



General Studies-2; Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Providing Affordable Housing

Introduction

- The current pandemic has brought to fore the plight of migrant workers in India.
- The reverse migration we saw, highlights the need to provide affordable living conditions to the workers, so that they are not compelled to migrate back in times of income uncertainties.
- Data show that around 25 per cent of India's urban population lives in slums and for some States this is close to 35 per cent.
- This starkly highlights the dismal living conditions of the urban poor.

Housing Shortage

- India had an urban housing shortage of around 19 million units as per the report of the Technical Group formed by the Ministry of Housing and Urban Affairs in 2012.
- Most of this shortage is in the EWS (economically weaker section) and LIC (low income category).
- With the rapid pace of urbanisation happening in India, the urban housing requirement in this income category is going to increase further.

Vacant housing stock

- As per 2011 Census, there were 11 million vacant urban housing stock in India.

- A large part of this vacant stock is in areas far away from city-centres and job centres, with poor infrastructure and lack of basic services.
- In such a situation, the poor may prefer to live in slums under inhabitable conditions than go to these far away locations.
- As per Census data (2011), the share of rentals as share of total housing was at a low of 28 per cent.
- This highlights the preference of Indians for home ownership vis-a-vis renting.
- This is also reflected in low rental yields in India, at around 2-2.5 per cent.

Model Tenancy Act

- The Model Tenancy Act 2021 is a step in the right direction as it endeavours to correct some of the imbalances in the rental market.
- It also proposes a redress mechanism that enable creation of a more matured rental market in India.
- The critical aspect would be implementation of this Model Tenancy Act in its true spirit by different State governments.

Government Initiatives

- The government of India has taken initiatives to boost affordable housing.
- The demand-side initiatives like CLSS (Credit Linked Subsidy Scheme) for affordable home buyers.
- Under the PMAY-U (Pradhan Mantri Awaas Yojana-Urban), the government is targeting completing 11.2 million houses by 2022.
- Currently 4.8 million houses have been completed and around eight million houses are under various stages of construction.
- Last year, the Indian government came up with ARH (Affordable Rental Housing) scheme which is a step in the right direction.
 - While the scheme has the right intent, effective implementation will be the key.

Concerns/Challenges

- While India has a huge housing shortage, it also has large vacant dwellings.
- Even with all the incentives provided by the government, there is a section of the population that cannot afford to buy a house.

Way Forward

- Providing affordable housing requires **multi-pronged approach covering both demand and supply side issues**.
- While the supply of affordable housing is increasing, it is important to ensure that these houses meet the genuine requirements of the urban poor.
- Need for **Improvement of transport connectivity and availability of basic services** to vacant urban housing stock in areas far away from city-centres.
- **Earmarking land for affordable housing in the city Master Plan**. This would ensure that affordable housing projects are not pushed out to city periphery.
- Several states in the US and Canada use inclusionary zoning in their urban planning and housing policies.
- Unlocking large parcels of vacant land within city centres with entities like the railways, defence, port trusts and other PSEs (public sector enterprises) for usage for affordable housing also presents a huge potential.
- The large stock of vacant houses in India also highlights the **need to reform the rental policies**.
- Affordable rental housing is another critical piece required to ensure decent living conditions for the economically weaker segment.