

## Brazil Marks US\$ 4 Billion for Housing

Contributed by Cecilia Jorge  
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In Brazil there are some 6 million low-income families (who receive up to three minimum wages per month - around US\$ 372) who do not have any place to live. That is where 83% of the country's housing deficit is concentrated.

"Our principal challenge is how to reach these people. We have to find ways to subsidize their housing," says Jorge Hereda, the Secretary of Housing at the Ministry of Cities.

The government's goal is to get investments in the sector to conform to the housing deficit profile - in other words, to attack the problem where the problem lives.

Hereda says that over the past few years corrections in the investment profile have occurred so that, while in 2002, around 70% of sector funding went to families with incomes of over five minimum wages (US\$ 484), in 2003, 50% went to low-income families.

Hereda also reports that his budget for 2005 will be the biggest in 15 years.

In 2005, the Ministry of Cities will have US\$ 4.171 billion (11.2 billion reais) from the Worker Compulsory Savings Fund (FGTS) for housing, sanitation and infrastructure.

That is 33% more than this year (2004) and 60% more than in 2003, he says.

This year we defined our housing policy, explains Hereda. The Cities Council decided that "the priority is low-income families," he says, "but we are aware of the housing problem in the Brazilian middle class and intend to deal with it as well."

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Translator: Allen Bennett