

GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE

April 2014



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Publisher and Editor: Magnus Hammar

April 2014

Co-editing: Dr. David Kilner

Publication Design: Peter Bäckstam

Cover photo: Marseille, France

by Magnus Hammar

Whether you like it or not

Every five years EU citizens choose who should represent them in the European Parliament. These elected MEPs represent over 500 million citizens in 28 member states. The elections are held nationally, this year between the 22nd and 25th of May.

As the European Union seeks to pull through the economic crisis and EU leaders reflect on what direction to take in future, many consider that these are the most important European elections to date.

So, what many people ask themselves is – should I vote, and does my vote make any difference?

Yes, is the answer to both questions. Even if you are an EU-sceptic, there is no way of getting around the fact that what is decided in the EU institutions today determines much of our daily lives, whether we like it or not.

The new political majority that emerges from the elections will shape European legislation over the next five years in areas ranging from the single market to civil liberties.

Europe is not what it was 25 years ago. People and goods now move freely across borders. EU citizens now move to where the jobs are, so workers' rights must be harmonised across the 28 countries. We buy goods from all parts of Europe,

and consumers need to be protected and food needs to be safe to eat, and produced in an acceptable way – preferably in an ecological way.

The financial crisis that started in 2007 and the Eurozone crisis beginning in 2010 devastated EU economies and revealed many systems and financial regulations as unfit for purpose. It became clear that the management of national economies and financial markets needed wholesale reform.

And what about housing? Not directly – the EU cannot tell any country to build more homes, or how. But indirectly, via decisions on energy and state aid and competition, the EU has considerable influence on housing outcomes. The EU can contribute to less segregated neighbourhoods and point at to the need for more affordable housing, for a more social Europe.

So, let's go and vote!



Magnus Hammar
 Secretary General, IUT

CALENDAR

May 23: European Neighbour's Day 2014

June 5: The future for affordable rent and social housing, in London UK

June 13: NFTMO Annual conference and AGM, in Stratford-upon-Avon

June 13–14: Congress of Federation of tenants in HLM, in Quebec Canada

June 13–15: Congress of Swedish Union of Tenants, Visby Gotland

June 24–26: CIH Conference and Exhibition 2014, in Manchester England

July 1–4: ENHR research conference, in Edinburgh Scotland

July 28–30: Texas Housing Conference, in Austin TX

September 5–6: Danish Public Housing Days, in Copenhagen

September 19: FEANTSA European Homelessness Research Conf. in Warsaw Poland

Sept. 28–Oct. 1: SAHF Conference 2014, in Cape Town South Africa

October 6: International Tenants Day 2014, main event in Brussels

October 6–8: UN ECE Committee on Housing and Land management, in Geneva

November 7–9: TPAS Scotland Annual conference & AGM, in St Andrews

For more information on conferences and other events: www.iut.nu/conferences.htm

Housing on the European agenda needs renewed attention

Together with housing ministers from 22 European countries, IUT President Sven Bergensträhle was in December invited by the Belgium government to speak about the role of rental housing.



Finally, after several years of waiting for a new informal gathering of EU housing ministers, there was an invitation from the Belgium government to meet in Brussels, December 9–10.

Housing as such is not formally on the EU agenda, so there is no formal process for the housing ministers to meet annually, as there is for ministers of finance or for the ministers of the environment. Which might seem a bit odd, as housing is really a major actor in the overall financial sector.

To remind everyone of this fact, the Belgium government had announced the theme of this two-day gathering as ‘Sustainable financing of housing policies in times of crises.’

That housing is in the centre of the financial crises was highlighted in a recent article of the British newspaper the Guardian, which had collated figures on empty homes across Europe. The Guardian found that there are more than 11 million empty homes across Europe – enough to house all of the continent’s estimated over 4 million homeless twice over. In Spain alone some 3.4 million homes are empty, 2.4 million homes in France and over 2 million in Italy and 1.8 million in Germany and 700,000 homes in the UK. Many of these homes are in vast holiday resorts built in the feverish housing boom in the run up to the 2007–08 financial crises – and have never been occupied.

On top of the 11 million empty homes – many of which were bought as investments by people who never intended to live in them – hundreds of thousands of half-built homes have been bulldozed in an attempt to shore up the prices of existing properties.



IUT at the 19th European Housing Ministers meeting in Brussels.

Sven Bergensträhle, 3rd row from the top, and Barbara Steenbergen 5th row from top.

Mr Bergensträhle presented statistics that showed that economically strong countries also have a high percentage of rental housing, like Switzerland with 60 percent rental housing and Germany with 55 percent. IUT is of the opinion that a healthy housing sector should consist of at least one third rental housing.

The housing ministers produced a not so very concrete communique where they supported new financing methods and emphasised the role of the European Investment Bank to meet the growing need for affordable housing in Europe.

So, housing and financial crises do go hand in hand.

IUT President **Sven Bergensträhle**, in his speech at the ministers’ meeting, brought up the fact that large subsidies and subprime loans to house-owners together with an excessive and unregulated financial market have caused the present financial crises. And that disproportionate use of such policies has contributed to price volatility and to the ongoing housing affordability and availability crises.

Sven Bergensträhle pointed to three countries in Europe which have suffered less than other countries; Austria, Germany and Switzerland, all three with large rental sectors and with more balanced housing policies. Substantial rental markets in these countries have counteracted price volatility.

The ministers also pointed out the importance of the housing market for both private and public investment.

Furthermore the ministers ‘took note’ of the Eurobarometer’s survey that reveals that almost 28 million Europeans live in inadequate housing and 58 million spend more than 40 percent of their income on housing expenses.

The ministers also recommended that member states treat qualitative and quantitative housing needs in an integrated manner taking account of social issues, in particular affordable housing.

So, for the sake of all households who pay too much for inadequate housing we must hope that the ministers do a bit more than ‘take note.’

Text Magnus Hammar, IUT



Vote to strengthen the tenant's voice in Brussels

Election for 751 seats in the European Parliament is coming up in May. The European Union is probably seen as an entity far-away from most European citizens' daily lives, as well as from the work of national tenants associations. This is probably because housing is a national – if not a local – matter. However, in spite of a feeling of 'distance', it is important that we all vote.

EU legislation on energy, regional development, fundamental rights, social affairs and competition has a significant impact on national housing policies, whether through soft law or hard law measures. When the Swedish and Dutch governments were accused of allocating alleged “unfair state aid” to housing companies and associations, it became clear to us that EU law may have far-reaching consequences on national housing policies.

Indeed, the EU has exclusive competence in the field of competition policy, a big envelope that includes also the complex issue of state aid to social housing providers. Furthermore, the impact on tenants' lives of some EU energy directives cannot be overlooked.

The European Parliament (EP) has since the 1980s been given more power over EU rulings, and such power will probably continue to increase if Member States push for this development. There might be positive consequences for housing consumers if the EP had a significant say in EU budgets, competition policies, Country Specific Recommendations and so on.

However, if populist and neo-fascist parties continue to gain support in Europe, the claim for more European democracy may become a boomerang for those who support it now.

NGOs are important actors in the EU. They actively contribute to decision making because they are

This is a great chance to influence the work of future Members of the European Parliament, and we want them to take up our claims, the Tenants' Milestones.

representatives of different sectors of society. They provide necessary expertise and views that cannot be neglected if the EU wants to tailor policy to its citizens' needs. Lobbyists are an obligatory checkpoint for EU institutions to gain support at civil society level. In other words, lobbyists cannot be ignored. That is why the IUT established a Liaison Office to the EU in 2008, with the aim of achieving a more “tenant-friendly” Europe.

The IUT Brussels office represents tenants, the consumers of rental housing, and is the tenants' voice in the EU. Important achievements have been reached so far: in the field of regional policies, through the opening of structural funds to housing refurbishment; in the field of energy policy, with mandatory energy performance certificates (EPC) to be handed over to present and new tenants; in the field of social and consumer policy, with the Commission increasingly addressing tenants' concerns.

State aid to social housing providers is an issue that is still an open battle. However, the IUT has gained the support of three institutions: the European Parliament has adopted an initiative report on social housing; the European and Economic and Social Committee has produced a report on the definition of social housing; and the Committee of the Regions is actively promoting social housing in the EU.

To use a metaphor, the IUT has scored a “hat-

Elections for the 751 seats of the European Parliament are held on four various days, from May 22 to 25. Four countries have compulsory voting.

Election day					
22	23	24	25		
May	May	May	May		
Netherlands UK	Czech Rep. Ireland	Italy Latvia Malta Slovakia	Austria Belgium Bulgaria Croatia Cyprus Denmark Estonia	Finland France Germany Greece Hungary Lithuania Luxembourg	Poland Portugal Romania Slovenia Spain Sweden
Compulsory voting					



trick” that could positively influence EU policies in the future.

“A Resolution for social housing in Europe” was launched by the mayors of 30 European capital cities. The Resolution asks the European Commission to «leave the definition of the target group of social housing to regional and local authorities», in line with the EU subsidiarity principle.

More funding for affordable housing is IUT’s main claim for the next few years in the EU. IUT is lobbying for a bigger role for the European Investment Bank (EIB) in the form of long term loans for affordable housing projects, revolving funds, etc. In the current economic crisis, where EU member states are somewhat withdrawing their support to the public and social housing sector, it is important to involve the EIB in the financing of affordable housing.

As to energy policy, the IUT will continue to lobby EU institutions to reduce and prevent energy poverty in Europe, through continued support to for energy efficiency projects, banning disconnection of vulnerable consumers, and promoting affordable and sustainable energy sources.

Regarding regional policy, the EU is running at two different speeds: a challenge for the IUT will be to put the EU periphery more at the centre of sustainable urban development. Also, we will try

to enhance the role of cities in the management of regional funds and to simplify the rules for access to funding as well as their use.

ERHIN, European Responsible Housing Initiative, is an EU-project in which IUT is directly involved. The aim of this project is to promote Corporate Social Responsibility strategies among housing providers. CSR in the housing sector is about respect for the environment and the people; it is about democracy and tenants’ participation. If big housing companies adopt our CSR strategies, others may follow. Dialogue with European institutions is crucial to make the tenants’ voice heard in the EU!

Elections to the European Parliament will take place in May. The International Union of Tenants will present its “Milestones” to the Candidates before the electoral campaign. This is a great chance to influence the work of future Members of the EP, and we want them to take up our claims.

For IUTs Milestones, please see page 6.

“Act, React, Impact” is the slogan chosen by the European Parliament to launch its information and awareness campaign ahead of the parliamentary elections in May. The campaign takes place in all 28 Member States and in the 24 official languages.

Text Barbara Steenberg, IUT Liaison Office to the EU
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IUT Tenants' Milestones for the European Parliament 2014–2019

1. Everybody should have the right to affordable and decent housing – the right to housing is a fundamental right

The constitution of Europe, also called the Lisbon treaty, has to guarantee social rights in key territories. Part of the Lisbon Treaty is the Charter of Fundamental Rights of the EU, where the right to housing assistance is enshrined in article 34. This right has to be legally enforced at Member States level.

Member states should adopt policies to prevent unfair evictions as well as laws guaranteeing security of tenure and affordable rents. Evictions represent an increasing trend in Europe: we urge the European Union to promote prevention policies for fighting housing exclusion, e.g. alert and support mechanisms for people endangered by evictions, balanced solutions for sitting tenants in restituted flats in Central and Eastern Europe and rules that prevent foreclosures.

2. EU state aid rules must favour investment in affordable rental housing – the allocation of social and affordable rental housing has to be decided at Member States' level

EU state aid rules that force member States to limit access to social housing to socially disadvantaged groups and to exclude others groups in need are denying the fact that private housing is not accessible and affordable to low and middle income groups because of market failures.

The EU competition policy has a weak democratic basis- we need more influence and control of the EU parliament to guarantee universal access to good public services

like social and affordable housing.

The definition of the mission and the role of social housing must remain under the exclusive competence of the member States, including the setting of criteria for allocation of social housing to people in need.

The fight against territorial segregation and ghettoization and the promotion of social cohesion and urban mix should be a priority of Member States by having a wide diversity of types of social housing, according to local and regional needs.

3. Fight energy poverty: ensure that enough EU-public funding is committed to make energy-efficient housing affordable for low and middle-income groups

16% of the European population, of 78 million people, are at risk of poverty. Costs for housing, heating and electricity have been increasing rapidly. Key workers have massive problems in finding affordable rental housing in the urban areas; poor households living in run-down apartments are especially endangered by energy poverty.

Energy-efficient housing should not be a privilege of the rich – the big challenge will be to create equal access to for low and medium income households. For those countries where energy refurbishment costs may be passed on to tenants, the Dutch “covenant on energy savings” provides a best practice guide in the field. It ensures a balanced and democratic approach through the housing cost guarantee, by which overall housing costs for the tenants are lower after energy renovation works.

EU regional and cohesion funds should speed up the process of energy-efficient refurbishment of the social and affordable housing stock. The 20% earmarking for

the low carbon economy should be channelled to the energy efficient refurbishment of the housing stock, especially social rental housing.

The European Investment Bank (EIB) should provide new financing instruments and funds for energy efficiency improvements in private and public social housing.

4. Tenure neutral policies – redirect funding towards affordable rental housing

The worst form of social exclusion is homelessness. In the last twenty years, investment in social and affordable rental housing has steeply decreased in all EU Member States. The current austerity measures are exacerbating housing exclusion and homelessness. This trend contradicts the “Europe 2020” social objectives, notably the commitment to lift at least 20 million people out of poverty and social exclusion by 2020. We need a new Marshall Plan for affordable housing, strengthening investment in the not-for-profit housing sector.

Member States are withdrawing their support to social and affordable rental housing, through ultra-liberal policies that target only those in most need. Large sectors of society are therefore neglected, including the working class. We are witnessing policies that promote homeownership by all means. However, not everybody can afford to become a home owner. The goal of housing policies should not be homeownership for all, but housing for all. This objective is achievable if public policies promote all forms of housing tenure.

Note: This is a summary of the Tenant's Milestones – full version is available via www.iut.nu/EU/TenantsMilestones.pdf

ERHIN – a European responsible housing initiative

The European Responsible Housing Initiative, ERHIN, is a partly EU financed project with the aim of promoting Corporate Social Responsibility, CSR, in the social and affordable housing sector.

Project partners are, besides IUT, CECODHAS Housing Europe and DELPHIS.



The main aim of “Responsible Housing” is to meet the residents’ expectations through their involvement in business

processes. This is why tenants’ views are of course crucial to the project.

The European Commission’s definition of Corporate Social Responsibility is: “Enterprises should have in place a process to integrate social, environmental and human rights concerns into their business, and they have to do so in close collaboration with their stakeholders”.

CSR can improve the quality of relations and cooperation between social housing providers and their different stakeholders, which includes tenants’ organisations, and the way they work together to achieve their common objectives. CSR is based on a voluntary commitment and leads to the development of balanced relations, relying on clear and transparent objectives, respective roles and responsibilities, for the benefit of all partners. CSR in social and affordable housing should contribute to economic and social sustainability, safeguarding the environment and natural resources, good governance and fair relations with stakeholders, and finally to contribute to responsible human resources management.

A first Stakeholder Forum was set up to produce two key documents: a Joint Declaration and a Code of Conduct. While the first is a political commitment to CSR by different housing stakeholders, the second is a set of business practices that signatories (housing

companies) shall enforce in order to qualify as “responsible housing providers”. The two documents will be launched at the International Tenants Day, on October 6, in Brussels.

The Stakeholder Forums are chaired by IUT and bring together representatives of all major European social housing stakeholders: tenants (IUT members), workers (SOLIDAR), families (COFACE), housing professionals (RICS), public service providers (CEEP) and financing institutions (EIB and CEB).

The ERHIN project was thoroughly discussed at the first Forum. The project’s focus on social/affordable housing providers was ques-



tioned by Ronald Paping, from the Dutch Union of Tenants (Woonbond) who said: “To bring about positive changes in the housing sector, CSR should entail minimum standards for all operators”.

Concerning tenant participation, Heike Zuhse of the German Tenant Organisation (DMB) said that “It is necessary that tenants are included on the boards of housing associations and are given substantial powers”.

Social housing is not only about providing affordable homes. “Affordability, quality, proximity to services and working places are key ingredients for responsible housing”, emphasised Eddie Jacquemart, of the French

Tenant’s Union, (CNL).

Remarks also came from other stakeholders, like from Agnes Uherezky, representing COFACE: “CSR is often a business of communication departments only – it is not in the DNA of companies”.

Sander Scheurwater, RICS, pointed out that: “An important question to answer is why businesses commit to CSR, whether this is just “profiling” or a real commitment. CSR is about ethics and the public interest-aspect of business, and these should be the main drivers of responsible housing”.

The European Investment Bank, EIB, a major financial player in the housing field, was represented by Richard Willis, who said: “The Bank recognises the importance of long-term investment in the housing sector and looks forward to further engagement with the housing sector in the coming months. Public spending is restricted across Europe and initiatives to enable targeted investment that improves housing, local employment and the quality of life in urban areas are playing an increasingly important role”.

However, the risk behind such initiatives is gentrification, and IUT emphasised that affordable housing should contribute to social cohesion. CSR objectives may appear contradictory, but a balance should be found through the cooperation of all stakeholders and local authorities.

An Awards Committee will select the best CSR practices and promote their replication across the EU. On the occasion of International Tenant’s Day / UN Habitat Day on October 6, selected practices will be rewarded by the ERHIN Jury, made up of CSR experts and European politicians.

Please mark October 6, and join us in Brussels for this event!

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Pan-Canadian Week of Action for Housing: November 22 – 29, 2013. FLHMQ together with FRAPRU held a massive demonstration in capital Ottawa calling on the Federal government to protect social housing.

PHOTO: FLHMQ

The status of social housing in Québec and in Canada

There are 34 million people in Canada, including 8 million in Quebec. While 69% of Canadians are home owners, this percentage is only 61% in French speaking Quebec.

Although housing is a provincial responsibility, the federal government used its spending power to establish in 1949 the first public housing program.



Provinces who wanted to erect low cost housing (HLM) on their territory were therefore required to subscribe

Nearly 30,000 households are on waiting lists for public housing, particularly due to the end of construction of new HLM.

to this program, whose cost was shared between the three levels of government: The capital Ottawa, province, municipality. In Quebec, nearly 63,000 HLM units were created in this manner until 1994, when the federal government took the unilateral decision to no longer fund new public housing units. Nearly 30,000 households are on waiting lists for public housing, particularly due to the end of construction of new HLM.

Social housing accounts for approximately 10% of rental housing in Quebec. They consist of 63,000 HLM units managed by municipal housing offices, 30,000 in the form of cooperative housing and

Present socio-political context in Québec

Currently in Québec, FLHLMQ is in an election period and candidates from the different political parties are out on their “charm tour”, visiting public housing buildings to court the tenant’s votes.

Tenant associations were invited by FLHLMQ to ask their candidates to sign postcards committing themselves to the protection of the social housing, the HLM’s – see postcard.



FLHLMQ postcards sent to Denis Lebel, the Canadian minister responsible for Québec

Please Mr. Lebel, let the Social Housing Agency of Québec continue its renovation of our HLM flats with your share of \$ 350 million needed annually.

The federal government should also continue to fund social housing once the agreements are completed between Québec and Ottawa.

37,000 units managed by non-profit organisations. The cost of rent is set at 25% of the tenants’ income and only people with very low income are eligible to inhabit those units.

Having stopped its funding of new HLM, the federal government endeavoured, in the mid 90s, to negotiate its withdrawal from the agreements it had signed with the provinces that required it to finance 50% of the exploitation deficit of the HLM’s already built across Canada. Most provinces accepted the offer from the government in Ottawa to obtain a very short term financial compensation, which they could use for other purposes than social housing.

For example, the Province of Ontario used the funds obtained following the withdrawal of federal funding for the construction of a highway. Ontario then passed the buck of its HLM responsibilities to the municipalities. Without funding from neither the federal nor the provincial governments, cities, such as Toronto, then had to resign themselves to selling some of their social housing units, the most beautiful part, to finance the survival of the remaining units.

Québec is fortunately one of the few provinces in Canada that refused to sign such an agreement, thus keeping intact its HLM heritage. However, the agreements that ensured that the federal government assumes 50% of the deficits are about to expire. Thus, by the year 2020, as many as 20,000 housing units will no longer be subsidized by Ottawa. There is a real danger that the province

and municipalities will be tempted to require the tenants to foot the bill. Will they ask penniless tenants to make an extra effort to finance operating deficits, either by increasing their rent or increasing the cost of electricity, heating, parking fees, etc.?

This also raises the question of ownership of HLM, because once the agreements with the federal government expire, the province is free to dispose at will of the housing units. Will it retain ownership or will it instead try to transfer this responsibility to the municipalities, as was done in Ontario? The government could also decide to privatize the HLM’s. All these scenarios deserve some attention even if, for now, the government has left no indication that would lead us to predict that it wishes to dispose of its social housing units.

Over 15,000 tenants have signed postcards to ask the federal government to invest heavily in the renovation of the housing stock, while it still assumes 50% of costs.

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About the FLHLMQ, Fédération des locataires d’habitations à loyer modique du Québec, the Federation of low-cost housing tenants of Québec, Montréal.

The Federation of low-cost housing tenants of Québec exists since 1993, and counts approximately 300 tenant associations as members. We represent 65,000 low-cost housing households and are charged with doing political representation towards the government.

We support and encourage local tenant associations by giving them support on democratic issues, counselling, problems solving, rights protection, news, etc. All of our interventions with tenants are based on empowerment principles. FLHLMQ also supports the creation of tenant associations.

We encourage tenants to get involved in their local associations and to be consulted by their low-cost housing owners on different subjects, but mostly on renovations budgets.

More info via:
www.flhlmq.com

A tale of two cities, Paris and London



As the French government strives to prevent people from being priced out of properties in its iconic capital, can London take inspiration from any of its policies?

'The mayor of Paris believes everybody has a right to beauty and to live in a nice environment and it is not only money that should determine who lives where,' says Frédérique Lahaye, director of housing at the Conseil de Paris, the city's council.

However in recent years there has been growing concern that this very attractiveness is leading to many people being priced out of France's capital. Both the central government and the Socialist mayor of Paris, Bertrand Delanoë, have sought to intervene repeatedly in recent years to try to arrest this phenomenon of 'gentrification.'

This long-term trend means large parts of central Paris have become unaffordable to those on lower and middle incomes. The situation came to a head last year when the

Socialist-led French government announced a policy of rent controls in order to create more mixed communities.

These measures were adopted by the National Assembly on 17 September last year. The precise details are subject to change, with final measures expected to be published in the spring 2014, but changes are likely to involve rent increases being capped at a percentage above a median rent in given geographical areas.

So how did Paris reach this state? Will rent controls work? And, more importantly, what lessons does the Parisian experience hold for its UK counterpart?

As the French capital prepares for rent controls and continues its policy of high levels of subsidy for social housing, in London the picture is the exact opposite.

Rents in London continue to increase, while living costs are soaring, and there is a shortage of genuinely affordable housing. London Councils research, published in September 2014, shows that 526,000 new homes need to be

built by 2021 – but just 250,000 are expected to be developed. Simultaneously welfare cuts are leading to fears of, to use London mayor Boris Johnson's own words, 'Kosovo-style social cleansing', as people are forced to live in less expensive areas outside the city.

Yet Mr Johnson is pushing an affordable rent model which charges rents at up to 80 per cent of market rates. On top of this, housing benefit for private rented sector tenants and total benefits are now capped regardless of income or circumstances.

Paris, like many European cities, has always had an east-west wealth divide, with the western part richer than the east. In recent years a boom in tourism has pushed up prices leading to the displacement of working people from the central districts into the north east of the city and then into the banlieues, or suburbs.

'You still have many poorer people who can access social housing, but the difference is with the middle class – those that are working, but are on a low income,' explains Flor-ent Geugen, executive director of umbrella



Les Deux Magots, famous café in the Saint-Germain-des-Prés in Paris.

PHOTO: BY PERMISSION, WIKIMEDIA COMMONS



PHOTO: BY PERMISSION, WIKIMEDIA COMMONS

Camden High Street, in London.

homelessness organisation FNARS.

There is little doubt that those on middle incomes now find it hard to live in central Paris, but what about Mr Geugen's claim that many of the poor continue to live there because of sub-market social housing rents?

On the face of it, Mr Geugen's claim is right. France has a law meaning that 20 per cent of all homes in the city have to be available for social rent – and president François Hollande's government is increasing this to 25 per cent by 2025. By Ms Lahaye's own admission, Paris is currently just shy of the 20 per cent target, with around 18 per cent of its 2.2 million households offered as social housing – although it expects to have hit the 20 per cent target by 2015.

Paris has building ambitions, and is building around 6,000 homes for social rent per year. Social rent is between €6 and €12 per square metre per month, which equates to around 30 to 50 per cent of market rent on average. A total of €464 million was allocated to build social housing in 2013.

In addition to the 20 per cent rule, non-agricultural private employers in France are required to pay a levy equivalent to 0.45 per cent of their payroll towards housing costs. This money is used to help people meet their living costs or to support the construction of social or intermediate housing.

The Conseil de Paris has a rule that 45 per cent of social homes are family sized – three bedrooms or more – and has a 50 per cent social housing target for schemes in designated 'development zones' around the city. The city also has the first option to buy buildings when they are put up for sale and purchased 29 buildings for residential use in 2011.

The city's government therefore intervenes

to try to ensure social housing is provided across Paris. However, this does not mean it is successful in ensuring large numbers of poorer people can live in the richest districts. Ms Lahaye, speaking to Inside Housing in Paris' City Hall, says around 50 per cent of social tenants live in three eastern districts of the city, 'an imbalance due to the result of history'.

There is an east-west division. Figures produced by government agency DRIHL de Paris show a wide disparity in the proportion of homes which are for social rent in the west compared to the east.

As of June 2012, the 16th, 8th and 7th

One system Paris will certainly not adopt is London boroughs' practice of housing some people in other parts of the country.

arrondissements in the west of the city had just 3.7 per cent, 2.4 per cent and 1.3 per cent social housing respectively. By contrast, the 18th, 19th and 20th arrondissements in the north east of Paris had 19.5 per cent, 36.6 per cent and 29.7 per cent.

To combat this, the city is providing higher subsidies in expensive areas. It has also since 2010 identified 1,030 uninhabited homes for use as social housing in its bid to hit the 20 per cent target. Of these, 377 were purchased by the city.

But is Paris providing enough social homes to satisfy demand? The city currently has around 139,000 people on its waiting list and houses around 12,000 people a year. Interestingly, Ms Lahaye says the city is looking at the English-style system of

choice-based lettings, to allow people more say over where they live.

Freedom of movement is a constitutional right. One system Paris will certainly not adopt is London boroughs' practice of housing some people in other parts of the country.

'The freedom of movement is a constitutional right in France, we cannot compel people to go and live far away out of Paris,' says Ms Lahaye.

In fact, as many London boroughs restrict their waiting lists to people with a local connection, Paris is doing no such thing. Ms Lahaye says: 'People don't have to prove there is a relationship, or a special link with the city to be entitled to live in Paris.'

Paris has also avoided the London trap of higher 'affordable' rents and strict across-the-board benefit caps regardless of circumstance. Higher subsidies allow Paris to charge lower social rents. The average capital subsidy for a family-sized home in Paris in 2012 was around €60,000, while the average in the affordable homes programme in London for 2011/15 was just €34,446.

Benefits in Paris are means-tested and are set up in a way that every claimant has to find something towards their rent, how much depends on their level of income.

What is clear is that the centralised drive to ensure social housing is built in one of the richest cities in the world has only been partially successful in preventing the 'gentrification' of Paris. By far the bigger problem is the issue of spiraling house prices and private rents.

The French government is now considering bringing in a system whereby landlords can only charge 20 per cent higher or lower than the median in a particular reference area. The definition of these 'reference areas' has yet to be decided and there are concerns there could be anomalies if the reference areas are too large. Nevertheless, the policy is supported by FNARS and mayor Delanoë, who has repeatedly warned that Paris risks becoming like Venice in Italy – a tourist mecca, but devoid of inhabitants.

'It is possible to revert the trend (of gentrification), it is possible to revert the market,' says Ms Lahaye. Others clearly disagree. But many on this side of the channel will be keeping an eye on whether Mr Hollande's plans are successful in preventing the 'gentrification' of towns and cities.

Text Carl Brown.

Article first appeared in Inside Housing. Reprinted by permission.



Tenants in Jurij Gagarin street, Skopje. From left: Maja Staleska, Snezana Joleska, Aleksandra Nikoloska and Natali Nikoloska.

Life as a tenant in Skopje

Living as a tenant in the capital of Macedonia is a big challenge for everyone concerned, but maybe even more so if you come from the outside, from a small town in the countryside. Our story began twelve years ago, when we decided to leave our families behind in the town of Kichevo, in western Macedonia, and move to Skopje to study like so many other young Macedonians.



We are four girls, of about the same age; Snezana, and then Aleksandra and Natali, who are sisters, and me – Maja. Most job opportunities are, as elsewhere in the world, in the cities. So, after university we stayed on in Skopje to work. Well, at least three of us – Natali is still a student, of medicine.

Throughout these twelve years we have all moved from one place to another many times, and we have had various roommates. We have learned much and gained experience and become sort of housing-experts in Skopje. But two years ago we finally found a more permanent address and since then we have been living together.

Our apartment in central Skopje is

around 70m² with two separate bedrooms, and a living room connected to the kitchen. There is a balcony, overlooking a park, where we like to sit during warm summer evenings.

The rent is 250 euro per month. Then we need to add another 110 euro for electricity, water, heating, internet and some service costs, such as maintenance. These are costs which we share. For comparison, a teacher in Macedonia earns around 350 euro per month, before tax.

We enjoy living centrally, and the neighborhood is very peaceful and quiet and the neighbors are very friendly.

The people who administer the house are easy to get along with, and they repair and make sure that everything functions well in the building. If we have any problems or question we can go and ask them without any problems.

Like so many others in Skopje, we have no formal contract with the owners of the apartment. We pay rent monthly and we have paid a deposit of one month's rent to the owner when we moved in. So all in all, we get along well with this landlord, and even if we are a few days late paying the rent it's usually okay. But mind you, our experiences with previous landlords have not been so positive.

By living close up together like this, sharing both the negative and positive all aspects of life, we have become like a family, which is nice. But even though three of us have regular jobs – I am social worker, Aleksandra works as a translator and Snezana is an architect – we find it very difficult to manage to make ends meet. I think that in most west European countries we could perhaps have afforded homes of our own, but not here in Skopje.

And frankly speaking, after so many years of moving in and out, and paying high rents, we would have liked to buy a flat – if we could have afforded it. We would prefer more financial security, and greater comfort in life. Also our social life is often limited as we need to save money all the time, for just food and rent.

So, living as a tenant in Skopje is expensive, even with paid jobs. But what choice do we have? As Macedonia is not yet a member of the EU, we cannot move west to work. But we enjoy the life in the capital and once or twice a month we go and see our families in Kichevo. We hope one day to have homes of our own. The positive thing is that we are like family and we have love and understanding for each other, and that makes us very happy and gives us energy.

Text Maja Staleska

News from Australia

TASMANIA

First one out with minimum standards for rentals



In 2013 Tasmania became the first State or Territory in Australia to introduce minimum standards for rental properties.

The minimum standards will be introduced over the next few years and include the following requirements: that the property is clean and in good repair at the start of the tenancy, weatherproof and structurally sound, contains a bathroom and toilet, cooking facilities, electricity, heating in the main living room, window coverings (for all private

rental properties) and adequate ventilation.

The reforms follow more than five years of consultation between organisations representing both landlords and tenants, a process that allowed for a relatively smooth transition through Parliament. Whilst there has more recently been a change of Government in Tasmania, amendments to the minimum standard requirements of residential tenancies were not an election issue, ensuring hopefully that the improvements are here to stay.

Source: Tenant's Union of Tasmania

TU Queensland still alive and kicking!

2012–2013 year was a challenging year for Tenants Union of Queensland. During 2012–13 TUQ delivered exceptional services for tenants in the face of dramatic funding cuts by the state government. Emergency funding for tenant advice services ended on 31 December. TUQ retains funding for its community legal service but has lost 80% of its funding for statewide advice and education services for tenants.

TUQ hopes a funding lifeline will be found. Meanwhile TUQ will seek to maintain a core advice service for tenants with support from volunteers.

Over 27 years TUQ has assisted tens of thousands of tenants and made a strong contribution to an improved rental sector in Queensland. State government funding cuts for tenant advice services represent a huge backward step for Queensland renters.

Source: Tenants Union of Queensland

Tenant's Union in ACT moves on

The Tenants' Union ACT (Australian Capital Territory) joined with the Welfare Rights & Legal Centre and the Women's Legal, on Friday 21 March, to celebrate the official opening of the ACT Community Legal Centre Hub in central Canberra. The new space was possible through the assistance of the ACT Government is a vast improvement on the community space the organisations had shared for nearly 20 years.

Deb Phippen, executive officer of TU-ACT, says that: "This move will allow all three organisations to grow and improve services. In particular the Tenants' Union will now be able to accept the assistance of the many volunteers and students that contact us. There is even space for more paid staff if we are successful in seeking more funding?"



Deb Phippen.

Source: TU-ACT

SYDNEY

Gov. plans to sell harbour-front public housing

The New South Wales government announced on March 19 their plan to sell almost 300 public housing properties on Sydney's harbour front, forcing out residents who have lived there for decades. Millers Point is one of the oldest and strongest communities in Sydney. The sale also includes the landmark Sirius building at The Rocks. The Government says the properties are too expensive to maintain and would require a significant investment to bring them up to an acceptable standard. It is also keen to capitalise on potential high sale values.

Public housing tenants in inner city properties now fear that if the value of their homes goes up, the government would want to further capitalise on its housing stock and will put more people out of their homes.

The Tenants' Union of NSW criticises the lack of accountability around the sell-off of "irreplaceable" public housing long occupied by a community in Sydney's historic heart.

"This sell-off amounts to the destruction of a community. It will cause hardship and grief to the people of Millers Point, and make all of us the poorer," says Dr Chris Martin, Senior Policy Officer for the Tenants' Union of NSW.

"We are concerned for the wellbeing of Millers Point tenants, especially those who are elderly and those who have lived all their lives at Millers Point," says Dr Martin.

Source: Sydney Morning Herald and Tenants' Union of NSW



PHOTO: MAGNUS HAMMAR, IUT

Sirius Building with 79 flats on The Rocks, in Sydney. Built 1978–79, architect Tao Gofers. The building is an example of Brutalist architecture.

Governments do invest in rental housing

Most governments in Europe invest in rental housing, except for the Swedish. The Swedish housing model is no more, while other governments invest in new construction, in renovation and rehabilitation of the existing rental stock. But how much do they invest?

The Swedish absence of investment in rental housing has resulted in a very low rate of new construction – and a serious housing shortage in major cities.

Over 440,000 people were queuing for a rental flat in March 2014, according to the Stockholm Housing Services which administers the queue for private and municipal flats. In Göteborg, almost 200,000 were queuing at the same time.

Frustration is spreading among Swedes, who do not see any real political ambition to solve this housing crisis. Young people tend to stay longer with their parents, divorcees must move far away from each other, employers cannot find workers and those with jobs commute long hours. And the price of housing escalates.

The Swedish Union of Tenants wanted to find out what the situation was in other countries, and contracted Ernst & Young to do a study. The task was to report on various public financial mechanisms in order to stimulate construction and renovation of rental housing.

In Denmark, construction of subsidised public housing is basically financed from three sources: tenants themselves (2%), municipalities (10%) and state mortgage loans (88%). Figures can vary from year to year.

For 2010–2012 the state contributed 1.3 billion euros to the National Building Fund, Landsbyggefonden, for renovation of the Danish public housing stock – and to boost the Danish economy. Since 2013 more money has been funnelled towards renovation of public housing, and altogether 3.4 billion euros have been made available for 2010–2016.

In Finland, about half of all 800,000 rental



Housing construction is a common sight in most of Europe, as people still leave villages and small towns for better job opportunities in the cities. It is estimated that every fourth Swede will live in Stockholm by 2034, so more housing is needed.

dwellings are financed by state subsidies or interest-subsidised loans. The Finnish government subsidises rental housing by up to 1,300 euro per unit, and in 2013 this subsidy amounted to 1.13 million euro. Additionally, there are favourable loans available for construction of rental housing, and interest subsidies and guaranties are issued by the Housing Finance and Development Centre (ARA) and by the local authorities.

In spite of substantial subsidies for construction of affordable rental housing there

is currently a shortage of affordable rentals in major Finnish cities. To counteract this shortage, the government, in its new budget for 2014, is proposing additional funding.

The French subsidised rental market comprises about 17% of the housing stock, and rents are based on net construction costs – costs which are subsidised by the state and local authorities.

Since 1986, various subsidies have contributed to the construction of 1.1 million homes. President Hollande's campaign include

promises of 150,000 new social homes, every year, partly financed by tax-free deposits in Livre A, a popular savings account.

Dutch social housing organisations, Woningcorporaties, ensure that more than 2.4 million households in the Netherlands have access to affordable housing. The proportion of social rented homes in the Netherlands is the highest in Europe, 32% of the total stock.

Social housing organisations have access to a 3-layer security scheme to guarantee the loans they contract with banks to finance their housing activities. The first layer is the Central Fund for Social Housing (CFV). The second layer is the Guarantee Fund for Social Housing (WSW) which is a private organization set up by the social housing organisations themselves. WSW had guaranteed loans for 83.6 million euro by the end of 2011. The third layer is the Dutch state with interest-free loans in the event the sector can no longer overcome its financial problems.

The 16 German federal states, responsible for financing housing subsidies, in 2013 received 518 million euro in compensation from the government in Berlin. This includes housing allowances, and support for housing savings accounts and for the construction of energy efficient housing. On top of this, the federal states themselves put millions of euros into housing.

In Austria, public support for affordable rental housing is in the form of loans and grants, from the Austrian Fund for Housing Construction and Modernisation, the Wohnbauförderungsmittel. In total, the Austrian assistance budgets oscillate around 2.5 billion euro, of which the federal contribution amounts to 1.8 billion euro. Around 60% originates from direct taxes, and 40% from a duty taken from wages. Every Austrian employee contributes monthly with 0,5% of his/her gross wage to the Housing Fund. Public housing subsidies in Austria account for 1% of GDP, of which 70% is for new construction, 20% for renovation and 10% for housing allowances.

It seems as if many European governments still invest in housing. The Swedish coalition government has for eight years tried to be 'best in class', and has cut down on public spending – which has resulted in high social costs, including housing shortages. Maybe it's time to restore the Swedish Model?

Text Magnus Hammar, IUT



FAVIBC, 25 years in the Catalonian neighbourhoods

FAVIBC is the Federation of Social Housing and Neighbourhood Associations in Catalonia, or Federació d'Associacions de Veïns D'Habitatge Social de Catalunya, in Catalan.

Catalonian neighbourhood associations, AAVV, have existed since the late 1960s and coincided with the new social movements in Europe and North America, of that time.



FAVIBC was born in 1989, but already existed in 1968 as Coordinadora de Barrios (coordinators of neighbourhoods) in the townships built for workers by the Franco regime.

The isolated townships were built without proper planning, without public facilities, schools, medical centres and without public transportation.

Initially FAVIBC's task was to solve regular urban and housing matters, but the overall social needs of the residents were soon exposed. FAVIBC started to work with different social projects for improving life in the neighbourhoods and encouraged the consolidation of new social movements.

FAVIBC's work covers the whole range of neighbourhood activities and is everywhere pre-

sent in the everyday life of the Catalonian neighbourhoods. FAVIBC works with the residents associations and with the local, autonomous and state institutions in the improvement of the quality of life of the communities. The residents in each estate have organized themselves into resident/neighbour associations which make up FAVIBC.

One major objective is the implementation of the different projects in social housing neighbourhoods, like: assisting residents, and participation in changing dormant and socially weak housing areas to well-functioning and lively neighbourhoods. FAVIBC always works under the umbrella of 'tenant participation'.

FAVIBC's School of Social Work has trained social workers for more than 20 years. We have trained technicians who now work in private or public administration, in universities and in organisations. In the last 25 years, FAVIBC has hired more than 850 technicians. We have had provided more than 14 million hours of social work, and more than 35 million hours through volunteers – always in social housing neighbourhood, where the most vulnerable live.

To celebrate its 25th anniversary, FAVIBC will organize an International Convention, in the autumn of 2014. All IUT members will be invited to participate.

Text Xavi Pastor, FAVIBC, project coordinator

SENDER: International Union of Tenants
Box 7514, SE-103 92 Stockholm
SWEDEN

FRANCE

The Duflot-law finally passed



The 'Duflot-law', after housing minister Cécile Duflot, was finally passed on February 20th.

The perhaps most important proposal includes the possibility for rent caps in urban zones where demand for rentals greatly exceeds supply. Also, no new rental contracts will be permitted to charge more than 20% per square meter above the neighbourhood's median rent, which will be assessed annually by a "local rent observatory." Existing rental contracts that overstep that limit will have to be brought down when they are renewed.

The law also states that, in order to curb over-speculation, that small private landlords should register a change of use in order to rent the property on a short-term let. Owners would not be permitted to place the property with more than one property agent. Agents' fees will be capped, and rental lists accessible by fee only will be banned.

In the most tense areas, the objective of social housing will be increased to 25% as of 2025. The current target from 2010 is 20% of social housing in municipalities of more than 3,500 inhabitants, 1,500 in Ile-de-France, the Paris region,

The Duflot-law provisions should have come into effect around September 2014. However, right-wing senators have objected, referring to the Law as unconstitutional, and the law may be delayed.

Source: IUT

USA

HUD awards 1.8 billion



In March, the U.S. Department of Housing and Urban Development (HUD) announced that nearly \$1.8 billion is budgeted towards public housing authorities in all 50 states. These approximately 3,100 authorities build, repair, renovate and/or modernize public housing.

Still, the nation continues to lose approximately 10,000 public housing units each year, primarily due to disrepair. In 2011, HUD released the Capital Needs in the Pub-

lic Housing Program, a study that found the nation's 1.1 million public housing units are facing an estimated \$25.6 billion in large-scale repairs.

Source: HUD

BRUSSELS, BELGIUM

10% of Brussels population wait for housing



On December 31, 2013, there were 44,332 households in Brussels on the waiting list for social housing. This is a record number, and an increase by 79% in ten years. These households represent 111,738 people, which is almost 10% of the entire population of Brussels. Around 10,000 of these households have been waiting for five years, or more.

Source: PTB*PVDA-go

GERMANY

Rental cap draws closer



Germany took a step towards rental capping measures to prevent rents in property hotspots from being more than 10% above average for the area, with a draft law published March 20. Average rent has risen by more than 10% since 2008 across Germany – and considerably more in major cities. The capping procedure was included in the coalition agreement last year.

Around 4.2 million properties will likely be affected, but there will be no break for the first tenant of a newly built or if a residence has been extensively modernised, according to the draft law.

Source: The Local

CZECH REPUBLIC

Right to social housing



The Czech Minister for Human Rights, Jiří Dienstbier, pushes for the right to social housing. A law on the issue should take effect by the end of 2016, according to the government's proposed legislative plan. Social housing does currently not exist in the Czech Republic.

Furthermore, there are plans to submit an amendment, by the end of this June, regulating housing subsidies and the rules for their disbursement to those living in residential hotels.

But NGOs object and say that residential hotels are not a solution to social housing, but that the provision of standard rental housing and support services is the way to go.

Source: romea.cz

NEW ZEALAND

More tenants



More New Zealanders are now renting their homes, the latest Census 2013 data shows. The number of people who rent has increased by 17% since 2006. The share of homeowners is now just under 50%, down from 54.5% in 2006.

Source: Statistics New Zealand

THE NETHERLANDS

Rents near maximum level



Rents for social housing in Amsterdam have gone up by around €100 a month for new tenants. For many, the rent is now just under the limit for rent-controlled flats – currently €699 a month. This means it is impossible for low income families to find somewhere to live.

Source: DutchNews.nl

SOUTH AFRICA

OCR, in Durban facilitates tenant participation



Tenants in Chatsworth, Durban, were first sceptical of promise to upgrade their 550 flats, but are now looking forward to moving into their 'new' homes. The KwaZulu-Natal government has decided to renovate some of their houses, and are including tenant participation in the process.

The flats and the buildings will undergo a complete refurbishment, which includes replacing windows, floor tiles, roofs, plumbing and painting, as agreed with the tenants.

IUT member Organisation of Civic Rights is the social facilitator in this project. OCR's role is to ensure that the municipality's projects are successful in achieving its objectives of the renovation of the dwellings and the rehabilitating of an entire community.

Source: OCR