

Committee on Housing and Land Management – Ministerial Segment
Roundtable I – Decent, affordable, adequate and healthy housing for all

Statement by Austria

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Excellencies, ladies and gentlemen,

Ensuring decent, affordable, adequate and healthy housing for all citizens is a big challenge in many UNECE countries. Low income households are not the only ones suffering from housing costs overburden, middle class families are affected as well. In many cities, households with an average income like policemen, nurses or teachers are not able to afford marked rents, not only in the city center but also in suburbs and smaller towns. The results are social segregation, unhealthy living conditions, housing cost overburden and long commutes.

For a higher quality of life, for more social cohesion, and for more social peace – decent, affordable and healthy housing for all is essential. It is in the public interest. Therefore local and national governments and authorities need to work on fair housing policies that serve the people. In Austria such a housing policy – based on the idea that adequate housing is a human right not a commodity – has existed for more than 60 years and it is continuously developed.

Austria is in a very privileged situation - no gated communities, no ghettos - cities are safe. Our housing construction has remained very stable throughout the last ten years and the energy efficiency nearly doubled since the 1990s. All these key performance indicators show the unique and effective sector of the limited profit housing associations in Austria. Approximately 24% of total housing stock and one third of total new construction are carried out by the limited profit housing associations. These limited profit housing associations can contribute to affordable, inclusive as well as energy efficient housing: The associations are allowed to make profit, but the profits have to be reinvested into affordable housing. Low profit distribution to its owners lead to a circle of new construction. Via the cost coverage principle, rents are relatively low.

The system is safeguarded through a strict audit and control regime: the provincial governments, who are responsible for housing subsidies, carry out the supervisory audit of the limited profit housing associations. Limited profit housing associations are inspected annually and their entire financial and business conduct is audited by certified accountants. These audits avoid misconduct and spread innovation in this sector. We believe that this system could be seen as a best practice example and shows, that affordable housing is not just an issue for the poorest among us, but also for the wide middle class. Affordable housing helps to facilitate inclusiveness and to prevent social segregation.

This Austrian case proves that public influence is necessary to restrain market mechanisms and prevent housing from being a commodity only. We therefore welcome the work of the UNECE Committee on Housing and Land Management on decent, affordable, adequate and healthy housing for all. Austria congratulates the Committee upon its 70th anniversary and encourages the Committee to continue its valuable work in the future.

Thank you.