

HOUSING POLICY IN THE OECD

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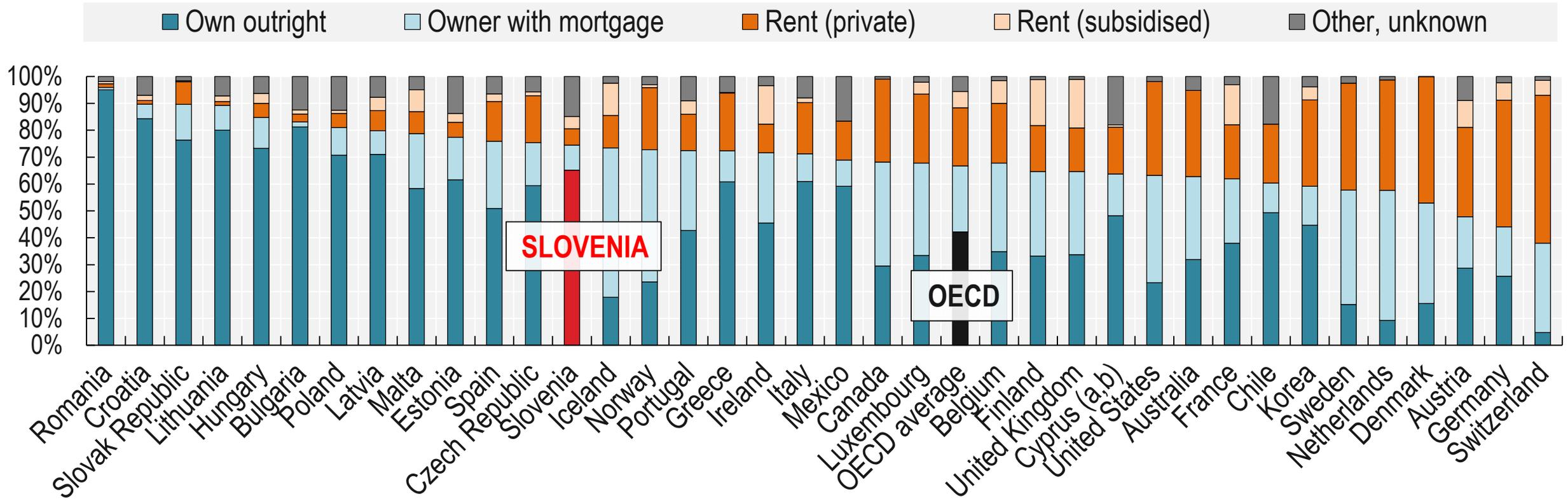
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UNECE workshop, “Housing governance to support housing affordability: Focusing on housing affordability challenges in the South-Eastern Europe” | 23 February 2021



Like many countries, Slovenia is dominated by homeowners: 75% of households own their home.

Share of households in different tenure types, in percent, 2018 or latest year



Note: Tenants renting at subsidised rent are lumped together with tenants renting at private rent in Australia, Canada, Chile, Denmark, Mexico, the Netherlands and the United States, and are not capturing the full extent of coverage in Sweden due to data limitations.
Source: OECD Affordable Housing Database, [Indicator HM1.3](#). OECD calculations based on European Union Statistics on Income and Living Conditions (EU SILC) survey 2018 except for Ireland, the Slovak Republic, and the United Kingdom (2017), and Iceland (2016); the Household, Income and Labour Dynamics Survey (HILDA) for Australia (2017); the Canada Income Survey (CIS) for Canada (2016); Encuesta de Caracterización Socioeconómica Nacional (CASEN) for Chile (2017); the Korean Housing Survey (2017); Encuesta Nacional de Ingresos y Gastos de los Hogares (ENIGH) for Mexico (2016); American Community Survey (ACS) for the United States (2016).



Despite differences, several housing challenges are common across countries.



Rising housing prices (especially in the private rental sector), and **increasing household spending on housing** in recent decades



A need to maintain and upgrade the stock



Growing rates of homelessness in many countries, and an increasing diversity in the composition of the homeless population



Declining public investment in housing development, including a decline in the relative share of social housing in most countries



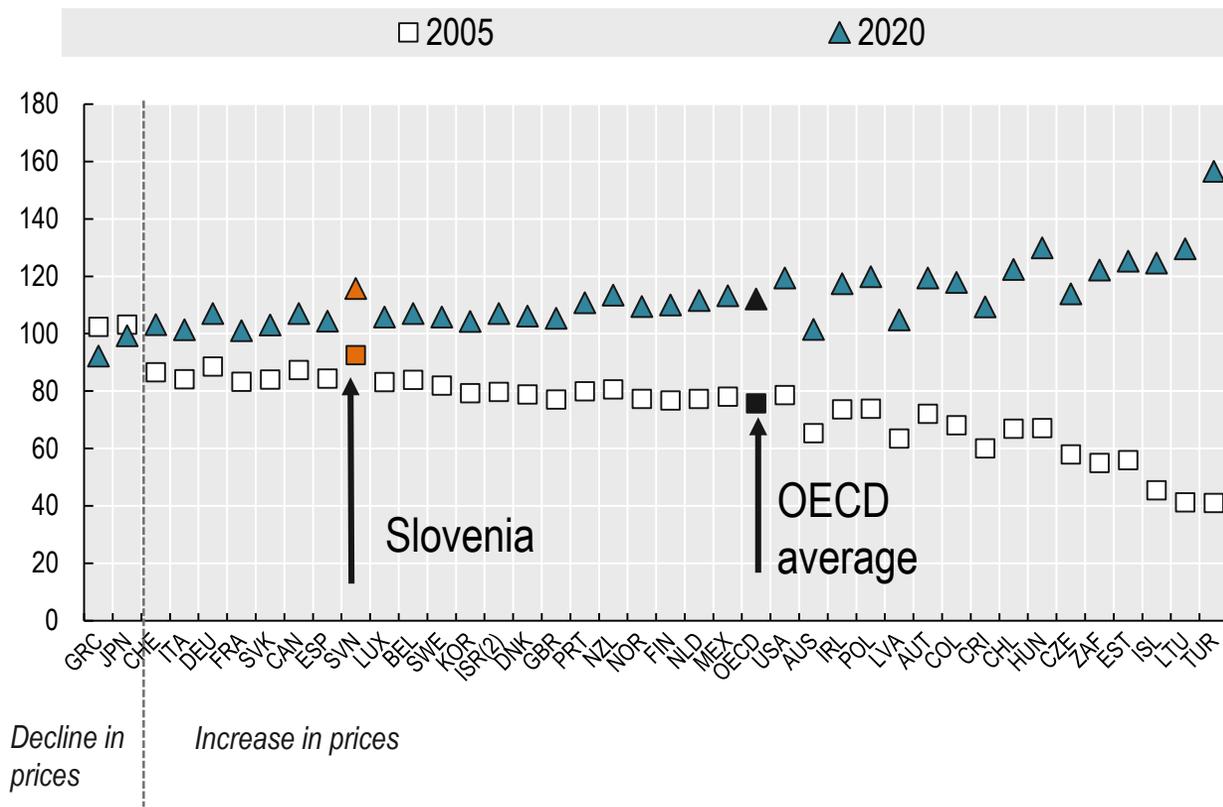
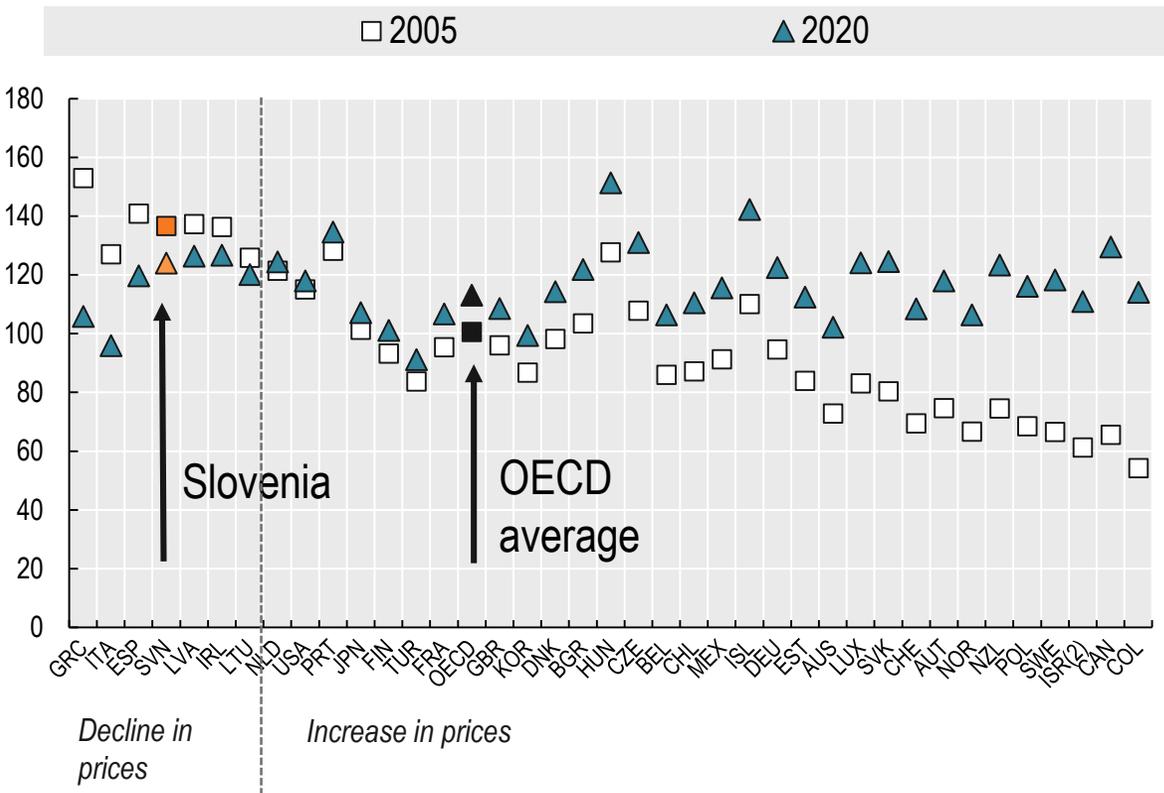
The COVID-19 pandemic put a spotlight on enduring quality, affordability gaps. Emergency support helped keep people in their homes... but what comes next?



The price of housing increased in many OECD countries between 2005-2020 – especially for renters.

A. Real house price index, 2005 and 2019, 2015=100¹

B. Rent price index, 2005 and 2020, 2015=100

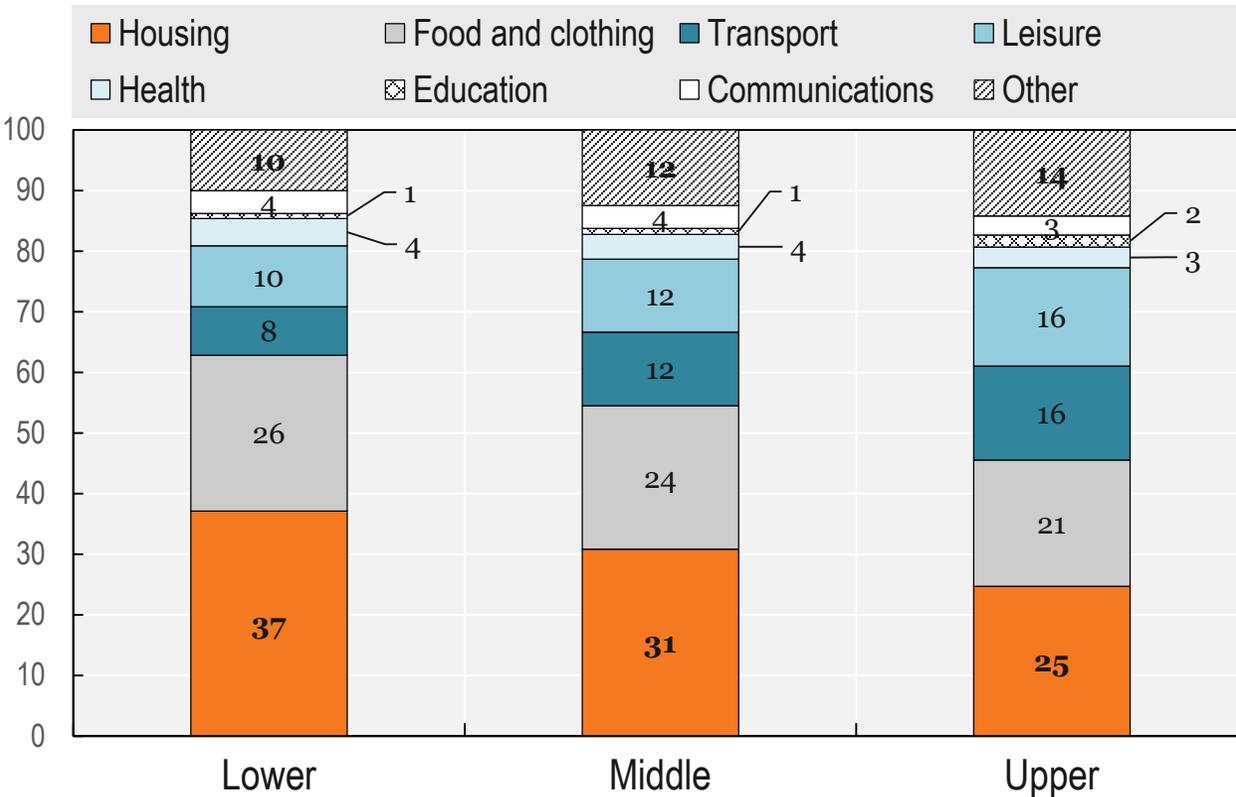


Note: (1) For Panel A, 2005 data were not available in several countries; as such, data for the nearest available year were used: Latvia and Lithuania (2006), Hungary and Luxembourg (2007), the Czech Republic (2008), and Poland and Turkey (2010). 2020 data were available in Canada, Iceland and Sweden; for all other countries, 2019 data were used. Real house price data for Costa Rica were not available. (2) The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.
Source: [OECD Affordable Housing Database](https://dx.doi.org/10.1787/63008438-en), indicator HM1.2. Calculations based on OECD (2019), Housing prices, <https://dx.doi.org/10.1787/63008438-en>.

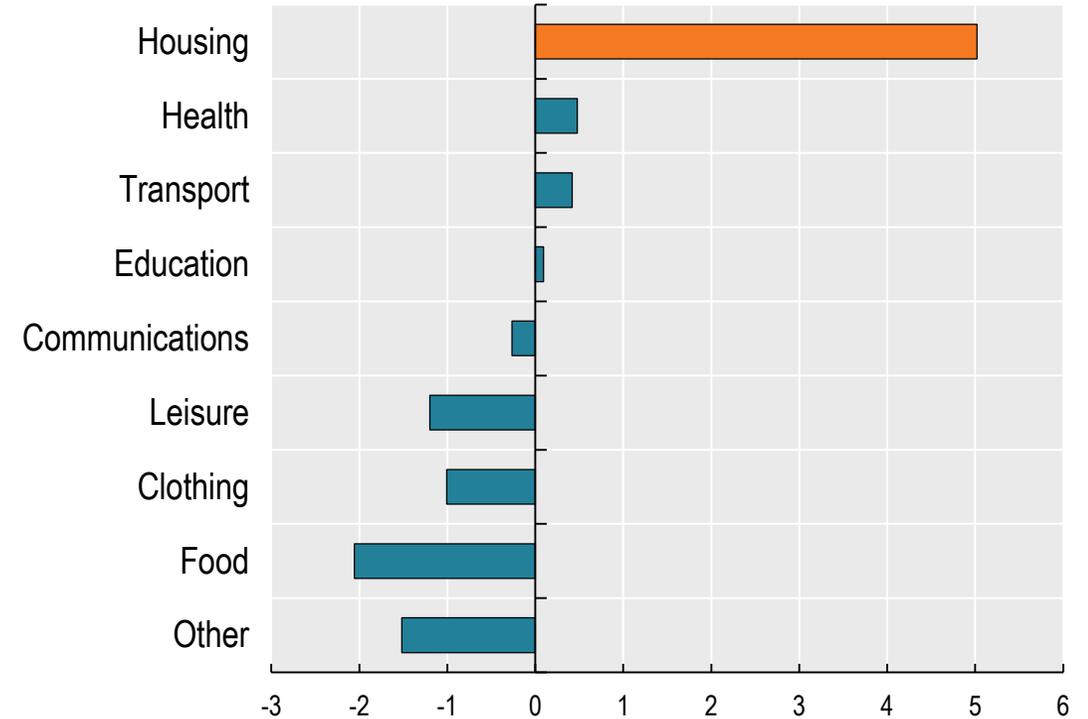


Housing is the biggest household spending item – and its share in household budgets has grown.

Items as shares of household budgets by income class
OECD average, 2016 or latest year available.



Percentage point changes in shares by item of household budgets
OECD-20 average, 2005-2015



Note: See explanatory note in OECD (2019), *Under Pressure: The Squeezed Middle Class* for details on household the consumption expenditure data. Panel B: OECD 20 unweighted average refers to the following countries: Austria, Belgium, Czech Republic, Finland, Germany, Greece, Hungary, Ireland, Lithuania, Luxembourg, Latvia, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden and Turkey. OECD 10 unweighted average refers to the following countries: Austria, Belgium, Finland, Germany, Greece, Ireland, Luxembourg, the Netherlands, Portugal and Sweden.

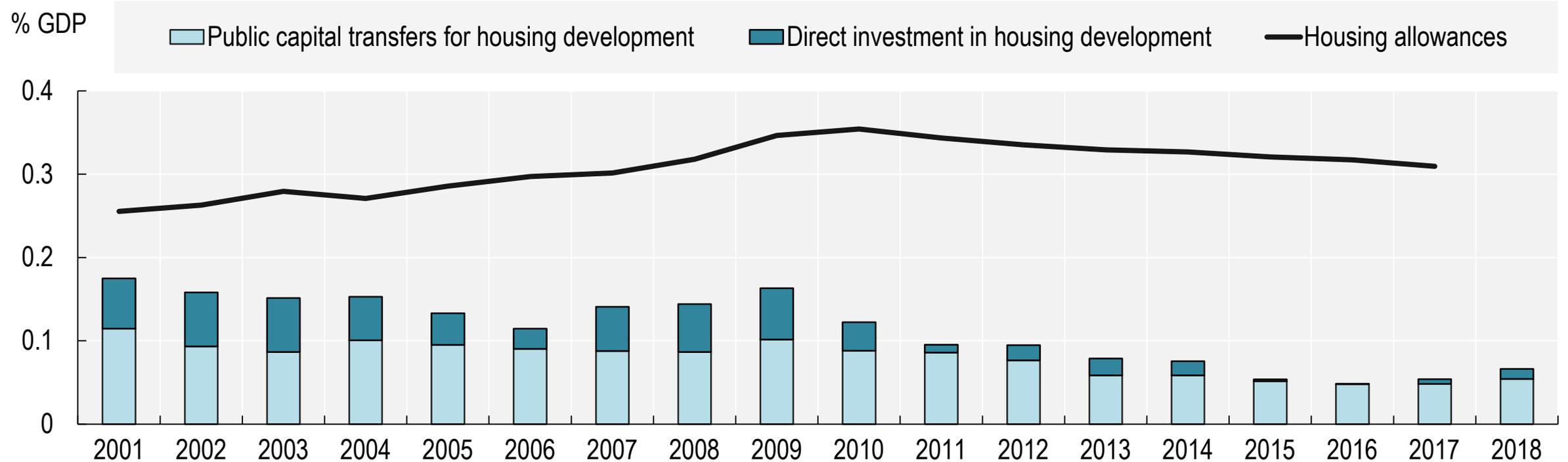
Source: OECD (2020), *Housing and Inclusive Growth*, drawing on analysis prepared for OECD (2019), *Under Pressure: The Squeezed Middle Class*.



Over the past two decades, public investment in housing development has, on average, been cut in half.

Public capital transfers and public direct investment in housing development, and public spending on housing allowances and rent subsidies

OECD-25 average, as % GDP, 2001 to 2018



Note: The OECD-25 average is the unweighted average across the 25 OECD countries with capital transfer and gross capital formation data available for all years between 2001 and 2017. It excludes Australia, Canada, Chile, Iceland, Israel, Japan, Korea, the Netherlands, New Zealand, Turkey and the United States.

Source: OECD National Accounts Database, www.oecd.org/sdd/na and provisional data from the OECD Social Expenditure Database, www.oecd.org/social/expenditure.htm.



The impacts of COVID-19 on social and affordable housing. Preliminary evidence from OECD countries



Renewed focus on gaps in housing quality and access to services during extended shelter-in-place orders.

- Higher infection rates recorded among people living in overcrowded + high density environments.



Heightened housing insecurity, resulting from the economic fallout.

- Impacts differed across tenures, income quintiles, other household characteristics.

(Eurofound Survey, US Household PULSE Survey)



Many governments introduced temporary emergency housing support in response to COVID-19.

- Mortgage forbearance, eviction bans among the most common types of support...



Many governments introduced emergency housing support in response to COVID-19

| Type of measure / support | Country |
|--|--|
| <p>For tenants *Measure applies only to some jurisdictions/cases</p> | |
| <ul style="list-style-type: none"> Prohibit or delay eviction proceedings due to missed payments Deferment of rent payments Temporary reduction/suspension of rent payments Rent freeze Reforms to financial support for renters | <ul style="list-style-type: none"> Australia*, Austria*, Belgium*, Canada*, Finland, France, Germany, Hungary, Ireland, Israel*, Luxembourg, the Netherlands, New Zealand, Portugal, Spain, Switzerland*, UK*, US Austria, Mexico, Portugal*, Spain,* Switzerland Australia*, Greece, Portugal*, Spain* Australia*, Ireland, New Zealand, Spain* Australia*, Japan*, Ireland, Luxembourg, Portugal, Spain |
| <p>For homeowners</p> | |
| <ul style="list-style-type: none"> Mortgage forbearance Prohibit/delay foreclosures | <ul style="list-style-type: none"> Australia*, Austria, Belgium, Canada*, Chile, Colombia, the Czech Republic, Germany, Greece, Hungary, Ireland, Israel, Italy, Lithuania, Mexico*, Portugal, the Slovak Republic, Spain, UK*, US* Finland, the Netherlands, Portugal, US* |
| <p>For all households</p> | |
| <ul style="list-style-type: none"> Deferment of utility payments and/or continued service even if payment missed Reform to housing subsidy | <ul style="list-style-type: none"> Austria, Belgium*, Chile, Colombia, Germany, Japan, Korea, Portugal*, Spain, Switzerland*, US* France (planned reform postponed), Spain |
| <p>For the homeless and people at risk homelessness</p> | |
| <ul style="list-style-type: none"> Emergency shelter and/or services to the homeless, or to people at risk of homelessness | <ul style="list-style-type: none"> Australia, Austria, Canada, France, Ireland*, New Zealand, Portugal, Spain, Switzerland*, UK*, US* and many other countries |



OECD work on affordable and social housing

Policy briefs

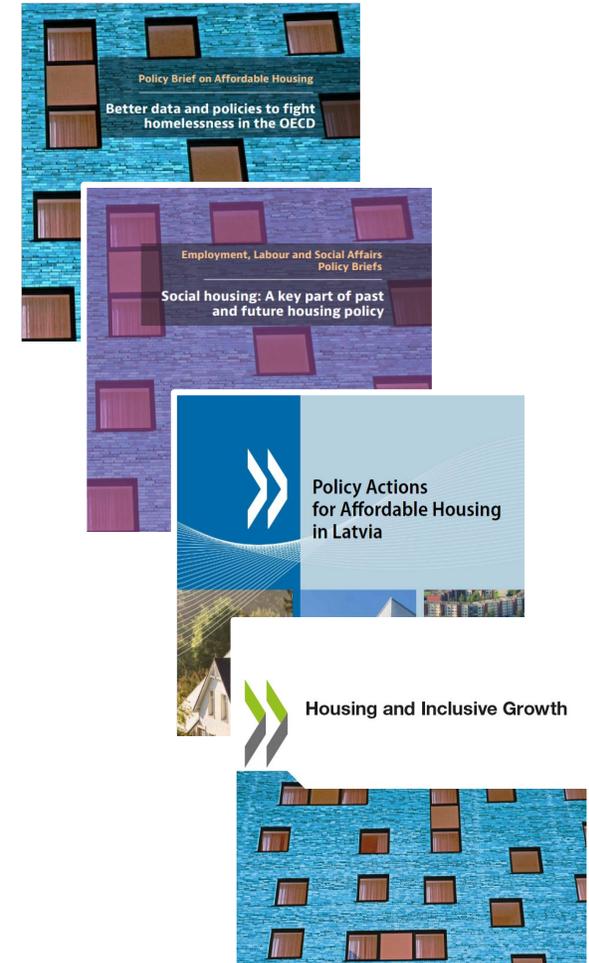
- Homelessness (www.oecd.org/social/soc/homelessness-policy-brief-2020.pdf)
- Social housing (<http://oe.cd/social-housing-2020>)
- Affordable housing policies – (<http://oe.cd/affordable-housing-2021>)
- Housing for people with disabilities - *May 2021*

Cross-national data & evidence

- Updates to OECD Affordable Housing Database (<http://oe.cd/ahd>) - *Spring 2021*
- OECD Housing Gateway (www.oecd.org/housing)

Thematic reports & Country reviews

- Policy Actions for Affordable Housing in Latvia (<http://oe.cd/latvia>)
- Housing and Inclusive Growth (<http://oe.cd/hig2020>)
- OECD Housing Synthesis Report - *Spring 2021*





Homelessness rates have risen in many countries, and the faces of the homeless are increasingly diverse.

Youth



- Youth homelessness increased in **Australia, Ireland** and in **New Zealand**.
- Youth homelessness declined in **Denmark**, after increasing for over a decade.

Families



- Family homelessness nearly quadrupled in **Ireland** over a four-year period.
- Family homelessness rose in **New Zealand, England (UK)** and in some **US** states.

Seniors



- The share of seniors in homeless shelters in **Canada** increased by 50% from 2005 to 2016.
- In 2018, England (**UK**) recorded the highest rate of senior homelessness in 10 years.
- In NYC (**USA**), senior homelessness has more than tripled in 10 years.



THANK YOU