Housing

Fundamentals of Urbanization
Surabaya, Indonesia
12-16 Nov 2018
Housing is...

- 73%: A basic need and a human right
- 20%: A human right that should be recognized, protected, and fulfilled by governments
- 7%: A commodity with a price and a place to live in dignity, peace, and security
- 0%: A social good to be provided by the state
- 0%: An economic sector
- 0%: A commodity that can be bought and sold in the market
- 0%: None of the above
What is the main cause of the housing problem in your city?

- Poverty: people are poor and can't afford housing
- Lack of land
- Lack of affordable building materials
- High cost of land
- Lack of policy and political will
- Lack of investment in basic infrastructure

35% of respondents mentioned Migration and urban population growth as the main cause.
What would be the MOST critical housing problem in your city?

- Slums & informal housing: 47%
- Price of housing is high and excludes a lot of people: 18%
- Lack of serviced land for housing development: 12%
- Housing finance is not sufficiently developed and interest rates for housing mortgages are high: 18%
- Regulations and standards are beyond capacity of low income families: 6%
The Housing Diamond of Perfect Equilibrium of Inputs

Building Materials

Policy, Legal & Regulatory Frameworks

Labour

Finance

Infrastructure

Land

Source: Acioly, C. 1994; 2003; UN-HABITAT, 20
Scarcity of Land & Building Materials

Housing Policy Interventions are needed

Building Materials

Labour

Infrastructure

Finance

Land
Scarcity of Housing Finance

Building Materials

Labour

Finance

Infrastructure

Land


Claudio Acialy Jr., UN-HABITAT
What are the consequences of the housing problems in your city?
If I am asked to choose a priority to solve the housing problem (max. 2 choices)

- Increase availability of housing finance: 28%
- Improve people's income and ability to pay for housing: 41%
- Increase supply of land: 13%
- Improve the labor, technology and building industry: 3%
- Undertake large scale investment in basic infrastructure: 3%
- None of the above: 13%
The focus of a housing strategy to improve accessibility to adequate housing in my city, with limited choices:

- Improve supply of serviced land and resolve land delivery bottlenecks: 6%
- Improve affordability and supply of financial services and income support: 25%
- Improve legislation and regulations on property rights, housing finance and rental housing: 69%
What are the top 2 housing issues in your city today?

- High land prices: 29%
- Infrastructure backlog: 10%
- Lack of planning: 6%
- Affordability: 19%
- Insufficient housing finance: 13%
- Quantity: supply not meeting demand: 23%
What were the top 2 housing issues in your city 10 years ago?
In the UN Conference Habitat II (1996), the heads of State and Governments agreed to promote the realization of the right to adequate housing.
How would you define the right to adequate housing?

7 dimensions: security of tenure, availability of services, adequate location, habitability, affordability, accessibility and cultural adequacy

53%

35%

By four dimensions: security of tenure, accessibility to water and sanitation, sufficient living space and safe building structure

A roof and four walls built with permanent materials, connected to water supply and protected by a legal framework

6%

6%
El derecho a una vivienda adecuada

The Right to Adequate Housing
The Right to Adequate Housing

The right to live somewhere in peace, safety and dignity, with access to basic infrastructure, in a location that allows adequate access to jobs and opportunities and urban services, all at an affordable price.
Housing prices will be determined by supply and demand...
The demand for housing is mostly affected by...
The Context of Housing Policy

Market

SUPPLY

HOUSING AFFORDABILITY

"Prices"

DEMAND

OUTCOMES

Affected by availability of:
- Land
- Infrastructure
- Building Materials - BM
- Organisation Building Industry
- Skilled & Productive Labour
- Self-reliance BM production
- Urban Planning

Affected by:
- Demographic conditions
- Rate of urbanisation
- New household formation
- Property rights regime
- Housing Finance
- Fiscal Policies
- Subsidies
- Macro-economic conditions


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