

CO-OPERATIVES - AN ANSWER TO HOUSING PROBLEMS OF SLUMS

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India is confronted with multiple problems of housing shortage, unemployment and poverty. Estimates by Planning Commission and Census of 2001 show that over 20 million households do not have affordable and adequate housing facilities, about 35 million people do not have appropriate jobs and 260 million people are below poverty line, who are unable to afford the consumption of essential food for their survival. 67 million of them are residing in urban areas. The reported slum population in 607 towns and cities in India is over 40 million, living in substandard living conditions. They do not have access to safe shelter, basic amenities, education and health facilities. In brief, the urban poor are facing problems of lack of affordable shelter, unsafe building structures, insecurity of tenure, lack of basic services, limited access to credit and formal job opportunities.

There is a need for a holistic approach for overall development of slum dwellers and urban poor by not only providing them shelter, but also improving and up grading their access to basic amenities, and extending opportunities for self employment. As a first step, these poor people need to be organized at community level into co-operatives which will enable them to find solutions to their problems through their collective and voluntary efforts.

The National Co-operative Housing Federation of India (NCHF) which has the mandate for guiding, coordinating and promoting co-operative housing activities in the country, has been concerned about these problems and has been constantly searching for appropriate solutions. As a measure to tackle these problems, the NCHF has evolved a Concept of empowering the urban poor and slum dwellers through various participatory development programmes through the mechanism of co-operatives. Such co-operatives which will be organized, owned and managed by the members themselves would be the most ideal institutional arrangement that would facilitate the delivery of various development inputs including housing to these poorer sections.

The Government of India, through various poverty reduction programmes, has evolved various strategies to tackle these growing problems. The Valmiki Ambedkar Awas Yojana (VAMBAY), a centrally sponsored scheme is one of them, which aims to provide shelter or upgrade the existing shelter of people living below the poverty line in urban slums.

The Government at the Centre through the Common Minimum Programme (CMP) is committed to a programme of urban renewal and to a massive expansion of social housing in towns and cities paying particular attention to the needs of slum dwellers . The Government has taken facilitative steps such as tax incentives,

rationalization of stamp duty, reforms in the rent control laws and property tax and revision of building bye-laws, in this direction.

Experience of departmentally initiated and implemented slum improvement programmes shows that they could not succeed primarily because they were not designed to be 'participatory' for the beneficiaries. Delhi's case is a good example. A large number of resettlement programmes have been implemented in Delhi for these poorer sections by giving them developed plots and other forms of financial assistance. However, they have had only limited success primarily because, the relocation sites were far away from the usual work areas of the slum dwellers who could not afford to spend large amounts for commuting daily to their work centers. Also, the women in jhuggis and jhompris who used to work as domestic helps and at construction sites, could not find similar works and other wage employment opportunities at the new locations. These situations forced them to abandon the relocated sites and return to jhuggis and jhompris.

Despite these slow success rates, the Government is committed to remove JJ clusters and slum settlements from cities like Delhi within 5 to 7 years from now through a process of rehabilitation and in-situ upgradation programs, without displacing the slum dwellers to fringe areas of the city.

The sheer magnitude of the problems of the urban poor living in slums show that Government alone cannot solve them, but a participatory effort through the mechanism of co-operatives of slum dwellers can possibly be an answer.

The essence of co-operation is that individuals come together to achieve as a collective group what they cannot achieve as individuals alone. The co-operative movement promotes the principles like self-help, self-responsibility, democracy, equality, equity, solidarity, honesty, openness, social responsibility and caring for others.

The advantage of co-operatives is that it is a participatory process, where the stakeholders not only share the benefits of group housing and social and community life, but also manage their own co-operatives through a democratic process. They motivate people for shelter, channelise small savings, supervise construction of houses and post construction maintenance of housing assets, and undertake various educational, cultural, economic and social activities. It will help in income up-gradation and improve affordability towards housing and related services. Fresh migrants will get emotional security among the members of co-operatives at community level. Through co-operatives, capability of the poor to access land, finance and other resources increases.

Thus, a co-operative, for housing, co-operative for water supply and sanitation, co-operative for schools, co-operative for health and environment etc. or a Multipurpose Co-operative in each slum settlement can effectively ensure the delivery of housing and various development inputs directly and specifically to the targeted population in order to achieve the desired results.

The proposed strategy calls for a partnership effort by a large number of stakeholders. They include the designated departments of the Central/State Governments and local bodies as well as the land owning agencies, NGOs, industry associations, service providing agencies, such as State PWDs, State Electricity Boards, Jal Boards and Public Health and Engineering Departments. Support from Central financing institutions such as LIC, NHB, HUDCO, commercial and co-operative banks are also required.

To operationalize this concept, the urban poor would need to be organized into Multi-purpose Co-operatives, where land should be allotted to them for house construction on a lease hold basis, where the members would derive occupancy rights. However, no member shall be permitted to sell his rights, if he chooses to leave the co-operative. The occupancy right/land title would be heritable and the same can be mortgaged with the housing finance companies for raising housing loans. These co-operatives can also perform thrift and credit functions among the members thereby strengthening micro-credit system for urban poor. The savings and micro-credit needs of the poor in slum dwellers will also be facilitated and eventually co-operative banks for urban poor also will be set up as a process of poverty reduction. The Government would need to intervene here to enable the housing finance companies to give easy loans at concessional rate to the slum dwellers, which could be cross subsidized by higher interest rates for high income group housing. Active participation of women is also essential in the entire process, where they can be made joint owners of the land/houses. In order to safeguard their interests, membership in the co-operative should preferably be only for women and they should be given occupancy rights and title of land.

Multi-purpose Co-operatives may undertake besides housing, home based economic activities, health and social services, rental housing, library, child care, care for elderly, distribution of building materials, publicity for use of innovative technologies, etc. These additional activities will generate employment opportunities and give additional income for the members on the one hand and reduce housing costs on the other.

A good strategy that is conceptualized and framed by the policy planners, can be implemented effectively, only if all stakeholders actively participate in the entire process starting from formation of these 'multi purpose slum co-operative' to implementation of various projects as envisaged by the members of these co-operative societies.

The affairs of the proposed co-operative society shall be managed by its duly elected management committee including due representation of the women members. The managing committee may also co-opt a couple of representatives among the NGOs/Industry associations for guiding them in the process of overall development of slum relocated settlements.

The Concept of Housing the Slum Dwellers through Co-operative was deliberated in a National Seminar organized by the National Co-operative Housing Federation of India on 15th December, 2004 at New Delhi. The Seminar deliberated on the advantages and modalities of organizing the poor and slum dwellers at community level for resolving

their problems of housing, unemployment and poverty. About 200 delegates from various parts of the country including Chairman and Managing Directors of Apex Co-operative Housing Federations, Senior Central and State Government Executives, Development Authorities, NGOs, CBOs, Social Activities, Industry Associations and representatives of slums and Jhuggi Jhompri dwellers had participated in the Seminar.

The Seminar was inaugurated by Kumari Selja, Hon'ble Union Minister of State (Independent Charge) for Urban Employment and Poverty Alleviation. The inaugural function was presided over by Smt. Sheila Dikshit, Hon'ble Chief Minister, Government of Delhi. Dr. Sawai Singh Sisodia, President, National Co-operative Union of India and Shri Deep Chand Sharma, Chairman, National Co-operative Housing Federation of India were the Guests of Honor.

The Ministry of Urban Employment and Poverty Alleviation has endorsed this concept and have suggested that a few model co-operatives may be initially organized in some selected states to implement the housing and related programmes. A few states have already proposed to take up these programmes and have sought support of the Central and State Governments in implementing them through a convergence of various other programmes like VAMBAY, NSDP, SJSRY etc. which have components specifically targeted to the Slum Dwellers for improving their housing and socio- economic conditions.

It is believed that these initiatives by the Central Government would lead to a well crafted action plan applicable countrywide to eliminate the problems faced by the millions of our countrymen who are suffering in slums.

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