the data pertaining to 2013 – 2016. Since the LFS does not breakdown the data by district the extrapolation factors are worked-out at the provincial level. Please note that all the extrapolation factors are rounded-up to the nearest full amount. As pointed-out earlier these extrapolation factors could be overestimations.

Demand 2013-2016: Extrapolation Factors by District & Sector

Sector	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya
Agriculture, Fisheries, & Livestock	212	212	212	212	212
Communication	38	38	38	38	38
Construction	43	43	43	43	43
Education & Health	56	56	56	56	56
English, ICTs, & Life Skills	56	56	56	56	56
Finance	15	15	15	15	15
Hospitality	7	7	7	7	7
Miscellaneous	104	104	104	104	104
Transport	38	38	38	38	38

4.3.1.Results of the Extrapolation of Data

In total 284,099 additional new employees in different skill categories in the entire selected sectors are likely to be recruited in the next four years beginning 2015 ending 2018. It is important to note that couple of unskilled categories of employments (such as labourers/helpers and office assistants/peons) in few sectors included in question number 2 have been dropped-out in the extrapolation exercise. The highest number of new employees is expected to be recruited in 2013 (79,622) and then declining year after year in 2014 (69,450) and 2015 (63,020) but rising in 2016 (72,007) in comparison to the respective preceding year. Thus, 28.0% of the total new recruits are expected to be inducted in 2013; 24.4% in 2014, 22.2%in 2015, and 25.3% in 2016. Of course there are variations between different sectors. (See the following table)

In the communication and 'education and health' sectors there is a steady decline in the likely numbers of new recruits year after year compared to the respective preceding year. In the agriculture, fisheries, and livestock sector the number of new recruits is expected to rise in 2014 (compared to 2013), decline in 2015, and increase again in 2016 in comparison to the respective preceding year.

The number of new recruits declines in 2014 in the construction sector (compared to 2013) but then steadily increases in the subsequent two years. In the English language, information and communication technologies, and life skills sector the likely new recruits is expected to decline consecutively in 2014 and 2015 and then expected to rise in 2016. The number of new recruits in the finance sector is likely to decline in 2014 (compared to the preceding year) and then likely to steadily increase in the subsequent two years (2015 and 2016). In the hospitality sector the number of new recruits is likely to increase in 2014 and then steadily decrease in 2015 and 2016. The miscellaneous sector is likely to recruit lesser number of people in 2014 and 2015 (compared to the respective preceding year) but expected to recruit marginally higher number in 2016 (compared to 2015). The number of new recruits to the transport sector is likely to decline in 2014 but likely to increase in the subsequent two years (2015 and 2016). (See the following table)

The agriculture, fisheries, and livestock (80,560 or 28.4%), construction (72,111 or 25.4%), and miscellaneous (44,512 or 15.7%) sectors are the ones that are anticipated to hire the highest number of personnel in the next four years in the north. Together the foregoing three sectors are expected to induct almost 70% (197,183) of the total likely new recruits in the reference period. (See the following table and pie chart)

Summary of Demand for Skilled Labour by Sector and Year

(Extrapolated data - shares in the parentheses)

SECTOR	2015	2016	2017	2018	TOTAL
Agriculture, Fisheries & Livestock	18,444 (22.9)	21,624 (26.8)	16,960 (21.1)	23,532 (29.2)	**80,560** (28.4)
Communication	2,926 (30.1)	2,584 (26.6)	2,356 (24.2)	1,862 (19.1)	**9,728** (3.4)
Construction	19,006 (26.4)	15,953 (22.1)	17,501 (24.3)	19,651 (27.3)	**72,111** (25.4)
Education & Health	6,440 (29.6)	5,712 (26.2)	5,096 (23.4)	4,536 (20.8)	**21,784** (7.7)
English, ICTs & Life Skills	7,448 (30.7)	5,656 (23.3)	5,320 (21.9)	5,824 (24.0)	**24,248** (8.5)
Finance	4,020 (28.4)	3,060 (21.6)	3,510 (24.8)	3,585 (25.3)	**14,175** (5.0)
Hospitality	1,190 (25.5)	1,253 (26.8)	1,127 (24.1)	1,099 (23.5)	**4,669** (1.6)
Miscellaneous	16,120 (36.2)	11,024 (24.8)	8,528 (19.2)	8,840 (19.9)	**44,512** (15.7)
Transport	4,028	2,584	2,622	3,078	**12,312**

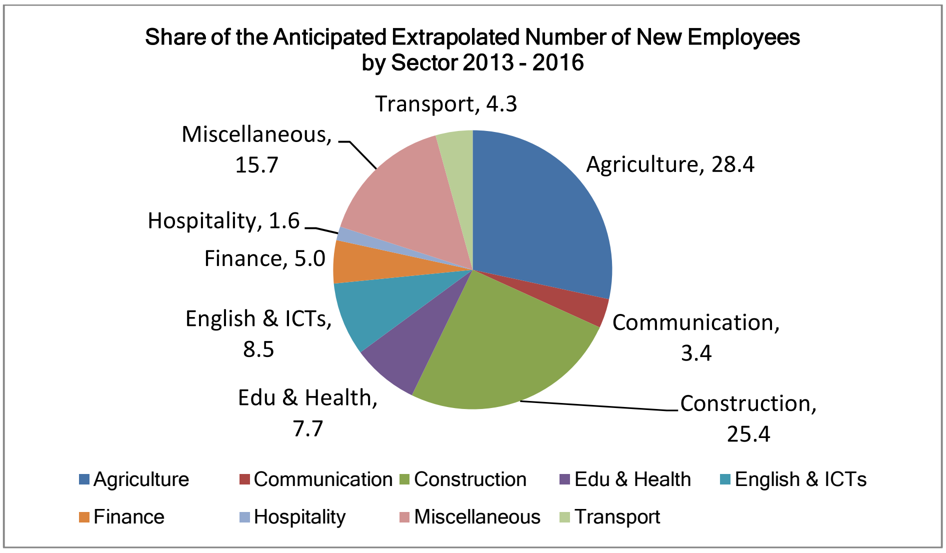
SECTOR	2015	2016	2017	2018	TOTAL
	(32.7)	(21.0)	(21.3)	(25.0)	(4.3)
TOTAL	**79,622** (28.0)	**69,450** (24.4)	**63,020** (22.2)	**72,007** (25.3)	**284,099** (100.0)

Though the agriculture sector's (broadly defined) contribution to the national GDP and the share of the employed people in the agriculture sector has been declining overtime nationally, in the NP the agriculture sector's contribution to the provincial GDP has been increasing after the end of the civil war in order to fulfill the pent-up demand created by long suppression of this sector during the time of conflict due to the economic embargo (severe restriction on fertilizer and pesticide supplies and supply of produce from the north to south) imposed by the government. The high demand for skilled labour in the construction sector is understandable because of the massive reconstruction activities taking place in the region since the end of the civil war. However, the high demand for skilled labour in both the agriculture and construction sectors would not be sustainable in the medium and long terms given the macroeconomic composition of the provincial economy and the experience of the eastern province in the aftermath of the civil war that ended in July 2007.[65]

The hospitality (4,669), communication (9,728), and transport (12,312) sectors are the ones expected to hire the least number of skilled personnel in the next four years. The foregoing sectors account for 1.6%, 3.4%, and 4.3% respectively of the total skilled labour requirement. (See the foregoing table and the following pie chart)

In between the foregoing extremes are finance (14,175 or 5.0%), education and health (21,784 or 7.7%), and English, ICTs, and life skills (24,248 or 8.5%) sectors. (See the foregoing table and the following pie chart)

[65] Sarvananthan, Muttukrishna, (2012), "Economic Drivers of Post-War Cities in Eastern Sri Lanka", *Economic Review*, Vol.38. Nos.7&8, October-November, pp39-46.



Ironically, in spite of women being the majority of the northern population (546,644 out of 1,058,762) accounting for 51.6% of the total population of the Northern Province (highest share of women after central and southern provinces), the demand for women in the skilled labour market is significantly low. Out of the total likely new recruits in all the sectors in the next four years the demand for men is overwhelming with 75.7% of the new recruits are likely to be men (214,966). Only 22.9% of the expected new recruits are likely to be women (65,064) and just 1.4% either of the sexes (4,069). (See the following table)

Only in the education cum health sector the demand for skilled women (58.9%) is greater than the demand for skilled men (40.6%). The demand for skilled women is relatively high in the miscellaneous (37.6%), English, ICTs, and life skills (35.6%), and finance (27.1%) sectors. On the other hand, transport (0.0%), construction (0.8%), communication (8.6%), and hospitality (18.4%) sectors are the least hospitable for women skilled workers. (See the following table)

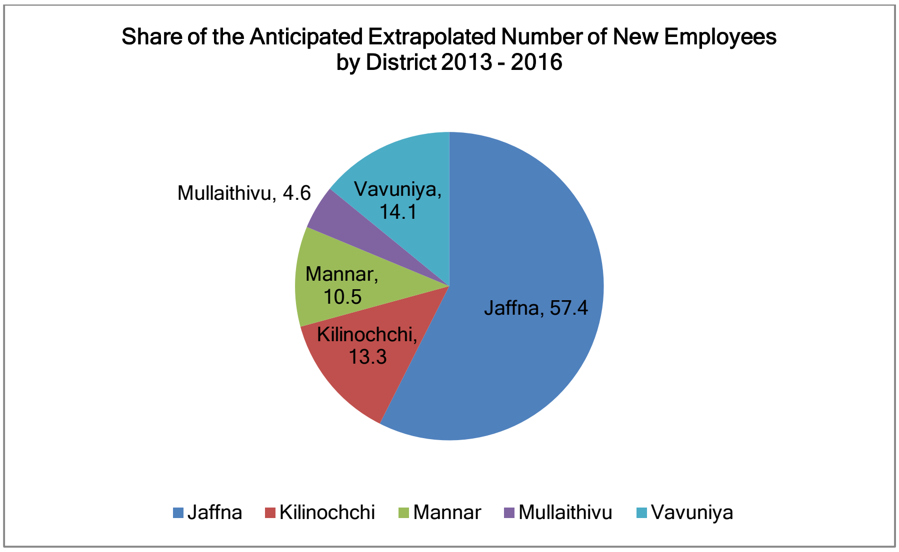
Summary of Demand for Skilled Labour by Sector and Gender

(Extrapolated data)

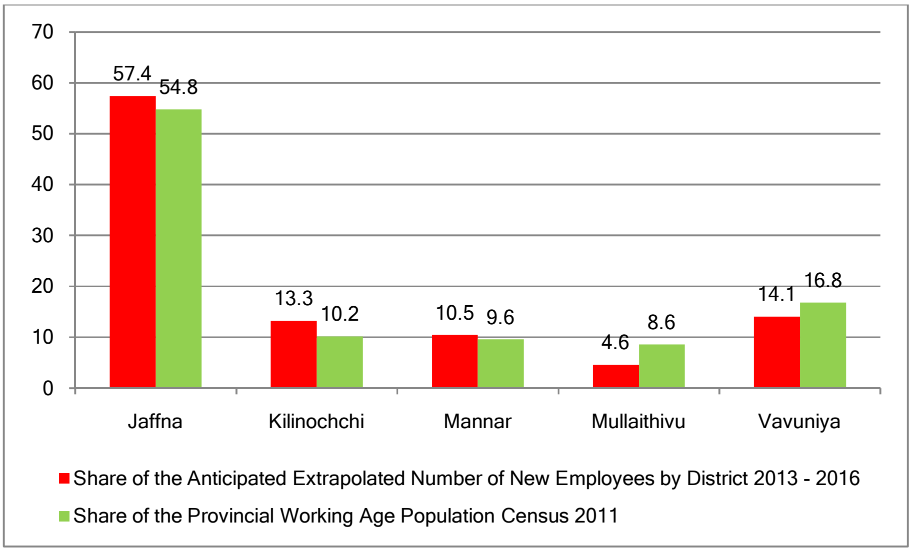
SECTOR	Female	Male	Female or Male	TOTAL
Agriculture, Fisheries & Livestock	20,776 (25.8)	59,784 (74.2)	0	**80,560** (28.4)
Communication	836 (8.6)	8,892 (91.4)	0	**9,728** (3.4)
Construction	559 (0.8)	71,552 (99.2)	0	**72,111** (25.4)
Education & Health	12,824 (58.9)	8,848 (40.6)	112 (0.5)	**21,784** (7.7)
English, ICTs & Life Skills	8,624 (35.6)	15,624 (64.4)	0	**24,248** (8.5)

Finance	3,840 (27.1)	7,890 (55.7)	2,445 (17.2)	**14,175** (5.0)
Hospitality	861 (18.4)	3,752 (80.4)	56 (1.2)	**4,669** (1.6)
Miscellaneous	16,744 (37.6)	26,312 (59.1)	1,456 (3.3)	**44,512** (15.7)
Transport	0	12,312 (100.0)	0	**12,312** (4.3)
TOTAL	**65,064** (22.9)	**214,966** (75.7)	**4,069** (1.4)	**284,099** (100.0)

Jaffna district is expected to generate the highest number of skilled employments in the north (162,944) accounting for 57.4% of the provincial total during the four year period 2013-16. Vavuniya district is expected to generate the second highest number of skilled employments (40,219) accounting for 14.1% of the total in the next four years. Kilinochchi district follows with anticipated 37,873 new employment generation that accounts for 13.3% of the total. Mannar district with 29,907 expected new employments in the next four years accounts for 10.5% of the provincial total. The least number of new employments in the province in the next four years is anticipated in the Mullaithivu district with 13,156 accounting for just 4.6% of the provincial total. (See the following pie chart) The sequencing of the districts in terms of the share of the anticipated extrapolated number of new employees is the same as the sequencing of the districts in terms of their respective populations corresponding to Census 2011 data.



The following bar chart compares the share of each district in the anticipated extrapolated number of new employment generation during 2013-16 with that of the share of each district in the total working age population (15-59 years) of the Northern Province. Accordingly, in Jaffna (+2.6), Kilinochchi (+3.1), and Mannar (+0.9) districts their respective share in the anticipated new employment generation is greater than their respective share in the provincial working age population. It is the reverse in Mullaithivu (-4.0) and Vavuniya (-2.7) districts. What the foregoing data could suggest is that businesses in Jaffna, Kilinochchi, and Mannar districts are relatively more upbeat than the businesses in Mullaithivu and Vavuniya districts as regards their respective economic prospects.



In Sri Lanka there is a significant gap between the total working age population (12,566,467) and the total number of employed population (8,196,927). That is, only 65.2% of the working age population is currently employed in all sectors of the economy. (See the following table) Even considering the fact that a fraction of the working age population could be still studying (at school, further and higher education institutions, and universities) or are unable to work due to disability or any other reason, the 34.8% of the non-working (but eligible) population is a grave cause for concern. This is primarily due to very low labour force participation of women throughout the country. Sri Lanka has the dubious distinction of having the lowest labour force participation by women in South Asia.[66]

There are significant variations in the share of the non-working population among the nine provinces. While Uva (14.1%), Sabaragamuwa (26.7%), and North Western (29.8%) provinces have the lowest shares of non-working population vis-a-vis the eligible working age population, Northern (53.3%) and Eastern (51.0%) provinces have the highest shares of non-working population vis-a-vis the eligible working age population in the country. According to the latest available data, while there was a total of 647,271 persons in the working age group (15-59 years old) in the Northern Province in 2011, only 302,488 were employed in 2011. (See the following table) Hence, a total of 344,783 eligible persons were NOT working in the NP for some reason or the other.

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[66] Nayar, Reema, et al, 2012, *More and Better Jobs in South Asia*, Washington D.C: The World Bank.

Of course part of the non-working population could be still studying or unable to work due to disability or any other legitimate reason. However, vast majority of the non-working population of 344,783 in the north may not be working due to lack of employment opportunities, which is a serious matter for consideration by the policymakers. Suppose we assume that only 200,000 persons (out of the 344,783) are really out-of-work in the north and the rest 144,783 are still at school, further or higher education institution or university, or unable to work due to disability or any other legitimate reason; even then a staggering 31.0% of the working age population (15-59 years old) is out-of-work in the NP.[67]

PROVINCE	Total Population Census 2011	Working Age Population 15 - 59 Years Old in 2011	Currently Employed Population in 2011	Currently Employed Population as a share of the Total Population	Currently Employed Population as a share of the Working Age Population
Central Province	2,558,716	1,544,321	956,210	37.4	61.9
Eastern Province	1,551,381	949,048	464,645	30.0	49.0
North Central Province	1,259,567	799,917	552,434	43.9	69.1
Northern Province	1,058,762	647,271	302,488	28.6	46.7
North Western Province	2,370,075	1,471,083	1,032,818	43.6	70.2
Sabaragamuwa Province	1,918,880	1,186,505	869,462	45.3	73.3
Southern Province	2,464,732	1,491,955	1,009,330	41.0	67.7
Uva Province	1,259,900	779,950	669,626	53.1	85.9
Western Province	5,821,710	3,696,417	2,339,914	40.2	63.3
Sri Lanka	20,263,723	12,566,467	8,196,927	40.5	65.2

Source: Columns 1&2 – Department of Census and Statistics, *Sri Lanka Census of Population and Housing 2011*.
http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3
Column 3 – Department of Census and Statistics, *Annual Labour Force Survey 2011*, pp 60.
http://www.statistics.gov.lk/samplesurvey/LFS%20Annual%20Report_2011.pdf

Under the context of nearly one-third of the eligible working age population (15-59 years old) in the Northern Province currently NOT working, the maximum number of new employment generation of 284,099 envisaged by our survey during the four year period (2013-16) appears to be a realistic estimation. The breakdowns of the number of personnel required in each and every skill category in each and every selected sector in each district are provided in Tables 2.1X – Table 2.9X in the appendices.

[67] 200,000 divided by 647,271 (total working age population in the NP) and multiplied by 100.

4.4. Change in the Number of Employees

The survey asked the respondents about the change/s in the total number of current employees compared to a year (twelve months) ago.

In the majority or highest number of enterprises in almost all the sectors the total number of employees remained unchanged compared to a year ago. In the agriculture, fisheries, and livestock (54.3% of the total respondents in the sector), communication (69.8% of the total respondents in the sector), education and health (56.0% of the total respondents), English, ICTs, and life skills (44.4% of the total respondents), hospitality (49.3% of the total respondents), miscellaneous (58.4% of the total respondents), and transport (61.5% of the total respondents) sectors the total number of employees remained the same compared to a year ago. But in significant shares of the enterprises in the agriculture, fisheries, and livestock (28.6%), education and health (36.0%), and English, ICTs, and life skills (30.6%) sectors the total number of employees increased during the last twelve months. (Appendix Table 3)

However, the highest number of enterprises in the construction sector (42.4% of the total respondents in the sector) and the majority of enterprises in the financial sector (55.0% of the total respondents) experienced an increase in the total number of employees in the last twelve months. But in significant shares of the enterprises in the construction (30.3%) and finance (25.0%) sectors the total number of employees remained unchanged compared to a year ago. (Appendix Table 3)

In Jaffna district the total number of employees in the majority or highest number of enterprises either increased (44.1% in construction and 45.5% in finance) or remained about the same (57.1% in agriculture, 70.8% in communication, 54.6% in education and health, 42.3% in English, ICTs, and life skills, 46.8% in hospitality, 58.7% in miscellaneous, and 60.0% in transport) during the last year. (Appendix Table 3)

In Kilinochchi district the total number of employees remained unchanged in majority of the enterprises in almost all the sectors; 80.0% of the enterprises in the agriculture sector, 66.7% in communication sector, 50.0% in education and health sector, 100.0% in English, ICTs and life skills (though just two respondents), 100.0% in finance (just one respondent), 60.0% in hospitality, and 100.0% in the transport sector. Ironically, in Kilinochchi district, 50.0% of the enterprises in the construction sector experienced a decrease in the number of employees over the past twelve months. (Appendix Table 3)

In Mannar district in eight out of nine sectors the number of employees remained unchanged in majority of the enterprises. However, in the construction sector 80.0% of the respondent enterprises experienced an increase in the number of employees in the past one year. (Table 3)

The number of employees increased in majority of the enterprises in six out of nine sectors in the Mullaithivu district in the past twelve months. In the education and health, hospitality (but just one respondent), and transports sectors the number of employees remained the same compared to twelve months ago. (Appendix Table 3)

The number of employees remained unchanged in majority of the enterprises in seven sectors (agriculture, communication, education and health, English, ICTs, and life skills, hospitality, miscellaneous, and transport), increased in majority of enterprises in four sectors (construction, education and health, English, ICTs, and life skills, and finance), and decreased in majority of enterprises in just one sector (transport) in the Vavuniya district. (Appendix Table 3)

In sum, there was no change or an increase in the total number of employees in most of the enterprises in all the sectors and all the districts in the Northern Province, which indicates reasonably stable business environment. This result is in line with the fact that NP experienced the highest nominal growth rate of the provincial economy (PGDP) among the nine provinces in the country in the last couple of years (2011 and 2012).

4.5. Difficulties in Filling Vacancies

To the question whether the enterprises are finding difficult to fill existing vacancies the majority of the respondents in all the sectors indicated ‘no’. Thus, 62.9% of the respondents in the agriculture sector, 72.1% in the communication sector, 54.6% in construction, 66.7% in education and health, 50.0% in English, ICTs, and life skills, 60.0% in finance, 56.2% in hospitality, 59.7% in miscellaneous, and 61.5% of the respondents in the transport sector did not find any difficulty in filling vacancies. (Appendix Table 4)

However, substantial proportion of the enterprises in all the sectors did experience difficulty in filling existing vacancies; 37.1% in agriculture, 27.9% in communication, 49.9% in construction, 31.4% in education and health, 50.0% in English, ICTs, and life skills, 40.0% in finance, 39.1% in hospitality, in 38.9% miscellaneous, and 38.5% in the transport sector. (Appendix Table 4)

In majority of enterprises in the agriculture (50.0%), construction (55.9%), English, ICTs, and life skills (53.9%), miscellaneous (50.0%), and transport (55.0%) sectors Jaffna district do experience difficulties in filling vacancies. In majority of the enterprises in the communication (66.7%), education and health (61.8%), finance (54.5%), and hospitality (58.3%) sectors Jaffna district does not find difficulties in filling vacancies. (Appendix Table 4)

Ironically, overwhelming majority of enterprises in all the sectors in Kilinochchi district did not find difficulties in filling vacancies; agriculture 80.0%, communication 83.3%, construction 70.0%, education and health 66.7%, English, ICTs, and life skills 100.0% (just two respondents), finance 100.0% (just one respondent), hospitality 60.0%, miscellaneous 100.0%, and transport 100.0%. (Appendix Table 4)

In contrast, overwhelming majority of enterprises in all but one sector in Mannar did experience difficulties in filling vacancies; agriculture 75.0%, communication 100.0% (just two respondents), construction 60.0%, education and health 66.7% (just three respondents), English, ICTs, and life skills 100.0% (just two respondents), finance 100.0% (just one respondent), hospitality 100.0% (just three respondents), and miscellaneous 50.0%. Only the majority of enterprises (66.7% of just three respondents) in the transport sector in Mannar did not find difficulty filling vacancies. (Appendix Table 4)

The majority of enterprises in all but one sector (miscellaneous) in Mullaithivu district also did not experience any difficulties filling vacancies, which is surprising. However, the number of respondents in all the sectors in Mullaithivu district is quite low (1-4). The overwhelming majority of enterprises in all the sectors in Vavuniya district did not find difficulties in filling vacancies. (Appendix Table 4)

In sum, only in Jaffna and Mannar districts the majority of enterprises in most sectors do experience difficulties in filling vacancies. However, across all the sectors filling of vacancies is not a serious problem.

4.6. Causes of Difficulties in Filling Vacancies

If the respondents had replied ‘yes’ to the previous question they were asked to identify the causes for the difficulties faced filling vacancies in their respective establishments. Therefore, the total number of respondents to this question in each sector would be the total number of respondents who answered ‘yes’ to the previous question in the corresponding sector. Multiple answers were solicited.

In the agriculture sector, majority of the respondents identified lack of work experience of applicants (53.8%), poor terms and conditions of employment (especially remuneration) (53.8%), or too few (or no) applicants (53.8%) as the major causes for the difficulty in filling vacancies. Seasonal work in the agriculture sector also was a cause for significant number of enterprises (38.5%). (Appendix Table 5)

Poor pay (and other terms & conditions) (58.1%), few or no applicants (50.0%), lack of work experience (41.5%), and insufficient quality of applicants (33.3%) are the major causes identified by significant number of respondents in the communication sector. (Appendix Table 5)

Insufficient quality of applicants (65.5%), poor pay and terms and conditions (48.3%), lack of work experience (44.8%), and low number or no applicants (44.8%) dominate the causes for the difficulty in filling vacancies in the construction sector. (Appendix Table 5)

In the education and health sector, insufficient quality of applicants (75.0%), low number of applicants (56.3%), lack of relevant work experience (50.0%), and poor terms and conditions including poor pay (50.0%) were identified as the major causes for the difficulties in filling vacancies. (Appendix Table 5)

In the English language, ICTs, and life skills sector, inadequate quality of applicants (77.8%), lack of relevant work experience (50.0%), and low number of applicants (50.0%) have been the major causes. (Appendix Table 5)

No or few applicants (50.0%) and outdoor nature of work (37.5%) were the causes identified in the finance sector. (Appendix Table 5) The outdoor nature of work largely applies to insurance and leasing businesses.

In the hospitality sector, inadequate quality of applicants (68.0%), lack of relevant work experience (64.0%), no or few applicants (64.0%), and poor terms and conditions (e.g. pay) (36.0%) are the main causes for difficulties in filling vacancies. (Appendix Table 5)

Poor pay and/or terms and conditions (50.0%), insufficient quality of applicants (46.4%), lack of job experience (46.4%), and no or few applicants (32.1%) are the main factors causing difficulties in filling vacancies in the miscellaneous sector. (Appendix Table 5)

In the transport sector, inadequate quality of applicants (53.3%), poor pay and other terms and conditions (53.3%), and lack of job experience (46.7%) have been identified as the main factors hampering filling vacancies. (Appendix Table 5)

In summary, poor pay (and terms and conditions of employment generally), inadequate quality of applicants, lack of work experience, and low number of applicants cause difficulties in filling vacancies in all the nine selected sectors and all the five districts in the Northern Province. (See the following table)

SECTOR	Poor Pay	Lack of Work Experience	Poor Quality of Applicants	Low Number of Applicants
Agriculture, Fisheries & Livestock	53.8	53.8	30.8	53.8
Communication	58.1	41.5	33.3	50.0
Construction	48.3	44.8	65.5	44.8
Education & Health	50.0	50.0	75.0	56.3
English, ICTs & Life Skills	22.2	50.0	77.8	50.0
Finance	12.5	25.0	25.0	50.0
Hospitality	36.0	64.0	68.0	64.0
Miscellaneous	50.0	46.4	46.4	32.1
Transport	53.3	46.7	53.3	26.7

4.7. Proficiency in Occupation

The survey tried to find out whether the existing staff could not perform their job tasks due to insufficient proficiency in their job. Vast majority of respondents in all the sectors under consideration answered negative (‘no’) to this question.

That is, 80.0% of enterprises in agriculture, 86.0% of enterprises in communication, 78.8% of enterprises in construction, 74.5% of enterprises in education and health, 75.0% of enterprises in English, ICTs, and life skills, 95.0% of enterprises in finance, 79.7% of enterprises in hospitality, 80.6% of enterprises in miscellaneous, and 82.0% of enterprises in transport sector opined that their staff were of sufficient proficiency to complete the tasks assigned. (Appendix Table 6) That is, enterprises were content with the proficiency of their workforce.

Only in the English, ICTs, and life skills sector in the Mannar district one out of two respondents (50.0%) indicated that the staff could not fulfill tasks due to insufficient proficiency. (Appendix Table 6)

4.8. Occupational Categories in which there is lack of Proficiency

If the respondents had answered ‘yes’ to the previous question the survey requested them to identify the occupational categories or specific tasks in which their staffs lack proficiency. Only 70 out of the total 425 respondents (16.5%) in all the sectors indicated that their staffs lack proficiency in their respective job.

Paddy processing (in Jaffna) and rice milling (in Mannar) are the occupations in the agriculture sector where staff lack proficiency in their job. In the communication sector staffs lack proficiency in the repair of latest cell phones and LCD/LED televisions in Mannar district. In the construction sector masons lack knowledge of technical terms and instruments (in Mannar), lack of resource management (in Jaffna), lack of proficiency in electrical wiring and of technicians in Vavuniya district are some of the drawbacks of the staff. (Appendix Table 7)

Under-qualified teachers and pharmacists (in Jaffna) and lack of proficiency in preschool teaching (in Jaffna), nursing (in Jaffna and Kilinochchi), pharmacology (in Kilinochchi), and accounting (in Mannar) are the drawbacks in the education and health sector in the north. In the English language, ICTs, and life skills sector, teaching by under-qualified persons (in Jaffna), lack of teaching techniques and teacher training (in Jaffna), and lack of management/accounting/communication skills (in Kilinochchi district) are the deficiencies among the staff. Lack of insurance consultants in Jaffna is a drawback in the finance sector. (Appendix Table 7)

In the hospitality sector, lack of proficiency among chefs, accounting staff, and waiters and lack of leadership, problem solving skills, and public communication skills in the Jaffna district are the drawbacks. In the miscellaneous sector, tailoring, button fixing, photographing, video recording/editing/designing, computer applications (all in Jaffna district), and manual dexterity at the workshop in Mannar district lack proficiency. There is lack of proficiency in boat sailing and spoken language of drivers in Jaffna in the transport sector. (Appendix Table 7)

4.9. Competency Deficit

The survey asked the respondents to identify lack of competency of their staff in twenty different varieties of skills such as (i) adapting to new equipments/materials (ii) advanced IT applications/development (iii) clerical and administrative tasks (iv) customer handling (v) IT literacy/use of computers (vi) knowledge of foreign language (vii) learning new ideas, methods, or concepts (viii) literacy (ix) management responsibilities/taking a lead (x) manual dexterity (xi) numeracy (xii) oral communication (xiii) planning and organising (xiv) pro-environmental tasks such as resource efficiency, energy and water saving, limiting pollution/waste, and recycling (xv) public speaking/instructing/training (xvi) solving complex problems/tasks (xvii) taking initiative (xviii) team working (xix) time conserving, and (xx) written communication.

It is important to note that substantial number of respondents did not answer this question for some reason or the other. The following are the shares of unanswered respondents in different sectors; agriculture, fisheries, and livestock 37.1% of the total respondents (13 out of 35), communication 39.5% (17 out of 43), construction 43.9% (29 out of 66), education and health 23.5% (12 out of 51), English, ICTs, and life skills 36.1% (13 out of 36), finance 60.0% (12 out of 20), hospitality 38.1% (24 out of 63), miscellaneous 36.1% (26 out of 72), and transport 48.7% (19 out of 39). (Appendix Table 8) The high number of unanswered respondents in all the sectors could be due to combination of complexity and/or excessive length of the question.

In the agriculture sector, adapting to new equipment/materials (11 out of 35 enterprises), manual dexterity (7 enterprises), IT literacy/use of computers (6), advanced IT applications/development (6), and pro-environmental tasks such as resource efficiency, energy and water saving, limiting pollution/waste and recycling (6 out of 35 enterprises) are the skills in which staff of considerable number of enterprises lack competency. (Appendix Table 8)

Knowledge of foreign language (English & Sinhala) (10 out of 43 enterprises), IT literacy/use of computers (8), advanced IT applications/development (7), adapting to new equipments/ materials (6), and solving complex tasks/problems (5 out of 43 enterprises) are the skills that lack competency among the staff of considerable number of enterprises in the communication sector in the north. (Appendix Table 8)

Advanced IT applications/development (14 out of 66 enterprises), adapting to new equipments/materials (12), learning new ideas, methods, or concepts (12), knowledge of foreign language (10), IT literacy/use of computers (8), manual dexterity (8), and solving complex tasks/problems (8 out of 66 enterprises) are the skills that lack competency among the staff of considerable number on construction enterprises in the north. (Appendix Table 8)

In the education and health sector, IT literacy/use of computers (20 out of 51 enterprises), knowledge of foreign language (English and Sinhala) (15), advanced IT applications/development (7), and learning new ideas, methods and concepts (7 out of 51 enterprises) are the skills that lack competency among the staff of considerable number of enterprises. (Appendix Table 8)

Advanced IT applications/development (8 out of 36 enterprises), knowledge of foreign language (English and Sinhala) (7), customer handling (6), learning new ideas, methods and concepts (6), and solving complex tasks/problems (6 out of 36 enterprises) are the skills in which staff of considerable number of enterprises in the English, ICTs, and life skills sector lack competency. (Appendix Table 8)

Knowledge of foreign languages (English and Sinhala) (4 out of 20 enterprises), learning new ideas, methods, and concepts (4), adapting to new equipments/materials (2), advanced IT applications/development (2), planning and organising (2), pro-environmental tasks (2), public speaking/instructing/training (2), solving complex tasks/problems (2), taking initiative (2), and team working (2 out of 20 enterprises) are the skills that lack competency among the staff of considerable number of enterprises in the financial sector. (Appendix Table 8)

In the hospitality sector, customer handling (17 out of 63 enterprises), knowledge of foreign languages (English and Sinhala) (17), manual dexterity (10), and pro-environmental tasks such as resource efficiency, energy and water saving, limiting pollution/waste and recycling (10 out of 63 enterprises) are the skills in which staff of considerable number of enterprises lack competency. (Appendix Table 8)

Knowledge of foreign languages (14 out of 72 enterprises), adapting to new equipments or materials (13), IT literacy/use of computers (11), and learning new ideas, methods and concepts (11 out of 72 enterprises) are the skills that lack competency among the staff of considerable number of enterprises in the miscellaneous sector. (Appendix Table 8)

In the transport sector, adapting to new equipments or materials (10 out of 39 enterprises), knowledge of foreign languages (English and Sinhala) (9), advanced IT applications/development (7), and solving complex tasks and problems (7 out of 39 enterprises) are the skills in which staff of considerable number of enterprises lack competency. (Appendix Table 8)

4.10. Training Courses

The survey wanted to find out whether internal or external training courses were conducted for the staff at the cost of the respondent firm (partly or wholly) in the past one year.

The result was that vast majority of the respondent firms in almost all the sectors did not provide such training to its staff; 71.4% of the firms (25 out of 35) in the agriculture, fisheries, and livestock sector, 86.0% (37 out of 43 enterprises) in the communication sector, 78.8% (52 out of 66) in the construction sector, 49.0% (25 out of 51) in the education and health sector, 69.8% (44 out of 63) in the hospitality sector, 77.8% (56 out of 72) in the miscellaneous sector, and 84.6% (33 out of 39 enterprises) in the transport sector. (Appendix Table 9)

In contrast, 95.0% of the firms in the financial sector (19 out of 20) did provide some training or the other to its staff during the past year. Moreover, significant number of firms in the English language, ICTs, and life skills (19 out of 36 or 52.8%) and education and health (22 out of 51 or 43.1%) sectors also did provide some training or the other to its staff in the past one year. Only 123 out of 425 enterprises did provide any sort of training to its staff in the past year, which is 28.9% of the total. (Appendix Table 9)

Relatively higher proportion of enterprises in most sectors in the Vanni districts did not provide training to its staff compared to the enterprises in the Jaffna district. (Table 9) This may indicate relatively lower capacity of the enterprises/entrepreneurs in the Vanni.

4.11. Type of Training Courses

If the respondents had answered 'yes' to the previous question then the survey wanted to find out the type of trainings provided. Multiple answers were afforded. As noted above only 28.9% or 123 out of 425 enterprises did provide some sort of training to its staff in the last one year.

Induction training (five out of seven or 71.4% of the total) and occupational health and safety (five out of seven or 71.4%) were the trainings offered by most number of enterprises to its staff in the agriculture, fisheries, and livestock sector. Induction training (four out of six or 66.7%) and IT training (3 out of 6 or 50.0% of the total) were offered to the staff of most number of enterprises in the communication sector. In the construction sector, induction training (eight out of twelve or 66.7% of total respondents), occupational health & safety (six out of twelve or 50.0%), and training in new technology/product/service (five out of twelve or 41.7%) were offered by significant number of firms. (Appendix Table 10)

Induction training (twelve out of twenty two or 54.5%), occupational health and safety (eleven out of twenty two or 50.0%), foreign language (English and Sinhala) (nine out of twenty two or 40.9%), and literacy/numeracy (nine out of twenty two or 40.9%) were the trainings provided by significant number of firms in the education and health sector. In the English language, ICTs and life skills sector, IT training (fifteen out of nineteen or 79.0%) and induction training (eight out of nineteen or 42.1%) were provided by large number of enterprises. Accounting and finance (thirteen out of nineteen or 68.4%), management and administration (thirteen out of nineteen or 68.4%), and induction training (nine out of nineteen or 47.4%) were the trainings provided to the staff by majority of the institutions in the financial sector last year. (Appendix Table 10)

In the hospitality sector, induction training (fourteen out of nineteen or 73.7%) and occupational health and safety (thirteen out of nineteen or 68.4%) were the trainings offered to its staff by majority of the businesses. Induction training (eleven out of thirteen or 84.6%) was the only training provided to the staff of overwhelming majority of enterprises in the miscellaneous sector in the past one year. In the transport sector, induction training (four out of six or 66.7%) and training in new technology, product, or service (three out of six or 50.0%) were the trainings offered to staff in majority of enterprises. (Appendix Table 10)

Induction training and occupational health and safety training are the most common trainings provided to the staff of businesses in most sectors.

4.12. Difficulty in Organising Training Courses or Finding Trainers

The survey wanted to know whether businesses experienced any difficulty in organising training courses or finding trainers.

A significant majority of respondent businesses in all the sectors under consideration did not experience any difficulty in organising training courses or finding trainers; 54.3% of the businesses (19 out of 35) in the agriculture, fisheries, and livestock sector, 72.1% of the businesses (31 out of 43) in the communication sector, 56.1% businesses (37 out of 66) in the construction sector, 58.8% (30 out of 51) in the education and health sector, 58.3% (21 out of 36) in the English, ICTs, and life skills sector, 80.0% (16 out of 20) in the financial sector, 65.1% (41 out of 63) in the hospitality sector, 55.6% (40 out of 72) in the miscellaneous sector, and 71.8% of businesses (28 out of 39) in the transport sector did not find any difficulty organising training courses or finding trainers. (Appendix Table 11)

However, considerable number of businesses in construction (19.7% or 13 out of 66 businesses), education and health (29.4% or 15 out of 51 businesses), English, ICTs, and life skills (36.1% or 13 out of 36), hospitality (27.0% or 17 out of 63), and miscellaneous (23.6% or 17 out of 72) sectors did experience difficulty in organising training courses or finding trainers. (Appendix Table 11)

A relatively higher proportion of enterprises in most of the sectors in the Vanni districts experienced difficulty in organising training courses or finding trainers than in the Jaffna district. (Appendix Table 11)

4.13. Reasons for the Difficulties in Organising Training Courses or Finding Trainers

If the respondents had answered ‘yes’ to the foregoing question the survey wanted to find out the main reason/s for the difficulties in organising training courses or finding trainers. Multiple answers were afforded to this question. Only 93 respondents in total answered ‘yes’ to the foregoing question.

Accordingly, for five out of six (or 83.3%) respondents in the agriculture sector there was no or poor information on availability of courses or trainers and there were no courses or trainers available. Three out of six (or 50.0%) businesses in the communication sector had poor information about courses and trainers available and had no courses or trainers. Besides, two out of six businesses in the communication sector also cited low quality of courses and trainers available. No or poor information about course and trainer availability (10 out of 13 businesses), no courses or trainers available (13 out of 13 businesses), and poor quality of courses and/or trainers available (4 out of 13 businesses) are the reasons cited by large number of construction firms. (Appendix Table 12)

In the education and health sector, eleven out of fifteen businesses (73.6%) cited both poor (or no) information about courses and trainers and no courses and trainers available and four out of fifteen (26.7%) businesses cited low quality of available courses and trainers. No or poor information on courses and/or trainers (7 out of 13 or 53.8%), non-availability of courses and/or trainers (8 out of 13 or 61.5%), and poor quality of courses and/or trainers (4 out of 13 or 30.8%) were the reasons for difficulties faced by businesses to organise training courses and/or finding trainers in the English language, ICTs, and life skills sector. In the financial sector just two out of twenty respondents claimed that they had faced difficulties in organising training courses or finding trainers and both claimed that no or poor information about courses/trainers and unavailability of courses/trainers were the causes for difficulties in organising training courses or finding trainers for their staff (Appendix Table 12)

In the hospitality sector, almost all the respondents claimed that they could not find any courses or trainers (16 out of 17 or 94.1%). Besides, thirteen (76.5%) of them also said there was no or poor information about courses or trainers. Vast majority of respondents (15 out of 17) in the miscellaneous sector did not have information about courses or trainers. Ten of them (58.8%) also claimed there were no courses or trainers available. In the transport sector all four respondents claimed there were no courses/trainers; two of them also claimed lack of information about courses/trainers and poor quality of available courses/trainers. (Appendix Table 12)

4.14. Skills in which there is Shortage of Courses or Trainers

The survey requested the names of specific skills in which there is shortage of courses or trainers in different sectors and districts. This was an open-ended question. The respondents mentioned numerous skills/fields where there is a shortage of courses and trainers.

Agriculture, fisheries, and livestock, construction, education and health, English, ICTs, and life skills, hospitality, and miscellaneous sectors identified the most number of shortages of courses or trainers. These shortages are most commonly identified in Jaffna district, also in other districts as well. (See the following table)

Fields of training- shortages of courses/ trainers	Sector	District
Dry/ Can fish processors	Agriculture	Jaffna
Machinery operation/ packing	Agriculture	Mannar
Harvester machinery operator	Agriculture	Mannar
Occupational health & safety	Agriculture	Vavuniya
Latest technology, Basic English knowledge	Communication	Mannar
Modern equipment, English	Communication	Mannar
Electric wiring person	Construction	Jaffna
Making statues, machine work	Construction	Jaffna
Electric wiring persons	Construction	Jaffna
Draught persons, technical officers, Masons	Construction	Jaffna
Masons, technical officers, carpenters, plumbing, electrical, tiling etc	Construction	Jaffna
Resource management skill of masons, technical officers & labourers	Construction	Mannar
Lack of construction training institute	Construction	Mannar
English	Education & Health	Jaffna
Eye & other medical services	Education & Health	Jaffna
Pre-school teachers	Education & Health	Jaffna
Pharmacology (courses related medicines)	Education & Health	Jaffna
Nurses	Education & Health	Kilinochchi
Pharmacists	Education & Health	Kilinochchi/Mannar
Hardware repair	English, ICTs, life skills	Jaffna/Mullaithivu
English, IT, Occupational trainings	English, ICTs, life skills	Jaffna/Kilinochchi
Software repairers, latest mobile phone repairers	English, ICTs, life skills	Mannar
Bank customer care training	Financial	Jaffna
Insurance consultancy training	Financial	Jaffna
Customer care services, Waiters	Hospitality	Jaffna
Customer relationship, cookery techniques, finance/resource management	Hospitality	Jaffna
Tourism training	Hospitality	Jaffna
Preparing new foods with technical support	Hospitality	Jaffna

Fields of training- shortages of courses/ trainers	Sector	District
Bridal dressing, Beauty treatments	Hospitality	Jaffna
Trainings related to cookery	Hospitality	Jaffna
Cake making/baking	Hospitality	Jaffna
Chef-customers relationship	Hospitality	Mannar
Communicating with customers & Management; Problem solving	Hospitality	Mannar
Food preparation hygiene, administration	Hospitality	Vavuniya
Modern tailoring methods	Miscellaneous	Jaffna
Shoe making	Miscellaneous	Jaffna
Cloth cutting, coat stitching	Miscellaneous	Jaffna
Editing Photos/ Videos	Miscellaneous	Jaffna
Software applications, photography techniques	Miscellaneous	Jaffna
Passenger boat sailor	Transport	Jaffna
Automobile mechanics, Diesel mechanics	Transport	Mannar

4.15. Skills in which there is Low Quality of Courses or Trainers

The survey also wanted to know the skills in which there is low quality of courses or trainers in different sectors and districts. This was an open-ended question as well. The following are the skills/fields that have low quality of courses or trainers in different sectors and districts.

Relatively lesser number of businesses identified specific skills/fields in which there is low quality of courses or trainers.

Fields of training- low quality of courses/ trainers	Sector	District
Electric wiring persons	Construction	Jaffna
Making statues, machine work	Construction	Jaffna
English, computer	Education & Health	Jaffna
Pre-school teachers	Education & Health	Jaffna
Diploma in tourisms trainings	English, ICTs & Life Skill	Jaffna
English language, technology	English, ICTs & Life Skill	Jaffna
Hardware	English, ICTs & Life Skill	Jaffna
Technical trainings, English	English, ICTs & Life Skill	Mannar
Hardware	English, ICTs & Life Skill	Mullaithivu
Leasing officers	Financial	Jaffna

Fields of training- low quality of courses/ trainers	Sector	District
Making cakes in new designs	Hospitality	Jaffna
No courses/training institutes/trainers	Hospitality	Jaffna/Mannar
Cutting work, coat stitching	Miscellaneous	Jaffna
Digital Bluetooth technology	Miscellaneous	Jaffna
Making TOP - footwear	Miscellaneous	Jaffna
Operating new machinery	Miscellaneous	Jaffna
Tailoring using Latest machineries	Miscellaneous	Jaffna
Using technical instruments of manual operators	Miscellaneous	Mannar
Automobile mechanics	Transport	Jaffna

4.16. New Products, Services, Technologies, or Markets

The survey tried to find out whether the businesses in the north are planning to introduce new products, services, or technology or expand/switch to new markets. The following results indicate that businesses in the north are substantially upbeat about their business prospects.

The majority of businesses in the agriculture, fisheries, and livestock sector (74.3% of the total respondents in the sector), construction (63.6%), education and health (54.9%), English, ICTs, and life skills sector (77.8%), finance (65.0%), hospitality (65.1%), and miscellaneous (56.9%) sectors, and substantial businesses in communication (39.5%) and transport (48.7%) sectors expressed their desire to introduce new products/services/technology or looking forward to expanding/switching markets. (Appendix Table 15)

Only the businesses in the communication sector (53.5% of the respondents had no intention) and transport sector (48.7% of the respondents) were relatively mute about introducing new products/services/technology or expanding/switching markets. Besides, considerable number of businesses in the construction (34.8%), education and health (37.2%), finance (30.0%), hospitality (31.7%), and miscellaneous (34.7%) sectors also were not inclined to introduce new products/services/technology or expand/switch to new markets. (Appendix Table 15)

4.17. Adapting to New Products, Services, Technologies, or Markets

The businesses those responded positively to the foregoing question were asked whether they would (i) train the existing staff, (ii) re-organise the existing staff, or (iii) hire new staff in order to carry-out the introduction of new products/services/technologies or expand/switch markets. Multiple options could be chosen.

It appears that most of the businesses in all the sectors would choose combination of all three foregoing options. However, highest number/share of respondents in all the sectors proposes to hire new staff. Thus, 80.8% (21) of the businesses in the agriculture sector, 70.6% (12) in the communication sector, 90.5% (38) businesses in the construction sector, 64.3% businesses in the education and health sector (18) and English, ICTs, and life skills sector (18), 84.6% (11) businesses in the financial sector, 82.9% (34) businesses in the hospitality sector, 70.7% (29) businesses in the miscellaneous sector, and 73.7% (14) businesses in the transport sector propose to hire new employees. (Appendix Table 16)

CHAPTER 5

Supply to and Supply of Vocational Education Courses

5.0. Introduction

This chapter identifies the supply of potential students to vocational study courses and the available (supply of) vocational study courses in the Northern Province (NP) of Sri Lanka. We identify 15-24 years as the prime age group in which youngsters are expected (or could be inclined) to undertake vocational education. Put it another way, we take for granted that the demand for vocational study courses is greatest among the 15-24 years old population group.

There are number of vocational education courses offered by various private (including non-governmental organisations - NGOs) and public vocational education institutions throughout the country. However, the variety of vocational education courses offered by the institutions in the Northern Province is very limited. Above all, the quality of available courses is of critical concern to this VET Plan.

5.1. Market Size of Vocational Education

According to the Enumeration of Vital Events in the NP in 2011 there were a total of 186,912 people in the age group of 15-24 years old; 95,091 or almost 51% females and 91,821 or almost 49% males. Of course some of the foregoing population would still be at school, university or other higher or further educational institution (Sri Lanka law College, Institute of Chartered Accountants of Sri Lanka (ICASL), National Institute of Business Management (NIBM), Sri Lanka Institute of Information Technology (SLIIT), etc), or simply may have opted to work instead of study. Professional study courses such as accountancy and law have a greater demand than vocational study courses throughout the country especially in cities and towns.

This author would guesstimate that out of the total population in the age group of 15-24 years old (186,912) about 10% (18,691) could be potential candidates for vocational education. However, there were only 4,715 students passing-out from all the public sector vocational education institutions in 2012 in the NP according to the data provided by TVEC to this author. In addition there were 1,327 students passing-out of sixteen out of thirty four private (including NGO) vocational training institutions according to the same source (data for the rest eighteen private institutions is unavailable). Thus, roughly there are 6,000-7,000 students passing-out of all the private and public vocational education institutions in the NP recently which falls far short of the almost 18,700 potential candidates for vocational education guesstimated above.

Total Number of Potential Candidates for Vocational Education
2011

	Female 15 - 24 years	Male 15 - 24 years	Total 15 - 24 years
Northern Province	**95,091**	**91,821**	**186,912**
Jaffna	54,543	52,149	106,692
Kilinochchi	9,324	8,868	18,192
Mannar	8,714	8,980	17,694
Mullaithivu	6,126	5,839	11,965
Vavuniya	16,384	15,985	32,369

Source: Department of Census and Statistics, *Enumeration of Vital Events 2011 - Northern Province*, http://www.statistics.gov.lk/PopHouSat/VitalStatistics/EVE2011_FinalReport.pdf

As expected Jaffna district has the highest number of people in the 15-24 years old group (106,692 out of 186,912 or 57% of the total) followed by Vavuniya (32,369 or 17% of the total), Kilinochchi (10% of the total), Mannar (9.5% of the total), and Mullaithivu (6.5% of the total) more or less in line with the district-wise share of the total population of the province (see Table 4 in Chapter 2).

5.2. Drop Outs at G.C.E. O/L

The examination at end of grade ten is the first public examination faced by students in Sri Lanka, which is called the General Certificate of Education (G.C.E.) Ordinary Level (O/L). Island wide about 57% of the students who appeared for the G.C.E. O/L passed or qualified to pursue grade eleven and twelve, which is called the General Certificate of Education (G.C.E.) Advanced Level (A/L), in 2008 and 2010. The G.C.E. A/L is the highest secondary education qualification in the country.

Therefore, the drop-out rate at the G.C.E. O/L examination was 42-43% island wide.

G.C.E. O/L pass rates	2008		2009		2010	
	Number of Students Appeared for O/L	Number of students qualified for A/L	Number of Students Appeared for O/L	Number of students qualified for A/L	Number of Students Appeared for O/L	Number of students qualified for A/L
Sri Lanka	**282,582**	**160,579 (56.8)**	**313,560**	**151,901 (48.4)**	**328,984**	**189,565 (57.6)**
Northern Province	**15,895**	**8,551 (53.8)**	**18,770**	**8,128 (43.3)**	**21,659**	**11,485 (53.2)**
Jaffna	9,009	5,079 (56.4)	11,068	5,184 (46.8)	11,067	6,089 (55.0)
Kilinochchi	1,783	632 (35.5)	1,920	336 (17.5)	3,043	1,288 (42.3)
Mannar	1,090	613 (56.2)	1,552	708 (45.6)	1,856	1,007 (54.3)
Mullaithivu	1,691	650 (38.4)	1,267	267 (21.1)	2,177	980 (45.0)
Vavuniya	2,322	1,577 (65.3)	2,963	1,633 (55.1)	3,516	2,121 (60.3)

Source: Department of Examinations, *Statistical Handbook 2008-2010*, pp58. http://www.doenets.lk/exam/docs/ebooks/Statistical-Handbook-2008-2010.pdf

In the Northern Province the pass rate at the G.C.E. O/L was about 53% in 2008 and 2010 which was marginally lower than the island wide pass rate. District-wise all the districts barring Vavuniya in the NP had a lower pass rate than the national average. Vavuniya district had a pass rate of 65% in 2008, 55% in 2009, and 60% in 2010.

5.3. Drop Outs at G.C.E. A/L

At the G.C.E. A/L examination during 2008-2010, the pass rate in the NP was considerably higher than that of the countrywide average in 2008 and 2009 and marginally higher in 2010. While the countrywide pass rate at the G.C.E. A/L in 2008 was 62% it was 75% in NP (gap of 13%). Similarly, while the average pass rate in the country was 60% in 2009, it was 69% in NP (gap of 9%). However the gap narrowed in 2010 to 61% island wide and 65% in the north (gap of 4%).

Hence, while the drop-out rate at the G.C.E. A/L examination in the country was 38-40% during 2008-2010 period it was 25-31% in the NP in the same period. The pass rate in the G.C.E. A/L examination was highest in the Vavuniya district; 77% in 2008, 73.5% in 2009, and 67% in 2010 and lowest in Kilinochchi district; 71.5% in 2008, 57% in 2009, and 62% in 2010.

G.C.E. A/L pass rates	2008		2009		2010	
	Number of Students Appeared for A/L	**Number of students qualified to enter University**	**Number of Students Appeared for A/L**	**Number of students qualified to enter University**	**Number of Students Appeared for A/L**	**Number of students qualified to enter University**
Sri Lanka	**210,102**	**130,141 (61.9)**	**207,536**	**125,146 (60.3)**	**233,354**	**142,415 (61.0)**
Northern Province	**11,072**	**8,255 (74.6)**	**11,054**	**7,673 (69.4)**	**12,934**	**8,398 (64.9)**
Jaffna	7,910	5,884 (74.4)	7,884	5,507 (69.9)	8,011	5,224 (65.2)
Kilinochchi	511	366 (71.6)	517	295 (57.1)	1,209	749 (62.0)
Mannar	880	662 (75.2)	861	603 (70.0)	1,088	707 (65.0)
Mullaithivu	481	347 (72.1)	364	218 (59.9)	1,037	655 (63.2)
Vavuniya	1,290	996 (77.2)	1,428	1,050 (73.5)	1,589	1,063 (66.9)

Source: Department of Examinations, *Statistical Handbook 2008-2010*, pp130-132. http://www.doenets.lk/exam/docs/ebooks/Statistical-Handbook-2008-2010.pdf

5.4. Drop Outs of Schools and Universities

Annually about 351,000 students in the country do not qualify to pursue G.C.E. A/L (139,500), or do not qualify to enter university (91,000), or do not get admitted to university even if they qualify (120,500) as per the data pertaining to 2010.

In the Northern Province 21,582 (or 6.2% of the total, which is higher than NP's share in the total population of the country) students did not qualify to pursue G.C.E. A/L, or did not qualify to enter university, or did not get admitted to university even though qualified in 2010.

Jaffna district accounted for 56% (or 12,104) of the total drop outs of schools and universities in the NP in 2010 followed by Kilinochchi (13% or 2,796), Vavuniya (13% or 2,789), Mullaithivu (10% or 2,094), and Mannar (8% or 1,799) districts.

	Number of students did not qualify for A/Ls 2010	Number of students did not qualify for University 2010	Number of students qualified but not admitted to University 2010	TOTAL
Sri Lanka	**139,419**	**90,939**	**120,500**	**350,858**
Northern Province	**10,174**	**4,536**	**6,872**	**21,582**
Jaffna	4,978	2,787	4,339	12,104
Kilinochchi	1,755	460	581	2,796
Mannar	849	381	569	1,799
Mullaithivu	1,197	382	515	2,094
Vavuniya	1,395	526	868	2,789

Source: Column 1 - Department of Examinations, *Statistical Handbook 2008-2010*, pp58.

http://www.doenets.lk/exam/docs/ebooks/Statistical-Handbook-2008-2010.pdf

Column 2 – Department of Examinations, *Statistical Handbook 2008-2010*, pp130-132.

http://www.doenets.lk/exam/docs/ebooks/Statistical-Handbook-2008-2010.pdf

Column 3 – University Grants Commission, *Sri Lanka University Statistics 2011*, pp17,

http://www.ugc.ac.lk/downloads/statistics/stat_2011/chapter%202.pdf

Out of the total of 22,016 undergraduate admissions to all the fifteen universities in the country in 2010-11, 1,526 were from the Northern Province which was almost 7% of the total. The share of the NP in total undergraduate admissions in 2010-11 (6.9%) was higher than its share in the total population of the country (5.2%). Although all the districts in the north had a higher share in the number of undergraduate admissions in 2010-11 compared to its respective share in the national population, it was only negligibly higher in all but Jaffna district.

	Population Census 2011	Number of Undergraduate Admissions 2010-11
Sri Lanka	**20,263,723 (100.0)**	**22,016 (100.0)**
Northern Province	**1,058,762 (5.2)**	**1,526 (6.9%)**
Jaffna	583,378 (2.9)	885 (4.0)
Kilinochchi	112,875 (0.6)	168 (0.8)
Mannar	99,051 (0.5)	138 (0.6)
Mullaithivu	91,947 (0.5)	140 (0.6)
Vavuniya	171,511 (0.8)	195 (0.9)

Source: Column 1 - Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop41&gp=Activities&tpl=3

Column 2 - University Grants Commission, *Sri Lanka University Statistics 2011*, pp25-26. http://www.ugc.ac.lk/downloads/statistics/stat_2011/chapter%202.pdf

5.5. Vocational Educational Institutions

Altogether there were 855 registered vocational education institutions (both private and public) throughout the country. In addition there could be numerous unregistered institutions spread throughout the country. Out of the foregoing total only 50 were in the Northern Province (16 private and 34 public) which accounts for 5.8% of the total. The share of the NP in the total number of vocational education institutions in the country (5.8%) is negligibly higher than the share of the NP in the total population of the country (5.2%).

Registered Vocational Education Institutes in the North

As of 06th June 2013

Divisional Secretariat	Registered Private Vocational Education Institutions	Registered Public Vocational Education Institutions	Total Registered Vocational Education Institutions
Jaffna district	**6**	**10**	**16**
1. Delft	0	0	0
2. Island North (Kayts)	0	1 P25/0043	1
3. Island South (Velanai)	0	0	0
4. Jaffna Town	2 P25/0024, P25/0051	3 P25/0001, P25/0048, P25/0052	5
5. Karainagar	0	1 P25/0044	1
6. Nallur	1 P25/0046	0	1
7. Thenmarachchi	1 P25/0041	1 P25/0045	2
8. Vadamarachchi East (Maruthenkerny)	0	0	0
9. Vadamarachchi North (Point Pedro)	0	1 P25/0050	1
10. Vadamarachchi South West (Karavetty)	0	0	0
11. Valikamam East (Kopay)	0	0	0
12. Valikamam North (Kankesanthurai)	0	0	0
13. Valikamam South (Uduvil)	1 P25/0047	1 P25/0038	2
14. Valikamam South West (Sandilipai)	0	1 P25/0049	1
15. Valikamam West (Chankanai)	1 P25/0014	1 P25/0042	2
Kilinochchi District	**2**	**6**	**8**
1. Kandawalai	0	1 P24/0012	1
2. Karachchi	1 P24/0011	4 P24/0002, P24/0008, P24/0010, P24/0014	5

Divisional Secretariat	Registered Private Vocational Education Institutions	Registered Public Vocational Education Institutions	Total Registered Vocational Education Institutions
3. Pachchilaipalli	0	0	0
4. Poonakary	1 P24/0013	1 P24/0009	2
Mannar District	**3**	**3**	**6**
1. Madhu	0	0	0
2. Mannar Town	2 P22/0004, P22/0008	3 P22/0005, P22/0010, P22/0011	5
3. Manthai West	0	0	0
4. Musali	0	0	0
5. Naanaattan	1 P22/0009	0	1
Mullaithivu District	**0**	**7**	**7**
1. Manthai East	0	1 VTA	1
2. Maruthayampattru	0	2 P23/0008, P23/0009	2
3. Ottisuttan	0	1 P23/0007	1
4. Puthukudiyiruppu	0	0	0
5. Thunukkai	0	3 P23/0003, P23/0005, P23/0010	3
6. Weli Oya	0	0	0
Vavuniya District	**5**	**8**	**13**
1. Vavuniya North	0	3 P21/0001, P21/0022, P21/0025	3
2. Vavuniya South	1 P21/0009	0	1
3. Vavuniya Town	3 P21/0002, P21/0023, P21/0024	4 P21/0004, P21/0006, P21/0008, P21/0020	7
4. Venkadachettikulam	1 P21/0021	1 P21/0025	2
TOTAL	16	34	50

Source: Tertiary and Vocational Education Commission, pp61-62 (Jaffna), 61 (Kilinochchi), 60 (Mannar), 60-61 (Mullaithivu), 59-60 (Vavuniya). http://www.tvec.gov.lk/pdf/all-inst%20data.pdf

Note: The numbers in the parentheses are the registration numbers at TVEC.

The Jaffna district had sixteen (16) registered vocational education institutes (32% of the provincial total) followed by Vavuniya 13 (26%), Kilinochchi 8 (16%), Mannar 6 (12%), and Mullaithivu 7 (14%). The sub-district geographical spread of vocational education institutions is lopsided as could be noted in the foregoing table.

5.6. Density of Vocational Educational Institutions

Although 15-24 years is regarded as the prime age when the demand for vocational education is at its peak, the entire working age (15-59 years old) population could be a potential market for vocational education. Therefore we have catalogued the working age population of each Divisional Secretariat (DS) area and the total number of registered vocational education institutions in the corresponding DS area in order to work out the density of vocational education institutions in the NP.

In Sri Lanka for every 14,698 working age persons there is one vocational education institution available. Whereas in the NP there is one vocational education institution available for every 12,945 working age persons.

In Jaffna district for every 22,171 working age persons there is a vocational education institution. However, in Nallur (42,048), Valikamam South West (Sandilipai) (31,661), and Vadamarachchi North (Point Pedro 28,621) DS areas there is lower density of vocational education institutions than the district average (22,171). Karainagar DS area has the highest density of vocational education institutions; that is for 5,396 working age persons there is one vocational education institution.

There is no vocational education institution in Delft (Nedunththivu), Island South (Velanai), Vadamarachchi East (Maruthengkerny), Vadamarachchi South West, Valikamam East (Kopay), and Valikamam North (Kankesanthurai) DS areas in the Jaffna district; that is, six out of fifteen DS areas do not have any vocational education centres.

Divisional Secretariat	Working Age Population (15-59 years) Census 2011	Total Registered Vocational Education Institutions	Density of Vocational Education Institutions (Persons per VE Institution)
Jaffna district	**354,732**	**16**	**22,171**
1. Delft (Nedunththivu)	2,308	0	-
2. Island North (Kayts)	5,850	1	5,850
3. Island South (Velanai)	9,748	0	-
4. Jaffna Town	31,745	5	6,349
5. Karainagar	5,396	1	5,396
6. Nallur	42,048	1	42,048
7.Thenmarachchi (Chavakachcheri)	39,964	2	19,982
8. Vadamarachchi East (Maruthengkerny)	7,746	0	-
9. Vadamarachchi North (Point Pedro)	28,621	1	28,621
10. Vadamarachchi South West (Karavetty)	27,487	0	-
11. Valikamam East (Kopay)	44,584	0	-

Divisional Secretariat	Working Age Population (15-59 years) Census 2011	Total Registered Vocational Education Institutions	Density of Vocational Education Institutions (Persons per VE Institution)
12. Valikamam North (Kankesanthurai)	18,025	0	-
13. Valikamam South (Uduvil)	32,136	2	16,068
14. Valikamam South West (Sandilipai)	31,661	1	31,661
15. Valikamam West (Chankanai)	27,413	2	13,707
Kilinochchi District	**65,734**	**8**	**8,217**
1. Kandawalai	13,275	1	13,275
2. Karachchi	35,352	5	7,070
3. Pachchilaipalli	5,178	0	-
4. Pooneryn	11,929	2	5,965
Mannar District	**62,256**	**6**	**10,376**
1. Madhu	4,705	0	-
2. Mannar Town	32,529	5	6,506
3. Manthai West	8,797	0	-
4. Musali	4,866	0	-
5. Naanaattan	11,359	1	11,359
Mullaithivu District	**55,882**	**7**	**7,983**
1. Manthai East	4,221	1	4,221
2. Maritimepattru	18,157	2	9,079
3. Ottisuttan	9,317	1	9,317
4. Puthukudiyiruppu	13,775	0	-
5. Thunukkai	6,000	3	2,000
6. Weli Oya	4,412	0	-
Vavuniya District	**108,667**	**13**	**8,359**
1. Vavuniya North	7,021	3	2,340
2. Vavuniya South	8,447	1	8,447
3. Vavuniya Town	74,781	7	10,683
4. Venkadachettikulam	18,418	2	9,209
TOTAL Northern Province	**647,271**	**50**	**12,945**
TOTAL Sri Lanka	**12,566,467**	**855**	**14,698**

Source: Column 1 - Department of Census and Statistics, (2012), *Sri Lanka Census of Population and Housing 2011*, http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop31&gp=Activities&tpl=3

Column 2 - Tertiary and Vocational Education Commission, pp61-62 (Jaffna), 61 (Kilinochchi), 60 (Mannar), 60-61 (Mullaithivu), 59-60 (Vavuniya). http://www.tvec.gov.lk/pdf/all-inst%20data.pdf

Although on average for every 8,217 working age persons there is a vocational education institution in the Kilinochchi district, in Kandawalai DS area there is a vocational education institute for 13,275 working age persons. There is no vocational education institution in the Pachchilaipalli DS area.

While the density of vocational education institution in Mannar district is one for every 10,376 working age persons, it is heavily concentrated in Mannar Town DS area; besides Madhu, Manthai West, and Musali DS areas do not have any vocational education institution at all. The density of vocational education institution is lowest in Naanaattan DS area with one vocational education institution for 11,359 working age persons.

While Puthukudiyiruppu and Weli Oya DS areas do not have any vocational education institution, the density of vocational education institutions is one per 7,983 working age persons in Mullaithivu district. The highest density is in Thunukkai DS area (2,000 working age persons per institution) and the lowest in Ottisuttan DS area (9,317 working age persons per institution).

On average the Vavuniya district has 8,359 working age persons per institution density of vocational education centres. Venkadachettikulam DS area has the lowest density of vocational education institutions with one institution for 18,418 working age persons in the population and the highest being Vavuniya North DS area (2,340 working age persons per vocational education institution).

5.7. Number of Students completing Vocational Education

According to TVEC data there were 6,042 (48.4% females and 51.6% males) students completed vocational courses at both private and public institutions in the north in 2012. However, the data on private institutions includes only 16 out of 34 private institutions. Therefore, we could assume that around 7,500 students could have completed vocational education in 2012 in the north if we include the data for the rest 18 private institutions.

Subject wise breakdown of student completion is given in the following table. Accordingly, information, communication, and multimedia technology has been the most sought after course in the North (total 1,767 completion split between 65% females and 35% males) followed by textiles and garments (total 895 split between 83.5% females and 16.5% males) building and construction (total 872 split between 18% females and 82% males), electrical electronics, and telecommunication (total 454 split between 12% females and 88% males), metal and light engineering (total 323 split between 5% females and 95% males), automobile repair and maintenance (total 285 split between 4% females and 96% males) and languages (total 276 split between 75% females and 25% males),

Number of Northern Students Completing Vocational Education by Field of Study 2012

Field of Study	Private (see note below)		Public		Total	
	Female	Male	Female	Male	Female	Male
Information, Communication & Multimedia Technology	**454**	**213**	**699**	**401**	**1153**	**614**
Marine and Nautical Science	0	123	0	0	0	123
Building and Construction	**9**	**68**	**149**	**646**	**158**	**714**
Agriculture Plantation and Livestock	34	42	4	6	38	48

Field of Study	Private (see note below)		Public		Total	
	Female	Male	Female	Male	Female	Male
Fisheries and Aquaculture	0	125	0	0	0	125
Personal and Community Development	57	0	148	3	205	3
Textile and Garments	**38**	**0**	**709**	**148**	**747**	**148**
Metal and Light Engineering	**1**	**21**	**15**	**286**	**16**	**307**
Art Design and Media	17	9	0	0	17	9
Finance Banking and Management	8	12	57	41	65	53
Refrigeration and Air Conditioning	0	10	2	52	2	62
Electrical, Electronics & Telecommunication	**0**	**16**	**54**	**384**	**54**	**400**
Office Management	0	0	70	1	70	1
Leather and Footwear	24	0	25	1	49	1
Languages	**8**	**10**	**200**	**58**	**208**	**68**
Food Technology	15	0	0	0	15	0
Hotel and Tourism	0	12	2	11	2	23
Wood Related	0	1	10	126	10	127
Automobile Repair & Maintenance	**0**	**0**	**12**	**273**	**12**	**273**
Medical and Health Science	0	0	96	1	96	1
Trainer Training	0	0	4	6	4	6
Printing and Packaging	0	0	0	1	0	1
Heavy Vehicle Operator	0	0	0	0	0	0
Agriculture Plantation & Livestock	0	0	4	6	4	6
Gem and Jewellery	0	0	0	4	0	4
TOTAL	**665**	**662**	**2,260**	**2,455**	**2,925**	**3,117**

Source: Tertiary and Vocational Education Commission (TVEC), Colombo.

Note: Please note that the data of the private vocational education institutions in the table are underestimations because those include only data of 16 out of 34 institutions.

There are sixteen (16) assessors in Jaffna and twenty one (21) assessors in Vavuniya to assess the students in all the vocational education institutions in the Northern Province.

5.8. Available Vocational Education Courses

There are altogether one hundred and seventeen – 117 – vocational study courses available in the Northern Province which are catalogued in the following table as of April 2013. The number of institutes (both private and public) offering each course in each district is catalogued as well. This is not an exhaustive list because constantly new courses are being introduced due to rapid development of the province in the aftermath of the civil war.

Of course, the Jaffna district offers the largest number of courses (80) and Vavuniya district offers the second largest number of courses (47); Kilinochchi district offers 20 different courses, Mannar district offers 20 different courses, and Mullaithivu district offers 11 different courses.

Number of Institutions Offering Available Vocational Education Courses by District
As of April 2013

Course Title	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
1. Bachelor of Information Technology	1					1
2. Certificate Course for Aluminium Fabricator		1		2	1	4
3. Certificate Course for Aluminium Fitting and Fabrication	1					1
4. Certificate Course for Automobile Mechanic	2		1		1	4
5. Certificate Course for Beautician			1	1	1	3
6. Certificate Course for Beautician and Hair Stylist	2					2
7. Certificate Course for Carpenter	1		1			2
8. Certificate Course for Computer Applications Assistant	8	3	1	1	6	19
9. Certificate Course for Computer Graphic Designer	3				1	4
10. Certificate Course for Computer Hardware Technician	6	2			3	11
11. Certificate Course for Construction Craftsperson		1		1	3	5
12. Certificate Course for Construction Site Supervisor	1					1
13. Certificate Course for Construction Technician	1					1
14. Certificate Course for Desktop Publisher	1					1
15. Certificate Course for Electrician	4	1		2	4	11
16. Certificate Course for Footwear Maker			1			1
17. Certificate Course for Hair Stylist				1	1	2
18. Certificate Course for Information and Communication Technology Technician	1		1		1	3
19. Certificate Course for Leather and Footwear Maker					1	1
20. Certificate Course for Mason	1				1	2
21. Certificate Course for Motor Cycle and Scooter Repairer	1					1
22. Certificate Course for Motor Cycle Mechanic	2			1	1	4
23. Certificate Course for Nurse Assistant		1	1			2
24. Certificate Course for Office Equipment Repairer					1	1
25. Certificate Course for Out Boat Motor Mechanic		1				1
26. Certificate Course for Personal Secretary		1				1
27. Certificate Course for Plumber	1	2			1	4

Course Title	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
28. Certificate Course for Radio, TV and Allied Equipment Repairer			1		1	2
29. Certificate Course for Refrigeration and Air Conditioning Mechanic	2	1	1		2	6
30. Certificate Course for Tailor	2	2	2	2	1	9
31. Certificate Course for Three Wheeler Mechanic	1				1	2
32. Certificate Course for Welder	2	1	2		3	8
33. Certificate Course for Wood Craftsperson	3				2	5
34. Certificate Course for Wood Craftsperson (Building)					1	1
35. Certificate Course for Wood Craftsperson (Furniture)	1			1		2
36. Certificate Course in Agriculture	1					1
37. Certificate Course in Auto CAD	2					2
38. Certificate Course in Bridal Dressing					1	1
39. Certificate Course in Building Construction Craftsman		1				1
40. Certificate Course in Cake Making					1	1
41. Certificate Course in Cloth Painting					1	1
42. Certificate Course in C++ Programming	1					1
43. Certificate Course in Computer-aided Drafting	1					1
44. Certificate Course in Computer Applications			1			1
45. Certificate Course in Computer Graphic Designing					1	1
46. Certificate Course in Computer Hardware	1				1	2
47. Certificate Course in Computer Hardware Technician					1	1
48. Certificate Course in Computer Programming					1	1
49. Certificate Course in Computer Studies	1				1	2
50. Certificate Course in Computerised Accounting	2				1	3
51. Certificate Course in Contemporary Business Management	1					1
52. Certificate Course in Desktop Publishing					1	1
53. Certificate Course in Dress Making	2				2	4
54. Certificate Course in Dress Making / Tailor and Handicraft	5	1	1	2	1	10
55. Certificate Course in Electrical	1					1
56. Certificate Course in Electrical and Electronic	1					1
57. Certificate Course in Electrical Wiring	1	4				5
58. Certificate Course in Foundry Practice	1					1
59. Certificate Course in Fundamental of Maya	1					1
60. Certificate Course in Information Technology		1				1
61. Certificate Course in Information and Communication	1		1			2

Course Title	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
Technology						
62. Certificate Course in Leather Work					1	1
63. Certificate Course in Machine Shop Practice	1					1
64. Certificate Course in Macromedia Flash	1					1
65. Certificate Course in Motor Cycle and Light Engine Mechanism	1					1
66. Certificate Course in MS Office	3	1				4
67. Certificate Course in Out Boat Motor Repairing	1		1			2
68. Certificate Course in Professional Psycho-Social Intervention					1	1
69. Certificate Course in Plumbing	1					1
70. Certificate Course in Radio, TV and Electronic Servicing Technology	1					1
71. Certificate Course in Sewing	1				1	2
72. Certificate Course in Telecommunication and Electronic	1					1
73. Certificate Course in Visual Basic	1					1
74. Certificate for Marine Chart Reading Communication and Operation of Satellite Navigators	1					1
75. Certificate for Refrigeration and Air Conditioning Mechanic	1					1
76. Certificate in Beauty Culture					1	1
77. Certificate in Carpentry	1	2	1			4
78. Certificate in Computer Hardware and Networking	1					1
79. Certificate in Computer Programming	1					1
80. Certificate in Desktop Publishing	1					1
81. Certificate in Electrician	1					1
82. Certificate in Four Wheel Tractor Mechanic			1			1
83. Certificate in Household Electrical Equipment Repairer			1			1
84. Certificate in Leather and Footwear Maker	1					1
85. Certificate in Outboard Motor Engine Repair and Maintenance	1		1			2
86. Certificate in Stenography (Tamil)	1					1
87. Certificate in Typing (English)	1					1
88. Certificate in Typing (Tamil)	1					1
89. Certificate in Web Designing	1				1	2
90. Certificate in Welding			1			1
91. Diploma Course in Agriculture	1				1	2
92. Diploma Course in Civil Draughts person Ship	1					1
93. Diploma Course in Computer Programming and Data Processing	1					1

Course Title	Jaffna	Kilinochchi	Mannar	Mullaithivu	Vavuniya	TOTAL
94. Diploma Course in Computing	1					1
95. Diploma Course in Nursing	1					1
96. Diploma for Desk Officers	1					1
97. Diploma in Information Technology	1					1
98. Furniture Making		1				1
99. Higher Diploma in Software Engineering	1					1
100. National Certificate in Building Construction Technology	1					1
101. National Certificate in Engineering Craft Practice - Automobile Mechanic	1					1
102. National Certificate in Engineering Craft Practice – Electronics	1				1	2
103. National Certificate in Engineering Craft Practice - Gas and Arc Welder	1				1	2
104. National Certificate in Engineering Craft Practice - Industrial Electrician	1					1
105. National Certificate in Engineering Craft Practice – Plumbing	1	1			1	3
106. National Certificate in Engineering Draughts person ship	2	1			1	4
107. National Certificate in Information & Communication Technology	1				2	3
108. National Certificate in Shorthand and Typewriting – Tamil	1				1	2
109. National Certificate in Information and Communication Technology	1				1	2
110. NECIT National Advanced Diploma in Computing	1					1
111. NECIT National Diploma in Applied Computing	1					1
112. Orientation Course for Workers Leaving other than Domestic House Keeping (5 days)	1					1
113. Preparatory Course for Computer Driving License		1		1		2
114. Preparatory Course for International Computer Driving	1					1
115. Sewing		1				1
116. Sri Lanka Computer Driving License	1					1
117. Tractor Mechanic		1				1
TOTAL	**113**	**25**	**22**	**15**	**65**	**240**

Source: Tertiary and Vocational Education Commission (TVEC) Database as of April 2013

Computer applications assistant (19 institutes), computer hardware technician (11 institutes), construction crafts person (5 institutes), electrician (11 institutes), refrigeration and air conditioning mechanic (6 institutes), tailor (9 institutes), welder (8 institutes), wood crafts person (5 institutes), and dressmaking / tailor and handicraft (10 institutes) are the courses on offer by highest number of institutes in all five districts.

5.9. Overseas Employment

Annually a large number of Sri Lankans go abroad for employment mostly to Middle Eastern countries. In 2011 almost 263,000 persons (48% females and 52% males) went abroad for employment; out of which only 6,400 (or just 2.4%) were from the Northern Province. Besides, in the NP 72% of the total departures abroad were males (86% in Jaffna district, 72% in Mullaithivu district, and 52% in Mannar district). However, in Kilinochchi (52% females) and Vavuniya (56% females) districts females outnumber males in terms of departures for overseas employment. Although the Jaffna district population is female dominated, the demand for overseas employment among females in Jaffna was the lowest in NP.

Almost 65% of the total departures abroad from Sri Lanka were housemaids (41%) and unskilled (24%) labour. In the Northern Province, housemaids (26%) and unskilled (30.5%) labour accounted for almost 57% of the total departures abroad in 2011. While in Jaffna district only 48% of the total departures were housemaids and unskilled labour, in other four districts over 70% of the total departures were housemaids and unskilled labour. As a corollary, while skilled labour migration from Jaffna district was almost 40% in 2011 it was 30% from Mullaithivu district and little over 20% from Kilinochchi, Mannar, and Vavuniya districts.

Total Departures for Foreign Employment

2011

	Skilled	**Semi Skilled**	**Other (professional, middle level, clerical & related)**	**Housemaids**	**Unskilled**	**Total**
Sri Lanka	**67,703** (25.7)	**4,169** (1.6)	**19,829** (7.5)	**107,816** (41.0%)	**63,443** (24.1)	**262,960** (52% males)
Northern Province	**2,108** (33.0)	**71** (1.1)	**582** (9.1)	**1,680** (26.3)	**1,948** (30.5)	**6,389** (72% males)
Jaffna	1,590 (39.7)	52 (1.3)	449 (11.2)	495 (12.3)	1,422 (35.5)	4,008 (86% males)
Kilinochchi	46 (20.5)	1 (0.4)	22 (9.8)	115 (51.3)	40 (17.9)	224 (48% males)
Mannar	133 (21.3)	3 (0.5)	35 (5.6)	290 (46.5)	162 (26.0)	623 (52% males)
Mullaithivu	52 (30.2)	2 (1.2)	8 (4.6)	45 (26.2)	65 (37.8)	172 (72% males)
Vavuniya	287 (21.1)	13 (1.0)	68 (5.0)	735 (54.0)	259 (19.0)	1,362 (44% males)

Source: Sri Lanka Bureau of Foreign Employment, *Annual Statistical Report of Foreign Employment 2011*, pp46. http://www.slbfe.lk/downloads/stat/DistrictBasis.pdf

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APPENDIX

Survey Team

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