

Preliminary Estimates of Project Turnover in the Tondo Foreshore Dagat-Dagatan Development Project

MILA A. REFORMA*

The determination of the rate of turnover of residents in Tondo is informative as the degree to which the project has contributed to the stability of the population can be taken as an indicator of the success of the Project. The study looks into the population structure to assess the possible changes that have accompanied the project since upgrading began and the extent to which the project has been able to further the objectives of population stabilization. The characteristics of households that left, that of households that stayed, and new households coming into the area were analyzed to determine the manner in which the Project has caused the dislocation of households in the project area and how turnover has affected the structure of the population in the project area.

Introduction

The relationship between the pace of urbanization in developing countries and the increase in the magnitude of the slum and squatter problem in urban centers is a well-documented one. In the past two decades, the number of squatter families in the Philippines and the dispersal of these families have increased so rapidly that the government was hard-pressed for measures to contain the problem. With no viable alternative at hand, a number of highly experimental and short-term measures were applied, ranging from the short-lived program of returning families to their provinces of origin to the more frequently applied (and equally unsuccessful) draconian methods of forced relocation.

The promise offered by upgrading as an alternative measure has been re-

garded with high expectations, and the results of the pilot experiment in Tondo are further supporting the viability of this approach.

But even as the success of the Tondo project is being documented, some questions are being asked as to the long-term consequences of the upgrading. The argument has been raised that lifting the environmental quality of slum areas and introducing large-scale improvements would only serve to draw more in-migrants to the city. It has been contended that densities will inevitably rise beyond that which can be adequately supported by the levels of servicing introduced through the upgrading. As this occurs, the initial stages of urban decay is presumed to set in, and the upgraded site will then eventually slide back into a state of blight. Upgrading will therefore be necessary again, and an expensive cycle would have begun.

The other concern is that as the cost of services rise as a result of the

*Associate Professor and Director, Research and Publications Program, College of Public Administration, University of the Philippines.

demand placed on them, relatively poorer families may not be able to keep up with the increased expenditures and eventually be displaced by other families coming from elsewhere. Given the improved environment, middle-income families will no longer feel averse to living within the once-depressed community.

There is also the related question of how to stem the rise of land speculation among families who aim at making a quick profit. Assured of receiving direct and indirect benefits from the project, these families only have to wait until they have full ownership or legal control over the property and then sell out to interested outsiders at prices that assure them of substantial monetary gain. The original beneficiaries then move out of the site and establish themselves in other slum communities elsewhere or form the nucleus of new squatter sites in open spaces still available in the city.

These potential events, however, have been anticipated by National Housing Authority (NHA) planners. To ensure that project benefits indeed go to the intended beneficiaries, a set of regulatory provisions governing the use and distribution of project benefits has been assembled into the Tondo Foreshore Code of Policies. This Code of Policies was adopted in 1975, shortly after a census and tagging operation had been carried out.¹ The Code stipulates, among others that:

(1) Uncensused families/illegal entrants are not allowed to reside in the site and illegal construction of structures is prohibited;

(2) Vacant lands on site cannot be constructed on or occupied;

(3) Sub-leasing of either land or structure to families other than other censused families or censused renters is prohibited;

(4) Absentee landlords are disenfranchised from ownership of either land or structure;

(5) Ownership of lots is restricted to only one per beneficiary family;

(6) Unauthorized sale, disposition, or transfer of tags results in the disenfranchisement of the beneficiary;

(7) Censused structure owners are to be disenfranchised from project benefits should they avail of government programs for relocation or the "balik-probinsiya" ("Return to the province") program;

(8) Censused households, unless penalized for serious violations of the Code of Policies, are not to be ejected;

(9) Censused households hold the highest priority for project benefits;

(10) Beneficiaries are automatically disenfranchised from other NHA projects.

These provisions, in sum, are aimed at ensuring that the beneficiary population remains stable. The determination of the rate of turnover of residents is then informative as the degree to which the project has contributed

¹All families within the project boundaries were censused, and a numbered tag affixed to every structure in 1974 as a preliminary step to determining project beneficiaries.

to the stability of the population can be taken as an indicator of the success of the project. Where it can be established, the ability of the project to be continually attractive to beneficiaries and "hold" the original recipients would be of major importance in the design and administration of future projects to be implemented.

The present study looks into the population structure to assess the possible changes that have accompanied the project since reblocking began in 1977 and the extent to which the project code of policies has been able to further the objectives of population stabilization.

The study makes use of the results of the Baseline Survey of households in Tondo and three other squatter communities in Malabon, Mandaluyong, and Parañaque conducted in 1978 and again in 1979. The sampling scheme devised for the longitudinal study used the structures as the basic sampling unit with all the households occupying the structures being made part of the sample of households.² The adopted scheme enabled the identification of households in the sample that left the structure and new households coming in and an estimate of population turnover be made based on results obtained on the sample. Having obtained information on each of the households and each individual members using the instrument devised, it was possible to compare characteristics of households that left, that of households that stayed, and new households coming into the area. Re-

sults of the comparisons enabled the surfacing of answers to the following research problems:

(1) Is turnover in the project area significantly different from turnover in other squatter communities in general?

(2) How has the project altered what would normally be the turnover patterns in squatter communities?

(3) Who has moved in and who has moved out?

(4) Why have households moved out and what inferences can we make about the manner in which the project has caused the dislocations of households in the project area?

(5) All other things being equal, how has turnover affected the population structure in the project area in terms of demographic, social and economic characteristics?

Patterns of Movement in the Tondo Foreshore Area and in other Squatter Communities in Metro Manila

Turnover patterns in the Tondo Foreshore area before upgrading show no differences with the patterns observed in other squatter communities in Metro Manila. This is implied by the comparisons obtained for the rates at which households move out and new households move in a particular structure in the yet unblocked areas of Tondo and in three other slum and squatter communities in Metro Manila (See Table 1).

This pattern may be described as a large proportion of households being pulled out of their homes for a num-

²Refer to Research Design for the Evaluation of the Tondo Foreshore Dagat-Dagatan Development Project.

Table 1. Rate of Turnover

	Tondo								Control Group Areas							
	Reblocked Areas		Being Reblocked Areas		Unreblocked areas		Total		Malabon		Mandaluyong		Parañaque.		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
No. of HH that moved out of structure	30	11.7	48	18.1	266	22.3	344	20.1	49	33.3	52	21.9	55	28.5	156	27.0
No. of HH that stayed in structure	227		217		927		1371		98		185		138		421	
Total number of HH in 1978	257		265		1193		1715		147		237		193		577	
No. of HH that moved into the structures	25	11.0	40	15.1	220	18.4	285	16.6	26	17.7	41	17.3	35	18.1	102	17.7
Net additional no. of HH because of splitting/merging	—		—		22		22		—		—1		1		—	
Total no. of HH in 1979	252		257		1169		1678		124		225		174		523	

Note. Since with a one-tailed test the probability of obtaining the values of Z ($Z = 1.09$ for rates of movement out, and $Z = .24$ for rates of movement in) derived after application of a difference-of-proportions test was larger than 5%, we cannot conclude that a significant difference with respect to rates of turnover exists between the unreblocked areas of Tondo and the Control Group Areas.

ber of reasons, among them, eviction, high rental rates, marriages, separation, improvements in levels of living, natural disasters like floods or fires, etc. These large proportion of households (about 27% of the population of households in a given area at a given time) being pulled out are replaced by a smaller proportion of new households (about 18% of the population of households in a given area at a given time) moving in the structures. These are largely newly arrived migrant households from the provinces who are either seeking initial residences in a willing relative's or *kababayan's* (town-mate's) structure or have found available rooms for relatively cheaper rent in these structures.

As the upgrading process progresses in the project area we find a changing pattern of household turnover emerging. This is evidenced by the significantly lower ($Z = 2.97, P < .005$) proportion of households that have moved out of the structure in the areas that are being reblocked (about 18% of the households in the area in 1978) compared to the unreblocked areas and the three other squatter communities in Malabon, Mandaluyong, and Parañaque. This rate at which households have moved out of the already reblocked areas during the period of study is found to be even lower about 11.7% of the population of the area in 1978 ($Z=4.97, P < .001$).

There is also a slightly lower percentage of households that moved into structures in the being-reblocked (15%) and already-reblocked areas (9.7%) of Tondo during the period under study.

This pronounced downswing in turnover in both the already re-

blocked areas and those that are being reblocked may be indicative of a slowly stabilizing population in the project area. This observation may be used to argue against the contention that the upgrading of the area would result in increase in density.

Characteristics of Households That Moved Out, That Moved In and That Stayed in the Structure

Why have households moved out and what inferences can be made about the manner in which the project has caused the dislocation of households in the project area? The answers are contained in a set of socioeconomic distinctions among those who have left the structure, those who have stayed and new households coming into particular structures. First of all, there are provisions in the Code of Policies that serve to disqualify certain segments of the population found in the area after the census-tagging operations from becoming project beneficiaries; secondly, there are a number of differences that relate directly to tenure status; thirdly, a more basic distinction has to do with the socioeconomic status of the households that moved out; lastly, there are also meaningful distinctions in certain demographic characteristics of households that predispose them to be more mobile.

Illegal Entrants and Uncensused Households

When census-tagging was undertaken in 1974 the distribution of households by tenure status showed that the population of households was composed of about 63% owner-households, some 27% renter-house-

holds and a small proportion (10%) rent-free occupants-households. In 1978 when the Baseline Socioeconomic survey came out using a stratified-by-block, random sample of 1015 tagged structures in the area, it was found that this distribution had drastically changed. The proportion of renter-households had increased to 30% thereby reducing the proportion of owner-households. The proportion of rent-free occupants had increased as well (to 20%). This implies that a certain segment of the population surveyed in 1978 were illegal entrants³ (See Table 2). Results of the baseline survey also show that some 34% of the households surveyed have lived in the project area for less than 4 years and could therefore not have been included in the list of legitimate project beneficiaries.

be uncensused were relocated in different resettlement sites. Some were given transportation money to return to their province of origin. A large proportion, about 32%, of the households that left the structures were uncensused and may well have been some of these households.

Tenure Status and Rentals

A very large proportion (about 61%) of the households that left the structures in the Tondo Project area are room renters and another substantially large proportion (about 22%) are rent free occupants (See Table 3). For the most part, these are households that resided in the still unblocked areas of Tondo, which would discount the probability of movement out of the struc-

Table 2. Status of Occupancy of Tondo HH Surveyed

Status of Occupancy	HH That Left		HH That Stayed		New Household	
	N	%	N	%	N	%
Censused	235	68.3	1270	92.6	205	71.9
Not censused	109	31.7	101	7.4	80	28.1
Total	344	100.0	1371	100.0	285	100.0

Because of a big fire that gutted part of the project area in April 1978, certain households who were found to

³"Illegal entrant" is defined by the Code of Policies "as any uncensused household, solely occupying a duly tagged structure not censused under his name, either a renter, owner, or rent free occupant."

tures being due to project-related reasons. However, room-renters in other slum communities show a significantly lesser propensity to move out indicating that renters are being eased out of the structures. In Tondo about 48% of room renters are moving out of the structures whereas in the

other control group areas, these proportion is 40%, a statistically significant difference ($Z= 1.93$) at the .05 significance level, to be able to attribute this difference to anything but chance.

being eased out to raise rentals. In both cases, however, newcomer households are paying rentals much higher than those who stayed or moved out of the structures (See Table 4.)

Of significance, however, is the

Table 3. Tenure Status of HH That Left, Stayed and Moved into Structures, Tondo and Control Group Areas

Tenure Status	Tondo				Control Group Areas							
	HH that Left		HH that Stayed		HH that Came In		HH that Left		HH that Stayed		HH that Came In	
	N	%	N	%	N	%	N	%	N	%	N	%
Owns house and lot	4	1.2	92	6.7	5	1.8			2	0.5		
Owns house, rents lot			10	.7	1	.3	4	2.6	49	11.6	3	2.9
Owns house, lot rent-free	37	10.8	721	52.6	22	7.7	30	19.2	152	36.1	5	4.9
Rents house and lot	19	5.5	56	4.1	9	3.2	5	3.2	17	4.0		
Rent-free	74	21.5	265	19.3	97	34.0	30	19.2	71	16.9	24	23.6
Rents room	210	61.0	227	16.6	151	53.0	87	55.8	130	30.9	70	68.7

There is not enough evidence to show that these rent-paying households are being eased out of the structure to be able to raise rentals. Comparison of figures on rentals paid by each type of renter in Tondo and the control group areas, however, reveal that while Tondo renters who left are paying higher rentals than those who stayed, the reverse holds true in the control group areas -- renters who left are paying over rents compared to those who stayed. The implication at this point is that in Tondo, renters are moving out because of already high rentals whereas in other slum communities, renters are

small but substantial proportion (about 12%) of households that left the area that are structure owners (direct beneficiaries of the project). This means a drop-out rate of about 5% of project beneficiaries for the one-year period under study. This rates may yet increase as the reblocking process progresses to other areas in Tondo.

An equally significant finding is that at least 10% of the new households moving into the tagged structures are structure owners. This somewhat narrowly indicates that renters are being eased out of the structure

Table 4. Amount of Rentals Paid by HH that Left, HH that Stayed and New Households, Tondo and Control Group Areas

Type of Renters	HH that Left	HH that stayed	New HH
Tondo			
Lot renters		P 42.11	P 42.10
Structure (and lot) renters	P 115.29	106.30	187.50
Room renters	51.73	50.14	61.80
Control Groups			
Lot renters	10.00	14.67	27.00
Structure (and lot) renters	37.00	117.06	
Room renters	40.66	44.00	56.63

by absentee structure owners who returned to the structure to legitimize their claims to the land and also indicates that some sale of property has taken place.

A look at the documents relating to the sale of properties reveal that to date, some 932 deeds of sale have been executed in favor of (supposedly) censused households. Of these, at least 273 were executed by legitimate project beneficiaries who claim inability to afford the project and aversion to moving to the sites and services area of Dagat-Dagatan.

Implementation of the Code of Policies has resulted also in the disenfranchisement of 375 structure owners, 17 for being uncensused owners and 358 for owning another structure outside the Tondo Foreshore

Area. These, together with the findings on the sale of properties, at least narrow down the probability of the movement into structures of absentee landlords.

Socioeconomic Status

There are indications that the households that moved out are relatively poorer households as evidenced by the significantly lower monthly average income of those households (P722.00 per month) compared to the average of those that have stayed (P800 per month) (See Table 5). The data on household income of all the households in Tondo included in the sample also indicate that at least 22% of the households with average monthly income of less than P1,000 moved out of the structures whereas

Table 5. Income of Households
Tondo and Control Group Areas

Income	Tondo						Control Group Areas					
	HH that Left		HH that Stayed		New HH		HH that Left		HH that Stayed		New HH	
	N	%	N	%	N	%	N	%	N	%	N	%
None	2	.6	4	.3	4	1.4	3	1.9	8	1.9		
1 - 100	3	.9	7	.5	—	—	2	1.2	7	1.7		
101 - 200	12	3.5	30	2.2	6	2.1	6	3.8	8	1.9	3	3.0
201 - 300	27	7.8	108	7.9	23	8.1	21	13.3	43	10.2	10	9.8
301 - 400	48	14.0	128	9.4	33	11.6	25	16.0	45	10.7	9	8.7
401 - 500	61	17.7	164	12.0	44	15.4	24	15.3	50	11.9	23	22.5
501 - 600	44	12.7	153	11.2	41	14.4	27	18.0	61	14.5	15	14.7
601 - 700	24	7.0	111	8.1	18	6.3	7	4.5	26	6.2	12	11.8
701 - 800	29	8.5	117	8.5	19	6.7	9	5.7	37	8.8	4	3.9
801 - 900	21	6.1	104	7.5	18	6.4	11	7.0	33	7.8	6	5.8
901 - 1000	8	2.3	72	5.2	15	5.2	3	1.9	25	5.9	3	3.0
1001 - 1200	28	8.0	116	8.5	15	5.3	5	3.1	24	5.7	7	6.9
1201 - 1400	5	1.5	53	3.9	5	1.7	2	1.3	22	5.2	3	2.9
1401 - 1600	10	2.9	51	3.8	13	4.6	1	.6	3	.7	2	2.0
1601 - 1800	7	2.1	36	2.6	5	1.7	4	2.5	7	1.7	4	4.0
1801 - 2000	2	.6	24	1.7	5	1.7	—	—	7	1.7	—	—
2001 - 3000	9	2.6	61	4.4	9	3.2	2	1.3	8	1.9	—	—
3001 - 4000	2	.6	15	1.1	5	1.7	2	1.3	5	1.2	—	—
4001 - 5000	1	.3	6	.4	2	.7	2	1.3	1	.2	1	1.0
Above 5000	1	.3	11	.8	5	1.8	—	—	1	.2	—	—
	344	100.0	1371	100.0	285	100.0	156	100.0	421	100.0	102	100.0

a significantly lower proportion of households with a monthly income of more than ₱1,000 (15%) moved out of the structures. These households were replaced in the area by a smaller number of households coming in Tondo who have higher average monthly incomes (₱886.59) but relatively lower than the average monthly income of those who were there last year and stayed.

Further indication of the lower level living standards of those who left may be gleaned from the comparison of proportions of those owning household amenities, such as air-conditioning units, refrigerators, television sets, stereo sets, radio-phonos, vehicles and transistor radios among those who left and those that stayed in the structures. In all of these items, there was always a greater proportion of households among those who stayed showing ownership compared to those that left (See Table 6).

One other reason for moving out that may be surmised from the data may be that some of those who moved out returned to their former residences. There is a higher proportion of households that left that owned structures elsewhere compared to those that stayed (See Table 7.) This is confirmed by the evidence reported earlier that some structure owners gave up their structures in the area to move to these structures.

Summary and Conclusions

The Code of Policies promulgated for the Tondo Foreshore area and its resettlement sites specifically defines the legitimate beneficiaries of the project. One of the objectives of the evaluation is to determine the extent to which the population of project bene-

ficiaries have changed over time. The determination of the rate of turnover of residents is informative as the degree to which the project has contributed to the stability of the population can be taken as an indicator of the success of the project. Where it can be established, the ability of the project to be continually attractive to beneficiaries and "hold" the original recipients would be of major importance in the design and administration of future projects to be implemented.

While slum communities in the Metropolitan Manila Area are characterized by a large rate of turnover from the plots or structures, Tondo, on the other hand, has exhibited a much lower rate. That the rate decreases as reblocking progresses provide one indicator that regularization of land tenure, the provision of public services and general improvement of the physical attributes of the area provide the conditions that favor the retention of both structure owner and renter families.

Apart from the rate of turnover of households in Tondo being lower, most of those who left are illegal entrants and uncensused renters, some of them relocated to other resettlement projects of NHA. Some of the supposedly direct beneficiaries who left may have been structure owners who acquired the property or have built their structure after the census tagging in 1974 and therefore not entitled to project benefits. Some transfer of rights from these type of owners to censused renters have been effected by the Project, thereby accounting for a small proportion of structure owners who have left the structures.

The implementation of the Code of Policies has, to a large extent, also

Table 6. Ownership of Personal Properties
Tondo and Control Group Areas

Ownership of Personal Properties	Tondo						Control Group Areas					
	HH that Left		HH that Stayed		New HH		HH that Left		HH that Stayed		New HH	
	N	%	N	%	N	%	N	%	N	%	N	%
Owns air conditioner	2	0.6	11	0.8								
Owns television set	44	12.8	395	28.8	48	16.8	17	10.9	91	21.6	18	17.6
Owns refrigerator	20	5.8	196	14.3	20	7.0	5	3.2	41	9.7	6	5.9
Owns stereo set, radio- phono	69	19.8	366	26.7	45	15.8	23	14.7	96	22.8	17	16.7
Owns transistor	121	35.2	641	46.8	96	33.7	48	30.8	160	38.0	35	34.3
Owns telephone	8	2.3	42	3.1	2	0.7			7	1.7		
Owns vehicle	11	3.2	95	6.9	9	3.2	3	1.9	409	97.1		

Table 7. Ownership of Real Properties,
Tondo and Control Group Areas

Ownership of Real Properties	Tondo						Control Group Areas					
	HH that Left		HH that Stayed		New HH		HH that Left		HH that Stayed		New HH	
	N	%	N	%	N	%	N	%	N	%	N	%
Owns structure	<u>25</u>	7.3	<u>77</u>	5.6	<u>30</u>	10.5	<u>7</u>	4.5	<u>28</u>	6.7	<u>6</u>	5.9
within the Project area	5	20.0	17	22.1	1	3.3	3	42.9	7	25.0		
within Tondo	1	4.0	3	3.9								
within Manila	5	20.0	13	16.9	1	3.3	4	57.1	4	14.3		
outside Manila	14	56.0	44	57.1	28	93.3			17	60.7	6	100.0
Owns lot	<u>21</u>	6.1	<u>99</u>	7.2	<u>25</u>	8.8	<u>9</u>	5.8	<u>25</u>	5.9	<u>5</u>	4.9
within the Project area	2	9.5	10	10.1	1	4.0	2	22.2	1	4.0		
within Tondo			1	1.					1	4.0		
within Manila	9	42.9	17	17.2	1	4.0	3	33.3	5	20.0		
outside Manila	10	47.6	71	71.7	23	92.0	4	44.5	18	72.0	5	100.0

been successful in curbing the growth of the population in the area and in abating the possibilities of ownership of more than one lot and structure. If strictly enforced, it will also serve to contain the formation of new slum communities in other parts of Metro Manila by disenfranchising Project beneficiaries from benefiting in other NHA projects.

There are however, also indications of turnover by legitimate direct beneficiaries of the Project. At this time it is estimated that about 4% of legitimate direct project beneficiaries have sold out their rights to supposedly censused renters in the area. This rate may yet increase as reblocking progresses in other areas of Tondo and as collections on the development charges are started formally. Turnover of these legitimate and direct beneficiaries can be directly attributable to two factors as evidenced by the reasons for selling out of structures: affordability and aversion to moving in the sites and services area in Dagat-Dagatan.

Further indications of the movement out being due to affordability reasons can be gleaned from the income distribution of the households that left. These households are relatively poorer in terms of having lower levels of income and other indicators of socioeconomic status, i.e., possession of certain household amenities like air conditioning units, televisions, stereo sets and radio-phono, etc. To some extent therefore, the Project is causing the dislocations of poorer households. They are replaced in the structure by a slightly more well-off group of new households.

There is a small but significant proportion of new households coming

into duly tagged structure that are owners. While some of these were censused households who acquired rights to the property as a result of the implementation of the Code of Policies, there are indications that some of these are returning absentee landlords easing out renters to legitimize their claims to the land.

A significantly large proportion of families are room-renters and rent-free-occupant households. While these are mostly households residing in the still unrebeked areas of Tondo, which would largely discount the probability of movement out of the structures being due to project-related reasons, room-renters in other slum communities show a significantly lesser propensity to move out, indicating that renters are being eased out of the structures.

There is at the moment not sufficiently enough evidence to show that households are being eased out of the structure to be able to raise rentals. This matter will be the subject of further investigation of how the project is affecting renter families in the area.

The project has been able to discriminate against certain types of households who really ought not to be direct beneficiaries of the Project. These are households that own properties (structures and/or lots) in other urban areas, mostly in Metro Manila Region. The transfer of rights of 358 such households were effected benefiting an equal number of censused households.

But while the disenfranchisement of such types of households happened, it did so as a result of the voluntary waiver of rights by them rather than by a conscious effort on

the part of the Project Management to seek out for opportunities like these to be able to effect a more appropriate distribution of project benefits.

The transfer of property rights to 15.2% of renter-households who would otherwise remain only indirect

beneficiaries, would be a laudable achievement, if it could only be ascertained that these are legitimate, censused renter-households. Rumors of fraudulent transactions are floating around the area smearing what could otherwise be a clean bill for being the "most successful attempt at housing Manila's Urban Poor."