

Tenants and the financial crisis

The Dutch case

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Some general aspects of the crisis:

- Decrease gross national product (more than 5%)
- Sharp rise in budget deficiency (6%)
- Purchasing power of most tenants is not decreasing (rents follow inflation)
- Sharp decrease in building new houses, especially in the sector of homeowners

Government policies on fighting the crisis

- **Short term:**
Stimulating the building sector (new buildings, energy saving investments)
- **Long term:**
Large cuts in government expenditures to diminish the budget deficiency
 - For cuts the government also looks at the housing market

Short term measures

- Stimulating building projects (€ 395 million)
- Subsidies on energy saving investments (11% of total investment, € 320 million)
- Reduced VAT-rates (from 19% down to 6% for specific building activities)
- Specific measures on housing:
 - Creating more possibilities of investment financing for Housing Corporations and home owners / buyers
 - Creating possibilities of temporary tenure for empty unsold owner-occupied houses

Long term measures

Working group of civil servants will look at housing market to find ways to **decrease government expenditure** and/or **increase tax revenues**:

1. Tax facilities for homeowners
2. Rent policy and subsidies for low income tenants
3. Assets and property of Housing Corporations

Opinion of the Woonbond

- **Good** to stimulate building production and energy-investment (Green new deal)
- **Good** to have a fundamental look at the housing market, **BUT**:
 - Tenants and home owners must be treated equally
 - Housing costs of low income groups must go down
 - The overall rent level must not rise
 - **First things first**: a better working housing market starts with stopping tax credits for home owners

Most Important Issue for Woonbond and IUT

- It is of the utmost importance to preserve a broad social housing sector
- The assets of social housing companies are needed badly for future investments in social housing at affordable rents
- Therefore, EU-policies on state aid for social housing must be revised:
 - National housing policies should not be hindered by European rulings on state aid
 - State aid for sufficient, good quality, sustainable and affordable housing **should always be allowed**