

GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE January 2002



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Housing in the EU



IUT member organisations in:

Austria
Australia
Belgium
Benin
Bosnia-Herzegovina
Canada
the Congo (Dem. Rep.)
Croatia
Czech Republic
Denmark
Ecuador
England
Estonia
Finland
France
Germany
Greece
Greenland
Hungary
Iceland
Ireland
India
Italy
Japan
Kenya
Latvia
Moldova
the Netherlands
New Zealand
Norway
Poland
Portugal
Romania
Scotland
Sweden
Switzerland
Tanzania
Uganda
USA
Wales



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Canada and Iceland joins the IUT, and more...

At the previous IUT Board meeting in Berlin in November, hosted by the Deutscher Mieterbund (German Tenant Association), the IUT admitted four new members.

We welcome our new members:

- National Alliance of HUD Tenants, USA
- Provincial Tenants' Rights Action Coalition, British Columbia in Canada
- Tenants' Advice Service, Perth in Australia
- Icelandic Tenants' Organisation

The IUT is now represented in 40 countries. Good enough, but we are not yet satisfied.

Most member organisations operate in Europe, for many reasons; Historical cultural and political. But we also note, for the same reasons, that rental housing and its tenants are also well represented in the USA, Canada and in Australia and New Zealand.

Africa, Asia and Latin America then? Are there no tenants there? Yes, of course there are.

Unfortunately most tenants on these continents are unrepresented. Being a tenant in India, Tanzania or Ecuador implies insufficient - if any - security of tenure, forced evictions, unrestrained rent hikes and ruthless landlords. Our member organisations in developing countries struggle hard to be of assistance to the tenants, often with meagre resources. Some of these difficulties are also too well known among the tenants in eastern Europe.

Yes, we are a growing organisation and our network of partners is expanding every day. And partnership is necessary as the IUT, as most NGOs, have limited resources. Our work is made possible through our contributors, the tenant organisations in; Austria, Czech Republic, Denmark, Finland, France, Germany, Norway, The Netherlands and Sweden.

IUT history was written in Berlin...

at the recent IUT Board meeting: Firstly, the first non-European tenant organisation was elected to the IUT Board: NAHT, National Alliance of HUD Tenants, based in Boston USA. Secondly, after lengthy negotiations the new Tenants' Charter was finally adopted.

Read more on page 3

Principle of Subsidiarity, what kind of principle is this?

This Principle is incorporated in Article 5 of the EC Treaty, and means that EU member states remain responsible for areas which they are capable (!) of managing more effectively themselves. These areas are, to name a few; criminal law, education, health care and housing.

So, should housing continue to be included in this principle, or..? Read more on page 4.

Magnus Hammar

Secretary General, IUT

Calendar, 2002

March 19-21: Housing Week in Sweden, by the Institute for Housing and Urban Research.

April 26-27: IUT Board meeting. Prague, Czech Republic.

April 29-May 3: Urban Forum, organised by UN Centre for Human Settlements. Nairobi, Kenya.

July 1-5: Housing Cultures - Convergence and Diversity, Intern'l Research Conf. Vienna Austria.

May 19-22: Remaking Cities: Preservation and Creation, organised by IFHP. Ljubljana, Slovenia.

June 21-24: NAHT Annual Meeting. Washington DC, USA.

June 9-12: 9th Conference on Urban and Regional Research, by the U.K. Gov. Leeds, England.

August 2-4: TPAS Annual Meeting. Birmingham, England.

September 8-12: IFHP World Congress - Urban Conditions 21. Tianjin, P.R.China.

October 7: International Tenants' Day / World Habitat Day

For more information, check www.iut.nu

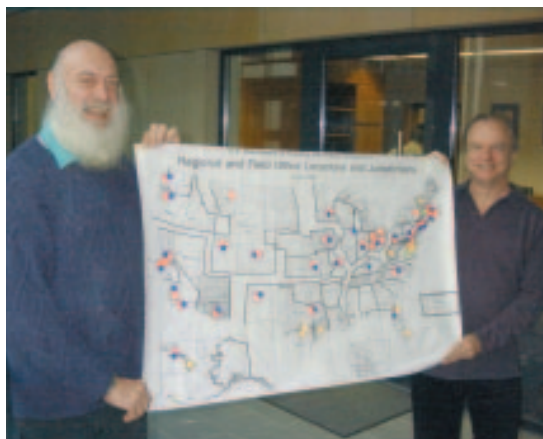
Michael and Vern brings new horizons to the IUT

I think that we all, from the old world, could smell the fresh air at the previous IUT Board meeting in Berlin. Among us were Michael Kane and Vern Zuehlsdorff from the NAHT, National Alliance of HUD Tenants, USA. Both had made long trips. Michael, as Executive Director, came in from Boston, Massachusetts. Vern, as NAHT board member, travelled all the way from Seattle, Washington State. Vern is also a long time activist and locally active in the Tenants Union in his home town of Seattle.

NAHT, founded in 1991, is the only national membership union of

resident groups advocating for 2.1 million lower income families in privately owned, HUD-assisted, multifamily housing. Today NAHT represent tenants in 28 states. HUD is the Federal Department of Housing and Urban Development which assist tenants with so called Section 8 vouchers. This year more than 3 million American households benefit from this program. The family which is found eligible for a voucher is then responsible for finding housing themselves, with a landlord who has signed up for this program with HUD.

The IUT Board warmly welcomes NAHT!



Vern and Michael with map showing NAHT representation.

The Prague Declaration

Representatives from six eastern/central European national tenant organisations met in Prague on October 15. Horrible stories were told, true stories about the poor living conditions for lower income households in Krakow, Tallinn, Prague, Bratislava, and in Zagreb. These cities all have in common the consequences of restitution, unrestrained privatisation, insufficient laws and regulations and skyrocketing rents. Also, tenants in regions of eastern Germany face

similar problems.

The delegates ended the meeting by adopting the Prague Declaration, directed towards national governments and local authorities in Poland, Estonia, Czech Republic, Slovakia and Croatia.

The Declaration is posted on the IUT website.



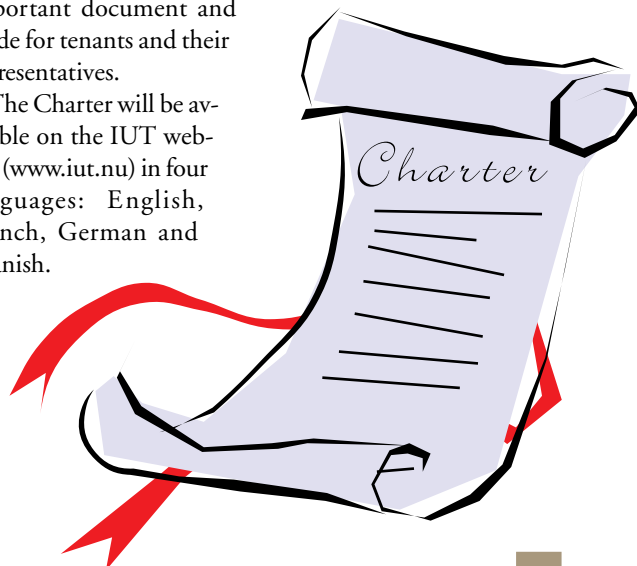
Art Nouveau in Prague.

Tenants' Charter has finally landed!

The IUT Congress in Amsterdam last February dealt with a proposal for a new and up-dated Tenants' Charter. After lengthy discussions the Congress decided to submit the finishing of the Charter to the IUT Board. After meetings in Prague, then in Stockholm, the Board finally reached consensus in Berlin.

The previous Charter originated from 1974. By that time the Charter was the only (?) international document that stipulated basic tenants rights. Now, we have a much more detailed and comprehensive Tenants' Charter. Hopefully this new Charter will be an important document and guide for tenants and their representatives.

The Charter will be available on the IUT website (www.iut.nu) in four languages: English, French, German and Spanish.





EU and Housing

The responsibility for the aims and practical means in housing policy rests with the individual Member States themselves. This policy is referred to as the principle of subsidiarity.

Nevertheless, according to the Amsterdam Treaty, Article 136, the Community and the Member States shall have as their objectives, for example, the promotion of improved living and working conditions, and the combating of exclusion, including homelessness.

The 15 EU Ministers of the Environment meet Formally twice a year, the same goes for the Ministers of Finance, Social Affairs and Agriculture. But the Housing Ministers meet only if the government in question agrees to invite them. In other words, holding these meetings are not compulsory.

Belgium hosted the 13th meeting of the Housing Ministers, October 1-2.

The ministers met under a common theme: Housing Policy as a way of reinforcing social cohesion. The IUT was represented through the European Housing Forum.

The Ministers adopted a Final Communiqué. This communiqué included texts as:

6. The Ministers applauded the decisions by the European Council in Nice regarding the objectives of the European strategy to combat social exclusion, as an expression of recognition of housing as an instrument of social cohesion. Housing is one of the core elements in combating social exclusion.

The Ministers considered that access for all to decent and sanitary housing must be included in the National Action Plans for social inclusion, which are to be implemented by each of the Member States.

The Ministers noted that most of the Member States have integrated housing as a means to combat poverty and social exclusion, within the framework of their National Action Plans. They agreed that such integration should continue in the future.

Read more on
www.feantsa.org/News_EN/HM13_FC_en.htm

Denmark next

Denmark will host a meeting of civil servants on 2 & 3 October 2002, to discuss "mixed ownership and typical forms of housing occupation to combat social exclusion". A preparatory meeting will take place in Madrid, Spain on April 8 2002.

Italy will host a European Meeting of Housing Ministers in the second half of 2003.

The Right to Housing in EU documents

- The Revised European Social Charter of the Council of Europe (Strasbourg, 1996) which includes the Right to housing (Article 31).
- The European Union Charter of Fundamental Rights, as signed and proclaimed by the Council and the Commission at the European Council, Nice December 7, 2000.

This Charter *does not* include The Right to Housing, as many NGOs fought for. Today the wording goes as "In order to combat social exclusion and poverty, the Union recognises and respects the rights to social and housing assistance so as to ensure a decent existence..."

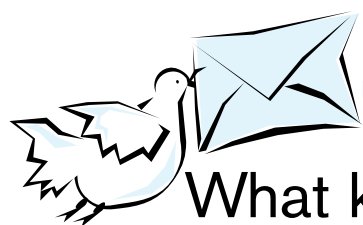
An often heard expression is that the EU promotes "a flexible labour market". Perhaps a bit of a cynical expression, as something of a merchandise which the Market directs and benefits from. Anyway, a lot of EU citizens benefits from open borders and new job opportunities. But all these Hansens, Smiths, Saarinsens and Garcias, where should they live during their time abroad? So in this context, sufficient and affordable housing comes as a natural ingredient. And flexibility - what is more flexible than rental housing!

Homelessness

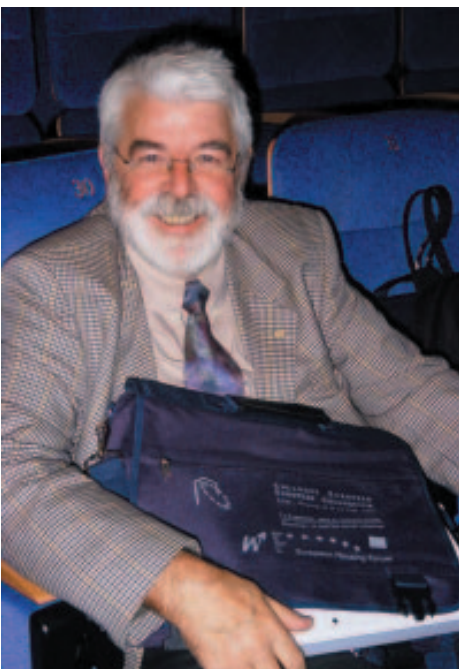
However, homelessness is on the EU Agenda and homelessness is reported as increasing in the countries of the EU.

The European Observatory on Homelessness estimates that there are 3 million homeless people in the European Union. These are people of no fixed address, who mostly move from place to place, sleeping in shelters or hostels, on the floor or sometimes outside. There are also another 15 million people living in sub-standard, unsanitary or overcrowded accommodation.

For more information on homelessness in Europe:
www.feantsa.org



What kind of intervention for the EU Commission when it comes to housing?



J.Tiset

Theoretically, the EU institutions has no competence in housing and the housing policies are still driven by each individual memberstate government. But in practice, from the building- norms to the VAT rate and the recent recommendation for housing loans, it is quite impossible to estimate how many EU decisions have had influence on the national housing policies.

Is it necessary to go further, to transfer housing competency from the national institutions towards the EU institutions with a risk of alignment on the lowest level ? This traditional question is perhaps out of order if we believe the in the recent evolution.

One year ago, the European Charter of Fundamental Rights was adopted in Nice, France, at the Summit of the EU-state leaders. Unfortunately the Charter did not formally recognise the right to housing. But it emphasised the importance of housing as a tool in the struggle against social exclusion.

The meeting of the 15 Ministers responsible for housing, held in Belgium in October, brought it to mind. Their final statement emphasises the new role which the Commission ought to play: Encourage co-operation between the states and complete their actions against exclusion.

The question is not any more transference of housing competencies but accompaniment of the national housing policies.

Such an evolution will reassure all the adversaries of the states disengagement. But it will not satisfy all those, like the CNL, against the limitation of the right to housing as a right to housing only for excluded populations.

Jacquy TISET - CNL, Confédération Nationale du Logement, France.

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Rental housing in the European Union percentage rental housing of total, 1998/1999

	Total rental	Social	Source
Switzerland	70 %	14 %	1
Sweden	40 %	22 % public	2
Norway	22 %	4 %	3
The Netherlands	48 %	36 %	4
Belgium	35 %	6 %	1
Denmark	40 %	19 %	5
Germany	59 %	30 %	6
France	38 %	18 %	4
Ireland	20 %	10 %	5
Austria	42 %	24 %	6
Portugal	28 %	5 %	6
UK	31 %	21 %	UK gov
Spain	11 %	2 %	6
Italy	21 %	3 %	2
Greece	22 %	2 %	5+6
Luxembourg	30 %	4 %	2
Finland	28 %	14 %	2

Rental housing in Major cities

Geneva 85%
Stockholm 50%
Amsterdam 83%
Vienna 75 %
London 41 %
Paris 62 %, 1991
Berlin 90 %

Sources

1 RICS 1999, Annual Review of European Housing Statistics. 2 European public policy concerning access to housing, BIPE 2000.

3 CECODHAS Report of Activities 2000 / 2001. 4 Housing Statistics in the EU, Dutch gov. 2000, 5 RICS review of European housing market, 2001. 6 A home for everyone, CECODHAS 2000.

Germany – With a Housing Policy on the Retreat?

By Mr Armin Hentschel

Germany is looking back to a decade of important changes in housing policy. Housing is still on the political agenda, but nowadays not very high on the agenda. In many regions, particularly in east, there is no more housing shortage. There are still parts in southern Germany where the housing market is still under pressure and rents are rising.

At the same time there are about one million vacant dwellings in the eastern parts, in the former GDR.

Also, this trend goes for some of the old industrial regions in western Germany. Despite these distinctions the public debate has been shifting more towards the challenge of empty housing and a shrinking urban population. The recent situation goes back to an earlier period of German housing policy and the issue of reunification of the two German states.

When the Wall fell in 1989 there were no doubts that politics had to be focused on the former East Germany. The reality revealed that there were about 500.000 empty dwellings, which were in poor condition and in urgent need



Functional style office building in Berlin, ca 1930.

of repair. This was due to rents not covering the costs and the former GDR-policy that focused on new, cheap and fast construction instead of renovation and inner city renewal. Since 1989 rents in eastern Germany have been raised to a level which is now about 85 to 90 % of the rents in western Germany.

Another important issue was privatisation. Because of the unclear ownership, a long period of retransfer from state to private ownership began in the early 1990's. As a result of the principle: Firstly, return of property, secondly, compensation - much of the inner city decay was continuing.

Simultaneously, subsidies and tax exemptions for investors in eastern Germany lead to a boom in new construction. Most of it has been carried out in rural and suburban locations. This resulted in people leaving the cities, moving to the newly build suburban settlements. A considerable number of jobs in the old, now non competitive, industries were lost and contributed to a decrease of population in east German cities.

Since the last polls in 1998 a red-green coalition governs Germany. As promised, the coalition succeeded in passing a new Rent Act, a new Housing Act and a reform on housing benefits.

The reform did not fulfil all its promises in this "Millennium Edition". Despite this, the German Tenant Federation considers the Rent Act as a - more or less - fair compromise between the interests of tenants and landlords.

For example, new legislation cuts the period of notice to quit to three months, for the benefit of the tenants. Today many tenants leave their homes because of new job opportunities, training or education. This reform contributes to a higher degree of flexibility on the housing and labour markets.

The beginning of the end of social housing in Germany?

Germany's new housing act is estimated somewhat differently. Some say its just a bill which legalises the existing practise. In other words, The Act makes housing financing system more flexible, more decentralised and more directed to renewal of the stock instead of subsidies for new construction. Others say that this is the beginning of the end of Social Housing.

The federal states of Germany have always carried the biggest share, 80 %, of subsidies for social housing and the remaining 20 % from local authorities and the central state. It was necessary to come up with a more flexible financing system on the local and federal level.

With respect to a slackening housing markets this might be reasonable. However, the situation could be changing very soon. In particular, if Germany decides to open its border to new immigration to fill in the gaps on the labour market - which is nowadays a very important subject of public debate.

There are still many problems left: Urban renewal - not only in the east - is an enormous challenge. The social housing sector has to be improved in order to make it competitive for the future.



Ostkreuz, Berlin. Next in turn for being renovated.

There are still many people who require social support to be housed sufficiently and decently. The social housing stock is shrinking rapidly. Many social homes have been privatised during the last years. Many central, federal and local governments have sold out their social homes in order to rehabilitate the public budgets. The sale has mainly been successful with respect to the desirable locations and attractive buildings. What is left is less attractive for both tenants and owners. The greatest threat is that the social sector in Germany would become a last resort for the poor and causes new inequities on the housing market.

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Mr Hentschel is also a board member of the German Tenant Organisation:
www.mieterbund.de



Accommodation available in Brussels – but not for everyone

by Margareta Eklund

The housing situation in Brussels is often singled out as a good example of a well functioning housing market, without unnecessary involvement of the state. According to my findings, this is a myth. Yes, a newly arrived and well paid EU civil servant can find an flat. But does that give us the whole picture or is there also another reality?

About one million people live in Brussels, of which 25 % are non Belgians. Many are EU citizens working in the tall glass buildings of the EU administration. There is also a large number of immigrants, mainly from Morocco and Turkey of which many are guest-workers without residence permits. They look for casual jobs, but unemployment is high in all of Belgium, around 12 per cent.

I have some problems in finding the office of the Belgium tenant organisation. After some assistance from friendly neighbours I finally find my way to No 32 in Square Albert.



Edith Galopin and José Garcia.

decay is considerable. There are no satisfactory statistics on homelessness and executed evictions.

Mr Garcias' colleague Mme Edith Galopin can only verify that tenants seeking assistance from tenant organisations are increasing;

– I estimate that at as many as 1000 households a year are driven from their apartments in Brussels! They either end up in the streets or go and live temporarily with relatives. An important task for us is giving information on tenant's rights and giving advice and support as a preventive measure.

Brussels has around 8% social housing i.e. accommodation that can be distributed among those with very small incomes. The publicly owned apartment houses have a fixed rent and objective rental pricing. These accommodations are far too few.

Syndicat des Locataires has initiated a campaign against eviction of people during the winter months. The public landlords have already agreed to the requirements. Now, the private landlords remains to be persuaded. Presumably not as easy convinced perhaps.

Moving to Brussels? José Garcia and Syndicat des Locataires offers themselves to assist you in how to avoid getting in trouble with imperfect tenancy agreements.

Margareta Eklund works for the Swedish Union of Tenants co-ordinating EU activities.

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Brussels rents are not for the average Belgium

– If you have money, housing is never a problem in Brussels, says José Garcia, President of Syndicat des Locataires, the tenant association in Brussels. But for everyone else it is serious and common problem. Rents are unregulated in Brussels and the right of tenancy has very few rules. The laws protect the rights of the landlord, says José.

– Ten years ago a Belgian with an average income would pay 30% of his net income on rent. Today I estimate it is more close to 50%! Many people cannot afford to stay in their apartments and the amount of evictions have increased considerably in the last five years.

– If I may generalise, says José, the affordable accommodations in Brussels are those apartments whose landlord has consistently neglected maintenance and



Delicatessen in Brussels



England: The FBHO was formed in 1983 in response to well-documented research on the extent of discrimination and disadvantage that was experienced by minority ethnic communities.

The aims of the FBHO are to promote, support and develop a robust and dynamic black social housing sector and to provide a focus for campaigning, policy and research on related issues. It is committed to improving housing policy practice and to ensuring that proper consultation with communities and users takes place.

The FBHO does not advocate segregation in housing, but BHO's exist simply because mainstream housing organisations have demonstrated a singular inability to cater for the diverse needs of minority communities in a multicultural society. Their tokenistic consultation processes have not helped in any significant way to dispel doubts of minority communities that they will receive fair treatment. BHO's exist to ensure that, within an integrated housing sector, service delivery to minorities is appropriate and acceptable, cultural needs of communities are taken into account, and minority communities are empowered in terms of sharing of resources, equality of opportunity in employment for black professionals in housing, and granting of contracts.

In 1998 the membership of FBHO comprised 63 black housing organisations, some registered with the Housing Corporation and others seeking registration. In addition, there are various associate members from mainstream housing associations, as well as committed individuals. The ethnic minority community comprises about 15% of the UK's population, of whom approx. 50% were born outside the UK.

Ten ethnic groups in 38 units

A striking example of a successful scheme is a sheltered housing scheme for the elderly, John Kallie Court in Oxford. The scheme comprises 38 units. The residents come from a wide range of ethnic backgrounds, and include English, Irish, African, Chinese, Caribbean, Indian, Pakistani,

Yugoslavian, Bosnian, and Bangladeshi. The scheme initially met with fierce hostility from local residents and politicians, with accusations of "ghettoism" and "engineered segregation". However, the well-appointed and beautiful complex soon became the envy of the wider community, locally and nationally. Its example has been followed in many other regions. An initiative such as this can only succeed if founders and funders can rid themselves of all their own prejudices and misconceptions about integration.



Ms Chinta Kallie

By Ms Chinta Kallie Board Member, FBHO.
E-mail: dee-kallie@supanet.com

RONJA

Ronja conquers Europe

Many housing areas, in Sweden as well as in the rest of Europe, have seen a decrease of social and commercial services. The Ronja Project was initiated by the Swedish Union of Tenants. It is a pilot project for unemployed women supported by the EU education program, Leonardo da Vinci. The project aims to promote local development in the housing area.

Unemployed women with low qualifications constitute a vulnerable and hidden group. They are often forced to remain in the area where they live. The opportunities to improve their situation are minute.

– Women who are unemployed and have children to look after, and at the same time lack education and the strength to break the isolation, often get stuck in their situation, says Katrin Nyström at the Swedish Union of Tenants, who is the project co-ordinator. On the other hand they have detailed knowledge about the housing area and therefore are a hidden resource in developing the housing area.

In the Ronja model you start a group process. You analyse your own situation and skills to strengthen self-esteem and eventually find work and support in your own housing area.

In short, the model is about motivating unemployed women to participate in the project and form a group. The group investigates the shortcomings of the housing area, what needs there are, and the skills of the women in the group. Furthermore it examines what knowledge or courses is needed to be able to start their own enterprise or co-operative in the housing area. It could be a bakery, a laundry service, food delivery company or an ad hoc childcare service.

Eight projects have been implemented; in Poland, Czech Republic, Switzerland, UK, France, Spain, Sweden and Croatia. The project has been running in Zagreb since spring 2000. Now the Croatian Union of Tenants is ready to disseminate the Ronja model to other countries in the Balkans.

By Ms Katrin Nyström, Swedish Union of Tenants.

Ronja website: www.ronja.org/index.html



Living in Austria becomes more difficult A new stale political wind

Jorge Haiders' right wing Freedom Party, FPÖ announced in February 2000 that they were joining to form a governing coalition. Since then a consistent and furtive withdrawal from the former Austrian housing policy can be seen. The provisions on the protection of tenants are undermined in all levels or stalemated step by step, and the fight starts against the competitors of the limited profit housing and such competitors are being dissipated.

Within two years, four (!) amendments of the Act on the Legal Protection of Tenancy were adopted which introduced legal setbacks and other are discussed. Control of the lease-contracts with regard to the amount of the rent is restricted. Professional house caretakers are being dissolved without alternative and the tenants have to pay increased cleaning expenses. Possibilities to restrict the lease contracts with regard to

the lease duration are practically liberalized (any length or frequency of the contract) - the protection against the notice to vacate the flat, which is still included in the Act, is nonsensical and the tenants are again dependent on the will of the landlord.

Certain types of the flats are completely withdrawn from the scope of the Act on the Protection of the Rights of Tenants and are not governed by any

provisions on the protection of price or protection against the notice to vacate the flat.

Public service companies involved in housing construction owned by the Austrian federal state (5 companies owning some 60,000 flats) are being sold to private persons. However not to the tenants themselves, but to private investors. It is actually the sale of flats of which the construction was



During the years 1923 to 1934 the city of Vienna built 64 000 new dwellings for the workers. The most magnificent house is the Karl Marx-Hof, with a facade covering 1200 meters. This house became a symbol for the "red Vienna". There were 1383 flats, ranging from one-room flats to flats with three rooms + two chambers, of which there was only one! Address: Heiligenstädter Straße 82-92
PHOTO: MÁRIA VAN VEEN

extensively financed from the public sources; the private investors may expect the good bonus due to the future higher income from rents.

Austrian housing market

There is a fairly large sector of rented flats in Austria. These are divided into three parts: Private sector (about 18% of all flats), public rented flats (10%) and the third sector which includes flats owned by public service, the limited-profit housing (11%). Compared with the European Union (50%), the ownership share is rather below the average level. The reason for this is namely the significant protection of tenants since 1922 and the limitation of rents.

Rental flats are highly represented in the capital of Vienna; 75 per cent of the total stock.

The Austrian protection of tenants is based on two fundamental pillars

1. Protection (regulation) of prices
The rents are regulated by law defining the maximum limit of rents. Until 1994

the maximum permitted rents were governed solely by the category of the equipment of the flat. A large number of the old housing, especially in Vienna (houses built at the turn of the century, pre-war structures and structures built between the Wars) included high number of the so called "flats below the standard level", badly equipped flats with for instance water and/or toilet in entrance halls/corridors. The Act on the protection of the lease right stimulates improvement of the houses by their owners. The better equipment the flat has, the higher rent may be requested. The improvements carried out by the tenants themselves are supported by public finances (interest-free or low-interest credits) and also are supported by the legal measures [possibility to refund the invested amounts (reduced to the actual value) when leaving the flat].

Since 1994 other criteria, such as the location and additional equipment of the flat are also taken into consideration. Calculated surcharges or deductions are added to or deducted from the maximum basic price. The better the location is (calculated by means of the price of the plots of land) and the better the location of the flat is in the house, the higher is the rent.

2. Security of Tenure

The significant protection against the notice to vacate the flat is based on the fact that the notice may be given only by the court and is subject to strict criteria. The reasons for giving the notice to vacate the flat are: Failure to pay the rent following the reminders, unacceptable behaviour with regard to the co-lessees or the owner of the house, the use of the subject of the rent to its significant detriment, unused flat, transfer of the flat to a third person, the tenants' or his direct descendant's personal need.

Housing construction support

The rents in Austria have always moved in a socially compatible extent because of the publicly promoted strong competition.

This have been made possible through the publicly supported strong competitors regulating the fixing of prices through the public service limited-profit housing companies involved

in housing construction. In Vienna this concerns about 220 000 flats, i.e. one-third of all flats in the city.

The so called "third sector", limited-profit construction associations, represents some 11 per cent of the whole Austrian housing market, almost 25 per cent of all rented flats. The legal provisions order them to waive the maximum profits (only the rent covering the costs and including the low profit items is permitted), bind them to invest in construction and reinvest in the flats, as well as these provisions restrict the possibility to pay out the profit.

Future holds less protection

Haiders' Freedom Party is now ruling in coalition with the The Austrian People's Party (ÖVP, Österreichische Volkspartei). ÖVP has always presented itself as a representative of the house owners. This together with FPÖ being supported by real estate brokers and entities involved in development of real estate, may result in the withdrawal from the protection of tenants, and enabling increasing profits to real estate owners and real estate investors.

The present housing policy of Austria can today be described as: Giving up the social responsibilities of the State for the benefit of the interests of real estate owners and developers and their maximum profits - all this to the detriment of the tenants. Economic and social consequences of this policy will however be fully noticed in the future years.

By Ms Gaby Fiala, Bundessekretärin der Mietervereinigung Österreichs.
www.mietervereinigung.at



Ms Gaby Fiala



FRANCE

Paris buys luxury flats for the poor

The major Swedish daily paper, Dagens Nyheter, reports that the ruling socialist Mayor of Paris has upset the right wing opposition when buying very expensive flats in exclusive districts to house low income families.

The French Parliament decided about a year ago that every major city in France should have at least 20 per cent social housing. This also goes for Paris. The social housing company, HLM, is buying flats in streets such as rue Varennes, which also houses the Italian Embassy and the Musée Rodin. An average HLM flat goes for US\$ 345 per month, compared to US\$ 1900 for a comparable flat in central Paris.

– C'est une scandale! exclaims the non-socialist Parisians. This is only a bid for votes!

The City plans, through HLM, to buy 1300 flats to be reserved for low income families.

Jacquy Tiset of the French tenants organisations, CNL, is not easily impressed. Jacquy says that today there are only about 14 per cent of social flats in Paris. As there is an estimated lack of 65 000 social flats in Paris, the City has to build 3200 flats every year to reach the 20 per cent goal in 2020. At the current rate of 1300 new HLM-flats annually, this goal will take almost 50 years to reach!

It remains to see whether low income households prefer to exchange a flat in a more modest district with a low local tax, for a better address but with a higher tax.



BOSNIA-HERZEGOVINA

These days the biggest challenges facing tenants in B&H is the privatisation of state owned apartments, a new law on purchase of the apartments and its implementation in B&H entities. Also, still there is no law on restitution. The lease relations have not been established within the whole country yet.

Association of tenants "BIHUSS" has an important role in housing issues, working on two levels: locally helping its members by legal advises and institutionally participating in law creation with useful remarks and suggestions. Currently BIHUSS is preparing a conference about::

- regulations on purchase of apartments and its implementation in B&H entities
- maintenance of jointly owned parts of building with privatised apartments.

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VENEZUELA

Venezuela suffers a huge deficit in housing. It is estimated that 1.5 million dwellings are needed. With a population of about 24 million inhabitants, half of them live in slums called Barrios, where services and infrastructure are poor, but the houses itself are quite well constructed.

The government has greatly increased direct investment for popular housing. As by law, 5% of the national budget and a big share of these investments is being directed to slum upgrading.

Venezuela still faces many problems; Instability of policies of housing, excessive concentration of popular housing construction in the hand of the government, lack of incentives for private investment in the field, high interest rates and big unemployment. Furthermore, a new Housing Law is being prepared in the Parliament, which causes delays in planning for future initiatives.

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POLAND

In October Poland's Constitutional Tribunal adjudged a clause of the act, telling the buyers of the company-owned flats to sell them back to the original tenants at the same price eventually to be contradictory to the Constitution of Poland.

As more and more state-run companies in Poland go bankrupt or liquidated their premises, including inhabited flats, are sold, for a song as a rule. The new owners either offer the flats to their original tenants for remarkably higher prices, increase the rents heavily, or simply throw them out. Such flats were put up in the past by the companies, with considerable input of labour and/or money of the tenants, those days the companies' employees. Now they are old, retired or jobless, and have very low incomes, if any. After fierce protests the Parliament resolved the mentioned bill, telling the new owners to sell back the flats to their original tenants, at the price they had paid.

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UNITED NATIONS

The UN has appointed Mr Miloon Kothari as UN Special Rapporteur on Housing Rights.

More information: www.unhchr.ch/html/menu2/7/b/mhous.htm ,
E-mail: rhada.hcr@unog.ch