STUDY TOUR AND WORKSHOP ON ORGANIZATION AND FUNCTIONS OF NATIONAL HOUSING AGENCIES FOR THE IMPLEMENTATION OF HOUSING PROGRAMMES SPONSORED BY THE UNITED NATIONS AND THE GOVERNMENT OF DENMARK

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WORLD FOOD PROGRAM AID FOR HOUSING AND COMMUNITY FACILITIES

(Prepared by the Housing, Building and Planning Branch and World Food Program Liaison-Office)
1. The World Food Program is a three-year experiment (1 January 1963 - 31 December 1965) in using food to help "finance" pilot projects. Housing and community facilities are among the fields in which it is hoped that experiments may be made.

2. A project can be aided by WFP only if it is ripe for such aid: it must already be well prepared, have come off the drawing board, have been at least partly budgeted for. There is no point in requesting WFP aid if the project is already under way or if it has not yet been planned.

3. WFP food is available only if it can be distributed in kind, because the conditions under which it has been donated do not permit its sale in order to pay building contractors. There are in fact two different ways in which additional food can be put into consumption in order to promote additional development: it can be given to a mutual-aid group by way of subsidy; or it can be used in part payment of wage labour. Both of these kinds of "extra food for extra effort" appear to have a place in adding to the supply of housing and community facilities under certain circumstances. Our problem under an experimental programme such as WFP is to define these circumstances by means of pilot projects; all that can be done in advance of such practical experiments is to indicate a few lines along which favorable circumstances might perhaps be sought.

Self-help housing

4. Mutual aid among low-income self-help groups already finds considerable motivation in the desire to acquire more satisfactory family housing, especially where this is encouraged by the low-cost provision of building materials, credit, land and technical guidance. The role of food aid may therefore be to induce such groups to undertake action additional to that which would otherwise have occurred. For example:

(a) The undertaking of improvements in the physical environment and the provision of neighbourhood facilities in the common interest;
(b) Rebuilding on a new site when involuntarily displaced from a slum area;
(c) Joint prefabrication of building materials;

(d) Compliance
(d) Compliance with minimum specifications imposed by public authority when these are more expensive than customary standards;
(e) Leave-without-pay from regular employment while building self-help housing.

5. The amount of aid granted when conditions such as these are met would be calculated to provide the necessary incentive, and would normally be agreed between public authority and the self-help group. Instead of being strictly related to the number of man-days worked, it would be more in the nature of an honorarium or grant-in-aid. For example, it might take the form of one-month's food for an average family, given as soon as certain agreed conditions were met (e.g., as soon as a certain stage in construction was reached).

**Wage-labour housing**

6. The employment of labour in the construction of housing and related facilities normally implies payment of a wage which is wholly or partly in money. Food can be used in part payment of wages, when it is desired to stretch a budgetary appropriation and employ a larger number of labourers in operating period than had been intended. It can also be used as a supplement to wages when an inducement is required to encourage workers to complete a job within an agreed period, or to work in a remote place where feeding is difficult. In general, the part-payment of wages or of wage-supplements in food is probably more widely applicable when employment is by public authority than when it is by a concessionnaire or public works contractor.

7. Examples of the payment in kind of wages or wage supplements would include:
   (a) Part-payment of wages to public employees working on community facilities;
   (b) Bonuses to employees completing a job in less than the agreed time, payable through the employer in the case of contract work;
   (c) Employer-provided canteens in remote localities.

/Secondary effects
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8. The stimulation of a building materials industry may also be sought through food aid. If it is desired to purchase additional locally made supplies and thus give rise to additional employment and consumption, the Government's request to WFP may propose the sale of a small part of the food aid for this purpose, for possible inclusion in the agreement and plan of operations as an exception to the general rule of distribution in kind.