

Tenants' Day 2011:

# Little action in sight to solve young adults' housing situation

*The theme 'Affordable Rental Housing for the Young' showed to be a topic which caught the interest of many IUT members around the world. It is a theme which many can relate to, either directly as a young person in housing distress or as parents with children in their 30s who can not afford a home of their own. Or as a 50+ with memories of what life was like as a young person ready to leave home.*

The full day IUT conference in Brussels on the International Tenant's Day was organised against background figures from Eurostat showing that almost half, 46 percent, of all young adults between 18 and 34 in Europe still lived with their parents in 2008 – a figure most certainly higher today.

The Tenant's Day originally springs from the UN Habitat Day which is an officially declared Day by the UN. In 1986 this day, first Monday in October, was adopted by IUT as the Tenant's Day.

Over 25 speakers not only spoke out on the difficult housing situation for young people in Europe, but also on the way out from housing stress and on various solutions. The event was attended by some 130 delegates from 18 countries, including many from European research institutes and Brussels based institutions, including the EU Commission and the EU Parliament.

Even though the European Union combats social exclusion, through its many programs and funds, housing exclusion – which is perhaps the most evident and concrete form of social exclusion – is left on its own.

**Housing in the EU** is, according to the principle of subsidiarity, left to the national governments to take action on. But there is no or little action in sight! And if there is action, it is mainly construction of housing designated for those with good salaries.



Young people, young adults, most times have to rely on parents, relatives and the subletting market or on friends with whom they can cram together with. Worst case scenarios are of course shelters and hostels, or even homelessness.

In the US, Australia and in Canada the reality is similar. In the US, by the end of June, the US Census Bureau reported a net increase of 1.4 million households that moved into rental housing, a 4 percent rise since 2010 in the number of tenant households. Much of the rental demand is from household heads under 30 years old who have decided to postpone homeownership in favor of renting during uncertain economic times, according to the report.

**"These declarations are not just for show!"** said IUT President Sven Bergensträhle, with reference to several international agreements, treaties and conventions, which already states the right to housing. *'Everyone has the right to a standard of living adequate for the health and well-being for himself and his family, including food, clothing and housing...'* is direct wording from the UN Universal Declaration of Human Rights, and from the UN Convention on Economic, Social and Cultural rights. Likewise, the rev. European Social Charter, article 31, covers access to housing and prevention from homelessness, and the necessity of affordable housing.

Mr. Bergensträhle stressed that: "These agreements have to be realised, and they apply to all, including of course young adults. There is something wrong when almost every second young adult still live with parents in the EU today".

The 'Global Housing Strategy to the year 2025' was presented by Claudio Acioly, chief of housing policy section with UN HABITAT in Nairobi. UN-HABITAT addresses the global challenge to realise affordable housing for all and equitable access to affordable housing.



Sven Bergensträhle, IUT President, called for less subsidies to homeownership.



Karima Delli, MEP, blamed much of housing distress on youth unemployment.



Mariam Ahmed and Alan Tien from St Basils stressed that homelessness is best prevented by early measures.



Claudio Acioly presented the UN Habitat Global Housing Strategy to 2025.

“Rental housing is not just an issue in developed countries but maybe even more so in developing countries, where many – maybe the majority– rent their accommodations, but with few or no rights”, said Mr. Acioly. “In one of the largest slums in Africa, Kibera Nairobi, rented housing provides for nearly 95 percent of the stock.”

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Furthermore, in the CEE region where rented occupation virtually disappeared after 1991, there is currently a housing crises produced partly by the lack of tenure choices, like the access to rental housing. In his concluding remarks Mr Acioly stated that: “Countries with higher ownership rates and limited tenure choice tend to have higher share of households facing affordability problems.”

A level playing field was asked for by several speakers; Mr. Bergensträhle said that: “Without exception, all EU countries subsidize homeownership, mainly through tax incentives. These subsidies contribute to an overall low production of rental housing.”

Prof. Hugo Primus from Delft University also stressed the necessity of a more level playing level field for tenants and owners, with more tenure neutral housing policies and income-related housing allowance as an entitlement. Prof. Primus commented on the present credit crunch and the Euro crises by saying: “The housing demand now shifts from expensive to cheap housing and from owner occupation to rental housing. But most governments react in precisely the opposite way by stimulating social housing providers to sell their housing stock and stimulate owner occupation. This is wrong and will only increase the financial crises and the problems on the housing markets. Instead, we need more investment in housing, particularly in rental housing”.

“Why do young adults live with their parents” asked Ylva Westander, IUT analyst and policy maker with the Swedish Union of Tenants. The Scandinavian countries are positioned at the lower end of the scale with only about 20 percent living with parents. The Mediterranean countries and many CEE countries place themselves at the other end of the scale with over 50 percent of all young aged 18–34 living with their parents in 2008.

The Eurobarometer Youth Survey from 2007 reveals that lack of financial resources as the primary explanation as to why 3 out of 4 of young adults aged 15 to 30, continue to live with their parents in the EU 27. 16 percent openly admitted that they preferred all the conveniences at ‘Hotel Mum’. It can be assumed that Scandinavian young adults move out despite a huge backlog of affordable housing, simply because of a strong need for emancipation.

“I am an MEP but I am also an activist”, was Karima Delli’s opening remark. She continued by giving a personal and engaging presentation of how she, before becoming an MEP in Brussels for the French Greens, was an active member of the *Jeudi Noir* (Black Thursday) collective and how they occupied empty houses in Paris. Thursday from the day of the week when young French people



➤ search through the newspaper ads for flats to rent. Ms Delli argued that unemployment, particularly among the young, is one of the main causes of the present housing crises. France is one of the richest countries in the world, but still 3 million people are inadequately housed, or not housed at all. One remedy would be to increase minimum wages for the young!

“Well paid employees of EU institutions and other international organisation have pumped up the housing costs for the citizens of Brussels”, according to Alain Hutchinson. Mr. Hutchinson, MP of the Brussels Parliament and until 2009 MEP for Belgium, described how key workers and other low / medium paid employees in Brussels often have to seek housing in the social sector, or start commuting from far away neighbouring towns. Also, there is widespread speculation on land and property which have further worsened the housing situation.

*After the morning coffee break the floor was handed over to those who are directly affected by housing shortage and housing unaffordability, or those representing those who are in housing need.*

Kathleen Kelly from the Joseph Rowntree Foundation focused on what makes young people’s housing moves successful; facilitate information across the system and earlier and the need for fuller understanding of reality of choices and constraints in the housing system. Furthermore, we need to treat young people as individuals and with respect and with open minds, and not just having them to tick boxes. Another advice was that we can work with schools to help young people to prepare for independence, and carry out pre-tenancy vulnerability checks to avoid later housing difficulties.

Homelessness makes young people extremely vulnerable, and quickly undermines self-esteem and self-confidence. Mariam Ahmed and Alan Tien, from the UK, represented the National Youth Reference Group, and St. Basils which works directly with young people aged 16 – 25 in the area of Birmingham, to prevent youth homelessness. Most effective are preventive measures, like early family mediation and community resources for afternoon and evening activities, preferably led by other young people. When homeless, young people need good quality information and advice preferably from other young people who can do counselling and knows the talk, and not only between 9 and 5.

Italy is one of the countries in Europe, together with Greece and Croatia, where young people are hard-



Prof. Hugo Primus of Delft University, and Prof. Yelena Shomina from Moscow compared experiences of housing.



Stéphanie Sotison, CNL, described young people’s housing in Paris.



Alain Hutchinson proposes a European Agenda for social housing.



My Malmström-Sobelius from [www.jagvillhabostad.nu](http://www.jagvillhabostad.nu)



Conny Reuter, President of Social Platform, brought up gentrification as a self-generating phenomenon which often makes prices on housing go up.



Albert Arnau, president of FAVIBC in Catalonia, Spain.



Václav Procházka, SON, Czech Republic and Karol Szylo, PZL, Poland.

est hit by unemployment and unaffordable housing, and a situation where almost 60 percent of all young Italians under 34 live at home with their parents. Irene Manera, representing the Italian tenant organisation SICET, said that: “From the post-war period until today Italy has had, together with all other Mediterranean countries, governments which have almost entirely supported home ownership. Delayed emancipation of young people will have a boomerang effect on all economic systems, in terms of demographics, pensions, productivity and social development.”

**Stéphanie Sotison**, representative of CNL, French Union of Tenants, presented an overview of social housing in France, which in theory and income wise is open to 60 percent of the population. But there are currently 1.3 million households on waiting lists, so obtaining a social flat in Paris can take up to 10 years. Students in France can apply for housing grants, but there are currently some 600,000 grant holders for only 165,500 available student units. The private rental market is often the only solution, but landlords most often ask for a monthly personal income three times higher than the rent.

**Albert Arnau**, president of the Spanish Catalanian based FAVIBC (Federation of Social Housing and Neighbourhood Associations in Catalonia) together with Xavi Pastor, presented a country in deep recession, where unemployment among young people is the highest in Europe, over 40 percent, and where young Spaniards do not leave home until their 30s. At the same time 1.2 million dwellings are empty, of which half of them because they can not be sold, and another 360,000 where construction has made a halt. A huge political failure, according to FAVIBC.

**Poland**, a country with an almost non existing social housing stock, forces young people to seek housing in the ownership market or in the very limited private rental market – of which both are unaffordable to the most, according to Karol Szytko lawyer with the Polish tenant association Polskiego Zrzeszenia Lokatorów (PZL). Average price of a flat in Krakow is approx. 7,000 zloty/ m<sup>2</sup>, or €1,600, while the average Polish wage is 3,366 zloty or €780 Euro, and only about €500 for young people. So no wonder that young people in Poland stay with their parents.

**Czech housing** from 1991 until today is characterised by restitution and privatisation. Václav Procházka, from the Czech Union of Tenants (SON), presented a background of a very inflexible Czech housing market, with few ‘social’ dwellings for the very poor, like hostels, etc. The private rental market is very limited, with only some 150,000 flats in the whole country, unaffordable to the most. But the

Czech government has announced a new housing policy for 2020, which includes support for construction of rentals, 35 – 80 m<sup>2</sup>, through low-interest loans with state guarantees.

**My Malmström-Sobelius**, presented the Swedish youth network ‘jagvillhabostad.nu’ (i-want-housing.now), created by young Swedish home seekers who had got fed up with a constant housing shortage in major Swedish cities, and decided to do something about it. The network managed to get the ears of the building and architectural sector, and together they drew up the plans for a cost effective multi-family house, suitable for young people with limited incomes. In 2007 the first house, named VillBo, stood ready with 31 flats and with the lowest new construction rents in Stockholm that year.

**Giuseppe Porcaro**, secretary general of the Brussels based European Youth Forum, spoke of the right to housing as part of the right to autonomy. He stressed that: “We need also to bring in a holistic view on young people and their housing, together with urban and city planning. We should try to counteract the creation of young peoples’ ghettos.”

**Hegyi Gyula**, represented EU Commissioner László Andor, responsible for employment, social affairs and inclusion. Mr. Gyula spoke on the 2020 EU strategy which includes targets such as 75 percent of the population aged 20–64 should be employed, the share of early school leavers should be under 10 percent and at least 40 percent of the younger generation should have a tertiary degree and 20 million less people should be at risk of poverty. “These targets also include the housing dimension as early school dropouts often end up in housing difficulties, and poverty includes of course housing poverty”, said Mr Hegyi.

“**Politics is simply not able** to deal with the financial crises”, said Libor Rouček MEP with the Czech Social Democratic Party. In his talk Mr. Rouček referred to the situation in Europe after WW II, when most cities were in ruins and unemployment was high. But massive construction programmes, including housing construction, resulted in economic growth. This recipe could and should be used again.

**Conny Reuter**, Secretary General of SOLIDAR and President of the Social Platform, one of the concluding speakers, stressed that the market will not regulate itself, and that the market has no social or inclusive dimension. Therefore we need the state to intervene in areas which are crucial for the well being of all of us, like access to affordable housing.

**Text and photo** Magnus Hammar, IUT

### **Assorted proposals for increasing the output of affordable rental housing, particularly for young adults:**

- Promote tenure neutral housing policies, level playing field between ownership and renting, by e.g. decreased tax breaks for home owners,
- property tax on empty housing, to stop speculation
- stop conversion of flats into offices,
- improve the housing allocation systems, municipal housing queues,
- beware of gentrification of which often leads to more expensive housing,
- rental housing construction through low-interest loans with state guarantees
- allocate more land for public housing, and plan for young people’s housing
- state as guarantor to young people’s rental contracts,
- young people need housing advice at an early stage, family mediation to prevent homelessness
- public-private-partnerships, PPPs, are ok if they result in affordable housing,
- minimum wages for young people to enable them to enter the housing market,
- stop the possibility to terminate leases without reason,
- encourage governments to make use of the possibilities of EU co-funding towards housing
- in times of financial crises, governments should use the building sector, particularly construction of rental housing, as a mean to boost the economy.

**Full report, with more proposals, is available via [www.iut.nu/conferences.htm](http://www.iut.nu/conferences.htm)**