Chilean Housing Policy

Patricia Poblete Bennett. Minister of Housing and Urban Development (MINVU) - Chile

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Population data

• National population: 17 million inhabitants (2009)
• Average annual growth rate: 1.24%
• Urban population: 87% (Census 2002)

Economic indicators

• Per capita income: US$ 14,461 (FMI/2009)
• Poverty 13% - extreme poor 3.1%. (Casen 2006 (MIDEPLAN))

Administrative organisation

• 15 Regions
• 345 Municipalities
• 87% of the population lives in urban areas
• 37% lives in the capital city: Santiago Metropolitan Area

Source: MINVU 2007 based on Census 2002
Access to infrastructure and housing

99,1% of households live in houses connected to the public network of potable water*

93,3% of households connected to the public sewage network system*

99,8% connected to the public electricity network*

83% of the urban population covered by water purification plants (sewage treatment)**

72,5% of houses are occupied by their proprietors***

20% of households count with telephone line in their residence; 76% possess a cellular telephone; 7% have access to Internet in their residence****

Sources: *CASEN 2006 (MIDEPLAN); **SISS 2010; ***Census 202 ****SUBTEL  2006

CASEN: Socio Economic Characterisation Survey; SISS: Sanitary Services; Superintendence; SUBTEL: Vice-ministry of Telecommunications
Municipalities with Land Use Plan (LUP) (by January 2010)

- Without LUP: 9 Municipalities (3%)
- With LUP in Process: 91 Municipalities (26%)
- With Recent LUP (2002-2009): 246 Municipalities (71%)

Source: Urban Development Division MINVU, 2010
Participation in the Economy

- Accounts for 7.47% of total GDP (2008)
- MINVU budget represents 1.4% of total annual GDP (2009)

Housing Stock

- Total stock: 4.8 million (Census 2002)
- Average number of New Houses with Construction Permits: 150,000 per annum (2006-2009)
- Number of annually subsidised housing: 107,000 (2006 – 2009)
2006 QUANTITATIVE HOUSING DEFICIT

Number of new houses required (2006): 412,000
(8.6% of housing stock)

- 77,930 non recoverable houses
- 125,882 secondary households living with other households (do not share cooking)
- 208,537 secondary nuclear families living in cramped conditions (shared cooking)

Source: CASEN 2006 (MIDEPLAN)
Required house extensions and improvements:
1,690,000 (24.4% of total housing stock)

- 445,000 house extensions
- 735,000 house materials improvements
- 315,000 house sanitation improvements

Fuente: CASEN 2006 (MIDEPLAN)
KEY ELEMENTS OF CHILEAN HOUSING POLICY

A financial system that allows access to Social Housing

- Household savings
- Subsidy by the State
- Long term mortgage
HOUSING POLICY IN DEMOCRACY

1990 - 2006 Emphases

- Focus on vulnerable sectors (programmes, actions and resources)
- Adds progressive construction as a new social housing solution
- First quality measures: social housing estates with infrastructure and services
- Greater citizen participation
- Removal of mortgage debt for vulnerable households
- Long term lending is passed to the private sector

Results

- Unprecedented construction of houses: 1,923,932 (1990-2005)
- Housing sector becomes an integral part of the National Strategy Against Poverty
- Increased participation of the Housing Sector in the Economy
- Both private sector and local governments are incorporated in social housing initiatives
- Quantity is privileged over quantity
“Urban and housing policies that guarantee a better quality of life for the people and their neighbourhoods, promote social integration and reduce inequality.”

“The quality of life of the population is the measure of a country’s success. Economic and political progress remain futile if living conditions are not improved. The measurement of development should centre on the capacity of individuals to feel safer in their neighbourhoods, live with dignity in their house, count with rapid transportation to work and enjoy a time for leisure with their family and friends, be it cultural activities, sports or simple recreation.”

President Bachelet
EMPHASES OF THE URBAN AND HOUSING POLICY

• Quantity
• Quality
• Social Integration
• Recovery of Houses and Neighbourhoods
• Integrated, competitive and sustainable cities
Greater investment and the Legal Framework Updating

• Updated General Urbanism and Construction law
• Land use plans for all municipalities
• Development strategies for cities of all types
• Increased urban investment (roads and public spaces)
Programmes for the improvement of existing neighbourhoods

• “Quiero Mi Barrio” (I Love my Neighbourhood): Integral and participatory attention of neighbourhoods

• House extensions, repairing and open space improvement
  - Community owned housing
  - Individual houses

• Participatory paving (for neighbourhood streets)
SOCIAL HOUSING ACHIEVEMENTS

• **Quantity:** lowering the housing deficit with emphasis on vulnerable households and families

• **Quality:** improving standards and processes of design and construction

• **Social Integration:** housing solutions adequately inserted in neighbourhoods and cities
Social Integration - Urban-Housing Policy

- DIGNIFYING houses
- FRIENDLY neighbourhoods
- INTEGRATED cities
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A LANDSCAPE OF CONTRASTS

Between the Pacific Ocean and the Andes

Desert and Ice

Between the Pacific Ocean and the Andes