

Homeless Despite the Housing Boom



BY JM VILLERO

HERE'S A seeming paradox that can only be spawned in an impoverished country: there is a housing and real estate boom, yet the number of homeless people and slum dwellers is ever increasing.

For several years now, those in the housing and real estate sector have been happily reporting impressive growth. And the outlook – at least for the medium term – is optimistic, analysts say. Gonzalo Bongolan, president of the state-owned Home Guarantee Corp. (HGC), projects that the housing sector would remain strong in the next three years, unaffected by the housing debacle that has pulled the US economy to the pits.

Boom

So robust is the industry that the property sector "had recorded the fastest growth rate" among the various industries monitored by the National Statistical Coordination Board. And unlike other sectors, it is immune to the political "noise," says one executive of a real estate consulting firm. Throughout the various scandals that have become the Arroyo presidency's "badge of honor," people continue to buy homes, industry insiders say.

One property developer is expecting sales of as much as P50 billion in 2008.



There is a windfall not only for real estate developers and construction firms, but for financial institutions as well. As of end-September, 2007, Philippine commercial banks alone had a combined real estate exposure amounting to P220 billion – about 2.4 percent higher compared to 2006 figures.

The National Statistics Office (NSO) recorded a total of 110,563 approved building permits for 2006, accounting for a total floor area of 16.6 million square meters. More than two-thirds (about 75,932) of these permits were approved for residential building construction. Residential units amounted to P58.4 billion – accounting for 47.8 percent of the total value of construction, which reached P122.2 billion.

So where are the houses?

The need for housing in the Philippines is of urgent proportions. Current estimates put the country's housing backlog at 4.5 million.

If the government wants to eliminate this housing backlog alone, it has to build at least 900,000 housing units per year, 75,000 units per month, or 2,500 houses per day for the next five years.

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The housing program of the government cannot keep pace with the human settlement needs of the population. For 2007, the Housing and Urban Development Coordinating Council (HUDCC) reported the following relocation accomplishments under its Rail Resettlement Program (for those families affected by the NorthRail and SouthRail Projects):

Area	Number of Families Relocated
Pampanga Segment	430
Manila, Taguig & Muntinlupa	7,685
Laguna (SouthRail Project)	3,893
TOTAL	12,008

Source: HUDCC

For victims of calamity in the Bicol region, HUDCC has the following report:

Resettlement Project	Status	Capacity	Actual Accomplishment
Six (6) resettlement sites in Daraga, Sto. Domingo, Legaspi City, Camalig, Polangui and Ligao City in Albay Province	On-going development	4,153	888
Resettlement sites in Daraga and Guinobatan, Albay	On-going development	3,078	49

Source: HUDCC

Aside from the relocation of NorthRail/SouthRail communities and the resettlement of typhoon-affected families, the HUDCC also reported having provided housing materials assistance (worth P2,000) to some 11,757 families in Bicol:

Area	Number of Families
Legaspi City	1,500
Ligao City	1,000
Tabaco City	1,000
Naga City	1,500
Municipalities in Albay	4,000
Municipalities in Camarines Sur	2,757
TOTAL	11,757

Source: HUDCC

Another 9,582 reportedly benefitted from other housing programs such as slum upgrading, core housing, medium-rise housing and other local housing projects.

With such a sluggish accomplishment rate, the task of eliminating the housing backlog in the country within the medium term is almost impossible to attain. In the meantime, squatter communities continue



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to grow, and those who cannot be accommodated in the slums are forced to live in the streets.

But what about this housing boom, one may ask?

Strange as it sounds, the growth in the construction sector also contributes to the housing crisis in the Philippines and results in homelessness for more people.

The demand for housing and real estate drives prices up, making it more difficult – if not impossible – for the poor to avail of housing units.

Bust

Latest estimates by the United Nations Human Settlements Program (UN-HABITAT) put the country's urban population at 59 percent (or a rural-urban ratio of 4:6). Out of the 59 percent who are in the urban centers, 44 percent live in slums. This means more than 23.3 million Filipinos live in slums (2007 estimated total population: 90 million).

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But the country's human settlement problem has already grown beyond the squatter settlements.

A study by the Ateneo-based Institute on Church and Social Issues (ICSI) reported that more than 100,000 Filipinos have recently joined the so-called "new types of homeless." This figure is for Metro Manila alone, GMANews.TV reported.

The report quotes Dr. Hideo Aoki, director of Japan's Urban Sociology Research Center and a research fellow at the Ateneo de Manila University, who describes the new homeless as those "who are moving on the streets in some constant range and who cannot live even in the squatters."

The new homeless

- 84 The new homeless are much worse off than slum dwellers. Squatters,





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who live hand-to-mouth through informal jobs (such as vendors, scavengers, "barkers," or, sometimes beggars), have at least houses in the slum areas.



The new homeless do not have even this most basic right.

There are at least three types of people who can be called the "new homeless," Dr. Aoki says:

1. Those who lost their homes when the slum areas were demolished, were not given relocation sites or found it difficult to survive in their new settlements and were forced to come back to the metropolis.
2. Migrants from the provinces looking for a better life in Manila. Without relatives who can help them, and unable to afford rent, they are "forced to stay with their belongings in bus terminals, parks, cemeteries, and on the streets."
3. The third group is composed of tribal and indigenous communities who come to Manila, also in the hope of better opportunities. they come from the Cordilleras, as well as the Aetas from Central Luzon and the Muslims from Mindanao and Palawan.

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What is common among the three groups is the lack of a support system, such as relatives and friends, who can help them at that point of emergency when they are most in need of roofs over their heads while they are scrounging around for livelihood opportunities – or at least for the next meal.

Disasters

Sometimes, it is not only poverty that forces these people to flee the provinces. Disasters, whether natural or caused by human agency, have contributed to the waves of rural-to-urban migration.

Militarization and the deteriorated peace-and-order situation have displaced thousands of families, specifically among the Muslim



communities in Mindanao (see, for example, Renato Mabunga's article on pages 1-24). Calamities, such as typhoons, that leave behind destroyed houses and sources of livelihoods, have also wrenched people from the rural communities. This happened to the rural dwellers of the Bicol region, when typhoon Reming hit the area in 2006.

The National Disaster Coordinating Council (NDCC) reported that Typhoon Reming (international code name: Durian) left behind 232,968 totally damaged houses in Bicol. 114,394 of these were in the province of Albay. Yet more than a year after the calamity, some 10,683 displaced families in Albay alone have yet to find permanent resettlement, as reported by the Philippine Daily Inquirer (PDI) in December 31, 2007.

The resettlement project is going on at a very sluggish pace. As of December 31, 2007, the PDI noted that "none of the land development projects in resettlement areas in Albay has even reached half-completion." NGOs assisting the displaced families opted to construct dwelling units even in undeveloped sites.

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No guarantee

The "new homeless" phenomenon starkly illustrates the warnings given by the International Bank for Reconstruction and Development (IBRD), in its World Development Report 2008, released in October 2007.

As the IBRD report points out, "migration is not a way out of poverty," contrary to commonly held belief. Indeed, people fleeing poverty in the rural areas only end up in slums, where they remain as impoverished as ever – or even worse off. There is only displacement of incidence, as the report asserted, but no improvement in poverty incidence.

So while rural out-migration does not necessarily solve the problem of poverty, it also contributes to another crisis: the growth of slums.

of homeless families.

So if the government wants to solve the slum crisis and the problem of homelessness, the bulk of its focus should be on alleviating poverty. But as long as poverty and hunger in the rural areas remain rife, the cities will always become magnets for rural folks hoping for a better lot in life.

In this light, the practice of demolishing squatter communities and telling slum residents to go back to the rural areas – as was done in recent months during the “clearing” operations for the NorthRail and SouthRail Projects – will only worsen the problem. It deprives thousands of people of a basic right: housing. Deprived not only of shelter, but of other rights and basic social services, victims of demolition fall even deeper into the trap of poverty. Without incentives – or even the capacity – to go back to the provinces, these homeless people will have no choice but to populate the streets and other public places such as parks or cemeteries, relocate to an existing slum area, or start a new squatter settlement.

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