

HOUSING PROVISION FOR FACTORY WORKERS

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ABSTRACT

The need of factory worker housing cannot be denied during the period of industrialization. In fact, from early 18 century in Europe and at the end of 20 century in Asia, industrialization have been bringing the problem of housing for their workers, but only few attention are given by governments or companies. This study is a secondary study and at the end offers some arguments that can be used as further implication research.

Keywords: *Factory workers, Housing provision.*

INTRODUCTION

Industry, in general has emerged from within the main cities, particularly the national capitals. This is mainly because investors prefer the availability of service facilities, good road connections and security rather than being located near the sources of raw material in the rural areas. In the past, factories were scattered within a community and in many cases intermingled with shop-houses. As the economy advanced, these factories grew and expanded into other areas of production.

Nowadays, with growing concern regarding ecology and health hazards, town planners are trying to transfer these factories to special areas allocated specifically for industrial activity through zoning laws. These relocated areas are known as industrial estates, the development of which is obviously a common approach to manage the growth of economic development in some developing countries. Industrial estates have several advantages such as creating a better environment and the growth poles outside the city, to maximize infrastructure and utility investment. Moreover, with the location of industrial estates outside city or suburban areas, it is hoped this can reduce the problems of urban congestion and pollution and open new lands for more efficient commercial use (Dhanasunthorn, 1986:4).

But on the other hand, the industrial estates create the concentration of workers in one area. Most of the workers are migrant that has created a high demand of housing. But there is no regulation who will take the responsibility the workers housing need. In some countries, like Thailand, Malaysia, some companies have provided the housing for their workers (Chia,

1981; Yap, 1993; Aminur, 1993, Nguyen, 1994). But in some countries, the workers have to find by themselves the place for living. In most cases, like Indonesia, Sri Lanka, Philippines, they have rented room nearby the surrounding of industrial estates, and their reason because they prefer to have better access to their workplace and to save the transportation cost (Changani, 1976; Piyaratna, 1990; Lilananda, 1993).

In many Asian countries there are law which requires industrialist and employers to provide housing and social benefit to their workers. But, in most countries these laws are not implemented because industrialists complain that they cannot afford the price of land for housing. On the other hand the industrialists or employers wait the support from government such as credits. Even some industrialists have provided the housing for their workers, the quality of room is under standard. The term such as density and person per room do not consider people's lifestyle and climatic conditions. There are a wide class biases in the use of these terms, since people who devise and use them for policy decisions are invariably from the middle and upper classes. Even, in calculating backlog requirements, standards which are incompatible with the sociology, culture and needs of the people (United Nation, 1996:58).

Several studies about factory workers housing have already been conducted in Malaysia (Chia, 1987), Bangkok (Changani, 1976; Yap, 1993; Aminur, 1993), Vietnam (Nguyen, 1994) and Indonesia (Lilananda, 1993).

In general, this study will discuss about the typical factory workers' housing in developing countries. It is hoped, this typical factory workers' housing can give insights into the needs of factory workers as low-income people. It is a

secondary study, but it is not meant that the aim of this study is to generalize the conclusion. The results should be useful for policy makers in housing planning programs to deal with the problems of industrial estate, not just on pollution impact of industry but also on the workers as human beings.

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From literatures about housing for factory workers, the type of factory workers housing can be categorized into six characters based on the type of payment and providers, as follow:

1. Industrialists' Housing

On the early 1970s, some developing countries had started to set up the industrial estate to anticipate the relocation of labour intensive industry from Newly Industrialized Countries (NICs) and developed countries. Navanakorn industrial estate in Phatumthani, Thailand; Pulogadung industrial estate in Jakarta, Surabaya Industrial Estate Rungkut (SIER) in Surabaya, both are in Indonesia; Katanayake Export Processing Zones (KEPZ) in Sri Lanka, and more than 30 industrial estate and Free Trade Zones in Malaysia and the big one is Bayan Lepas FTZ in Penang (Arifin, 1996:29-52).

Navanakorn Industrial Estate in Thailand was built in 1971 on vacant land. At that time the area was not yet urbanized, so the company was able bought large plots of land which only 180,000 Baht per rai, while now it estimates the current land price is 6 million Baht per rai (Yap and Rahman, 1993:9). And now, by 1990, Navanakorn has already 180,000 factories and employed around 35,000 workers (Rahman, 1993:12), while SIER, by 1993 has 284 factories and employed more than 50,000 workers (SIER, 1996).

The provision of factory workers housing in Thailand was provided by two categories, the companies and the private sectors. The companies in Thailand provided housing for their workers because they want their workers arrived at punctual time at the factory (Rahman, 1993:51). The other consideration was because Bangkok has been popular with the traffic congestion, so even the companies provided the bus for workers' commuting, the company bus will contribute also to the serious traffic jam on the highway. Moreover, because of no

transportation in night, so companies provide dormitories for the workers who work for night-shift (Rahman and Yap, 1993:9-11).

Based on the type of payment, the type of industrialists' housings for their workers can be summarized into two types, free dormitory and rental dormitory. From the location, there are inside or outside of the industry area.

a. Free dormitories inside the site

This type of housing was provided by the company. In Thailand, the three-story wooden building with room size about 45 sq.m each, was occupied by 4 women with the bathroom at the same floor. The others block was built on four-story, and was located nearby the factory. It was take around ten minutes by walking. Each block has 8 rooms in each floor, so there were 64 rooms. Every room was occupied by 16 person with the size 6.4m by 4.2 m. The room with water supply, electricity and bathroom at the end of each corridor was free for their workers. Apart of this housing, the company also provided a central cafeteria with relatively cheap. The company spent around 40,000 Baht per month to maintain the dormitories included the payment of 3 cleaning helpers and 2 guards (Rahman, 1993)

In Sri Lanka, from Piyaratna's study revealed that among 70 factories in KEPZ, there is one factory who provides housing for their workers. The size of one room was about 14 by 12 feet that occupied by 8 women workers in 4 beds. The facilities were in good condition. Six tanks were constructed for bathing and washing, because the well was only the main source of water in this area. There were enough latrines and two kitchens with several stoves (Piyaratna, 1990).

b. Free dormitory outside the site

In case of Bayan Lepas FTZ, although the location about three or four miles from FTZ, but some factories provided free accommodation for their workers, even though they spend M\$ 4,430 to rent 11 houses to accommodate 284 workers (Chia, 1981).

c. Rental Dormitory inside the site

In Navanakorn industrial estate, the company provided the land and the National Housing Authority (NHA) took the responsibility to build the house. It was 5-storey walk up flat. Each unit was consisted of 7.2 m by 3.5 m with the bathroom inside. The cost of rent was around

700 Baht to 850 Baht, with the additional cost of water around 70 Baht, electricity around 100 Baht (Yap and Rahman, 1993:10).

d. Rental Dormitory outside the site.

In the 1980, Thailand private developers have started to build six condominiums in the area between Navanakorn industrial estate and Rangsit town. this condominium- five-story walk up was built for low income group. In fact, that some factories have rented the room for their workers. The price of one unit was around 250,000 Baht to 450,000 Baht depending on location and floor level. Some company has rented several units of 15 to 18 sq.m each included a bathroom/toilet and a balcony, with the cost around 1,500 Baht to 1,800 Baht per month. But the workers only paid 50 Baht to 100 Baht per month for three or four shared in one room. In this case, usually the company only provided accommodation for their night-shift workers, because the workers would not be able to go home at night (Yap and Rahman, 1993:11).

The Bayan Lepas FTZ, in Malaysia housing for factory workers also was provided by locating the houses near the industrial zones. The Bayan Lepas FTZ is located in the Bayan Baru New Township. It is covered an area about 5,000 acres, including the Bayan Lepas Airport. The Company acts as landlords and guardians to the tenant workers, impose rules and regulations and other forms of social control. There is a worker leader who appointed among workers to be the coordinator, but normally is voluntary without payment. The companies provided the rental accommodation for their workers, and have to spend 7,650 to rent 19 houses, and they charged the workers M\$ 10 per month (Chia, 1981:44-45).

2. Rental Public Housing

The government of South Korea and Singapore are two countries that have provided housing for industrial workers. In South Korea, the dominant type of housing is flat for every one. The Korea National Housing Corporation (KNHC) built three types of flats. There are single-family, row-houses and apartment housing. The size of each room is vary, but in every room consists of bedrooms, kitchen, toilet and bathroom.

The KNHC had built workshop and apartment estate in Saemul Undong, near to the Saemul Undong Industry. The purpose was to

provide a house for the industrial workers with a better livelihood. It provided the opportunity to the resident of community to have a leisure hour, such as physical fitness, hobby clubs, set up the nature preservation campaign, helping hands during farming seasons.

Unfortunately there is no enough material for this study to get the data about the price of housing. The monthly earnings of factory workers in 1980 were 346,610 won, but to get housing from KNHC, people must have the average monthly income 742,000 won. The requirement to get housing from KNHC, people have to save a fixed amount of their money as deposit (Seong Yoon, 1994:125-142).

It is similar with the Korea, in Singapore there is one type of housing for the workers, it is flat housing. The type of flat was depended on the number of room. The first type was called Room Standard that was consisted of one bedroom, kitchen and bathroom with toilet; the second type was called Room Improved that was designed with two bedrooms or three bedrooms. This segregation was designed more strictly for the smaller dwelling units, because there were grouped to the working class people. In the three-room, four-room or five room flats were mixed in the same block, since their occupants were known to be socially and economically quite compatible with one another. In 1973, the average of household income of one-room in Housing Development Board (HDB) residents was S\$ 267, where the average monthly rent was about S\$ 26. But the price of sale was about S\$ 3,300. This condition was supported with the government policy to have urban renewal by resettlement all the squatters in the past decade. Moreover, the provisions of infrastructure, like transportation, recreational space in each housing estate, resulted workers have been ignoring the distance between workplace and their housing (Yeh, 1975:71-137).

In case of Hong Kong, there was no special type of factory workers housing. Almost all the provision of housing for low income people included factory workers were provided by government. Because of the rapid growth of urbanization in the 1960s, government had evicted 750,000 squatters and had re-housed them in multi-story estates.(Hopkins, 1971:272).

The most common among the single factory workers rented a bed not a room. The married workers also preferred to rent a room than one unit of flat. This type of bed-space business had maintained by some factories and department stores. In her studies, Hopkins noticed that,

Bed spaces are a special case but not a radically different one. Some people, especially in factory districts, let out accommodation to individuals in the form of a bunk bed and a place to hang clothing and store personal gear (Hopkins, 1971:34).

In the early 1960s, a flat with four rooms accommodated 50 to 60 beds had cost of rent about HK\$ 17 per month. The wage of factory workers at that time was HK\$ 150 per month.

3. Rental Public-Industrialists Housing

So far, from the literature review, the type of Public-Company housing was only found in Thailand. Although, the type of private housing was also found more in Thailand than other developing countries, but some company willing to have it with the reasons:

Companies nowadays generally feel that they do not need to provide housing for their workers. [But], the companies which operate on a 24-hour basis observe a demand for accommodation for their night shift workers. These workers cannot return home in the middle of the night, even if there are companies' buses, because their housing may be deep in a *soi*. Consequently, such companies often rent a building, one or more floors in a building or some rooms for the night-shift workers (Yap and Shresta, 1997:74).

In the same report, was mentioned, in 1982, National Housing Authority (NHA) in Thailand, built a total of 756 rental units in four blocks of five-story walk-up apartments in the Navanakorn Industrial Estate. About 30 factories in Navanakorn rent 400 units from the NHA for their workers (Yap and Mona, 1997:68).

4. Rental Private Housing

Korea has a unique system of tenure in private sector. The rental housing of private sector was divided into two sectors: "chonse" and "monthly renting". The monthly renting is a tenure based on monthly rental payments which is popular in the many other countries. "Chonse" is a type of rented tenure where the tenants pay a large cash deposit, the amount is usually a third or a half of housing's price. The tenants have to give the deposit to the landlord at the beginning of the tenancy. The deposit is refunded at the end of the lease period. The landlord takes interest on

the deposit as rent (Renaud, 1989 in Seong Yoon, 1994:27). But, the tenants with "chonse" system, finally will also share a housing unit with other a tenant-household, so a shared tenant will quite similarly with a monthly renter (Seong Yoon, 1994:28).

5. Rental Non Governmental Organization (NGO)'s Housing

In some developing countries, there are some NGO which concerned with the industrial workers housing. This types of NGO are vary from religious voluntary organizations, social organization, and serviced-center of private university.

Like in Malaysia, a form of mass housing that provided by a voluntary organization was based on the willingness of welfare and social control of the factory workers. Here, there is two groups to manage the dormitories, from 9:00 am to 4:00 p.m. and 4:00 p.m. to 12:00 p.m. In three residential blocks are completed with the recreational center and canteen. To stay at these dormitories, workers have to pay M\$ 22 per month. Even this location is ten miles from Free Trade Area Zones, but some workers who strongly attracted to the urban shopping facilities, still prefer to rent its because it is one mile from the center of city (Chia, 1981).

In case of KEPZ, Sri Lanka, there is a hostel was established by religious organization, in type of a cluster of two or three units of long buildings included administrative office, community center, a recreational room and kitchen. There was also an open yard for gardening of tenants. The facilities were included meals (Piyaratna, 1990).

6. Rental Spontaneous Housing.

The emerged of industrial estate in suburban area, spontaneously attracting people surroundings to get profit by renting part of their house or room. Sometimes, the landlords build some house or just renting their room for anticipating the need of industrial workers. This type is separated from 'private rental housing', because it was provided by individual and without legal permission. It can be categorized into:

a. Sharing housing with the landlord

Here, usually the indigenous people who have already lived before the industrial estate

were established. Usually this type of landlords is just rented part of their room. These types are the most common among the migrant workers, because it is cheap. In case of Bayan Lepas FTZ, the cost per room is about M\$ 12 monthly and can be occupied by 5 workers. The landlord lives together in one roof, sometimes the daughters of the landlord may share the same room with the workers. In case of KEPZ, the workers just rented bed form at with cost 100 rupess. (Chia, 1981; Piyaratna, 1990). The relationship between the landlord and the tenant is formal and tight control over the movement and behaviour of the workers.

In surrounding SIER, Indonesia, this type of sharing house is popular with so called "rumah kost". The owner and workers are living together under the same roof. This kind of lodging is for single workers, either women or men. The rent is per month, included electricity and water. The rent is between 15,000 - 22,500 rupiahs

b. Separate housing with the landlord

In this type, the landlord built a long-house and the owner stays just beside the long-house. The room rentals were often founded within squatter area or slum area. The workers themselves are not squatters, but they rent from the original squatters. Moreover, in this type of housing, the landlord does not exert much on social control.

In Bayan Lepas FTZ, the workers who prefer were lived in informal housing supply have to pay M\$ 60 per room monthly, or M\$ 12 each worker per month. In some case, ten workers are join together to rent one room to save the living cost (Chia, 1981). In SIER, Indonesia, there are two types. First is house with several bedrooms and second is long row rooms. The first type was rented for the workers who do not want to live together with the owner. The monthly rent is between 40,000- 80,000 rupiahs depends on the type of the furniture inside. The second type is the popular type among single women workers, which called "Rumah Petak". The monthly rent is varying around 10,000 - 17,500 rupiahs without electricity and water supply. The size of room was about 7 to 10 sq.m without kitchen and bathroom. The single workers preferred this type because the price was cheap and there was a freedom and social interaction with the neighbour (Lilananda, 1993: 25-38).

Similar conditions also were happened in KEPZ, Colombo, where the landlord tended to exploit the workers in term of earning high profit from rental house. One room with the size 10 by 12 feet was occupied by 10 persons without water supply, lighting only at night, and the rate was about 60 to 150 rupees monthly (Piyaratna, 1990).

DISCUSSION

This study develops four sets of arguments about the factory workers housing:

The first argument concerns with who is the provider of factory workers housing. The more active government intervenes in the process of industrialization, the more chance for the factory workers to get a place for live. Because instead of the voluntary organization, the developer as a formal private sector is not interested in business the housing for the factory workers. Moreover, the affordability of the workers as a lower income group does not give the chance to get profit to developer. So, the alternatives as providers are the company and the government.

The second argument concerns to the type of ownership. In most of Developing Countries, the factory workers prefer to rent a room than to buy a house. Instead of their affordability, in case of developing countries, the moving of factory workers is often from one factory to other factory. Before industrialization and during agricultural period, people were belong to the land. It is meant that every people should have a land for living in term of house and farm. But now, when industrialization period comes, people gradually not belong to the land, but belong to the place of work.¹ This tendency, it can be seen from the appearance of apartment and condominium, whether for the upper income, middle income or low and lower income groups.² So, it is looks like the solution for this period of industrialization is renting house or room, because people are more demanded, also the factory workers, they more demanded than low-middle group. The single factory workers prefer to spend money for their leisure than to have a house.

¹Compared with the period of nomad, where the people wanders from place to place, with no fixed home.

²This tendency, economically, it can be caused by the shortage of land and the intension to get more profit.

The third argument concerns with the willingness of company in providing factory workers housing. Here the willingness of employer in providing housing for their workers is influence by the culture of nation. The term of culture, generally is used as the way of living of people. Kaplan and Manners (1972) has been defined culture as 'a people's ordered system of values and symbols or 'a people's interpretation of the way in which they interact with their environment and each other. It is difficult to explain how the culture can intervene the decision of employer to provide housing for their workers. This argument can not be ignored since it will use as a contributing explanatory mechanism. The possibility of cultural influencing can be described such as, in the east Asian countries, Japan, South Korea, and Taiwan, the concepts of service, respect, and mutual cooperation permeate both. Obedience towards authority and deference towards superiors are fostered by Confucianism and are intrinsic to the workings of the major institutions.

Confucianism is not a religion stressing an afterlife; it is a code of ethics and conduct, meant to guide the relationships between human beings. The important relationships in Confucianism are hierarchical, between generations, within families, between ruler and ruled. The duty of the subordinate in these relationships is to show respect, loyalty and deference, the duty of superior is to give the proper moral example, to act in the way that his status requires (O'Malley, 1990:332).

In case of Southeast Asia (except Singapore), it is difficult to describe in general terms, culture and region are still gloomy. The major religion in Thailand is Theravada Buddhism, in Vietnam is Mahayana Buddhism; and majority in Malaysia and Indonesia are Islam. Moreover, there are throughout the region important ethnic minorities with their culture.

...the major belief systems in Southeast Asia are definitely religions. They stress the importance of an afterlife, where a good place depends on one's individual performance in his life. In Christianity and Islam, the key relationship is not between superior person and subordinate person, but between person and God; actions between people are important, but the correct handling of interpersonal relationships is in essence a means to heaven and not an end in

itself. In Buddhism, again relationships between people are meant to be smooth, not simply because they ought to be smooth but because smooth relations do not distract one from merit (O'Malley, 1990:338).

The fourth argument concerns to the provision of facilities in housing supply. The provision facilities of personal kitchen and bathroom indicate the standard quality of life of its people. In specific term, this quality of life can be defined as the knowledge of cleanness, the attitude to be clean, the level of education. From this study revealed that the standard of life in South Korea and Singapore were higher than other developing countries. It was detected from the provision of kitchen and bathroom. In developing countries, there were no personally bathroom or kitchen provisions, but in form communally. But in Korea and Singapore were provided with personal bathroom and kitchen.

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