

Opening speech by Sven Carlsson, IUT President. October 5

Members of the European Parliament, delegates, ladies and gentlemen,

The International Tenants Day, together with the United Nations World Habitat Day, is observed on the first Monday in October – every year.

This year The UN Habitat has designated this day to the theme; *Planning our Urban Future*, which, is meant to underscore the urgency of meeting the needs of city dwellers in a rapidly urbanizing world.

The International Union of Tenants has chosen to designate this day to discussions and debate on the global financial crises - and how this crisis affects housing.

A statement and fact sheet has been distributed to all 57 IUT member organisations in 44 countries. These documents are also available in this room.

We are currently experiencing a global financial recession, or crises if you prefer. Most experts are united in the belief that this recession started in the USA, with former President Bill Clinton's programme "Homeownership to all Americans". This programme led to a flood of money lending to households with a very poor, or none existing, possibility to manage the mortgages when the interest rates increased, at the same time as the value of their houses fell drastically.

The loans were often sold further to other banks and financial institutes, sometimes in several steps.

Ladies and gentlemen,

Today we are well aware of the results of this liberal money lending and speculation; banks have put thousands of homes on sale, families have been forced to leave their homes – with great debts, and many times ending up in homelessness.

Further, the situation has worsened for many families as the crisis has led to high levels of unemployment in many countries.

Unemployment at the same time as the need for renovation of the existing housing stock is desperate in most European countries - particularly in large panel housing estates from the 1960's and 70's.

Also, the need for new housing construction is growing.

Housing and construction are one of the largest financial sectors - and should therefore be considered as key instruments in tackling the present financial recession.

Investments must be directed towards the sectors that can give the best output, socially as well as economically.

So, we ask our governments – why hesitate?! Invest in housing renovation and construction now! Such initiatives will create jobs, and get the financial wheels in motion. It has been done before in history, with success. And it can be done again!

It is with this background that IUT has chosen to focus on the theme: "*Tackling the financial crises with new deal for affordable housing*".

This event here in Brussels, this year as well as last year at the European Parliament, should be seen as one of many events on this October 5th. Many of our member organisations arrange their own national, regional and local events around the world.

Today here in Brussels, we have invited a number of highly qualified speakers who will share their knowledge and views with us on how they see possibilities for a both economic as well as social recovery, by investing in housing.

Next I will hand over to mr Richard Hewgill, vice president of the International Union of Tenants, to chair and present the speakers of the first part of this session.

Ladies and gentlemen, I wish you all very welcome to this afternoon session on the theme; "*Tackling the financial crises with new deal for affordable housing*". I hope that you will all enjoy this afternoon.