



COOP BUILDING AND COMMUNITY ORGANISING: AN APPROACH TO HOUSING THE POOR

JFLEI



Billy Tusalem, COO and
executive director of JF
Ledema Foundation Inc.

HOUSING has always been a top priority of the Philippine government for the past 25 years. In place is an assortment of policy instruments and line agencies working on the direct production of housing, subsidies for low-income housing, security in land tenure, tax and credit incentives to housing developers, zoning and building regulations, as well as rent control. The Philippine Institute for Development Studies puts government's exposure in retail mortgages and guaranties to housing developers at an average 4.5 percent of GDP, one of the highest in the region.

Yet, little improvement in the housing situation has been achieved. The problem is best represented by the rising number of "informal settlers" or illegal occupants of either public or private land, and the proliferation of "squatter colonies." House ownership is common at 78 percent, but residential land ownership is only 58 percent, according to the World Bank. In Manila, 30 percent live in informal settlements although only 15 percent are classified as poor.

The quality of dwellings is also substandard. Overall,

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one out of five poor households has no toilet facility. Less than half of all homes in the urban centers have access to the community water system, and about two-thirds do not comply with current safety and sanitary regulations.

The gap between the demand and supply of decent housing, especially for the low- to middle-income households, is due to rapid urbanization, as in other developing countries. There are more former agricultural workers coming to the cities in search of jobs as the increase in population has led to smaller farm lots per family, and has strained income sources and job opportunities in the countryside. In the past, a family of six had a farm lot with an average size of 3.2 hectares. Today, this figure is 1.5 hectares. In search of livelihood, the migrants are forced to move into non-agricultural, mostly casual, occupations in the urban areas. This, in turn, further drives up the land prices and house rent in the cities.

The national annual rural-urban shift is seven million, estimates Billy Tusalem, chief operations officer and executive director of JF Ledesma Foundation Inc. (JFLFI), based in San Carlos City, Negros Occidental. Aggravating the problem in San Carlos City is the closure of the city's lone sugar mill three years ago, which displaced at least 500 workers and thousands more employed in the auxiliary services transacting with the mill. Part of JFLFI's contribution to the realization of the city's development program is its effort in mass or socialized housing.

An ideal coop venture

While JFLFI carries out several community development projects – community-based health,



The production of the lime-based walling blocks and roofing tiles, because it is time-consuming and labour-intensive, is best done by a cooperative to create more jobs.

Gabriel Relegaro, a member of the CEB-MCR Multipurpose Cooperative, appreciates the coop's compulsory savings scheme because "it assures me and my family spending money for Christmas" when the savings are returned with a slight interest.



continuous training in farming productivity, the distribution and marketing of farmers' produce, its centrepiece program is a shelter project that in one stroke, addresses several concerns – the use of locally available resources and labour, the advantages of cooperative-based production, the provision of tenurial security to low-income earners and informal settlers, and institutionalized access to government housing loans.

The beginning of this shelter-delivery project was the production of earth-based concrete blocks that Canada Fund for Local Initiatives (CFLI) supported in 1996 for Cdn\$49,600 (today's value: PhP1.74 million). Billy calls CFLI's support to the manufacture and promotion of Concrete Earth Blocks (CEBs) the "spark plug" of JFLFI's shelter program. With the grant, the group was able to organise former sugar workers and vegetable farmers into a cooperative to produce the CEBs, which are made of lime quarried from the city's perimeter mountains with technology used in France for centuries.

The CEBs are viable only if the production is cooperative-based, Billy stresses, because the technology is extremely labour-intensive, from the lime selection to compression, to the alignment and piling of the blocks, to curing (drying off of moisture), "which is why no traditional capitalist will venture into it," he says. The product will cost too high, he adds, as 70 percent of the retail price goes to the labour expense alone. The 30 percent remainder of the retail price defrays the cost of cement used as stabiliser and other materials.

The successful venture into CEBs led to the development of micro-roofing tiles (MCRs), similarly made of lime and cement stabiliser. The MCRs are likewise economical. Because these are earth-based,

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they regulate the temperature naturally and therefore dispense with the insulator ceiling.

Gabriel Relegaro, 32, became one of the 304 members of the construction coop five years ago. Though assigned as a painter on one of the ongoing housing projects, Gabriel has also tried the other trades – masonry, welding, etc., in addition to the production and handling the CEBs. He earns PhP160 (Cdn\$4.60) daily – “enough to meet my family’s basic needs,” he says. Gabriel is married and with two children, aged 5 and 2.

The jobs have to be rotated to all the coop members, however, so when he is off the construction site, Gabriel is a tricycle driver, netting PhP130 (Cdn\$3.74) at best. “The housing job is better because the pay is higher, and also it’s less taxing to the body,” Gabriel says.

Environmentally Sound

The CEB technology is also environment-friendly. “We use dry, ‘dead’ lime,” stresses Benjamin Alfaro, the foundation’s production officer, “or lime that no longer has any organic matter and therefore not good for plants.” Lime selection involves several tests, including the cigarette test (rolling the lime as if rolling a cigarette) and the taste test. “It must not be salty!” Alfaro says.

The CEBs are remarkable for their strength, having a capacity of 1,000 psi (pounds per square inch). They are therefore better material for walling than hollow blocks because they save the homeowner the cost of steel-bar reinforcement and cement filling. The smooth yellowish matte finish, moreover, spares the builder plastering time and expense.

The CEB-MCR Multipurpose Cooperative is one of 60 finalists of the Partnership Awards at the Stockholm Partnerships for Sustainable Cities Conference, organized to commemorate the 30th anniversary of the 1972 UN Conference of Human Environment that was also held in Stockholm. The said conference served as a wake-up call to governments on the global scale and alarming rate of environmental degradation.

Multiplier Effect

Alongside the provision of a more profitable enterprise to former sugar workers through the CEB-MCR Multipurpose Cooperative, JFLFI was also collaborating with the city government on the “Homelot Program for Squatters” for San Carlos City’s informal settlers. That same year, more than 1,800 qualified squatter families were relocated to Fatima Village in the city proper. Their shanties were “extracted” from

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The roofing tiles are installed by tying these to steel beams, a skill that the coop members specialise in.



The children of Fatima Village walking back home after school. Any mass housing project has to take into account access to basic services like health and education, and livelihood opportunities.



their original foundations and transferred to 54-square-meter lots each. JFLFI organized the homeowners' association responsible for the collection of the residents' weekly amortisations of PhP25 (72 Cdn cents) over a five-year period.

JFLFI is now one of some thirty non-government organizations (NGOs) that act as "originators" of the government's housing programs for the poor.* As an originator, JFLFI is involved in organising the informal settlers interested in having their own homes and land titles into a homeowners' association, in ensuring the collection and remittance of the member's monthly loan amortisation, and in the enforcement of sanctions in case of default. JFLFI also guides the members through a detailed checklist of documentary requirements for the processing of their respective loan applications from the government's housing fund. Then finally it builds the CEB homes for those who prefer this design as the loans are approved.

One of the beneficiaries of JFLFI's initiatives in housing is Andrew Bacala, 52, a policeman who lodged his wife and two children with his parents and a rented apartment for nine years. "When Norma and I got married in 1986, we planned to have our own house one year later. But life was so hard because my pay was not enough."

Another proud homeowner is Lydia Cristuta, 56, a midwife who lived with her husband and son with her parents for 15 years. "We are very happy to have our own lot and house. It's different when you have a house of your own. It's good we can pay off our dues on our own house before we retire."

* The Community Mortgage Program (CMP), which allows a tract of land to be acquired by several beneficiaries through community mortgage; and the Group Land Acquisition and Development (GLAD) program, which is similar but exclusive to fixed earners who earn PhP8,000 (Cdn\$230) to PhP15,000 (Cdn\$431) monthly and contribute to the nationally administered housing fund through salary deductions.

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The health workers of San Carlos City and neighbouring municipalities during a training on taking vital signs sponsored by JFLFI



So far, JFLFI has completed 14 socialized or mass housing villages in Negros Occidental, or a total of 710 homes.

The key strategy is community organising. The government's community-based tenure and mortgage programs have been commended precisely for their innovative mobilisation of civil-society actors and even local government units in addressing an urgent need like shelter for the poor. Since the inception of these programs in 1988, NGOs have "originated" the most number of housing projects on the strength of an integrated approach that considers not only the housing requirements of informal settlers, but also livelihood possibilities, their access to health, sanitation and education, and their sense of security.

In the Philippines, the impact of one job in construction is 16.1 other jobs in the allied industries and services. JFLFI's various housing projects have reached 2,630 households (homeowners and construction workers), with indirect benefits to more than 25,000 individuals. The foundation received the Best Practice Award from the United Nations Centre for Human Settlements in September 2000.

However, the processing of loans for socialized housing, and overall monitoring and evaluation have been too centralized. Because of low collection efficiency at the national level, for example, the long-term funding for socialized housing that was to come from a major donor never came. Thus, the target of JFLFI's current advocacy work in housing and shelter is policy reform, particularly the devolution of government's program and credit fund for socialized housing to fast-track poor communities' bid for land tenure and home ownership.

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Andrew and Norma Bacala, proud owners of their new home after combining living with the in-laws and renting for more than 15 years.