

# Reflections on over 100 years of urban housing policies in Sri Lanka

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**Abstract:** This research paper evaluates the urban housing policies in Sri Lanka and related housing programs introduced by the various governments over the last 100 years. Housing and housing policies have been hot political issues throughout this history. The supply of affordable and sustainable housing has been assigned a prominent place in the list of priorities drawn up by various governments over a long period of time. The Sri Lankan government's housing policies are a series of legislative and administrative measures that have a bearing either directly or indirectly on the provision of housing in Sri Lanka. Housing policies in Sri Lanka can be divided into two major segments: urban housing policies and rural housing policies. Sri Lankan urban housing policy and its origin can be divided into three stages: prior to independence from British rule (before 1948); after political independence and during the civil war (1948–2008) and the contemporary situation after the end of the 30 years civil war (2009 onwards). This research paper critically evaluates past and present Sri Lankan government urban housing policies for low income people and policy changes towards high rise high density low income housing (Public housing) as an appropriate solution for slums and shanties in Colombo

**Keywords:** Housing Policies in Sri Lanka, Urban Housing policy, Housing in Colombo, Housing policies, High rise housing, Low income housing, Urban Development Authority

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## 1. Introduction

Along with food and warm clothing, shelter is an essential human need. A shelter is defined as a house, building or structure that is a dwelling or place for habitation by humans. As well as meeting a basic human need, a house is a place that reflects human values, aspirations, future expectations, and the social and cultural identity of its residents and of society as a whole [1,2,3,4] Despite the deep cultural roots of housing in human civilisation, millions of people in the world are living without shelter. The lack of adequate habitable housing has become a global problem[5]. This problem has taken on vast proportions in third world countries, for example Sri Lanka, due to major social, cultural and economic problems including poverty, unplanned urbanisation, poor economic and development policy and rapid urban population growth. In Sri Lanka, this situation is worst in urban areas including the capital city, Colombo. The Colombo City Development Plan (UDA 2008) revealed that there were 51 per cent of the city's population living in under-served settlements unfit for human habitation. Since gaining independence in 1948, the Sri Lankan government

has devoted much attention to finding a solution for this situation and has introduced several policies, programs and projects to overcome poor housing in the country. However, most of these programs proved to be only temporary short-term fixes, and have not made any significant long-term impact to the entire housing sector.

Housing policies in Sri Lanka can be divided into two major segments: urban housing policies and rural housing policies. Sri Lankan urban housing policy and its origin can be divided into three stages: prior to independence from British rule (before 1948); after political independence and during the civil war (1948–2008) and the contemporary situation after the end of 30 years civil war (2009 onwards) [6]. This research paper evaluates the urban housing policies and related housing programs introduced by the various governments over the last 100 years.

## 2. The Pre-Independence British Colonial Period (Before 1948)

Britain ruled Sri Lanka for nearly 130 years, between 1818 and 1948 and the Sri Lankan legislative and adminis-

trative systems were dominated by British rules and legislation. During their occupation, the British focused on the improvement of town facilities and sanitation rather than on micro-level housing development. With the aim of improving town facilities, the British enacted the Sanitation Ordinance (1882) which sought to improve sanitation in the country and the living conditions of the people in urban areas. The ordinance ruled that the British government was to regulate housing development in Colombo city, including shanty improvement in the inner city. During this period, local authorities had the power to intervene in building and construction developments, and the following ordinances were enacted for housing developments and improvement of the towns[7]:

- Municipal Council Ordinance (1865)
- Sanitary Ordinance (1882)
- Housing and Town Improvement Ordinance (1915)
- Urban Council Ordinance (1939)
- Town Council Ordinance (1946)
- Town and Country Planning Ordinance (1946)

Developing these Ordinances and Acts led to the establishment of an Advisory Board which was responsible for advising the local authorities on the execution of housing schemes and determining to whom houses could be let. Under these ordinances, the local authorities also held power to initiate a housing extension fund[8].

Before World War II, most of the housing activity in Sri Lanka happened in the private sector. During this period there was no central public authority vested with the regulation and control of housing[9]. However, the situation during World War II created conditions which gave rise to the gradual state intervention and control of the housing sector. In 1942, it became evident there was a scarcity of housing emerging in urban areas. The government anticipated further deterioration in the housing situation, and introduced legislation designed to prevent the exploitation of tenants by landlords exploiting the wartime housing scarcity. The Rent Restriction Act (RRA) of 1942 forced rent to remain at the levels prevalent at the time. The main developments in housing and urban policies have taken place since independence in 1948[10].

### **3. The Origin and Evolution of the Urban Housing Policy (1948 to 1969)**

After gaining political independence, the Sri Lankan government directly intervened in the housing sector. In 1949 the Housing Loan Act was enacted and the Housing Loans Board (HLB) was established in order to promote private sector involvement in housing. The objective of the Housing Loans Act of 1949 was to promote private sector investment in housing for the middle and working class. Meanwhile, the government also gave grants to local authorities to set up housing schemes for the lower and middle income groups in urban areas[6]. In 1953, the Department of National Housing was created to provide housing through

government delivery mechanisms. The National Housing Fund was established in 1954 to provide housing loans to middle-income residents. During the 1950s and 1960s, the Department of National Housing oversaw many urban housing schemes. Government institutions, such as the Colombo Municipal Council, the Public Works Department and the Department of National Housing, were responsible for these efforts. The State Engineering Corporation (SEC) joined this group in the mid-1960s, and was responsible for innovative design-build projects for lower and middle income groups. During this period, the government mostly provided high-cost, high-quality houses; effectively middle-class housing in the city for public servants. The noteworthy projects were the housing complexes at Kiribathgoda Housing Project, Enderamulla Housing Project, Bambaiapitiya Flats and Anderson Flats[6].

In this period a new building concept was introduced in Colombo - multi-storied housing with fewer than five storeys. Due to lack of experience designing and building multi-storied housing, these buildings were considered only marginally better than previous accommodation and residents were reportedly unhappy[10].

### **4. Socialist Housing Policies (1970-1976)**

The 1970 General Elections placed in power a coalition government with leadership by the world's first woman prime minister, Sirimava Bandaranayakee (1970-76). The Housing Minister was Mr Pieter Kenamon, a member of the Sri Lanka Communist Party (CP). The leftist orientation of the Housing Minister clearly influenced the government's shelter policy, as he enforced radical social legislation on ownership of houses with an emphasis on increasing welfare housing [10]. Expanding public sector housing activities was encouraged by the introduction of two new programs: the direct construction program and the Aided Self-Help (ASH) program.

The new government created a ministry that was responsible for housing. This ministry pursued the nationalisation of urban management agencies and adopted a policy of planning for the abolition of under-development[6]. The government hoped to use housing policy to increase housing output by the construction of housing by the government directly as well as encouraging private sector construction. The first legislation related to high-rise developments in Sri Lanka was the Condominium Property Act No. 12 of 1970, which reflected the housing policies of the government. The government was very concerned about the high number of households who were paying rent in high-rise buildings and wanted to make them owners of their apartments.

As well as encouraging renters to become owners through the new legislation, the government attempted to restrict private ownership. The Ceiling of House Property Law (1973) sought to limit the number of houses that could be owned by a member of a family or an individual[11]. The Ceiling of House Property Law was one of the most radical policy decisions made by the coalition government, and

demonstrates the clear influence of socialist political parties. It was initially viewed as a positive and 'pro-poor' program, however the end result was the decline of private sector investment in housing supply. When Bandaranayakee's government lost power in 1976, the policy was withdrawn [12].

Another important piece of legislation that was enacted almost parallel to the Apartment Ownership Law of 1973, was the Common Amenities Board Law No. 10 of 1973, which required the establishment of the Common Amenities Board. The Common Amenities Board was empowered with responsibility to control, manage, maintain and administer the common amenities and common elements of residential and non-residential units of condominium properties [11].

There were three main components of the government's program: the Aided Self-Help Housing; Model Villages; and Fisheries Housing. The Aided Self-Help programme (ASH) was another creative housing program that was specifically targeted to middle-class people. The ASH was introduced in 1972, and stated that the government would meet the cost of the land, building materials and certain necessary services required for a low-cost house while the buyer provided the labour. An interest free 20- to 25-year loan covered the cost of building materials, while a normal ground rent was charged for the land. Model Villages and Fisheries Housing were intended almost exclusively for the rural poor. This approach enabled the government to effect considerable reductions in the cost of low-income housing units and spread the benefits of public sector investment over a larger number of beneficiaries. More importantly, these programs contributed to community participation and consequently to community development [13]

## 5. Housing Policy (1977-1983)

The 1970–1976 socialist political strategies were not popular in Sri Lanka and many people were frustrated with the radical decisions made by Bandaranayakee's government. The 1977 election was dominated by the United National Party, who won with a 5/6 majority. Economic reform, social welfare and housing were the key election promises made by the new government and, as promised, open economic policy was introduced in 1978. The government was also concerned about the provision of houses to the lower and middle-income groups in urban and rural areas.

Ranasinha Pramadasa was the Prime Minister and Housing Minister of the new government during this period. He adopted several outstanding housing policies and projects and undertook significant institutional reform while he was in power. The popularity and success of the welfare policies implemented in this time paved the way for his election as President of Sri Lanka in 1989[10]. During this period, housing policy was not developed in isolation - it took place within the context of overall city development [14]. To achieve the target set by the government, the Urban Development Authority (UDA) and the National Housing Development Authority (NHDA) were established in 1978 and

1979 respectively. The programs implemented by the government during its 17 years of power were the Hundred Thousand Houses Program (1978-1983), the Million Houses Program (1984-1989) and the 1.5 Million Houses Program (1989-1994). Ranasinghe Premadasa understood that problems with housing are a global issue, and proposed to the United Nations General Assembly in 1980 that 1987 be declared as the 'International Year of Shelter for the Homeless' [15].

## 6. The Hundred Thousand Houses Program (1977–1983)

The Hundred Thousand Houses Program was the first initiative of the UNP Government. The newly established National Housing Development Authority (NHDA) led the program. 50,000 houses were built in rural areas through the aided self-help method. Another 30,000 houses (including high-rises for the middle class) were built in urban areas through direct construction by the private sector. The remaining houses were targeted at the urban poor in Colombo through a slum and shanty upgrading component headed by the Urban Development Authority (UDA). Following the success of the Hundred Thousand Houses Program, the government introduced the One Million Houses Program, hoping the new expanded program would be even more successful than the previous one as it could draw from the experience gained in the development and construction of the previous project [16].

## 7. One Million Houses Program – “Housing For All” (1984-1989)

In 1984, the Government initiated the Million Houses Program (MHP). The National Housing Development Authority (NHDA) was in charge of the massive nationwide program. The program consisted of six sub-programs covering rural and urban areas, the private sector, plantation housing and major resettlement projects [16]. After the early success of the first rural housing sub-programme in 1984, the urban sub-programme, consisting of about 300 housing projects in 51 local authority areas, was launched in 1985.

The MHP was notable because all the procedural mechanisms were completely institutionalised by the government of Sri Lanka through a national policy. The national policy encouraged the local governments, community organisations and the beneficiary groups to make decisions regarding the housing development at their respective levels (NHDA 1984). A main feature of the MHP was the minimum intervention and maximum support provided by the government and maximum involvement of the builder families [16]. The Urban Development Authority (UDA), meanwhile, carried out an urban slum and shanty upgrading program.

The MHP was an important initiative because it was a community-centred, participatory housing program admi-

nistered by local authorities and supported by national institutions. As the MHP resonated deeply with the prevailing World Bank and UN-Habitat ideology of 'enabling' growth and markets, it is often referred to as a 'best practice' method that should be to be emulated by other countries [13]. At a seminar organised by the Professional Association of Sri Lanka (OPSSL) which was held in Colombo in 1990, President of Sri Lanka Pramadasa stated about the MHP:

The role of the state is as a supporter, guide and monitor of poor communities. All deciding and doing is done by the poor communities themselves. The poor family-the poor communities are at the very centre of their own self-development process. The poor are the subjects. And government supports their initiative and intervenes only in matters and areas where they cannot solve problems on their own [15]

The MHP was made up of six sub-programs, including two that were implemented by the National Housing Development Authority (NHDA): the Urban Housing Sub-Program (UHSP) and the Rural Housing Sub-Program (RHSP). The remaining four sub-programs were implemented by other institutions: the Private Sector (Formal) Housing Sub-Program (PSFHSP); the Private Sector (Informal) Housing Sub-Program (PIHSP); the Plantation Housing Sub-Program (PHSP); and the Mahaweli Housing Sub-Program (MHSP) [15]. Funding for the MHP was generated through the national budget, foreign grants and the income from the Housing Lottery.

## 8. The 1.5 Million Houses Program (1990-1995)

After the success of the One Million Houses program, the government introduced the 1.5 Million Houses Program in 1990. However, there has been much criticism about the actual number of houses which were constructed under the One Million Houses Program [17]. Regardless of exactly how many houses were actually constructed, a significant number of houses were built during that program. The approach of the 1.5 Million Houses Program was slightly different from the One Million Houses program as it addressed housing issues across all levels of society. There were eight sub-programs [15]: the Urban Housing Sub-Program (UHSP); the Rural Housing Sub-Program (RHSP); the Disaster Housing Sub-Program (DHSP); the Provincial Council Housing Sub-Program (PCHSP); the Mahaweli Housing Sub-Program (MHSP) (MSP); the Plantation Housing Sub-Program (PHSP); the Employee Housing Sub-Program (EHSP); and the Individual Family Housing[15].

Between 1978 and 1993, the UNP Government invested many million rupees on housing programs in the country. The main funding mechanism for these programs was treasury grants, foreign aid and Housing Lottery income (Sevana Lottery) which was run by the Ministry of Housing. The Housing Lottery paid approximately 400 to 500 million rupees per annum to the Sevana Fund, which provided direct

assistance to low-income households [6].

## 9. Compact City Development (1994-2005)

In 1994 the People's Alliance (PA) Government won power after 17 years of domination by the United National Party. Under the new government, housing policies took a new direction and institutional reform and professional involvement significantly improved. The government reformulated housing policies and created legal and institutional conditions more favourable for private and government sector involvement in housing development. The major housing policies in this period were the provision of more houses in urban areas and a qualitative improvement in rural/estate houses [6].

The Presidential Task Force on Housing and Urban Development was appointed in 1998 to draw up a macro-policy framework and an action program for both the short and long-term physical development of Sri Lanka, with a view to improving the quality of life of its inhabitants and meeting the aspiration of a modern 21st Century city[17].

The task force made an important recommendation to the government of Sri Lanka and the Ministry of Urban Development, Construction and Public Utilities that a new company named Real Estate Exchange (Pvt) Limited (REEL) should be established. This company is fully owned by government and its main shareholders are the Urban Development Authority (UDA), the National Housing Development Authority (NHDA), the Sri Lanka Land Reclamation and Development Corporation (SLLR&DC) and the Colombo Municipal Council (CMC). The motto of REEL is simple: "Homes for people and lands for development". The operational arm of REEL is the Sustainable Township Programme (STP), which was also established in 1998. It has been working in the city of Colombo by promoting high-density housing within a broad urban planning and development framework. This program aims to re-house those families who are encumbered with no titles on the valuable lands within the city of Colombo in modern compact townships, and liberate those lands for urban re-development [17].

The main functions of REEL are to issue securities against prime lands in Colombo and to create a secondary housing market and secondary mortgage instruments. REEL also promotes private public sector partnership in real estate and urban renewal and development. REEL offers a low-cost, market-based solution for re-housing poor householders in Colombo and offers incentives to investors to participate in mortgage and financing, housing and infrastructure conditions and urban renewal and development. It is expected to change the outdated laws pertaining to housing and real estate development when and where necessary.

### 9.1. The REEL Process

A field survey conducted by Real Estate Exchange (Pvt) Limited (REEL) in 1999 revealed that there were 1,506 poorly served settlements the city of Colombo, which contained approximately 66,000 urban low-income householders. These 66,000 householders occupied nearly 300 hectares of land area [17]. About 70 per cent of these under-utilised land parcels existed in strategic locations where land value is comparatively high. Most of the land was state-owned but state entities could not realise the value of their lands due to heavy encumbrances. The clearance of encumbrances and creation of small-holdings can greatly impact urban development in Colombo and it was hoped that liberating these lands would play a key role in changing Colombo's land use as planned out by the Colombo Development Plan and the Colombo Metropolitan Regional Structure Plan CMRSP [2].

REEL proposed to liberate 70 per cent of encumbered lands and dispose them in a public market for alternative uses. The income realised through this disposal would be allocated for the construction of high-density housing in the balance lands. Thus, the standard houses constructed through the building industry for this program are given free to the affected household, respective of their previous ownership status. It is a house-to-house exchange process. The benefits for this plan would work two ways: the beneficiary family can enjoy a brand-new standard apartment while the STP is able to provide prime lands for guided urban development.

The Sustainable Township Program (STP) is adding standard houses to the national housing stock without cost to the state government. The effect of employment generation through the building industry is significant and its contribution to the productivity of the city labor force is considerable. This program was a market-based, self-financed property development strategy rather than that of a state-sponsored, aid-led, conventional strategy [18].

## 10. The 'Mahinda Chinthana' Program (2005-2010)

The 2005 election was won by the same ruling party which had held power since 1994, and a new president, Mahinda Rajapaksa, was elected. His election manifesto 'Mahinda Chinthanaya' categorically stated that "Every family in Sri Lanka should own a house" (UPFA 2005). The Jana Sevana housing program was in line with the 'Mahinda Chinthana' vision, under the supervision of President Mubinda Rajapaksa. Several sub-programs have been implemented under this project, and under one sub-program, 1,000 selected families received a 500,000-rupee loan to construct their houses and another 1,000 low-income families were granted housing loans up to a maximum 100,000 rupees [20]. Also, the "Diriya Piyasa" housing program, implemented by the Sri Lanka Samurdhi Authority (SLSA) had constructed 5,000 houses in 2005, providing a last-ditch solution to the acute shelter problem of low-income families [20].

There were several government institutions engaged in facilitating the development of groups targeted for housing support. The National Housing Development Authority (NHDA) was the primary public sector institution concerned with implementing housing programs. The NHDA had introduced several housing programs especially for the targeted low-income households. Under the various housing development programs, the NHDA completed 46,021 housing units the various housing development programs. The Real Estate Exchange (PVT) Ltd. (REEL), is also planning to improve, the living standards of the approximately 66,000 shanty dwellers in urban centres by providing them with better housing and other infrastructure and facilities over the next 10 years [20]. The UDA has undertaken the relocation of dwellers in unauthorised slums and shanties in the project areas which have been identified as essential for city development.

Under President Mahinda Rajapaksa's long-term housing development policy, as outlined in the 'Ten-Year Vision' and the 'Jana Sevana One Million Houses Program', the Ten-Year Horizon Development Framework was issued in November 2006. This is a broad policy framework consistent with the 'Mahinda Chinthana' Program, and it envisages a plan to meet a large part of the growing demand for houses in Sri Lanka [21]. The policy aims to ensure the planned human settlements take into consideration population density, land suitability and environmental sustainability. The housing policy also consists of the adoption of the vertical development approaches in high and medium density areas, implementation of participatory approaches wherever possible, developing the housing finance market with primary and secondary mortgage financing facilities and providing government assistance for needy groups [21].

The "Arunodaya" Urban Poor Housing Program was another low-income housing project implemented by the Rajapaksa government. It was run by the Ministry of Urban Development and Sacred Area Development. The Ministry of Urban Development was responsible for slum and shanty relocation with the aim of implementing the present government's policy 'Mahinda Chinthanaya' with sustainable urban development. This program was funded without allocations from the Consolidated Fund of the Government harnessed through the regulatory provisions made under the UDA law. Lack of funds is the main constraint in this kind of subsidised affordable housing program. However, this program could create an avenue for revenue and then obtain sufficient funds without any difficulty. The main funding source would be a service charge of 1% levied as the estimated cost of construction of buildings exceeding 5000 square feet in floor area for the issue of Development Permit. However, the program was carried out solely based on initiatives and drives of organised slum and shanty dwellers and local level leadership with the specific initiatives, drives and practices of shanty and slum dwellers to be accommodated in a clear framework methodology [12].

The involvement of slum and shanties communities in the planning and development of urban low-income housing

increased in this period. The Urban Housing Development Authority (UHDA) was established in 2009 for dealing with the urban housing issues. Although the new authority was developed with good intentions, it did not succeed as expected, and at present the UHDA is a redundant organisation attached to the Ministry of Housing.

## 11. 2009 Onward - Relocation of the Under-served Settlement Program

The civil war in Sri Lanka ended in 2009. In 2010, President Mahinda Rajapaksa won another extension of his presidency with a huge majority. As a response to the end of 30 years of civil unrest, the government's priorities and political agendas have shifted from military and defence to a focus on the economic boom and the overall well-being of the country. The 30-year civil war resulted in huge economic damage to Colombo as the commercial capital of the country. The construction industry was totally paralysed during that period, which greatly discouraged the construction of high-rise low-income projects in the city, as high-rise buildings were seen as easy targets for terrorists [21]. A peaceful environment and political stability have provided the right environment for radical policy decisions, especially in regards to housing and since the government has made the economic development of the country a priority. The political slogan of the Rajapaksa government is "The miracle of South Asia" [22]. The gateway of that miracle is Colombo port, but the extensive number of slums and shanties that are located in that area are one of the main challenges for achieving their goals. Most of the under-served settlements have historically encroached on government-owned prime lands in the city, providing another barrier discouraging foreign and local investment in to the city. Considering all of these factors, the government decided to take immediate action in re-housing under-served settlements in Colombo, and best option chosen to do this was to refocus on the compact city concept which had been introduced in 2000.

The relocation of under-served settlement project, also called the 66,000 Low-Income Housing Project, was the main program for addressing under-served settlements in Colombo. Considering the priority and urgency of the outcome, this project is supervised by the president Mihinda Rajapaksa directly and co-ordinated by the Secretary of Defence, Gotabaya Rajapaksa. All logistic, planning and implementation work was the responsibility of the Urban Development Authority as a top priority project [18].

Land exchange is the main funding mechanism for this project. More than 300 hectares of land has been illegally encroached upon by the low-income people in Colombo and the strategy of the government was to release two-thirds of this land (approximately 200 hectares) for sale on the open market. Initial capital was generated by issuing debentures on the open market and 8.2 billion rupees were received within four days of opening the initial public offering on 24 September 2010 [23]. The debentures will also be listed on

the Colombo Stock Exchange (CSE). The 66,000 Housing Project is a two-way process, and its slogan "Houses for People and Land for Investment" reflects this. Unlike previous government initiatives, this is not solely a housing or shanty upgrading project [23].

The prospectus for debentures states that the UDA is hoping to finance the construction of nearly 30,000 housing units as an initial move to relocate part of the under-served settlements in and around Colombo, which is currently believed to house nearly 66,000 families [23]. The total estimated cost for the construction of all 66,000 housing units is 132 billion rupees, with each unit valued at two million rupees [23]. Nihal Fernando, Director General of the UDA, stated that that "Phase One construction of 12,500 housing units as high-rise apartments will be implemented within 2011 as a priority"[23]. He added that "[the] phased out relocation programme is expected to be completed within three years. Proposed Housing Units will be allocated to the target segment on an out right basis for a nominal value" [18].

Phase one of the program is expected to liberate 150 acres of land within Colombo city, with an estimated 25 billion rupees to be raised by releasing around 75 to 80 acres of liberated lands to prospective investors on long-term lease basis [23].

Surath Wickramasinghe, the President of the Chamber of Construction Industry in Sri Lanka, stated:

We must commend the Government and the Defence Ministry in particular for embarking on a challenging project to relocate 60,000-70,000 housing units in under-served settlements occupying prime land in the City Colombo" [18]

He further stated that he expected that after the relocation there would be more than 1,000 acres of liberated land in the city of Colombo that will pave the way for the development of a "world-class" city with integrated state-of-the-art infrastructure that would attract leading investors and developers and be competitive with other Asian developing countries, like Singapore [18]. This would trigger growth in foreign and local businesses with all other services also expected to flourish and further develop the city. To be successful, this concept must be supported by a financial and business hub that contains entertainment and shopping; culture, arts, exhibitions and festivals; knowledge and multimedia technology; greenery, open spaces and playgrounds; and modern, smart and sustainable housing.

## 12. Housing Policies for High-Rise Housing

The multi-storied housing concept was introduced to Sri Lanka in the 1950s by Sirimavo Bandaranayake's government. It was believed this type of housing was suitable for most flats constructed for low and middle-class families and it was a new type of housing for most of the urban population of Colombo. Almost all of the multi-storied housing complexes that were built at this time had a maximum height

of five storeys, with most of them being four-level (ground plus three levels) compact housing units. However, it takes time for people to adapt to new types of housing, and due to lack of experience living in this kind of housing, people had difficulties living there generally get straggle in the beginning [6]

The first legislation related to high-rise developments in Sri Lanka was the Condominium Property Act No. 12 of 1970, which was a formal statement of the housing policies of the then government. The government was very concerned about the households who were renting in high-rise buildings and wanted to make them the owners of their apartments. The construction of large-scale multi-storied buildings in Sri Lanka started with the introduction of the Apartment Ownership Law No. 11 of 1973. Before 1973, to subdivide of a multi-storey building and then transfer part of the ownership of the building was very difficult and complicated. This law provided opportunities to divide a multi-storey housing complex into a number of independent dwelling units which would then continue under separate ownership. The apartment ownership law was amended by the Condominium Act No. 45 of 1982. This Act defines a condominium as: an independent unit in a condominium plan which is designed for independent use consisting of one or more rooms whether occupying the entire or part of one or more storey and which is shown as a separate unit in a condominium plan and includes a unit specified as accessory unit area in such plan; provided that, such defined space has a common area leading to a road access and not through it any enclosed space of the description [6].

The recent market conditions have witnessed the development of two kinds of condominiums, one kind which is considered in the 'luxury' category for upper income groups and the other one which is considered in the 'necessity' category for lower income groups. The Sri Lankan legislation (Condominium Law No. 45 of 1982) uses the word 'condominium' to refer to a multi-owned apartment block, usually high-rise and high density. In Sri Lanka, two laws govern the legality of condominium development. These are the Apartment Ownership Law (No.11, 1973) and Condominium Act (No. 45, 1982). Both these laws provide for the possibility of multiple ownership of a property where each unit within a building can be owned by separate users [11] Several other laws also define the comfort conditions, set-back restrictions, building heights, volumes, rents and other physical characteristics of such developments. It is interesting to note that, when defining a condominium, the Sri Lankan Condominium Act specifies how each unit is constituted and also specifies that each is an independent dwelling unit with defined area but has abstained from defining the ownership aspect of each unit. This implies that ownership of the property could be of the whole condominium or of the individual units separately.

High-rise housing (buildings of above five storeys) for low-income people is a relatively new concept in Sri Lanka. It was first attempted in 2001 under the guidance of the Presidential Task Force appointed by President Chandrika

Bandaranayake. Sahaspura was the first and only project to come out of this program - during the last 10-year period none of other proposed high-rise low-income housing projects in Colombo began construction due to the situation caused by the civil war. Some low-rise low-income housing projects were constructed during this period, but these buildings do not exceed five storeys. In 2010 the government made a strong policy decision to relocate 66,000 low-income people from under-served settlements into high-rise housing. This was the second and largest wave of high-rise low-income housing in Colombo. Cabinet approval has been granted for this project and the entire project is to be directly coordinated by the Ministry of Defence. The Urban Development Authority is the operational arm of this project. The construction of 7,000 housing units has commenced at the time off this research and another 12,000 housing projects are in the pipeline [23]

As a government policy, high-rise housing has been accepted as an alternative solution for low-income people in Colombo. However, there is still much that must be done to ensure the government's policy achieves the targets the country expects and needs from this policy reform. Even though high-rise low-income housing is relatively new to Sri Lanka, it is not a new concept in the world. Therefore, an understanding of international experiences will be essential for reducing the risks associated with high-rise housing, and well-qualified housing experts are needed to take on this challenge.

### 13. Conclusion

Policies, and legislation are the main governing factors of any physical development in a country. Ministries, authorities, departments, corporations and designated entities are the operational arm of the policies and laws. A good combination of these two mechanisms will have a positive end-result, achieving the targeted aims. However, policies and institutions have changed frequently in Sri Lanka, with much development and legislation heavily influenced by political interest. Looking at the over 100 years of Sri Lankan housing policies, it is evident that housing policies were closely aligned with party politics, and changed as constantly as the political parties did. This paper divided Sri Lankan housing policies into main three categories: prior to independence (before 1948); after political independence and during the civil war (1948–2008) and the current situation after 30 years of civil war (2009 onwards). Furthermore, this paper paid attention to urban housing policies for the low-income category and policy development regarding high-rise housing as an alternative solution for urban housing issues. Finally, the paper analysed the contemporary housing situation in the country after end of 30 years ongoing civil war and the institutional reform that resulted in the massive under-served settlement clearance program undertaken by the Ministry of Urban Development and Defence.

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