

TENANTS' RIGHTS AS CONSUMERS MUST BE PROTECTED

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PRESS RELEASE

World Consumer Rights Day 2019

Housing is one of the key questions of a sustainable well-being for all. Therefore, the International Union of Tenants advocates fair housing policies throughout the world and that Tenants' rights as consumers must be protected.

Tenants' rights as consumers must be protected

Housing needs are one of the most basic human needs. The rights of the tenants as consumers in the housing market need to be in the focus of good housing policy. Consequently, tenants should not be subject to a weaker protection than consumers of other goods and services are offered. As housing is such a crucial need, tenants therefore should not be denied the same rights to demand agreements drafted in transparent, plain and intelligible language as any other consumer agreement. Tenants should also have a right to request that contractual terms are brought to their attention in such a way that the average and well-informed consumer can understand them. Tenants should in line with this have the right to challenge terms which are: unfair, written in small print, or written in unintelligible language. The European Convention of Human Rights (ECHR) in Article 11 list freedom of association as a human right. The European Union considers these rights and freedoms as fundamental rights. In accordance with the ECHR tenants have the freedom of association and organizing themselves. Despite these fundamental human rights, many tenants meet a strong resistance to organizing themselves in tenants' associations and demanding collective bargaining rights. Governments should actively support and promote consumers' rights to fair treatment on the housing market, as well as influence on their housing conditions including their neighbourhoods.

Housing is a fundamental right

Everyone should have the right to affordable and decent housing. IUT appeals to all states to implement this right in their national legislation and policy. The lack of affordable and adequate housing is one of the main drivers for social exclusion and poverty.

Security of tenure

IUT advocates that unlimited contracts (rental contracts for an indefinite period) are the main rule in national practice, tenure laws and regulations, not the exception. Establishing an indefinite duration of occupancy as well as limitations on reasons for eviction of tenants.

Rent stabilisation and control

Controls of levels and frequency of rent increases and caps on rents for new contracts, intended both to preserve affordability, to preclude de facto economic eviction, and safeguard the accessibility of affordable housing as well as mobility in changing labour markets.

Tenure neutral policies are crucial

Following the 2008 financial crisis, austerity measures have exacerbated housing exclusion and homelessness. As States have withdrawn their support to social and affordable housing, during several decades investments has steeply decreased. Focus has been on promoting home ownership by all means. Instead of promoting a model based on ownership, a tenure neutral stance expressed through public policy, financial requirements, and fair tax incentives could achieve wide availability of suitable housing alternatives irrespective of income, age, or gender of tenants. The goal of housing policy should be housing for all – not home ownership for all.

The role of short-term rental platforms

Misuse of international short-term rental platforms for purely commercial purposes jeopardises tenant rights in touristic regions and cities. Urban planning and applicable legislation should be respected in the sharing economy to avoid "touristification" and the depletion of city centres at the expense of residents

State aid:

According to European Commissions' competition law, state aid to social housing may only be granted if it is restricted to "socially disadvantaged groups". IUT considers the EC decision as a violation of the principle of subsidiarity.

Social housing is- like health and education- a sector where state aid is needed to correct market failures. But in the health and education sector the EC does not define the target group.

Therefore, the target group should not be defined in the social housing sector. If Member States, cities and regions decide that there is a local need to build more social and affordable housing, they should not be hindered by the European Commission or anybody else.

Homelessness

Housing, and services shall be provided to the homeless in order to promote their social inclusion.

Energy Poverty

Millions of people have difficulties in paying their rent, their energy bills and keeping their homes warm. The challenge is to allow equal access to energy-efficient housing not only to those that can afford it but also to those who cannot.

Rent increases, which are not balanced by energy savings, (where energy bills are not included in the rent) lead to further difficulties.

Renovictions

"renovictions"-evictions by renovations should be stopped when carried out for financial gain.

More affordable rental housing supply

Access to social housing must also be made available for middle-income householdsthe key-workers, who keep our cities running. Particularly in cities and urban areas a balance of housing types is needed. Adequate infrastructure must also be provided.

"Our work for tenants has taken many steps forward over the past year, but there is still a long and challenging way to go. The National Tenant unions, and the International Union of Tenants, work together to reach improvements for tenants rights and more affordable rental housing. Annika Wahlberg, Secretary General, and Barbara Steenbergen, head of IUT EU office, conclude.

More info:

IUT position paper on security of tenure and rent control:<u>https://www.iut.nu/wp-content/uploads/2018/07/IUT-position-paper-for-the-EU-Partnership-for-Housing-040518FINAL.pdf</u>

(Here a quote of the national tenant union can be added.)

About IUT: The International Union of Tenants (IUT) was founded in 1926 and is a non-governmental and not-for-profit umbrella membership organisation with the purpose of safeguarding tenants' interests and promoting affordable and decent rental housing across the world. Its members consist of 72 national and local tenants' associations in 47 countries. IUT offices are located in Stockholm and in Brussels.

IUT considers housing as one of the fundamental rights, which needs to be addressed locally, nationally and internationally. Adequate housing is also one of the safeguards for peace and security.

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