



## **In a social Europe we want more social housing!**

### **Joint statement: Confédération Nationale du Logement (CNL) – International Union of Tenants (IUT) on the French homeowners' (UNPI) complaint at the DG Competition.**

The financial crisis and the austerity measures that followed are seriously harming the social conditions of French households. Social housing is more important than ever, considering the high prices in the private rental market. Through its complaint submitted to the European Commission - DG Competition, the UNPI is again undermining the French social model, its mission and vocation. As representatives of the tenants, we need to clarify some points.

The *Loi Boutin* (2009) has dramatically reduced the possibility to access social housing for people in need, decreasing the income limit for eligibility by 10.3%. The result is that today 60% of the total population can access social housing compared to the 70% before the adoption of the law.

HLM bodies (social housing agencies) fulfill their scope in accordance with the SGEI law, housing very poor families in France: 50% of tenants in HLM receive housing benefits; 25% are very poor households.

People living in HLM units are subject to means testing (there is an income limit), which is not the case for people living in other accommodations – such as the Immeubles à Location Normale (ILN, normal rent) or the Pret Locatif Social (PLS, loan) – whose target is medium income and whose price per m<sup>2</sup> is higher. Tenants in HLM whose income exceeds the limit are obliged to pay a *surloyer* (“rent plus”) which is used to finance the building and renovation of social housing.

Moreover, 160 000 housing units are empty for renovation or geographical/economic reasons. With 1.3 million people in need, the French government will provide the construction of 150 000 social housing units per year, for the next five years. Therefore, there is no room for UNPI to play with statistics.

European law regulating SGEI should not be instrumentalised in order to increase private landlords' profit. Rent prices in the French private market should be lower if they want to compete with social housing and answer people needs.

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