

FOURTH REPORT

STANDING COMMITTEE ON URBAN & RURAL DEVELOPMENT
(1993-94)

(TENTH LOK SABHA)

NATIONAL HOUSING POLICY – MAY, 1992



सत्यमेव जयते

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LOK SABHA SECRETARIAT
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Minutes of the sittings of the Committee on Urban and Rural Development held on 12th August, 11th October & 11th December, 1993.

* Not printed, one cyclostyled copy laid on the Table of each of the Houses and 5 copies placed in Parliament Library.

LIST OF THE MEMBERS OF THE STANDING COMMITTEE
ON URBAN AND RURAL DEVELOPMENT
(1993-94)

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Shri Prataprao B. Bhosale

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39. Shri Thennala Balakrishna Pillai
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SECRETARIAT

Shri G.L. Batra	—	<i>Additional Secretary</i>
Shrimati Revathi Bedi	—	<i>Deputy Secretary</i>
Shri C.S. Joon	—	<i>Assistant Director</i>

INTRODUCTION

1. I, the Chairman of the Standing Committee on Urban and Rural Development (1993-94) having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report on the 'National Housing Policy – May 1992'.

2. The Policy was referred to the Committee by the Hon'ble Speaker under Rule 331 E (1) (d) of Rules of Procedure and Conduct of Business in Lok Sabha. The Policy was considered by the Committee at their sitting held on 12 August, 1993.

3. The Report was considered and adopted by the Committee at their sitting held on 11 December, 1993.

PRATAPRAO B. BHOSALE
CHAIRMAN,
STANDING COMMITTEE ON
URBAN AND RURAL DEVELOPMENT
(1993-94)

NEW DELHI;

December 11, 1993

Agrahayana 20, 1915 (Saka)

NATIONAL HOUSING POLICY

INTRODUCTION

1.1 Human settlements provide a living and working environment for the population. The term human settlements includes not only the physical elements of the environment but also the social and cultural activities located there. The physical dwelling unit is not the sole element of housing, equally important is the provision of basic services like potable water, sanitation, drainage and electricity etc. Further, the type and location of housing is inextricably linked to the employment and affordability of the occupant.

1.2 In a developing country like India, problems of urban housing have been more evident, both because of exponentially increasing land and construction cost and deteriorating quality of life in congested urban pockets. It has been observed that despite various efforts over successive plan periods engaging large chunks of money, the housing problem continues to be daunting in terms of the large number of houseless households, rapid growth of slums and unauthorised colonies, spiralling prices of land and houses, inadequate availability of water, sanitation and basic services to the bulk of the population. Moreover, the concentration of the ever increasing urban population in 300 towns (out of 3119 towns) has led to congestion and overcrowding in small houses, steady growth of slum dwellers and informal settlements with almost nil or very minimal basic amenities of life and severe pressure on civic services which are already deficient.

It has been observed that rural housing has not been given due and proper attention, though 60 to 70% population are living in rural areas. Rural housing qualified as a plan programme only during the 5th five Year Plan under the Minimum Needs Programme. Generally, it is believed that problems of urban housing are mainly due to iniquitous development of the settlements due to migration from villages and consequently, rural settlements are not left with much housing problems. But in reality, it is not

only the migration from rural to urban areas which causes problems in urban settlements, but also high birth rate and low death rate in cities and towns. It is felt that the problem of rural settlements should also be looked into properly instead of viewing housing as an urban problem only.

1.3 As per the official statistics, housing stock in urban areas was estimated at 14.1 million in 1961. This increased to 18.5 million in 1971 and further to 28 million by 1981. In the rural areas, housing stock grew from 65.2 million in 1961 to 74.5 million in 1971 and 88.7 million 1981. When asked about the latest position, the representative of the Ministry of Urban Development stated during the evidence:

“There is a shortfall of about 33 million houses as on 1.3.1993 of which the rural areas account for 21.7 million units and urban areas account for 11.3 million units.”

It was further stated:

“Even the statistics given above are not perfect. There are problems in getting statistics. In addition to this, there are the so called house holders who may be living in subhuman conditions. Every year, the shortage keeps on increasing because of the growing population. About a million is being added to this list every year.”

1.4 Housing forms an important part of the strategy of the Government for the alleviation of poverty and employment generation and is to be viewed as an integral part of overall improvement of human settlements and economic development. The Committee have been informed that ‘Housing’ is a State subject, the Union Government is responsible for the formulation of Policy with regard to programmes and approaches for effective implementation of the social housing schemes, particularly pertaining to weaker sections of the society. In this connection, the National Housing Policy has been enunciated in the five year plan and the State Governments implement the schemes/programmes in accordance with the plan priorities and local requirements.

1.5 In this connection, the Committee have been informed by the Ministry that a National Housing Policy was tabled on both the Houses of Parliament in May, 1988 and it had been approved by the Rajya Sabha. In the light of the developments in the national and international scene after the presentation of the Draft NHP, and in the context of the formulation of the VIII Plan, the National Housing Policy was given further re-orientation. The objectives, goals and strategy for housing policy are given below:

OBJECTIVES

The basic objectives of the policy are:

- to assist all people, and in particular the houseless, the inadequately housed and the vulnerable sections, to secure for themselves affordable shelter through access to developed land, building materials, finance and technology;
- to create an enabling environment for housing activity by various sections by eliminating constraints, and by developing an efficient and equitable system for the delivery of housing inputs;
- to expand the provision of infrastructure facilities in rural and urban areas in order to improve the environment of human settlements, increase the access of poorer households to basic services, and to increase the supply of developed land for housing;
- to undertake, within the overall context of policies for poverty alleviation and employment, steps for improving the housing situation of the poorest sections and vulnerable groups by direct initiative and financial support of the State;
- to help mobilise the resources and facilitate the expansion of investment in housing in order to meet the needs of housing construction and upgradation and augmentation of infrastructure.

- to promote a more equal distribution of land and houses in urban and rural areas, and to curb speculation in land and housing in consonance with macro-economic policies for efficient and equitable growth;
- to promote vernacular architecture and to preserve the nation's rich heritage in the field of human settlements.

GOALS

The main goals to be achieved in the next ten years would be to:

- reduce houselessness;
- provide larger supply of developed land and finance to different income groups;
- promote use of appropriate and energy saving building materials and cost effective construction technologies,
- assist in the upgradation of all unserviceable houses in rural and urban areas, with a view to particularly improving the housing conditions of the rural homeless and the inadequately housed, slum dwellers, Scheduled Castes & Scheduled Tribes and other vulnerable sections;
- provide the minimum level of basic services and amenities to ensure a healthy environment within the framework of integrated development of rural and urban settlements.

1.6 It has also been stated by the Ministry that the most significant aspect of the Eighth Plan compared to VII Plan, in respect of housing sector is that it is set against a definite National Housing Policy. In line with the National Housing Policy, the core strategy of the Eighth Plan consists of creating an enabling environment for housing activity, viewed as an important component of the national economy, by eliminating various constraints and providing direct assistance to the specially disadvantaged.

National Housing Policy and its Rationale

1.7 Prior to 1988 the policy directives to various State Governments and Union Territories were laid down in the Five Year Plan documents, declarations/statements made by the Ministers of Urban Development on various occasions as also specific programmes. The initiative taken by the Central and the State Governments were only Programme-based and was not a policy initiative. The Estimates Committee (1985-86) of the Eighth Lok Sabha in its 32nd Report on Housing for Landless Rural Labour made the following observations:

“The Committee feels concerned to note that Govt. have not yet conceived a National Housing Policy. The Committee feel that the time has come when Government should give serious thought and evolve National Housing Policy without further loss of time for planned development of liveable human settlements keeping in view the basic requirements and the need for having pleasant environment. The policy should be explicit about, the time-schedule for achieving the said target.”

The Ministry initiated action for formulating a specific housing policy in 1986-87 in pursuance of the above recommendation and the first draft policy was brought out in the Year 1988

1.8 When asked about the drawbacks in the earlier National Housing Policy which necessitated the Ministry to redraft the policy, it was stated by the Ministry that the present National Housing Policy is built upon the element and approach of the 1988 Policy and certain parallel developments since 1988, e.g. the 74th Constitution Amendment Act, the establishment of National Housing Bank, steps taken for liberalization and privatisation in economic and financial sectors etc. It was further stated that certain sections which were there in NHP 1988 document, have been expanded such as legal framework, land supply, infrastructure and role of different agencies etc. Simultaneously, it had also been admitted by the Ministry that in so far as present Housing Policy

compared to the earlier NHPs is concerned, no significant departures had been made.

1.9 It is needless to say that 'Housing' is one of the basic and minimum requirements of all human beings. One can easily understand the rationale behind the demand of various voluntary organisations to include 'Right to Shelter' as one of the Fundamental Rights in the Constitution. The Committee is very perturbed to note that India does not have a housing policy till date. Pressures and demands on the supplies of housing, land and infrastructure in rural as well as urban areas is increasing day by day. People are living in sub-human conditions resulting in spontaneous generation of slums and crowded living conditions.

In this connection, the Committee recommend that the problem of housing should be dealt with in a permanent manner. The need of the hour is to finalize the Housing Policy document at the earliest which is the real foundation on the basis of which efforts of the concerned authorities- Centre, State and local are to be directed. Moreover, the element of policy formulation, that too in a crucial field like 'Housing', must be guarded against all the changes except those which directly and adversely affect the issue. The Committee find that in the 1988 National Housing Policy document and 1992 NHP, there is little or no difference in Government's programmes, policies and thrust areas recognized. They find no justification for inordinate delay in finalizing the housing policy. The Committee would like to urge the Ministry to finalize the document at the earliest.

Housing & Constitutional provisions

1.10 The main problematic characteristic of the Housing situation in India is the large shortage of houses in relation to need and demand. One of the long term goals of the National Housing Policy is the eradication of houselessness and to improve the housing conditions of the weaker sections of society, rural homeless, slum dwellers, scheduled castes and scheduled tribes and other vulnerable sections.

1.11 In so far as the Constitutional provisions are concerned, the Committee have observed that 'Housing' fall within a pattern of fragmented power. Housing has not been included as a subject in any of the Lists of the VIIth Schedule i.e. Union List, State List and Concurrent List. The Constitutional responsibilities are divided between the centre, the state and the Local authorities. Local Governments, Municipal Corporation, improvement trusts, district boards and other local self-governmental or village administration are given in Entry 5 of List II (State List) of the VIIth Schedule Entry of the State List places water that is to say water supply, irrigation and canals, drainage etc. Thereby water supply, sanitation and civic services also fall under the State's jurisdiction. Entry 18 of the same List relates to land, that is to say, right in or over land, land tenures including the relations of landlord and tenant and the collection of rents transfer and alienation of agricultural land, land improvement and agricultural towns etc. Entry 6 of the Concurrent List (III list) belongs to transfer of property other than agricultural land; registration of deeds and documents. While there is no specific provision relating to urban planning, it would fall within the ambit of Entries '5' of list II and Entry 20 of List III which relates to Economic and Social planning.

1.12 One can easily understand that such kind of fragmented arrangement of power have posed question about the nature, functioning and necessity of coordination in the field of housing. Although, it has been stated in the Annual Report 1992-93 that the Union Government is responsible for the formulation of the policy with regard to programme and approaches for effective implementation of the social Housing Schemes. Yet when asked about the reasons for the poor performance, it has always been stated by the Ministry that Housing is a State subject and it has been accorded very low priority in the States.

In so far as basic services e.g. water supply, sanitation, roads etc. are concerned, these are normally stated to be the responsibility of Local authorities. First of all, the Committee would like to point out that since 'Housing' has not been

included in any of the lists of the VIth Schedule, it is not appropriate to consider it a State Subject only. It is also felt that one of the main reasons for more conflictual and less cohesive housing administration is the non-inclusion of Housing as a subject in any of the three lists of the VIth Schedule of the Constitution and the lack of clear cut demarcation of responsibilities among the Centre, the State and the local authorities. The need of the hour is to reformulate the existing arrangement and to guard it with necessary Constitutional provisions. Since housing for the poor, the weaker section and the disadvantaged section is the responsibility of the Government, the Committee, therefore, would like the Ministry to explore the possibilities to include 'Housing' for such sections as a subject in the Concurrent list of the VIth Schedule of the Constitution through a constitutional Amendment Bill. The Committee would also like to be apprised of the steps taken by the Ministry in this regard alongwith the rationale behind it.

What is Housing

1.13 Before formulating the policy, the very first question which requires to be clarified is the definition of a 'House'. A House can be many things in both appearance and in its meaning and significance to those who live there.

1.14 When asked about the precise definition of a house which is being followed by the Ministry at the time of policy formulation, the representative of the Ministry stated:

"As per the National Housing Policy the minimum area in the urban, metropolitan cities should be 20 meters plot on which some structure is built; and in the rural areas, it should be 80 meters plot. Today, any type of shelter is treated as a house, even if it is a slum. The National Committee on urbanization states : "A new definition of the house, not necessarily a pucca or a permanent status symbol, but one that shelters adequately."

1.15 The Committee have also been informed by the Ministry that housing shortage has been estimated on the following assumptions:

- (i) Every household should have a house.
- (ii) In urban areas, pucca and semi-pucca houses are considered to be of the acceptable standard. Congestion and obsolescence have also been added as two more adjustments in so far as housing shortage in urban areas is concerned
- (iii) In rural areas, pucca, semi-pucca and serviceable kutcha houses are considered acceptable.

1.16 The Committee are of the view that housing is often more than it seems on first appearance. The links between housing and health, are both common and strong. Quantitative and qualitative shortcomings in water supply & sanitation, inadequate shelter, poor ventilation, insulation and lighting, lack of facilities for solid wastes and waste water, air and noise pollution and overcrowding are likely to have adverse effect on physical and mental health of a person. It has been observed that in India, nearly 30% to 50% of the population are living in a life threatening and health threatening atmosphere e.g. 95% of the rural population and 70% of the urban population have no or inadequate access to sanitation. Nearly 30% to 60% of the population live either in illegal settlement with little or no infrastructure or services or in overcrowded and often deteriorating tenement and cheap boarding-house. The Committee are of the opinion that the Ministry lacks such kind of definition of housing, which is based upon a minimum socially acceptable standard of habitation, which is a must in determining the magnitude of housing any where in the world. It is felt that the definition which is being based in case of various programmes/schemes for housing needs to be reconceptualised. In this connection, the Committee would like to recommend that the Ministry must re-define the term 'Housing' keeping in mind the following

features of the housing environment as has been singled out by World Health Organization in its report on Health and Environment 1992 entitled 'Our Planet and Our health':

- (a) the structure of the shelter (Which includes the extent to which the shelter protects the occupants from extremes of heat or cold, noise, and invasion by dust, rain, insects, and rodents);**
- (b) the extent to which the provision for water supplies is adequate, from both a qualitative and a quantitative point of view;**
- (c) the effectiveness of provision for the disposal (and subsequent management) of excreta and liquid and solid wastes;**
- (d) the quality of the housing site, including the extent to which it is structurally safe for housing and provision is made to protect it from contamination (of which, provision for drainage is among the most important aspects);**
- (e) the consequences of overcrowding, including household accidents, air-borne infection, acute respiratory disease, pneumonia, and tuberculosis;**
- (f) the presence of indoor air pollution associated with fuel used for cooking and heating;**

The Committee also recommend that this definition must be incorporated in the National Housing Policy. The Committee would also like to be apprised of the action taken in this regard, at the earliest.

LAND SUPPLY AND ITS MANAGEMENT

1.17 Eradication of homelessness is dependent upon the availability and supply of adequate land and infrastructure and various types of building materials. It is widely recognized that the effective operation of the land market has been affected by the existing legal and regulatory framework lack of infrastructure and the slow pace of release of serviced land by public agencies. This, alongwith other economic factors, has led to unwarranted increase in land prices and housing costs and widespread speculation and profiteering, specially in larger cities.

1.18 It has been observed by the Committee that a land policy, recommended by the Ministry as well as the Planning Commission, has always been that the land at large chunks should be acquired in the towns and should be rationally distributed in accordance with the needs of different sections of the Community. But in reality, the picture is totally disheartening. The way land is acquired, managed and distributed in urban areas and rural areas need much to be desired and given more attention. The processes of legal framework, the economic factors, increasing prices of land, speculation in land deals have deprived the poorer sections of the society in urban and rural areas, of their basic human right of getting minimum shelter to live.

1.19 While commenting upon the availability of vacant land for housing, it has been stated by the representative of the Ministry:

“Under the Urban Land Ceiling Act, the extent of land which was declared surplus was around two and a half lakh hectares. As against this, the extent of vacant land acquired by the State Government was only 33,970 hectares. And, what really has come up for development is lower than that of 13000 hectares or so. In that sense only less than 10% of the surplus land has been brought in for public purpose.”

1.20 Highlighting the problems being faced during the acquisition of surplus land, it was stated by the representative of the Ministry;

"The original intention of the Land Acquisition Act has not been achieved, because in many cases parties went to the court and a lot of litigation have been filed. With the result, over the last 20 years in discussion with various State Governments, it has been suggested that certain amendments may be brought about in the act e.g. simplifying the appeal procedure, empowering the concerned land acquisition Commissioner to deal with cases of compensation through a system of negotiated settlement. Similarly, an element of simplification can be introduced even in terms of computing appurtenance of land where it leads to delays in settlement of cases."

1.21 It has been noted by the Committee that the present Housing Policy will accord priority to the promotion of access to shelter for the houseless, inadequately housed and the disadvantaged groups such as:

- (a) households below the poverty line in all settlements;
- (b) rural landless labour including artisans;
- (c) the households dishoused by development projects and the victims of natural calamities;
- (d) scheduled castes, scheduled tribes and freed bonded labour;
- (e) widows, single women and women headed households including construction workers below the poverty line;
- (f) physically handicapped. In this connection, it has been stated by the representative of the Ministry that despite section 21 of the Urban Land Ceiling

Act which enables the authorities to release vacant land for the purpose of housing construction for the weaker sections of society, there appears to be a very poor performance in this context on the front of Social Housing. 2741 schemes were approved under section 21 involving just 4944 hectares of vacant land for the purpose of construction of 320,123 dwelling units for the weaker sections of society. As per the information furnished by the Government of Andhra Pradesh, Kamataka, Gujarat, Maharashtra and Uttar Pradesh only 1153 schemes have been completed and 54,473 dwelling units have been constructed as on 31 March, 1993. This little performance have involved land to the extent of 2411.61 hectares.

1.22 When asked about the steps taken by the Ministry to remove the hurdles, the representative of the Ministry informed the Committee:

"We have discussed this matter with a number of States, Housing Agencies and this was also discussed in the context of the National Housing Policy. Certain amendments may be brought about in the Urban Land Ceiling Act which would give some incentive to the owners to give the surplus land for housing for the lower income groups. This has been discussed at various forums, but no final decision has been made."

It has been suggested by the Ministry that the provision for weaker sections should either be deleted from the statute book or there should be some major clearcut direction in the Act. At least 30% of the value of the surplus land must be earmarked for social housing viz. housing for the poor, housing for the weaker section and let the State do whatever they want to do with the rest of the land.

1.23 When asked whether there is any provision in the National Housing Policy for the purpose of having uniform policy guidelines in connection with Land Acquisition, its management, distribution and its pricing, it was stated by the representative of the Ministry:

“The real problem, in so far as urban land is concerned, is that even though the acts concerning urban land have been passed as Central Acts, Urban Land is really a State subject and the situation differs from State to State. The Acts have actually been passed taking recourse to Article 252 of the Constitution. But the implementation of the Act lies with the State level authorities. There are a lot of things which can be done. In the National Housing Policy itself, we have suggested that there should be some interaction between the Central and the State Governments to see that the legal hurdles are removed and we can plan our programmes in such a way that the interests of the poorer sections are well taken into consideration”.

1.24 The Committee is happy to note that the Ministry of Urban Development is well aware of the legal and administrative problems being faced at the time of land acquisition, management and its distribution. The Committee are doubtful of any significant improvement in availability of land through the amendments/modifications, which are being considered by the Ministry in the Land Acquisition Act. In this connection, the Committee would like to recommend that the Ministry must strengthen its mechanism for Land survey and Mapping. Secondly, Land Acquisition Act must also be reviewed with a view to reduce the existing time period taken for acquisition of land. Effective steps must also be taken in order to strengthen land management and its control so as to curb illegal encroachment of public land. It must be made obligatory that once the land is acquired for public purpose, it should be released without any delay. The Committee are of the opinion that such arrangements will certainly enable the Ministry not only to reduce its administrative expenditure but also to implement various programmes/schemes for

housing well the time. The Committee would also like to be apprised of the steps taken by the Ministry in this regard.

1.25 The Committee are of the opinion that Land occupies a very crucial place as far as 'Housing' is concerned. Urban Land Policy, which must always be seen in national perspective, includes both Development planning which means achieving objectives in urbanization by using public investment to acquire land and to dispose off development rights on that and 'Regulatory Planning means trying to achieve the objectives by regulating what States/private investors within the prescribed land use plans, zone planning and building/housing regulations.

At one stage, it was a part of the planning Commission as well as the Ministry's recommendation that land at large chunks should be acquired in cities/towns and it should be rationally distributed in accordance with the need of different sections of the Community. The Committee is very much disappointed to note that at present, the Central Government have confined its role to merely making the funds/loans available for various schemes/programmes for housing. The Central Government does not recommend any urban land policy while extending such funds/loans to states/private and public agencies for housing construction.

In order to have a balanced development on this front, the Committee find it necessary to recommend that the Central Government must evolve an urban Land Policy which includes the issues e.g. acquisition of large chunks of land in advance for launching of various schemes/programmes, distribution of land in a fair manner to the various sections of the society keeping in mind the letter and spirit of National Housing Policy, price and cost of land, reserving/earmarking certain portions of land in advance for Social Housing Schemes for the people living below the poverty line and belonging to the marginal income group, the weaker sections, the slum dwellers etc., supply of only developed land for the purpose

of housing etc. In order to enable the Govt. to provide Housing Plots to the persons of Low Income Group in Towns and particularly in small and medium towns at cost price and also to minimise the unjust enrichment of persons dealing with Real-estate business. This Committee find it necessary to recommend that the Centre and State Governments must prohibit individual real estate business people to purchase Urbanizable Land in and around the Towns. The Committee further recommend that the Govt. itself must purchase such lands at market price and divide them into plots and distribute them to the persons of the low income group for the purpose of their house buildings.

Compliance with the urban land policy the concerned authority/agency must be taken into consideration while extending funds/lands to the same authority/agencies in future. Such kind of arrangement would enable the Government to achieve both the objectives, namely, social justice and economic efficiency in case of housing.

HOUSING FINANCE

1.26 Housing finance is yet another major area in the need of the attention of Policy makers in the economics of housing reforms. The VIII Plan estimates that the physical programme to construct and upgrade 21.7 million units over 1992-97 will call for the investment of Rs. 98000 crores. This is apart from the funds needed to wipe out the backlog of 30 million units which has been estimated to the amount of Rs. 20000-25000 crores in VIIIth Plan, which has provided an increase outlay of just Rs. 6377 crores only. Moreover, if the required units are not constructed well in time, the backlog will go upto the figure of around 40 to 50 million units. In so far as the allocation in the VIIIth Plan is concerned, although it is more than double the amount allocated during the VIIth Plan. However, the real step-up is only to the extent of 10 or 15% keeping in mind the cost escalation.

1.27 When asked about the steps taken by the Ministry to remove financial hurdles being faced, it was stated by the Ministry that one of the objectives of the National Housing Policy is to promote easy to finance for different housing activities and to evolve an elastic and widespread resource mobilization strategy to tap household savings in the formal and informal sector. The Committee have been informed about various proposals put forth by the Ministry in this direction which are as below:

- annual allocation of 16% of investible funds of LIC for housing, and earmarked funds of GIC;
- 3% of annual incremental deposits of commercial banks for housing;
- Employee Provident Fund to allocated at least 5% out of 15% free funds from PF accumulation for HUDCO and other housing institutions;
- expanding the access of HUDCO to sufficient resources in the capital market for its EWS/LIG operations;
- enabling housing finance institutions to device saving instruments and compete for deposits on equal terms with bank and corporate borrowers;
- promoting community level savings and landing associations with the help of NGO's and removing impediments to credit for the poor;
- larger access to finance from World Bank, ADB, OECF and other donors;
- tax and other concessions for increased investment by private sector and NRI's in housing and urban infrastructure;
- including housing in the social sector and safety new programme for World Bank grants.

1.28 It has been further stated that the budget for 1992-93 has removed a number of existing tax concessions for housing, the important one being the withdrawal of the set off of negative

income under Section 24 from house property against taxable income. The other are the interest tax even on loans to EWS and the requirement of deduction of tax at source for housing finance institutions. The present budget makes no mention of a boost to housing activity nor do the proposals to aid agencies for safety net credit to soften the effect of structural adjustment include expansion of housing assistance or urban poverty alleviation.

Generally, the Reserve Bank accords low priority to housing in bank loans for individual housing or public/private agencies. It has been agreed to by World Bank also that targeted subsidies for shelter of the poor can be provided. The Reserve Bank must be asked to adopt a positive approach for loans by the banking and cooperative sector.

1.29 The Committee have also been informed that on the lines of Global strategy for shelter adopted by the United Nations in 1988, the National Housing Policy, 1992, envisages the role of Government at Central, State and local levels to act as a provider for the poorer and vulnerable sections and as a facilitator of housing activities of other income groups.

1.30 Though, the Committee fully agree with the Ministry that housing sector is facing severe resource constraints. Non-availability of resources is in fact the problem which almost each and every sector of the Government activities are facing. The Committee feel that solution lies in finding a way out for funding the housing sector from other sources in addition to financial institutions.

It has been observed that Government provisions account for a very small proportion of housing activity, certainly less than 10 to 15% of the total housing each year. It is an indication of the dominant role which is being played by the private sector which has often been ignored in our public policies. What one generally observes is that the private sector and its potential is operationally constrained and under-resourced. The Committee, however, find that an answer to the housing kproblem, especially for those income groups other than those below the poverty line lie in the

private/corporate sector. In this connection, the Committee would like to recommend that the National Housing policy must clearly incorporate the provision regarding Government's role as a facilitator rather than a housing builder' as one of the strategies to deal with the housing problem in India. Government's role must be confined only to meet housing needs of those below the poverty line and the disadvantaged like slum dwellers, scheduled castes and scheduled Tribes, women etc. In case of other income groups Government's role must be confined only to the supply of developed land and infrastructure, extension of appropriate technology, disseminating information on housing scheme, providing loan/funds facilities to the corporate & private construction agencies. It must also have some control over the pricing of houses built by these agencies in order to keep it within reasonable limits, since Housing activities are otherwise not commercial but service-oriented in nature.

1.31 'Housing' for other Income groups, requires to be declared as an 'Industry' so as to enable these agencies to tap more resources for housing activities through IDBI, IFCI, ICICI commercial banks and other financial Institution etc. The Committee would like the Ministry to take-up the question of declaring 'Housing' as an industry in right earnestness basing it on clear-cut demarcation of responsibilities between the Government and the private/corporate agencies. Ministry must also initiate a legislative proposal in this connection, if required. The Committee would also like to be apprised of the steps taken by the Ministry in this direction.

1.32 In so far as Social Housing Schemes are concerned, the Committee feel that the Involvement of Cooperative Societies is a must. The Committee find it necessary to have an organised network of Housing Societies, especially for Lower Income Group and Middle". Apart from providing them with adequate supply of land and housing finance, these societies must also be vested with full liberty/power to formulate housing plans/schemes. It will certainly create in them a sense of responsibility and accountability in order to fulfill their task.

SLUMS AND SQUATTER SETTLEMENT IN URBAN AREAS

1.33 National Housing Policy envisages that keeping in view the policies of planned growth of urbanization, income support and poverty alleviation and together with steps to assess the growth of slums in urban areas, the Central and State Government would take steps to:

- (a) avoid forcible relocation or dishousing of slum dwellers;
- (b) encourage in-site upgradation, slum renovation and progressive housing development with conferment of occupancy right wherever feasible and to undertake selective relocation with community involvement only for clearance of priority sites in public interests;

1.34 The Committee have noted that migration from rural areas to urban areas and from larger cities to smaller cities from within the State and from other States is markedly increasing and resulting in more slums in rural and urban areas. Government's efforts in this context, namely formulation and implementation of special employment-intensive programmes for the people of rural areas e.g. IRDP, JRY, MNP etc., and the scheme for Integrated Development of small and medium Towns launched for absorbing surplus rural labour in cities/towns and to provide necessary linkages between rural hinter lands and the urban areas, have failed to yield desired results.

The Committee have been informed that one of the reasons for the growth of slums is the fact at the time of migration of rural folk into the cities no official recognition is taken of this fact then and the problem tends to be avoided. The need of the hour is to take preventive steps by earmarking certain portions of land for the slum dwellers in advance.

1.35 When asked whether the Ministry finds any need to change the basic strategy to curb the growth of slums in urban areas, it was stated by the Ministry that:

"The Constitution of India guarantees the right to every citizen of India, to reside and settle in any part of the country. As such, no legislation can be formulated to deny this fundamental right to the people of India. Slums develop on account of migration of population from rural to urban areas. People move to urban areas in search of jobs and avail better facilities because some of them feel that job opportunities generated in the rural sector are not adequate for their better living."

1.36 The Committee need hardly emphasize that the growing number of slums have resulted in innumerable socio-economic problems especially in those cities which are crucial to the national economy. It has given birth to the shortage of land, infrastructure, basic services, illegal encroachment of public and private land, law and order problem, environmental problem etc. Secondly, the Committee have also been informed by the Ministry that in so far as improvement of slums are concerned, the State Government have to take decisions. In this connection, it needs to be highlighted that the large scale migration of rural folk to urban areas in search of jobs is not only from within the State but also from outside the State and the issue of inter-State migration falls under the jurisdiction of Union Government as per list 81 of the VII schedule of the Constitution.

Keeping in mind the national and inter-State repercussions, the problem of slums require a fresh look and a change in the basic strategy. The Committee desire that all those cities which are of national importance must be declared 'National cities' without any further delay. Allocation of funds, especially, in case of 'National Cities' must be in accordance with geographical and demographic position of the city so as to enable them to cope with the resulting

problems. Furthermore, Satellite Townships should also be encouraged to accommodate the people coming from rural areas to settle down in towns. The Committee would also like to be apprised of the steps taken by the Ministry in this regard.

1.37 It has been stated in the National Housing Policy that the Development of house sites and the upgradation or rural housing will be linked to activities under the Integrated Rural Development programme, Jawahar Rozgar Yojana and other programmes, for the creation of rural assets and employment. In this connection, the Committee would like to recommend the Ministry to include housing construction for the poor as such, as one of the activities under the above mentioned programmes. It will help not only employment generation in rural areas, but also improvement of housing situation and development of rural assets. The proposal in this regard must be initiated by the Ministry at the earliest. The Committee would also like to state that Housing programmes as has been envisaged should be implemented with more vigorous efforts accompanied by the enhanced assistance on the basis of cost escalation of the house building material as well as increased labour cost. The allottees of the house-sites must be persuaded to build-up their houses according to their choice with their own supervision and labour without engaging any contractor. The Committee would also like to be apprised of the steps taken by the Ministry to make it a reality.

INFRASTRUCTURE

1.38 Rapidly growing urban centres pose a particular challenge for environmental health. The concentration of production and of population lowers unit costs for the supply of piped water and health services, for many forms of sanitation system, and for the collection and treatment of households and commercial wastes and recreation system. But in the absence of adequate Government attention and action to provide the infrastructure, basic services e.g. piped water supply, sanitation and control of pollution, a large

portion of the urban dwellers and rural inhabitants are living in life threatening and health threatening houses and conditions.

1.39 As per the NSS rounds data (1988-89), the percentage of pucca house in rural areas has increased just from 16.7% to 27.1% and in urban areas from 57.6% to 71%. In rural areas, 'no latrine' households have marginally decreased from 91.4% to 89.2%. It has also been noticed that in 1985, only 28% of urban population had access to proper sanitation and 27% of the urban population did not have a source of safe water within reasonable distance. It is also understood that the majority of so called covered population is almost devoid of adequate quantity and proper quality of water, sanitation and health care services. In case of Delhi, the Ministry itself has admitted during the evidence that nearly 8000 houses are lying vacant due to the non-availability of water, electricity and sewerage system. It seems that to provide housing with basic services is not obligatory as is evidenced from the fact that 15000 houses built under the Rohini Scheme have not been allotted due to the non-availability of basic services and nearly 2897 houses built under the Dwaraka Scheme are going to be allotted despite having non-availability of basic services like water supply, electricity and sanitation. The Committee feel that lack of proper planning for house construction has resulted in blocking of millions of Rupees under various schemes without meeting the increasing demands and needs for housing in rural and urban areas.

1.40 Further-more, the majority of residential buildings falls outside any health and safety regulations and their sitting and construction were never subject to any building or planning codes. Most of the houses are built outside such regulations and seldom are the designs and materials subject to buildings and planning regulations. Very little consideration is being given to the climatic and geographical differences while buildings houses. For example, as regards the massive earthquake in Maharashtra, according to geologists in London:

"The quake proved especially damaging because it was geologically shallow allowing violence to reach the surface

swiftly without a chance to dissipate in the earth's crustal rocks. The death toll was high also because the region is dominated by structures not designed to withstand seismic convulsions."

1.41 When asked about the reasons for failure in controlling fire in Delhi despite having low-rise buildings in comparison to other cities like Bombay, it was stated by the representative of the Delhi Fire authority:

"In the context of fire service and fire prevention, we must consider the climatic conditions of the area because as in case of Bombay, there is humidity and in Delhi, in summer the temperature shoots up to 40-45 degrees and we need only a spark to burn the whole thing."

1.42 It has been observed by the Committee that the lack of proper planning and designing in India has resulted into the construction of large number of houses having no or inadequate basic services e.g. electricity, water supply sanitation and sewerage facility and recreation etc. As far as the services dealt in the Ministry of Urban Development like water supply, sanitation roads etc. are concerned, it is normally the responsibility of the local authorities to coordinate and provide these functions, as per the information of the Ministry. Unfortunately, local authorities have not been vested with adequate discretionary powers and sufficient independent sources of revenue to fulfil their tasks with a sense of public accountability.

Since local Bodies/Municipalities are much more sensitive to local needs, it is not advisable to ignore the potential role that the local authorities can play in this connection. The Committee would like to recommend that these local bodies should be provided with more discretionary powers and independent & sufficient sources of revenue. The Committee would also like to be apprised of the steps taken in this regard along with the reasons.

1.43 The Committee hardly need emphasize that housing activity and related regulations for its designing and constructions must be area-specific. Hence, the same must vary from area to area depending upon cost effectiveness, durability, availability of suitable material and also capable of withstanding the extreme variation of heat and cold, and also the calamities/casualties like cyclone, earthquake, fire etc. Recent examples of Uttarkashi, Maharashtra have made it crystal clear that very little consideration is being given to the climatic variation while constructing houses. The Committee feel that mere post-mortem arrangements as has been done by the Ministry in case of Maharashtra in the form of circulating informatory pamphlets indicating do's and don'ts to ensure construction of safer houses, among the implementing agencies after the damage has already been done, would not serve the purpose. The Ministry must consider it as one of the thrust areas to be paid due, proper and timely attention. The Committee therefore, recommend that the need of the hour is to evolve building construction and designing regulations strictly according to geo-climatic variations. The Ministry must issue necessary directions to the concerned authorities for the same at the earliest. Moreover, it has also been observed by the Committee that multi-storeyed buildings are being constructed with little or inadequate safety arrangements against fire casualty. The Committee would like it to be made mandatory that the aspect of fire fighting equipments/arrangements must be taken into account at the time of planning and designing. A necessary direction must be issued by the Centre in this regard. The Committee would also like to recommend that the Centre must issue clearcut and specific guidelines for those houses which have already been constructed but are without or inadequate fire safety arrangements.

Since it also involves the question of Science and Technology in the housing sector in view of scarcity of building materials, high energy intensity of construction activity and the kind of building material used for house

construction, Research and Development Institutions being funded by the Ministry, must also be directed to proceed on the area-specific (geo-climatic) approach, in so far as the innovation of low cost building material and technology is concerned.

Since National Housing Policy is a document which is going to play a crucial role in determining the priorities, goals and strategies in so far as housing in India is concerned, the Committee would like it to be considered in the light of Observations/ Recommendations given by them.
