

NHDA ARTICULATES THE STRATEGY FOR HOUSING DEVELOPMENT



The National Housing Development Authority has now drawn up a new strategy for housing development in the country. Based on this strategy a corporate plan has been prepared for the period 1995-2000 to meet the housing demands of all sectors of the economy.

This strategy focuses on several aspects of housing development. On one hand it proposes to assist the individual house builders through an enabling approach, while on the other hand it proposes to provide completed houses either by direct construction or by the participation of private developers for those who cannot afford to construct their own houses.

Here, the SLAJ discusses the future programme of housing development with Chairman, NHDA so that the members of SLAJ would be in a better position to assist the Government in fulfilling its objective targets.

SLAJ It is expected that the NHDA in keeping with the new government policies will launch a new initiative in housing. What would be the salient features of such initiatives ?

Chairman NHDA

Yes, the NHDA has drawn a new proposal for housing based on the overall policies of the new

government. The main thrust of this proposal is based on the principles of "Saving for Housing". It is proposed to establish a National Housing Fund (NHF) for financing the future housing development programme. This will also be facilitated by making available building materials at reasonable prices, and securing the right of the people to build houses of their own to suit climatic and environmental needs. Our focus is on those low income families and those of permanent income receivers of urban, semi-urban and rural areas.

SLAJ Enabling had been a catchphrase in housing for quite sometime. What do you mean by enablement, and how do you propose to "enable" housing ?

Chairman NHDA

By enabling, we mean making it possible for those who have housing need to acquire housing. Enablement in housing is primarily a financial one, because mostly, what makes it difficult for some one to achieve housing is the lack of finance.

This is why our emphasis is on "Saving for Housing" and establishing a housing fund so that we would be able to provide

finance at reasonable rates of interests.

SLAJ Are there any other enabling activities other than simply providing finance ?

Chairman NHDA

Yes there are several ways in which this programme will be activated. First we hope to provide loan funds at reasonably affordable interest rates to house builders. Then the major thing is to supply building materials at reasonable prices without shortage. We also propose to build houses directly in urban areas for the benefit of low income families. Then we hope to undertake direct constructions for selected groups who themselves cannot build. In addition of course, private developers will be brought to invest in house construction for the benefit of the middle and upper middle income receivers.

SLAJ We feel that the enablement strategies you mentioned are perhaps inadequate or perhaps do not enable. For instance, involvement of the private developers or getting involved in direct construction cannot be seen as "enablement". So it seems that the "enabling" is confined only to provision of loans and making available materials at reasonable prices. You think they are sufficient ? Do you think they will be rigorous enough changes ?

Chairman NHDA

Well, that depends on how you see it. We have seen that housing construction sector in this country has always faced with number of major constraints resulting from lack of financial resources, shortage of land or unaffordability of land prices. Then, there are also problems of mortgage due to unclear land

titles. We therefore intend to ease these difficulties thus enabling the house builder to build.

SLAJ I am sure you agree that housing issue is different from rural to urban from the middle income to the low income. How is the NHDP going to specifically relate to these differences ?

Chairman NHDA

The programme will focus on the provision of housing facilities to the low and lower middle income families, public and private sector employees and other target groups such as slum and shanty dwellers in urban areas. Several sub-programmes within an urban housing and a rural housing programme will be launched which will involve the construction of houses for sale in the market and to relocate slum dwellers and others living in environmentally sensitive areas. It will also involve provision of serviced sites and mobilization of private sector for housing development of the middle and the upper middle income groups.

SLAJ You mentioned that NHDA is getting involved in the direct construction of houses for sale and to relocate slum dwellers. It seems that this is a major deviation from the housing policies of the NHDA and is more of provision than enablement. Why do you think it is necessary to do so ? How equipped is the NHDA for such a task ? Don't you think it is an unnecessary unmanageable intervention of the state ?

Chairman NHDA

I don't think it is unnecessary or unmanageable. In fact, it is a necessity for the state to build for those who cannot build by themselves. Specially as it is expected to get the private developer involved, one cannot expect the private developers to look after the social housing for the poor, the needy and the slum dwellers. It is the state who should do it. But obviously the state cannot afford such social housing if it does not also

generate income in the process itself. I see no reason why the state should not get involved in building houses for sale and use the income generated to fund social housing.

SLAJ How do you propose to be involved in house building. Like a developer ?

Chairman NHDA

Yes, sometimes like a developer and sometimes like a partner. In some other instances, merely as a donor.

SLAJ Do you mean that the NHDA will also speculate housing estates like the present-day developers ?

Chairman NHDA

No, not at all. NHDA will not involve in any speculative activities. However, NHDA will involve in joint ventures with private developers to build houses for middle income group. At the same time it will mobilize its institutional structure to provide better housing to the handicapped groups through private sector participation.

SLAJ Would there be any difference between urban and rural housing programmes ?

Chairman NHDA

In the rural programme, NHDA will not be involved in direct construction. In the rural sector, our experience is that there is a lack of proper institutional structure to support housing. Also the cost of construction and availability of materials and services are major problems.

SLAJ So what are the major enabling strategies ?

Chairman NHDA

Here we propose to establish a Housing Development Society to mobilize resources for housing. At the same time we will establish what we call Resource Development Centres to promote materials production.

SLAJ If we propose that while the new NHDP seems to reiterate the enablement as an

underlying theme as an extension of the policies hitherto practiced. We also propose that sometimes it seems to shift towards provision than enablement. Would you say that there is a conflict or confusion ?

Chairman NHDA

Not at all. No housing policy should be strictly enabling or provision. It must always be a mixture of both changing the direction depending on the circumstances. The new NHDP is a balanced approach and is diverse and rich. It does not exclude options and does not reject any potential solution whether practiced in the past or not.

SLAJ Now we understand that there is a programme for the construction of flats for the low income category through direct construction. Don't you agree that the occupants' decision-making will be hampered by this ?

Chairman NHDA

I agree. But the financial constraints dominate over the other factors. Anyway these are not permanent solutions.

Through the past experiences we have learnt that when the choice is given the low income people, they cannot clearly understand what their actual housing needs are. Their wishes are not compatible with their affordability.

SLAJ How do you judge the earlier site and service programme for the low income people where a 2p-3p block of land and upto Rs. 25,000/- loan was given to the family to build their own houses ?

Chairman NHDA

Well, the success stories were very few. As you know it is practically impossible to construct even a basic habitable unit with Rs. 25,000/-. Some of them managed to do it because they had access to other financial and material resources in addition to this loan. However, they are more or less upgraded slums.

SLAJ Finally, can we ask you what you expect of the professional architect in this process ?

Chairman NHDA

Several things. First of all professionals, specially architects should help us to find affordable housing solutions to cater to different income groups. This is important to maximize the use of available resources both financial

& physical. Secondly, Architects' involvement in the management of projects is essential because we are interested in completing the works at targeted time schedules and estimated costs. At the same time, the participation of architects will ensure that the solutions are environment friendly and acceptable to the people.

SLAJ How do you propose to get the participation of the architects ?

Chairman NHDA

We understand that architects are not very happy with competitive bidding. We will have to work out a transparent procedure to select architects for projects through SLIA.

The NHDA Chairman, Mr. K. A. L. Premaratne, BA., (Econ) SL., MSc. Development Econ. UK. served extensively on various committees on the development of housing and construction under the government and as a Development Planner in the Ministry of Planning. He is an economist by profession.

He was interviewed by Dr. Ranjith Dayaratne

නැත වරද ශිල්පයෙහි මා උගත්

සත්වසක් දිවා රැ
සිව්මහල් කන්ද නැග
පාවහන් ගෙවෙන තුරු
නොයෙක් තැන්වල ඇවිද
කියුවෙමු අතුරු,
ලියුවෙමු කවිවැල්,
හිස් අවකාශයෙහි.

වාස්තුවෙන් ඔපවත්වූ
අගනා ශිල්පයට
උරුම කියන්නෙමැයි
අදිටත් කොට.

උදුරා ගනිමි එය,
යහඵලින්ගෙන්
පොත පතින්
ගුරුන්ගෙන්
නිකැතින්.

වර ලදිමි,
ලියන්නට කවි වැල්,
අවකාශයෙහි,
තනිවම.

වර ලදිමි
සදන්නට ලෝකවල්,
ශිල්පයෙහි අනුහසින්,
අනුතට.

වර ලදිමි
තසන්නට නිසරු තැන්
ලෝකයේ
තනන්නට සරු තැන්
අප අවට
කල්පයක් ගෙවී ගොස්
කල්පයක් ලැබෙන තුරු
සිටිමි බලා
එතතුරු ඔබ
පැමිණ අයැදින තෙක්
තනා දෙනු මැන
මගේ ලෝකය.

නොසිතුවෙමි
කිසිවිටක
බඩවියන. _____ ඔබ නොඑති.
නැත වරද මා අත
නැත වරද ශිල්පයෙහි මා උගත්.

රාධා