# I. What have we learned from the failures and successes of recent housing programmes?

## 1975 remains the year of the highest production of new dwellings in the public sector, in Slovenia's entire history

| Year | State-owned dwellings (Public sector) | | Privately owned dwellings (Private sector) | |
|---|---|---|---|---|
| 1975 | 9,750 | 61 | 6,143 | 39 |
| 1976 | 8,536 | 59 | 5,929 | 41 |
| 1977 | 8,164 | 54 | 6,811 | 46 |
| 1979 | 7,422 | 54 | 6,398 | 46 |
| 1980 | 6,999 | 51 | 6,673 | 49 |
| 1981 | 8,281 | 56 | 6,393 | 44 |
| 1982 | 7,105 | 54 | 6,140 | 46 |
| 1983 | 5,634 | 45 | 6,710 | 55 |
| 1985 | 5,114 | 45 | 6,138 | 55 |
| 1986 | 4,887 | 38 | 8,050 | 62 |
| 1987 | 3,963 | 39 | 6,249 | 61 |
| 1988 | 3,684 | 37 | 6,115 | 63 |
| 1989 | 2,260 | 26 | 6,281 | 74 |
| 1990 | 2,246 | 29 | 5,513 | 71 |

**1991 Slovenia adopts a market economy system and introduces new housing policy:**

- **abolishment of previous system of financing new housing construction**
- **privatization**
- **restitution etc.**

| Year | Public sector | | Private sector | |
|---|---|---|---|---|
| 1991 | 1,332 | 22 | 4,586 | 78 |

**1992- Introduction of new classification: INVESTOR LEGAL ENTITY and INVESTOR NATURAL PERSON**

| Year | Investor legal entity | % | Investor natural person | % |
|---|---|---|---|---|
| 1992 | 1,349 | 21 | 5,143 | 79 |
| 1993 | 794 | 10 | 7,131 | 90 |
| 1994 | 538 | 10 | 4,984 | 90 |
| 1995 | 661 | 11 | 5,054 | 89 |
| 1996 | 760 | 12 | 5,468 | 88 |
| 1997 | 757 | 12 | 5,328 | 88 |
| 1998 | 1,228 | 19 | 5,290 | 81 |
| 1999 | 569 | 11 | 4,573 | 89 |

**2000 The National Assembly adopts the first National Housing Programme which set 10 key goals to be achieved by the time of its expiry in 2009**

| Year | Investor legal entity | | Investor natural person | |
|---|---|---|---|---|
| 2000 | 1,577 | 24 | 4,883 | 76 |
| 2001 | 1,048 | 15 | 5,667 | 85 |
| 2002 | 1,915 | 26 | 5,350 | 74 |
| 2003 | 2,290 | 35 | 4,277 | 65 |
| 2004 | 2,160 | 31 | 4,844 | 69 |
| 2005 | 3,032 | 40 | 4,484 | 60 |
| 2006 | 2,914 | 38 | 4,624 | 62 |

**2007 Beginning of global financial crisis**

| Year | Investor legal entity | | Investor natural person | |
|---|---|---|---|---|
| 2007 | 3,869 | 46 | 4,488 | 54 |
| 2008 | 5,845 | 58 | 4,126 | 42 |
| 2009 | 4,400 | 51 | 4,161 | 49 |
| 2010 | 2,499 | 39 | 3,853 | 61 |
| 2011 | 2,028 | 37 | 3,439 | 63 |
| 2012 | 1,298 | 30 | 3,009 | 70 |
| 2013 | 828 | 24 | 2,656 | 76 |
| 2014 | 607 | 19 | 2,556 | 81 |
| **2015 National Assembly adopts new housing programme (Resolution on the National Housing Programme 2015-2025)** | | | | |
| 2015 | 354 | 13 | 2,422 | 87 |
| 2016 | 356 | 12 | 2.619 | 88 |
| 2017 | 645 | 21 | 2.390 | 79 |
| 2018 | 601 | 20 | 2436 | 80 |

**So, what do such levels of provision mean with regard to HOUSING AFFORDABILITY?**

| Area | Year / Value | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Slovenia | €/m² | 1,640 | 1,820 | 1,670 | 1,740 | 1,710 | 1,630 | 1,510 | 1,460 | 1,450 | +1,520 | +1,610 | +1,770 |
| | % Δ (annual) | | +11 | -8,2 | +4,2 | -1,7 | -4,7 | -7,4 | -3,3 | -0,7 | +4,8 | +5,9 | +9,9 |
| Ljublj. | €/m² | 2,570 | 2,660 | 2,390 | 2,420 | 2,440 | 2,320 | 2,080 | 2,020 | 2,040 | 2,180 | 2,410 | 2,770 |
| | % Δ (annual) | | +3,5 | -10,2 | +1,3 | +0,8 | -4,9 | -10,3 | -2,9 | +0,9 | +6,9 | +10,6 | +14,9 |
| Maribor | €/m² | 1,250 | 1,340 | 1,230 | 1,200 | 1,190 | 1,140 | 1,080 | 1,050 | 1,050 | 1,080 | 1,150 | 1,260 |
| | % Δ (annual) | | +7,2 | -8,2 | -2,4 | -0,8 | -4,2 | -5,2 | -2,7 | 0 | +2,9 | +6,5 | +9,6 |
| Coast | €/m² | 2,690 | 3,090 | 2,740 | 2,800 | 2,590 | 2,510 | 2,260 | 2,250 | 2,120 | 2,270 | 2,320 | 2,460 |
| | % Δ (annual) | | +14,9 | -11,3 | +2,2 | -7,5 | -3,1 | -9,9 | -0,4 | -5,8 | +7,1 | +2,2 | +6,0 |

Source: Surveying and Mapping Authority of the Republic of Slovenia (annual real estate market reports)

# Affordability???

**Price for a 50 sq.m apartment in Ljubljana = EUR 138,500 (€ 2,770 €/m$^2$)**

- **Average net salary February 2019 = EUR 1,108.10**
- **Minimum living costs/month = EUR 613.41 (Instutute for Economic Research, 2018)**
- **Monthly savings = 494,69**
- **No. of salaries required to purchase a 50 sq.m apartment = 280 (months) (approx. 23 years)**

**So, What have we learned from the failures (successes??) of recent housing programs?**

**NOT MUCH**

# II. What are the new forms of provision with potential to expand affordable housing programmes?

## Resolution on the National Housing Programme 2015-2025

- Cooprative housing (intended mainly for young people/young families)
- Co-habitation housing models (for the elderly)
- Public service for managing the rental housing stock (Social Rental Agency)
- Shared ownership (PPP)
- Lifelong rent

# III. Who are the stakeholders that support the social and affordable programmes?

- The National Housing Fund
- The municipal housing funds/municipal housing departments

# IV. What are the main constraints, if at all, for the scale up of good practices?

**Statement from the session description text:**

## "After the Global Financial Crisis, post-socialist housing systems appear to diverge"

There certainly is evidence that suggests that the housing systems of CEE countries have diverged since the adoption of the market economy.

## BUT, did post-socialist housing systems ever converge?

Other than a few characteristic policy changes that were commonly implemented in the majority (if not all) post-socialist countries (especially privatisation and in some countries also restitution), I would argue that there was never any significant convergence, not even during the so-called "transition period"

While post-socialist countries may have implemented similar policies during the last couple of decades, my view is that these were natural processes that these countries had to go through and do not necessarily constitute to any meaningful form of policy convergence.

# A (provocative) thesis regarding the state of the social housing sector

There is, indeed, one disturbing phenomenon, that is common to many, if not the majority, of the post-socialist countries i.e., **the dwindling of the social housing sector**. This previously very important tenure category has, all but, almost disappeard.

## BUT HAS IT REALLY DISAPPEARED?

Privatisation processes abruptly transformed public housing into private housing. As such, the previous public housing stock became part of the private housing stock. In other words, the public housing tenure was transformed into the private housing tenure.

# The fundamental questions:

- ❑ **Did the privatisation of social housing also effectively/entirely remove the privatised dwellings the essential characteristics/attributes that define social housing?**
- ❑ **Is it possible that some proportion of the social housing tenure is presently concealed within the excessively high percentages of the homeownership tenure, that we are witnessing in all post-socialist countries?**
- ❑ **Is there a need to examine, more closely, the nature and current structures of the so-called homeownership tenure in post-socialist countries?**

**May be finding answers to these questions would lead us to raising questions as to how we define social housing and how, precisely, we differentiate between social housing and homeownership in post-socialist countries!**

- ❖ **Could such new knowledge have policy implications that may require the re-thinking or some realignment/readjustment of national housing policies?**

***FOOD FOR THOUGHT!!!***

# Thank you for your attention