

4. PREFABRICATED HOUSING

Wood is still rarely used to build houses or industrial buildings, as is common in the United States or Canada, and prefabricated housing of wood is little known or used in Mexico. The principal reason for this is the longstanding cultural tradition of concrete, cement and brick buildings, as well as the relatively higher cost of wood housing, given the low cost of the traditional labour intensive construction used in Mexico. Wood construction also tends to be seen as inferior to that of harder materials and this, coupled with its higher cost, explains why prefabricated wood housing has only accounted for approximately 3% of housing. On the professional level, little is taught at local universities and training centers on the use of wood in construction. Finally, there is a scarce supply of inputs with the necessary quality and classification.

In order to promote the use of wood in construction, the National Council for Wood in Construction (Consejo Nacional de la Madera en la Construcción A.C.) was created. Through its intervention, a series of training courses have been undertaken and some wood housing projects are under way with government institutions, such as Infonavit and Fovi to use wooden prefabricated housing for low income housing projects.

As could be seen in section 3 of this report, total imports of prefabricated housing have been increasing very rapidly in the past few years. In 1988 imports only amounted to \$995,600 and increased 3.5 times to \$3.5 million in 1989. By 1991, total imports were valued at \$11.5 million, reflecting an overall annual growth rate of 165.8% during that three year period. Most of these imports were from the United States, although Canadian exports to Mexico have also steadily increased in the past few years, from Cdn\$18,000 in 1989 to Cdn\$144,000 in 1991. These statistic point towards an increased interest in the use of prefabricated housing in Mexico.

U.S., Canadian and European companies specializing in prefabricated walls and roofing have made tentative moves to enter the vast Mexican housing market, in particular in response to a new government policy which turns over the construction of low-cost housing to private builders. By reducing the role of the state's numerous housing bodies to that of financial administrators and inviting private building companies to compete for their construction contracts, officials hope to add 320,000 new homes to the country's stock of low-income housing in 1993. A third of these will be commissioned by the Institute for the Workers' National Housing Fund (INFONAVIT), which is set to receive some \$2.1 billion in employers' contributions this year, \$1.9 billion of which will be used for public housing through low-interest loans to working taxpayers and construction credit to private builders. Construction companies will have to use their own initiative in building low-cost, low-profit workers'