

Strategy to Provide the Feasible and Affordable Housing for Industrial Labor in Semarang by SWOT Analysis

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Abstract – The purpose of this research is to identify the characteristics of industrial labor housing in Semarang. It is also to formulate a strategy to provide the feasible and affordable housing for industrial labor. The analysis technique used is descriptive analysis of qualitative and quantitative, scoring analysis, weighting analysis and SWOT analysis. To formulate a housing strategy for industrial labor in Semarang is necessary to do a SWOT Analysis. The main consideration to prepare the SWOT matrix is a characteristic of industrial labor housing, social and economic industrial labor, preferences industrial labor about housing, roles and preferences from stakeholders about housing for industrial labor, potential and problems that appeared in housing supply for industrial labor. The results of this research are three appropriate strategies in the provision of housing for industrial workers in Semarang. First, the provision of housing with property rights status and the provision pattern of housing conducted formally or informally. Secondly, the use of flats by industrial labor provided by the Central Government. Third, the housing improvements with the support by BPS program for industrial labor who lived in the house with the property rights status.

Keywords: Informal and Formal Housing, Affordable Housing, Industrial labor, Strategy, SWOT Analysis.

I. INTRODUCTION

Housing is a constitutional right, as described in the Constitution part 28 h 1985, that every person has the right of physical and spiritual prosperity, getting a good environment and right to get health services. Housing is a basic human need which is a condition to obtain the public welfare. Until now, all of the Indonesian society have not been able to afford the feasible housing. This is evidenced by the backlog rate which reached 15 million units. Issues about backlog rate are caused by high price of land, legal problem, organization problem and political problem. The issue of affordability to feasible housing is also still low¹. Low income community who mostly have a problem

affordability of feasible housing are industrial labor and informal sector workers.

Issues about affordability housing occurred in Semarang. Until now, 75% of industrial labor have not been able to afford the housing with property rights status because they obstructed by the rule of Down Payment about 30% from the total house price². Based on this issue, it could be identified by the industrial labor's house and neighborhood conditions. Therefore, it is needed to prepare the strategy about provision of industrial labor housing with supply side and demand side consideration. This research uses a SWOT analysis by combining the internal (Strength – Weakness) and external (Opportunity – Threat) factors.

II. LITERATURE

In allocating natural resources, human resources and capital resources should be efficient but is able to achieve optimal results. As such it needs a process that is often referred to as a strategy. Strategy is considering the potential and problems to resolve an issue that is going on. Strategy is a systematic process to formulate some important decisions on goals to be achieved in the future³. The strategy is closely related to strategic planning. Strategic planning is defined as a systematic process for anticipating and responding the challenges of the changes. Strategic planning estimate planning goals and formulate the right steps to achieve the planning goals. Strategic planning is also considered as a comprehensive planning and facilitate a good management of the planning process⁴.

Strategic planning as a long-term planning³. Benefits of strategic planning is to make an appropriate deal to resolve the issues problem, there is communication between stakeholders more clearly, increasing cooperation among the stakeholders who have common goal in the development, monitoring and evaluation. Based on the explanation of the

strategic planning benefits, it is expected that such planning can contribute to increased development in the long term. In the implementation of strategic planning, it is expected to have selection process to decide the right development goals, determination of appropriate policies as a solution and selection of an effective program to achieve the strategic planning goals.

In some industrialized countries, one of the concept to provide the industrial labor housing is using the theory of Andrew J. Oswald. Oswald⁵ explains that between the center of economic activity, such as industrial activities linked by a network of roads. Location of industrial activities have similar population densities because a lot of people who migrate in near of industrial area. Industrial labor has two choices in their home ownership, it is as owner or tenant. Most of the people who lived in the house with property right cannot determine the location of their house is close to the work site or industrial area⁶. The causes are the limited land, housing prices are expensive and the government policy on spatial planning. However, people who lived in housing with rental system will have more choices to determine the housing location that is close to the work site or industrial area.

There are two areas in the city. This is areas which have economic activity center and areas that do not have economic activity center¹. In areas with economic activity center, housing construction should be directed to the housing with rental system. The goal is to provide an adequate housing facilities for industrial labor who live in the industrial area. Coulson and Fisher⁷ also explained that the purpose of providing housing for industrial labor is to minimize or eliminate transportation costs. If industrial labor housing is close to the industrial area has also created conditions walk-to-work for industrial labor. To get a larger capacity, housing development is directed to vertical housing with a rental system. Provision of housing with rental system because there is staff turnover industry labor so that the industrial labor housing on a rental system is more effective. Besides that, housing with rental system suitable for industrial labor who come from outside the city. If they do not work in the industrial area, industrial labor can stay in their home town.

III. MATERIALS METHODS

The data used consist of primary and secondary data. This primary data is done by collecting information from respondents. Respondents in this research were classified into two categories. The first respondent category is industrial labor. To identify their preferences, questionnaire and interviews are done. Sample of industrial workers in Semarang are industrial labor who worked in Wijayakusuma and Lamicitra Nusantara industrial area. The sampling techniques is simple random sampling. The second respondents category are the Government, BPJS – Employment (a public institution that provides protection for workers), Banking, Small-Scale Developers, Perum Perumnas (State Own Enterprise and responsible for housing and settlement), Industrial Area Managers and The Companies. To collect this data form the second category

respondents is done by studying literature and institutional surveys. The sampling techniques is purposive sampling.

IV. RESULTS AND DISCUSSIONS

SWOT analysis is to formulate strategies for the provision of industrial labor housing. This is based on the consideration of the potential and problems both internal and external factors. Internal factors are derived from the information of industrial workers. And, external factors are derived from the other important stakeholders such as the Local Government, Manager of Industrial Area, Company, BPJS (employment), Bank, Cooperative, Perum Perumnas and community who stay in around the Industrial Area. This is SWOT matrix to formulate strategies for the provision of industrial labor housing in Semarang.

Table.1. Providing the Industrial Labor Housing by SWOT Matrix

SWOT MATRIX	IFAS (INTERNAL FACTOR ANALYSIS SUMMARY)	
	STRENGTH	WEAKNESS
EFAS (EXTERNAL FACTOR ANALYSIS SUMMARY)	A. Industrial labor have a monthly income and the amount of the average income is the minimum wage or more.	A. 47% industrial labor are still staying at their family or relatives house.
	B. All of industrial labor can become the members of BPJS (Employment).	B. Industrial workers are less interested in staying in flats.
	C. 33% of industrial labor already has a home property rights status.	C. 60% of industrial labor are employees with the employee contracts status.
	D. 78% of industrial labor choose housing with property rights status.	D. Only 4% of industrial labor who are interested to buy a house with formal supplying patterns.
	E. Most of the industrial labor are not concerned about the distance between residential to industrial areas.	E. Only 10% of industrial labor who can afford a feasible house.
	F. The Local Government may propose the provision of housing for industrial labor to the Central Government.	F. 63% of industrial labor do not have a house with property rights status.
	G. The Central Government give a subsidy which flats with lease system to the local government.	G. Regulation about strategy to provide the industrial labor housing has not been formed.
	H. The Central Government give the subsidize program (BSPS) and distributed by the Local	H. Local governments disagree to manage for industrial labor housing.
	I. The form of cooperation between multiple stakeholders can not be clearly identified.	

		Government.	
OPPORTUNITY		STRENGTH	WEAKNESS
A.	Management of Industrial area is willing to provide land for industrial labor housing.	1. Provision of housing for industrial labor with property rights status and its construction formally and informally conducted.	1. Provision of housing with property rights status and informal development. [(A), (B), (D), (F), (H)] – [(G)]
B.	There are some companies that are willing to participate in the provision of housing for industrial labor.	2. Industrial labor can use flats which are provided by the Central Government and Local Governments.	2. Policy making about the forms of stakeholders cooperation is to provide industrial labor housing. [(G), (I)] – [(A), (B), (C), (D), (E), (F), (G), (H)]
C.	The company is willing to pay some of the costs of management and maintenance for industrial labor housing.	3. Upgrading the industrial labor housing that use BSPS Program. This strategy is intended for industrial labor who have a house with property rights status. [(A), (B), (C), (J)] – [(B)]	3. Drafting the regulations about provision of industrial labor housing. [(G), (I)] – [(A), (B), (C), (D), (E), (F), (G)]
D.	Perum Perumnas are targeted by the Central Government for the provision of low income housing.		
E.	Perum Perumnas can cooperate with BPJS (Employment) to providing industrial labor housing by PUMP program.		
F.	Small-scale developers support the provision of affordable housing for industrial labor.		
G.	BPJS (Employment) is willing to help the Central Government in the provision of industrial labor housing.		
H.	BPJS (Employment) has a housing benefit programs such as PUMP and housing credit.		
I.	Bank distributes mortgages with government subsidies.		
J.	Community attempted to develop the business of providing housing for industrial labor.		
THREATS		STRENGTH	WEAKNESS
A.	Industrial area managers do not give priority to the provision of industrial labor housing. This reason does not required by formal regulations.	1. Increased socialization of housing benefit program for industrial labor to maximize service of PUMP program.	1. Drafting the regulations about provision of industrial labor housing. [(G), (I)] – [(A), (B), (C), (D), (E), (F), (G)]
B.	Industrial area managers don't agree if they have to provide housing for industrial workers independently.		
C.	The Company does		

D.	Now, Perum Perumnas is not able to provide low-income housing because land prices are high.
E.	Planning to provide the flats by BPJS (Employment) has not been done.
F.	PUMP program has not been maximally socialized.
G.	Cooperatives in the company do not provide loans to industrial labor.

Provision of housing for industrial labor with property rights status and its construction formally and informally conducted (Strategy 1)

The provision of formal housing uses banking services as a mortgage distributor that ease the burden of industrial labor to afford the feasible housing. Provision of informal housing independently by industrial labor gradually built using family savings were allocated to upgrade their house.

Providing the industrial labor housing with formal procedure

Supply	Demand
- Stakeholders that support the provision of housing preferences for industrial labor with property right status are Local Government, BPJS (Employment), Bank, Small-Scale Developer, Perum Perumnas and The Management of industrial areas.	- 78% of industrial labor chose the house with property rights status.
- Small-scale Developers build the housing for industrial labor with property rights.	- Industrial labor prefer the property rights status than housing locations that are far away from downtown and industrial areas.
- The banks give credit with government subsidies.	- Industrial labor who are commuters want a house with property rights status in their home town.
- PUMP Program (Loan Advances Housing) by BPJS (Employment) for industrial labor.	- Industrial labor who were native in Semarang wanted a house with property rights in the suburbs which are away from industrial area and downtown.
- "Sejuta Rumah" program that supports the provision of industrial labor housing was initiated by Perum Perumnas, BPJS (Employment) and Local Governments.	
- The Central Government in cooperation with small-scale developers to provide affordable housing for low income community including industrial labor.	

"The best strategy is providing a formal house for industrial labor in Semarang"

Providing the industrial labor housing with informal procedure

Supply	Demand
- The Central Government, Local Government and Community Facilitators support the provision of formal housing with property rights status for industrial labor.	- 63% of industrial labor choose a house with property rights status.
- The Central Government gives a subsidy through the BSPS program.	- Industrial labor are more priority housing with property rights status than housing locations that are far away from the industrial area and downtown.
- BSPS program provides subsidies to Low Income Community to build houses for Rp.15.000.000 each household.	- Industrial workers who are commuters choose a house with property right status in their hometown.
	- Industrial labor who are natives of Semarang choose a house with property rights status in the suburbs which are far away from industrial area and the downtown.
	- 76% of industrial labor choose a house with informal or independent construction.

“The right strategy is providing a informal house for industrial labor in Semarang”

Industrial labor can use flats provided by the Central Government and Local Governments (Strategy II)

Flat is the implementation of “a million houses” program initiated by the Central Government. Based on the scheme of “a million houses” program, implementation of flats for low income community is the responsibility of Central Government and Local Governments.

Supply	Demand
- The Local Government, BPJS (Employment), Perum Perumnas, industrial labor Cooperative and the Company support the provision of flats to industrial labor in Semarang	- 42% of industrial labor in Semarang is single so that it meets the requirements as an owner or tenant of this flats.
- Semarang has flats provided by the Central Government and Local Governments.	- 18% of industrial labor are migrants and they live in rental housing.
- The Local Government has plans to build the flats by Local Governments and BPJS (Employment).	- 5% of industrial labor are interested to stay in flats.
- Flats are intended for industrial labor with single status.	- Industrial labor have income levels less than the minimum wage of Semarang.
- Flats are intended for industrial labor who were not able to afford the formal or informal housing.	
- “A Million Houses” Program supports the provision of flats for industrial labor initiated by Central Government and Local Government.	

“The best strategy is using the flats which Supplied by the Central Government, BPJS (Employment) and Local

Government.”

Upgrading the industrial labor housing that use BSPS Program. This strategy is intended for industrial labor who have a house with property rights status (Strategy III).

BSPS Program can also be used by Low Income Community to repair their house into a feasible housing. Subsidies to repair industrial labor’s house with property rights status is Rp. 7.500.000 for each household.

Supply	Demand
- The Central Government, Local Government support improvement the quality of industrial labor housing.	- 39% of industrial labor choose to repair their houses than live in rental houses.
- The Central Government gives subsidies to industrial labor through BSPS Program.	- 33% of industrial labor lived at heritage home and it needs to be repaired
- Granting subsidies for industrial labor to improve their housing quality is Rp.7.500.000 each household.	- 36% of industrial labor are not satisfied with the physical condition of their housing, so it needs to be repaired.
	- 52% of industrial labor are not interested in moving to another house because they feel comfortable with their house. So, they only need to repair their house.
	- 71% of industrial labor have a high level of interaction in their community so that industrial labor only want to improve their house quality or repaired their house.

“The Best Strategy is Improve their Housing Quality or Repaired Their House”

V. CONCLUSION

In Indonesia there are regulations that discuss the provision of housing provision for industrial workers. Decree of the Minister of Industry No. 230 / M / SK / 1993 of 1993 is on Licensing Procedures and Technical Standards Industrial Estate. However, these rules are not properly implemented. This is because many stakeholders who do not know the rules. This rule together with Government Regulation No. 24 Year 2009 Industrial Estate should serve as basic guidelines in the provision and management of industrial estates.

In developing strategies for the provision of residential industrial workers have to pay attention and consider the preferences of industrial workers, Semarang city government, small-scale developers, the manager of the industrial area, the company, Perumnas, BPJS Employment, banking institutions and cooperative employees. The aim is that the strategy is composed not only paying attention to the wishes of workers but also not necessarily strategize housing provision that is incompatible with the needs of industrial workers.

Provision of housing for industrial workers who have been encouraged by the government in the form of subsidized flats have to consider the physical, social or cultural aspects. However, the result is the industrial workers and the local government do not agree with the

provision of subsidized flats by the central government. The strategy for industrial worker housing provision should be based on consideration of the demand that is tailored to the needs of industrial workers and the supply which is the potential of what can be used to support the provision of housing for industrial workers. The potential may come from the government and other parties.

The important factor considered by industrial workers is a factor of the ownership status of the housing. Industrial workers prefer home ownership which is far from the city center and work location than a rental house near the work site. The industrial workers' preference turned out to be contrary to the purpose of government in providing housing for industrial workers that is housing with the status of the lease and close to the work site.

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