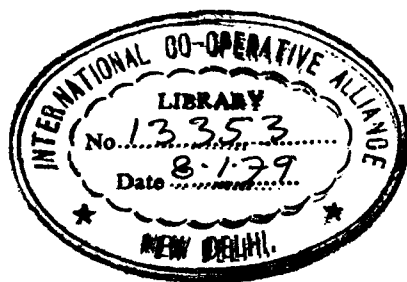


*International
Co-operative Housing Committee of the International
Co-operative Alliance*



*A Survey on
Co-operative Housing
In Selected Countries*



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A Survey on Co-operative Housing In Selected Countries

Housing and human settlements have in the history of mankind constituted problems, to the solution of which collaboration and joint actions have been an imperative. It is therefore easy to understand that when cooperative methods became known as a method of solving joint economic problems, these were also applied in, to start with, Europe.

United Kingdom

In the United Kingdom we can trace the first housing cooperative ventures, called building societies, which were formed at the end of the eighteenth century. They were in main composed of people who banded themselves to start collection of savings whereby one member could achieve sufficient capital either to acquire a house or to get a house built. In some cases also self-help schemes were started. These types of society were a reaction of the public against existing poor housing conditions and that there was a general housing crisis following the then in United Kingdom started industrial revolution. The system had many drawbacks, one being that some members had to wait very long until the joint savings of the group became big enough to make it possible for the member to borrow sufficient money to pay for a house. Post savings of members often declined as they from having been just saving members became borrowing members who had to repay their debt to the building society. An instable economic situation also meant that losses on property values had to be met.

The government had to intervene and in the beginning of the nineteenth century the building societies were deprived of their right themselves to engage in building houses and could only act as a housing financing institution having saving members and borrowing members. The building society today in Britain is the biggest capital supplier to housing and has kept much of its old character.

At the end of 1974, there were 416 building societies registered, and they controlled assets of £ 21,000 million. There is no doubt that the building society movement in Britain has been most beneficial to the building industry and for the development of housing. However, in Britain the local governments are very independent and the bodies responsible for the execution of many welfare schemes, so an improvement of the housing conditions for the poorest became a task for local authorities. They reverted to having tenement houses built. The local authority or the county council thus became the owner of the property from a legal point of view and the residents became tenants. All, however, at strictly non-profitmaking rents.

Along with these two types of housing, owner-occupied detached and semi-detached housing and local authority tenancy, there is a very marginal private housing market in multi-family housing and converted bigger mansions. There have also existed, although on a very limited scale, housing associations. The latter are basically cooperatives with the exception of those which are based on charity funds.

In the last decade, the government has provided capital to cooperative housing to be built by groups of citizens in the form of coownership schemes or cost rent societies. The government has set up the Housing Corporation, which should act as a clearing-house and advisory agency for the development of new societies. The building societies are proportionally the biggest investor in schemes developed through the Housing Corporation, by government decree. Up to now, however, these forms of housing are marginal seen from the total stock of housing where the owner-occupied houses represent just over 50 %, local authority 30 %, State and other investors for the rest.

Germany

Whilst this cooperative development started in England, it is interesting to note that on the European continent the cooperative ideas and methods became known and found a place in society. It is correct to note that in Germany cooperatives were also first formed to provide finance to their members mainly throughout the Raiffeisenkassen, which however turned to a selected public, the smaller and medium sized farmers and for investment in the agricultural industry.

Based on experience in British cooperatives, not the least through the initiative of the University Professor of Berlin, Victor Aimé-Huber, the first profit-limited housing cooperative was formed in 1847.

Berlin was at that time undergoing rapid development as the new capital of the Prussian Empire causing a severe housing shortage. Cooperative housing ventures were started, many based on a pioneer project of Denmark in the city of Copenhagen. The cooperatives were grouped together with non-profit-making housing organisations providing housing at limited rents and both types formed a National Association with its headquarters in Berlin, which later moved to Cologne.

Of great help for the development of this cooperative and non-profit-making housing association was the fact that a proper mortgage market was developed early, which supplied loans and credits to the housing ventures. With the rise of the German State there was a continuous great demand for housing as at the same time the German industry was in a period of strong development. At the beginning of this century the non-profit building societies became the main provider of housing for the working class. At the end of the First World War the housing shortage was tremendous and it became a task of the cooperatives and non-profit housing associations to supply new housing. In many cases also industry itself engaged in the provision of housing through the formula of non-profit companies and some of the ideas brought into reality at that time stand as forerunners of good housing and human settlements at low and medium rents even today.

The Second World War brought about enormous devastation of housing and it was the cooperatives which first started out on the long road of reconstruction. At present the cooperative and non-profit-making housing in the country corresponds to well 10 % of the total stock of some 22 million units. The shortage of housing in the Federal Republic was overcome in the mid 70s and a certain number of vacant houses were registered. The cooperatives and the non-profit-making housing organisations have played a very important role in the development of a modern housing policy in the country, not least through their national association and its provincial subsidiaries. Even if the housing shortage is overcome, new houses have to be built for replacement and as well for the modernisation of the old stock and towns. This will be the main task of these organisations, which vary much in their structure but in all having the task of building and management of housing and to achieve improved human settlements.

The experience gained in the development of cooperative and non-profit housing in Germany was in many respects transferred to its neighbouring countries like Czechoslovakia, Poland and the Nordic Countries.

The Nordic Countries

Though the Nordic Countries have very much in common in history and civilisation, it is wrong to assume that their latest development has taken same road. They constitute four countries with inter-independent governments. Though the concept of cooperatives, universal as it is, has many similarities, it is felt necessary in this short description to deal with them separately.

Denmark

As has been mentioned earlier, Denmark was a pioneer in non-profit and cooperative housing. It was already in the 1850s that on voluntary basis and on charity motivation a housing association was formed to provide housing for the poor of the city of Copenhagen. Cooperatives of various branches became strong at the end of the 19th century and developed significantly in agriculture during the first decade of the century. It took however up to the First World War before proper housing cooperative organisations were formed and this again happened in the capital Copenhagen. Sponsors in many cases were the at that time established labour unions which wanted to provide better housing for their members and particularly to help out the housing shortage which had arisen during the standstill in building construction during the First World War. In 1919 the need for a national association of the housing cooperatives and communal non-profit-making housing companies formed what today is the National Federation of these organisations, "Boligselskabernes Landsforening". Today it comprises some 300 independent such bodies administering close to 300,000 units out of which around half is purely cooperative, the rest being community organisations. In the latter a form of representation in advisory capacity is to be found for expressing the views of tenants or residents.

The National Federation convenes to Congress every third year and is an assembly of representatives elected by the constituent members representing various districts. The Congress elects the governing bodies and lays down the policy of cooperative and social housing of the federation. It is the voice of the housing cooperative movement towards the government and negotiates the role the cooperative housing will play in the national housing policy.

The standard of housing in Denmark is very high and there is no doubt that it is to a great extent the result of the work of the housing cooperatives. The social amenities, particularly in form of neighbourhood centres, playgrounds etc. are world renowned. In the last years

the housing cooperatives and social housing enterprises have involved themselves in clearance of old housing areas particularly in the centre of the city of Copenhagen.

The popular movements in Denmark have a long tradition in the field of voluntary education and it is therefore quite natural that an extensive educational activity is carried out under the sponsorship of the federation and its school. It also publishes a monthly journal for members and others who may be interested and twice a year the edition goes to all individual residents in cooperative and social housing.

Finland

In Finland cooperative housing has been developed by the general consumers' cooperative movement, the KK, which has set up a special housing division. Architectural activity for cooperative housing is carried on from the central office of the KK whilst later on an organisation of independent development associations, so called Haka societies, was formed. The Haka societies have as members not only the local KK societies but in most cases also the communes in which the Haka society operatives are associated.

The individual flats are owned by their residents on the basis of shares. In some cases also the form of limited company has to be used, all depending upon the possibilities of State assistance as to financing. The Haka company is also undertaking actual contracting work and is performing construction work on a large scale for the consumers cooperatives' various retail shops, department stores, restaurants, and industrial plants.

The activity of the housing cooperatives has been of great importance in Finland particularly following the Second World War and it is estimated that some 60,000 housing units have been produced during the period 1950—75. At the same time the standard of the houses as to size, kitchen equipment and sanitary facilities has been considerably improved. The proportion of cooperative housing through the Haka sector during the 70s is estimated at 12 % of the total production.

Norway

Cooperation in housing in Norway dates back to the 1930s when the housing situation in the city of Oslo had to be remedied. The experience of the housing cooperative movement of Sweden was made use of and in Oslo was formed the Oslo Cooperative Housing Society, OBOS, very

much along the lines of the Stockholm HSB society. Following the standstill in the building industry and the war devastation, the government helped in the organisation of the National Federation of Norwegian Housing Societies, NBBL. It comprises well 100 societies throughout the country. These local housing societies are based on individual membership where the members participate in saving until they qualify for a house built by the society, which is jointly owned by the member residents.

The member organisations appoint representatives to the NBBL supreme organ, the Congress, which meets every third year. The Congress elects the Board and the Delegates' Meeting.

The member societies have completed well 160,000 housing units in apartment houses, terrace houses and individual houses. The federation is rendering its members technical service through its own technical office as also of course legal and other consultative service etc. The federation is also active in education and general promotion work for cooperative solutions in the provision of housing.

Contrary to the other Nordic Countries, all provision of social housing is carried out through the NBBL and its societies. The communal housing bodies which existed before cooperative housing was broadly introduced, have been converted into cooperatives and are managed according to the cooperative principles, a significant feature of the cooperative housing movement in this country.

Sweden

Sweden is known for its cooperatives in the field of housing, the HSB organisation and the Svenska Riksbyggen. Special legislation as to cooperative ownership is guiding the activities of the estate housing cooperatives. Their function is to stand as the owner of the property and by issuing a certificate grant the members a perpetual right of occupancy of the house they have chosen to live in and for which they have made a down payment. Charges are then levied according to the size of the house per sq.m. The charges should cover the running costs, such as capital costs and other charges including setting aside reserves for external and internal repairs. The various cooperatives of course elect their own boards at the annual meeting and social activities are included in the work of the housing cooperatives.

These housing cooperatives are initiated by local HSB societies in the HSB organisation, whilst it is the branch administration of Svenska

Riksbyggen which takes the initiative. The local HSB society is composed of members who join in order to acquire a cooperative flat. It is consequently an independent cooperative housing society rallying as members the people in a region in search of a cooperatively owned and administered house. The distribution of houses within the Svenska Riksbyggen is merely done by the communal housing authorities, in some cases according to a list system at the district office or with a savings bank where future members are saving.

The HSB organisation was formed in 1923 and has as constituent members the local societies. The local societies appoint representatives to the HSB Congress convening every third year and serving as the supreme body of the organisation. HSB strives to be an entirely housing consumer oriented cooperative. It has a technical service organisation of some importance and sells its services to the new projects and manages the central bookkeeping for most of the local societies and the housing cooperatives. It has further a wholesale society trading building materials which go into the new production and it is also the sales organ for products of wholly owned industries manufacturing wooden products for housing. The model rules lay down not only uniformity but also that all housing cooperatives, now numbering close to 3,000 and local societies numbering some 80, are audited by not only its own elected auditors but by the auditing office of the National Association too.

In Svenska Riksbyggen the constituent members were drawn from the trade unions of the building operatives from the beginning and it was formed by them in 1940 to try to remedy the serious unemployment in the house building industry prevailing at that time. Later new members from the popular movements of Sweden and particularly in the trade union sector have joined. However, members also include such housing cooperatives which have been initiated by the Svenska Riksbyggen organisation. The supreme policy making organ of Svenska Riksbyggen is its Congress, which convenes every third year.

Svenska Riksbyggen works closely together with the contracting organisation of the former local cooperative productive organisation of the building trades. This workers' productive later became a limited company called BPA. This organisation is also used by the HSB organisation and has become the biggest housing contractor of Sweden. It employs between 13,000 and 15,000 annual labour. The two organisations also undertake, for community housing trusts, to plan, construct and administer local authority housing estates.

Communal provision of housing was first started at the end of the 30s in Sweden, but today these communal housing companies have the biggest

share of the production of new housing. Their housing is however on a strict tenement basis.

The HSB has built 350,000 units and in addition produced some 50,000 bungalows over the years. Svenska Riksbyggen on their hand have provided some 200,000 units.

Both organisations are actively carrying on education programmes based on schools of their own. The HSB organisation issues a journal jointly with the Tenants Union, which is one of the major unions in Sweden.

The Nordic Countries

As was stated in the introduction, there are many links between the Nordic Countries. It is therefore quite natural that the cooperative and non-profit-making organisations, in view of the importance they enjoy in their respective countries, have banded together in the Nordic Cooperative and Non-profit-making Housing Organisation (NBO), which is comprising the above country organisations and other cooperatives such as workers' productives in the field of construction, wholesale societies of building materials and cooperative wood manufacturing industries and as well the Swedish Public Utility Housing Enterprises, called SABO. Together they represent nearly 20 % of the housing stock in the Nordic Countries, but as far as new production is concerned, they are responsible for 20 %, most of which is cooperative. This means that cooperation in housing in the Nordic Countries corresponds well to the figure of consumers' trading in same area. Being guided by same motivation, they thus have become market leaders which has all been for the benefit of the consumers of housing in these countries.

Poland

Cooperative housing has not a long tradition in Poland. The first housing cooperatives were formed at the end of the 19th century in Poznan. They were devoted to housing for low-income groups and had a strong social tradition. During the years before the outbreak of the Second World War housing cooperatives were started in Warsaw. The existing housing cooperatives after the devastations of the war were left to just reconstruct their property and administer their existing cooperative stock.

When the government in the 50s decided to embark on a very bold

housing programme greater tasks were left to the cooperatives to fulfil this and in the programmes it is foreseen that up to 75 % of all new housing should be occupied under cooperative conditions and be owned by cooperatives. In Poland there are two types of cooperative occupancy. One type is the tenement housing cooperative in which the members are tenants but also contribute to the financing of the house, up to sometimes 20 % of total costs. The tenants are participating in the administration for utilising their cooperative rights, to elect the board of directors and participate in the annual meetings and various control commissions. Another type is the co-ownership housing cooperative where the members jointly own the property but have a perpetual right of occupancy. In these co-ownership schemes the member has to provide at least 30 % of the building cost, whilst for the remainder he obtains a long-term loan repayable in 30 years at an interest of 1 % per annum. When raising the money for the down payment many workers obtain financial assistance from the housing fund of their employers.

The Central Union of Housing and Building Associations comprises more than 1,000 housing cooperatives spread over more than 90 % of all Polish towns and villages with more than 10,000 inhabitants. In 1975 the housing cooperative flats in Poland passed one million. In the housing estates the cooperatives run 700 club rooms, more than 200 clubs, houses of culture and a great number of libraries. There are also to be found technical workshops. The National Association has a school of its own being the centre for both voluntary education activity and training of officials in the movement.

The Central Union functions through its headquarters and has local departments in the provincial towns (voivodship). The Union also attaches great interest to research and new ways to improve housing construction and the technical management. The Congress of the Union meets every fourth year and lays down policy as to the collaboration with the authorities and to foster the development of cooperative housing construction. The Central union also assists the cooperatives in statutory activities and supplements the cooperatives in the fulfilment of their duties.

The housing cooperative movement in Poland has made a remarkable progress, which is due to good leadership and to the fact that the government of Poland is making great efforts to increase housing production and improve the standard of housing and has laid down as a policy that it is the people who should carry out this important social task.

Czechoslovakia

Cooperative housing principles became known in this country through experience in Germany in pre-war times. However, a national housing cooperative movement was formed only after World War II following the renewal of building and housing cooperatives in 1959.

There are various types of cooperatives in the field of housing in Czechoslovakia. The basic organisation is the so-called SBD, building and housing cooperatives which at the end of 1973 had constructed and renewed 330,000 flats in the Czech Republic and close to 120,000 in the Slovak Republic. A similar type of housing cooperative is to be found with the name of Peoples' Housing Cooperatives (LBD). They represent in the Czech Republic some 35,000 flats and in the Slovak Republic 5,000. These were built up to 1949 and are therefore some 30—60 years old. This grouping has discontinued its new building activity and concentrates on the maintenance of its stock.

The building of flats within the framework of building and housing cooperatives is financed by State subsidies, which at present cover 50—55 % of the costs and members contribute 30 % of same amount and finally there is a long-term investment credit granted by the banks for 30 years at an interest of 1 % per annum. There are also financial subsidies in form of tax and material advantages, in allocation of sites free of charge and possibility to use basic technical facilities for housing construction free of charge.

Some 30 % of all houses built in Czechoslovakia are built by cooperative housing construction societies. In rural areas there exist district building and housing cooperatives (OBBD) supplying housing for workers in agriculture and forestry. These organisations have jointly supplied 35,000 units since 1949 in mainly one- and two-storey houses with four to six flats.

There also exist cooperative housing maintenance societies — BUD. They undertake repairs for housing cooperatives but receive no State subsidy. Similar organisations are existing to help citizens who want to build their own single-family houses. State grants are provided for members of such a cooperative for building single-family houses.

Another interesting form of cooperatives is the cooperative for building and running of garages, which have during a rather short period of years built some 10,000 garages.

By the end of 1975 the housing cooperatives managed more than half a million flats representing housing for about one-tenth of the population. Since 1970 the cooperatives have built 150,000 flats out of which no less than 41,000 were built by self-help methods.

International Co-operative Housing Committee

The International Co-operative Alliance (ICA), which is the all embracing international organisation for the cooperatives throughout the world, representing various branches, has set up various auxiliary committees for the various forms of cooperation. There are at present 8 such Committees out of which the Housing Committee is one.

The Housing Committee was formed in 1952 and is the functional arm to bring together cooperatives operating in the field of housing. It has its own constitution and terms of reference, which are agreed by the ICA governing bodies. Its task is to promote cooperative housing and to represent the cooperative housing idea on the international level. At its formation and since then this has been of great importance as the UN regional Economic Commission for Europe (ECE) had set up a special Committee for Housing, Building and Planning to be a forum for interchange of experience between the countries in the reconstruction of housing following the devastations during World War II. Thus the Committee has been appointed to represent the ICA at all the meetings of this UN Committee.

The Committee comprises 27 ordinary members and 7 supporting organisations. It has a Board of ten meeting regularly. The supreme body is the Full Committee Meeting, which is composed of two representatives of each participating organisation.

The work of the Committee, apart from representing the housing cooperative interest on international level and to disseminate internationally made findings as to housing and building is to be a forum for an exchange of experience made in the various countries in the promotion of cooperative housing. It shall also promote cooperative education and study the scope of activities of cooperative housing organisations in various countries. It shall promote an exchange of experience and services between the organisations of developed countries and those of developing countries.

To perform these tasks, the Committee has established a Secretariat of its own, which is located at the headquarters of the member organisation of the Chairman. Since its establishment the Secretariat has been domiciled with the Swedish HSB member organisation.

The reports and documents of the Committee are published in English, French and German which also goes for the quarterly Co-Op Housing Bulletin.

The Committee has established working groups, which are studying and preparing reports on issues of particular interest to the members. There is thus a working group dealing with financing of cooperative

housing and related matters. There is also one for problems regarding methods of work and management of cooperative housing and various aspects of this subject.

From the Committee emerged in 1966, following resolutions of the ICA to intensify its assistance to provision of shelter in the developing countries, a special body named the International Cooperative Housing Development Association (ICHDA). The majority of members of this come from the Housing Committee. There will be a separate report available on the work and aims of this organisation.

In conjunction with the holding of quadrennial ICA Congresses there is convened a general Conference on Cooperative Housing to which all cooperators having an interest in development of cooperative housing are invited. The next cooperative housing conference will be held in Paris on 24—25 September 1976.

Final-Words

The intention of this leaflet has been to give an introduction to the background and the work of cooperative housing organisations in a selected number of European States. It is hoped that this will serve to awaken the interest of the reader to further study the possibilities of applying cooperative methods in housing. It has been our purpose to show that cooperative methods have proved to be a medium for helping millions of people throughout the world to achieve better housing or better shelter in a better environment. In the light of this, the International Co-operative Housing Committee has unanimously recommended a resolution on housing and human settlements to go to the UN authorities concerned. The text of the resolution reads as follows.

WHEREAS a recent world housing survey shows that housing conditions particularly in the developing countries, are deteriorating alarmingly and that problems of overcrowding and intolerable sanitary conditions are acute and that related services are unsatisfactorily provided, if they at all exist;

STATES that the new production of houses, quantitatively and qualitatively, as well as modernisation of the old stock of housing are not given proper priority in the national economies in which the building industry, being labour intensive, plays a vital role;

WELCOMES the convening by the UN of a World Conference on Human Settlements in Vancouver, Canada, and

ACCEPTS the principles and recommendations of the conference requesting governments to give increased attention to the problem of Human Settlements, particularly in the developing countries;

REAFFIRMS that the provision of housing for the greater majority of people has not been met satisfactorily;

DECLARES that co-operative methods have proved to be most beneficial for the solution of the housing problem in the developed countries, involving the betterment of the quality of housing and the application of democracy in the provision of housing, and

EMPHASISES that co-operative methods should be extensively applied in the housing programmes of both developed and developing countries;

ASKS governments to make available funds for housing co-operative programmes and that in bi-lateral assistance programmes countries with experience in co-operative housing make this available and devote a bigger share of their assistance funds for development of co-operative housing;

REQUESTS the UN to give a high priority to the solution of the housing problem throughout the world particularly in the light of the recommendations of the conference on Human Settlements and to that end;

FURTHER REQUESTS the UN to set up a special division to handle co-operative housing development in its Human Settlements programme.



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