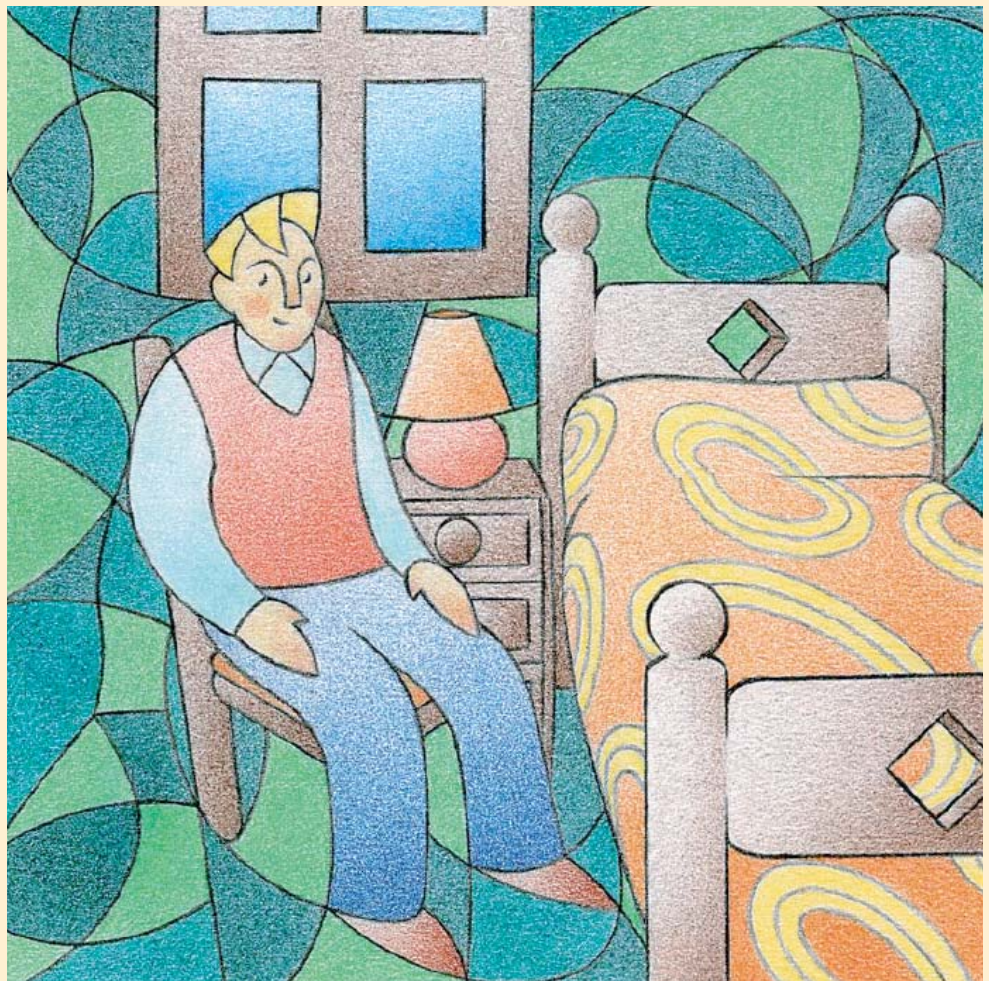




# First European Quality of Life Survey: Social dimensions of housing



First European Quality of Life Survey:  
Social dimensions of housing

Information about the First European Quality of Life Survey 2003 and related publications is available on the Foundation's website at: <http://www.eurofound.eu.int/areas/qualityoflife/eqls.htm>.

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European Foundation for the Improvement of Living and Working Conditions

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# Foreword

Diversity is one of the defining features of the enlarged European Union. With the prospect of further enlargement ahead, differences such as those in living conditions, quality of life and cultural traditions are likely to be more pertinent than ever. While the nurturing of cultural diversity lies at the heart of the European ideal, fostering greater cohesion is also a central priority.

Against this background, the European Foundation for the Improvement of Living and Working Conditions (hereafter 'the Foundation') has been committed to obtaining more in-depth information about how people live and how they perceive their circumstances. In 2003, the Foundation conducted fieldwork for its First European Quality of Life Survey in 28 countries: the EU25, the two acceding countries – Bulgaria and Romania – and the candidate country, Turkey. The survey was a questionnaire-based, representative household survey, which aimed to analyse how various life factors affect Europeans' quality of life. In particular, it addressed a number of key areas: employment, economic resources, housing and local environment, family and household structure, participation in the community, health and healthcare, knowledge/education and training.

The results of the Foundation's First European Quality of Life Survey were published in 2004. Since then, the Foundation has been engaged in more extensive analysis of how different issues impact on individuals' quality of life in the EU. This activity has produced a series of in-depth analytical reports that look at key components of quality of life – families and social networks, income inequalities, overall life satisfaction, and housing – across all 28 countries, identifying differences and similarities as well as policy implications.

This report explores quality of life in the context of housing conditions. It reveals important differences in housing conditions across European countries, in particular, the basic divide running between the 'old' EU15 Member States and the 10 new Member States, along with Bulgaria, Romania and Turkey. It finds that, in addition to living space and standard of accommodation, quality of life is largely dependent on factors such as personal safety, proximity to local infrastructure and the quality of the environment such as clear water, clean air and green areas.

The report argues that, while housing issues are not specifically within the EU's scope of core competencies, their relevance to individual quality of life places these issues at the centre of EU interests. Thus, the main targets of improving quality of life, combating exclusion and discrimination, and strengthening social cohesion cannot be achieved without harmonising the housing conditions of Europeans.

We hope that the findings of this report can contribute to shaping EU employment and social policies aimed at solving these issues, and ultimately at improving quality of life for all people living in the EU.

Jorma Karppinen  
*Director*

Willy Buschak  
*Deputy Director*

## Country codes

### EU25

AT	Austria
BE	Belgium
CZ	Czech Republic
CY	Cyprus
DK	Denmark
EE	Estonia
FI	Finland
FR	France
DE	Germany
EL	Greece
HU	Hungary
IE	Ireland
IT	Italy
LV	Latvia
LT	Lithuania
LU	Luxembourg
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
SK	Slovakia
SI	Slovenia
ES	Spain
SE	Sweden
UK	United Kingdom

### ACC3

BG	Bulgaria
RO	Romania
TR	Turkey

## Abbreviations

EQLS	European Quality of Life Survey
PPS	Purchasing Power Standard
EU15	15 EU Member States (pre May 2004)
EU25	25 EU Member States (post May 2004)
NMS	10 new Member States that joined the EU in May 2004 (former 'acceding' countries)
ACC3	Three acceding and candidate countries: Bulgaria, Romania and Turkey
GDP	Gross Domestic Product

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# Introduction

A good standard of housing is, along with level of income, an essential component of quality of life and a valid indicator of the material conditions of a household. In fact, having one's own personal space – an intimate sphere in which someone can regenerate and escape from the bustle of everyday life – is one of the most fundamental biological, psychological and social needs. It is necessary for family well-being, and crucial for raising children and for their socialisation. Ultimately, it is a place for rest and relaxation in which people spend a significant part of their everyday lives.

## Housing and quality of life

Research conducted in various countries has proved that having satisfactory accommodation is at the top of the hierarchy of human needs (Burns and Grebler, 1986; Kiel and Mieszkowski, 1990). According to recent Eurobarometer studies, conducted by the European Commission in 28 European countries, having a good job and adequate accommodation are viewed, on average, as the most necessary requirements for having a good life (Delhey, 2004).

To analyse housing conditions – particularly their drawbacks and merits – one must examine them both from an individual and a social perspective. From an individual perspective, insufficient housing conditions pose a threat to well-being and to further self-development. Lack of appropriate accommodation also threatens the functioning of a family and is one of the basic conditions necessary for its survival. Crowded accommodation, in particular, is a potentially destructive force: it can lead to family disintegration and is generally harmful to the development of community ties. Unsatisfactory accommodation is also a source of an increasing number and variety of social problems. This perspective should be a major concern of social policy, since it is evident that any actions taken to improve housing conditions will, at the same time, help to prevent social exclusion.

From the wider social perspective, the extent to which housing needs are satisfied on a national scale is an important indicator of overall quality of life and the development of society. It depends on many factors: relative wealth (measured in terms of gross domestic product (GDP)), housing construction policy, the quantity and quality of newly built accommodation, social policy regulating citizens' access to accommodation (costs, subsidies), and individual wealth and potential to invest. Limited access to housing may lead to a significant level of economic, social and political conflict, in turn, resulting in a weakening of support for governments. Cultural and societal patterns, as well as the aspirations they produce, also play an important role in the way these needs are satisfied. At the same time, the diversity of housing conditions is an indication of social differences and the level of polarisation within a particular society (Myers and Welch, 1995; O'Rond and Hennessey, 1999; Flippen, 2004).

The socio-ecological characteristics of neighbourhoods are another important issue in relation to housing. These include characteristics such as spatial composition, access to recreational areas, local infrastructure and facilities, the degree of pollution, and the level of social problems, particularly different types of crime. Some of these factors strongly influence the quality of daily life and may exert an impact on personal security and on the health of inhabitants in particular areas.

## **Diversity of European housing conditions**

Housing conditions vary significantly between European countries. Comparing western and eastern Europe, housing conditions tend to be better in the former; while in a comparison between the north and south of the continent, housing conditions tend to be worse in the latter. Differences in housing conditions are most marked when comparing the former EU15 countries with the 10 new Member States (NMS) and three acceding and candidate countries (ACC3). Such differences are linked to the historical backgrounds of the country groupings, namely, their different levels of socio-economic progress preceding the Second World War. Extensive damage and wartime losses made these housing differences even more pronounced than before.

In eastern Europe, the post-war period was a time for establishing a new political and economic system, which focused on production, urbanisation and industrialisation, even though the number of people in need of accommodation was ever increasing. Housing policy was subject to the requirements of central planning and financed by the state's social budget, which meant that individuals had no say in how their housing needs were to be satisfied. Thus, investment was often inconsistent with people's needs. Lack of appropriate legal and institutional conditions made it impossible to match people's needs with effective supply. In the early 1960s, however, this situation slowly began to change for the better, as housing construction could be financed, for the first time, using people's savings through the so-called 'housing cooperatives'. Nevertheless, the standard of this new housing remained the same, i.e. decidedly below western European standards.

In the 1980s, the economic crisis experienced by the majority of these countries once again slowed down the housing construction sector and had a negative impact on quality of housing. The political and societal transformation of the early 1990s in central and eastern Europe did not bring about any significant improvements in this respect. On the contrary, it resulted in a collapse of the housing construction sector. Moreover, the relative poverty of large groups of people, mainly due to rapidly increasing levels of unemployment and the resulting decline in real incomes, also influenced the worsening of housing conditions. These effects were hardest for people living in rural areas and in heavy industrial areas (e.g. those involved in mining and steel production). In particular, the collapse of collective agriculture and state-owned farmsteads left many agricultural labourers without jobs and adequate accommodation, which had been previously provided and guaranteed by the state.

In recent years, nevertheless, the housing construction sector has experienced positive changes arising from a gradual increase in the private property market, although this has not been equally satisfactory in all countries. These changes mainly appear to have benefited professionals and others in the growing middle class sector. However, there is still a considerable degree of catching up to be done if citizens in eastern Europe are to experience living conditions at the same level as those in western Europe.

In contrast to eastern Europe, social policy in western Europe – particularly housing policy – has never been greatly affected by political considerations and ideologies. It could be said that until the European Community (followed by the European Union) was founded, housing was determined both by the rules of a free market economy and, in many countries, the welfare state. The latter varied, depending on factors such as the political system, or level of economic development. Despite different solutions to housing questions, governments have tended to foster a certain

degree of social cohesion, involving care for the more vulnerable segments of society through a social housing policy.

Nowadays, governments tend to question more expensive welfare state measures that, from an economic point of view, are difficult to sustain but that cannot be abandoned entirely. In line with the democratic requirements of solidarity and social cohesion, various programmes of support for housing targeted at people living in hardship, which are based on country-specific housing policies, have been introduced in western countries. As the European Union has no political competence in relation to housing policy, different national approaches exist in this respect; nevertheless, some common trends can be distinguished among western countries in relation to housing.

Actual housing policies in western Europe are dominated by two tendencies: the first relates to the necessity to regulate economic development and free market mechanisms; the second addresses the priorities related to the social functions of housing. Such policies involve activities aimed at maintaining a balance between demand and supply – a balance that takes into consideration the social and economic situation of various social categories. This problem is particularly critical in large towns, where there is an increased demand for housing. Arising from this increased demand, the need to stimulate investment in housing (for rent and for sale) and to develop new land use in urban areas becomes an important goal. Nevertheless, special attention is still given in policy statements to the supply of housing to persons and households with low and moderate income, and of social housing. Other activities aimed at providing decent and affordable housing include those promoting the renovation and modernisation of old buildings. An important aspect of housing policies – evident in the policy statements of the EU15 – is the prevention of homelessness and spatial segregation of disadvantaged groups, in order to reduce their risk of exclusion. Appropriate measures to mix different housing tenures in the same areas are considered in several countries.

### **Ownership structure**

From a policy perspective, in addition to the quality and affordability of housing, the ownership structure of housing is also an important feature. Home ownership not only indicates well-being and a higher socio-economic status, it also contributes to creating an ownership mentality. Traditionally, therefore, both liberal and conservative parties have frequently advocated the creation of a property-owning democracy in which large proportions of the population own the houses in which they live. The survey results analysed in this report not only enable the mapping of variations in levels of home ownership, but also distinguish between ownership with and without a mortgage.

### **Housing and human rights**

Although housing issues are not explicitly within the European Union's remit, their relevance to quality of life and social inclusion puts these issues in several important EU policy domains. The main targets of improving quality of life, combating exclusion and discrimination, and strengthening social cohesion cannot be achieved without harmonising housing conditions. Ultimately, the right to decent housing is one of the basic human rights that constitute a common European heritage and that, as such, cannot be absent from European policy. As Jonathan Mann

outlines: 'Human rights raise the question of the social conditions essential to well-being in terms of what the governments or states should not do (such as discriminate, deny equality before the law, violate private life) and of what the states should ensure to all, such as basic education, social security, access to care, to housing and to adequate food'.

The United Nations (UN) has enshrined the right to housing in the Universal Declaration of Human Rights (United Nations, 1948). In Article 25, it declares: 'Everyone has the right to a standard of living adequate for the health and well-being of oneself and one's family, including food, clothing, housing and medical care and necessary social services.' In December 1991, the right to adequate housing was defined under international human rights law, when the UN Committee on Economic, Social and Cultural Rights adopted General Comment No. 4 on the unanimous right to adequate housing. This was confirmed and strengthened at the Habitat II<sup>1</sup> meeting in 1996, which identified the commitments of governments 'to promote, to protect and to ensure the full and progressive realisation of the right to adequate housing and access to adequate housing for disadvantaged categories of persons' (United Nations Centre for Human Settlements (UNCHS), 1996, paragraph 61). In June 2001, Habitat V reaffirmed this commitment and agreed to establish the UN Human Settlement Programme, the main focus of which is to promote awareness campaigns, to develop monitoring systems and to initiate projects. Arising from this, national housing policies should reflect their interdependence with other policies, and housing policy objectives should be taken into account in all political decisions that have a direct or indirect impact on supply and demand in the housing market, particularly in relation to access to affordable housing for disadvantaged groups. According to the Council of Europe, this implies 'an appropriate legal framework for housing markets with regard to property rights, security of tenure and consumer protection' (Council of Europe, 2002, p. 89).

Despite these developments in the last 50 years, the UN and several observers are sceptical about real achievements. In a position paper, the UN noted during Habitat V that norms and principles 'contained in international instruments have not been sufficiently reflected in national legislative and institutional frameworks' (UNCHS, 2001, p. 4). This is also confirmed by a European Union working group at the Stockholm Council in 2000 in its statement that 'the right to adequate housing has advanced more slowly in practice than in law' (European Union Working Group, 2000, p. 26).

The Council of Europe also has a long tradition of dealing with housing issues in relation to poverty and social exclusion. This includes the Council of Europe's Social Charter of 1961 (Article 16), its additional protocol of 1988 (Article 4) and the revised European Social Charter of 1996 (Article 31), which was opened for signature in 1996 and entered into force in 1999. Among the current EU Member States, France, Italy and Sweden have ratified the European Social Charter including Article 31, while Ireland has ratified it with the explicit exclusion of Article 31. The text of Article 31 reads as follows: 'with the view to ensuring the exercise of the right to housing, the parties undertake measures designed to:

- promote access to housing of an adequate standard;
- prevent and reduce homelessness with a view to its gradual elimination;

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<sup>1</sup> UN-HABITAT is mandated by the UN General Assembly to promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all.

- make the price of housing accessible to those without adequate resources’.

In order to enforce these objectives, the Council of Europe advises its Member States to establish the following legal framework:

- the existence of an individual, universal and enforceable right to the satisfaction of basic human needs, including a minimum right to shelter for all citizens and foreigners;
- to define the concept of adequate housing by taking into account the specific aspects of the Habitat Agenda in paragraph 60 (for more details, see Council of Europe, 2002: 90, footnote 1);
- to establish that standards of adequate housing should also apply to existing housing stock (Council of Europe, 2002, pp. 90–91).

In order to support the enforcement of social rights, including the right on housing, the Council of Europe has established a biannual compliance process based on reports submitted by ratifying states. In addition, in 1998, it introduced a collective complaints mechanism, which aims to further strengthen the enforcement process.

In this context, the provision of adequate housing is an essential condition for respecting the fundamental rights of humankind. Access to housing and reducing housing inequalities are also essential for the cohesion of Europe – one of the core issues of contemporary European policy debates. The data gathered by the First European Quality of Life Survey provide a unique opportunity to analyse basic dimensions and the level of cohesion in housing conditions across 28 European countries.

## Perceptions of housing

The issue of housing and housing conditions is a complex one, which may be studied from several different angles. Available statistics usually describe the characteristics of households in terms of their size, standard of living, number of occupants, data on house building technology, and type of housing stock. The aim of this research, however, is to place housing conditions in Europe in the wider context of overall quality of life. Therefore, it focuses mainly on the social and personal aspects of housing, particularly on subjective opinions, perceptions and evaluations given by people in relation to various aspects of housing. The purpose of this approach is to develop a greater insight into people’s needs and perceptions about their lives.

People’s perceptions of reality influence their perception of a particular house and its surroundings: whether they see it as an attractive option or as yet another stress factor in their lives strongly depends not only on objective criteria, but also on people’s subjective opinions, conditioned by socio-cultural factors, aspirations and local traditions. Quality of life is, to a large extent, a subjective and relative matter. Perception of one’s own situation most often results from comparing oneself to others. By gauging subjective opinions, the research tries to measure existing differences in housing conditions between European countries, between social classes, sexes, inhabitants of rural and urban areas, and between younger and older generations. Such an analysis should enable a more vivid and unique mapping of housing deficits as perceived by Europeans.

Understandably, people's perceptions vary in different European locations, just as their cultural traditions, housing developments and climatic conditions differ. These facets, to a large extent, define people's subjective satisfaction with their accommodation. Not all of these dimensions could be included in the current research, but they are worth studying in more detail in the future. Longitudinal analysis will also be important, in order to explore housing conditions in Europe from a more dynamic perspective. At the same time, EU enlargement poses a new challenge for the European Commission, particularly in terms of achieving similar living conditions and, therefore, similar housing conditions. It will be important to follow and measure the changes in this direction.

## **Research questions**

Based on these short conceptual reflections, the following research questions should be addressed in the report:

- Do the data confirm the expected difference in quality of housing between the former EU15 countries and the NMS? What are the differences between these two country groups? How substantial are the differences?
- Is there a significant difference between 'old' and 'new' Member States as regards available living space? Do some countries show signs of overcrowding?
- What is the socio-economic profile of quality of housing and available living space in Europe? Do the data indicate a systematic disadvantage among older people, e.g. fuel poverty, or do they indicate more balanced results? Do the NMS have a higher degree of equality in housing conditions?
- What is the ownership structure of housing in Europe following enlargement? What is the social profile of owners and tenants?
- What is the relationship between ownership and quality of housing? Does private ownership go hand-in-hand with higher quality of housing?
- What are the perceptions of quality of the local environment in Europe? Is the quality of the local environment related to the quality of housing, or are these two dimensions generally unrelated?
- How does satisfaction with housing vary in Europe? What has the strongest influence on housing satisfaction? Is it the available space, the quality of housing, the ownership structure or the quality of the local environment? How do these factors influence overall life satisfaction?

## **Methodology**

Data for the analyses in this report come from the European Quality of Life Survey (EQLS). The EQLS was launched by the Foundation at the end of 2003. In 28 countries, a comprehensive questionnaire was fielded by Intomart GfK to attain comparable information on household and family composition, working conditions, social position, income and standard of living, time use and work-life balance, housing conditions, political participation, social support and social networks, health and subjective well-being. The 28 countries surveyed consist of: the EU15 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the

Netherlands, Portugal, Spain, Sweden and the UK); the 10 NMS (Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia); and the two acceding countries (Bulgaria and Romania) and one candidate country, Turkey – this last group will be referred to as the ACC3.

National response rates differed widely between 30% in Spain and 90% in Germany. In each country, about 1,000 people were interviewed. Only the less densely populated countries – Luxemburg, Malta, Estonia, Cyprus and Slovenia – had smaller sample sizes of around 600 respondents. Weighting variables were calculated with reference to age, sex and region. A careful and thorough data check was conducted by the Social Science Centre team in Berlin (WZB), which coordinated the research group engaged by the Foundation to conduct the first analytical monitoring. In the course of the data processing, recorded breakdown variables, indices and macro variables have been added.

However, even this comprehensive and rich data source imposes some limitations on the analysis, and this should be kept in mind when interpreting the results. Sample sizes were too small to allow detailed analysis of important population sub-groups in each country such as, for example, single parents. The broad coverage of several subjects and life domains, which is undoubtedly an advantage in many respects, results in a lack of detailed questions addressing each theme. Moreover, although the national surveys are meant to be representative of the whole population, minorities and people at the lower or upper echelons of society are usually not fully covered. Some data problems remained unsolved, with consequences for the analysis; for example, the income variable in Germany did not prove to be fully reliable, so analysis touching on that aspect should be treated with caution.





## **Social housing and the Lisbon Strategy**

Although the Amsterdam Treaty stipulates no formal EU mandate on housing policy in issues related to homelessness, access to social housing and the social integration of groups living in deprived inner city areas have entered the European social policy agenda. This has occurred largely through the EU's development of anti-poverty and anti-social exclusion policies, aimed at making a decisive impact on the eradication of poverty by 2010. Overcoming poor housing conditions, 'fuel poverty' and overcrowding are seen as an integral part of eliminating poverty. This in turn forms part of the wider aim of the revised Lisbon agenda, i.e. to make Europe, by 2010, the most competitive and dynamic knowledge-based economy in the developed world with high employment levels and greater social cohesion.

Another key part of the EU's social cohesion strategy is reflected in the proclamation of the Charter of Fundamental Rights at the Nice Summit in 2000, which provides in Article 34 the right to 'housing assistance', but not the right to affordable housing, as requested by some Member States and several European housing non-governmental organisations (NGOs).

A further aspect emerging from the Lisbon agenda is the position of social housing in the overall housing market. In pursuing the Lisbon objectives of economic reform aimed at increasing competitiveness, the European Commission has accelerated the liberalisation process in all sectors, including the housing sector. In the past, providers of social housing have been defined as providers of universal services, i.e. services of general interest. Hence, housing associations and cooperatives have traditionally received concessions and subventions and have not been subject to market competition. The European Commission has been asked to clarify to what extent these subventions lead to unfair competition in the housing market, and which suppliers of housing services may effectively receive exclusive rights, thus avoiding competition (see Cecodhas, 2001, p. 43). Social housing associations, on the other hand, are concerned that they might lose their privileges and subventions based on their status of providers of universal services. Even though decisions with regard to services of general interest have not yet been finalised, there are clear indications that social housing associations will retain their specific status, thus being protected from full housing market competition.

This logic also lies behind the vote of the European Parliament in February 2006 to remove social housing from the scope of the EU directive on services in the internal market. A clear majority of MEPs voted in favour of the following stipulation: 'This directive does not deal with funding of, or the system of aids linked to, social housing. Nor does it affect the criteria or conditions set by Member States to ensure that social housing services effectively carry out a function to the benefit of the public interest and social cohesion' (press release from Cecodhas, 16 February 2006).

## **Social action programmes**

As with the Lisbon Strategy, housing is not mentioned explicitly in the social action programmes. The Lisbon Strategy was accompanied by a new social action programme (2002–2006), referred to as the Social Policy Agenda. In its Communication preparing the final decision of the Nice Council (2000), the Commission defined the new programme as its roadmap for modernising the European social model and for translating the Lisbon objectives into concrete actions in the social policy field.

In order to implement the social inclusion policy, an ‘action programme against poverty and social exclusion’ was finally approved by the Nice Summit in December 2000, with a budget of €75 million allocated over five years. Within its four main chapters, the programme explicitly mentions important aspects of European housing policy, namely:

- access to decent and sanitary housing;
- prevention of ‘life crisis’ and becoming homeless;
- assistance for the most vulnerable people living in persistent poverty (which often goes hand-in-hand with housing problems);
- mobilisation of all relevant actors including organisations for homeless people and social housing organisations.

The most recent orientation regarding European social policy was outlined by the Commission in February 2005, when it defined its social policy agenda up to 2010. This agenda is mainly based on inputs to the revised Lisbon Strategy provided by reports of the expert group led by Wim Kok, as well as results of the High Level Expert Group from 2004, and on key decisions for the future of Commission policies taken by the Council at the beginning of 2005. Most of the social policy principles identified are in line with previous thinking in the social policy agenda from 2000. However, one new element is the particular emphasis on the economic and social costs of a lack of social policy, as well as a new rationale justifying extended social policy activities and spending as part of the European social model.

For the period 2007–2013, all action programmes within the remit of the Commission’s DG Employment and Social Affairs are being streamlined under a new action programme entitled ‘Programme for Employment and Social Solidarity’ (Progress). The objectives of this programme are to:

- improve knowledge;
- develop tools and methods;
- monitor the implementation and assessment of policies;
- promote networks and boost capacity;
- enhance the awareness of stakeholders and of the general public.

Altogether, Progress includes five programme sections, one of which deals with social protection and social inclusion and which aims to:

- improve understanding of the issues involved;
- monitor and evaluate implementation of the Open Method of Coordination (OMC);<sup>2</sup>

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<sup>2</sup> The Open Method of Coordination is a means of encouraging cooperation and exchange of good practice, by agreeing common targets and guidelines for Member States. In the case of employment and social inclusion policies, this has been delivered through national action plans, drafted by each Member State and subject to peer review on the basis of a Joint Report prepared by the European Commission.

- analyse the interaction between the integrated OMC for social inclusion/social protection and OMCs in other policy areas, particularly in relation to employment;
- organise an exchange in relation to policies and promote mutual learning;
- raise awareness and disseminate knowledge;
- develop the capacity of key EU networks and pursue EU policy goals.

Access to funding through Progress is provided to, among others, NGOs, local and regional authorities and social partners. It is a co-funding system providing up to 80% support. While housing is not explicitly mentioned, it does form part of the EU policy agenda on social inclusion.

### **Open Method of Coordination**

The Nice Summit (2000) also took the decision to use the Open Method of Coordination for measures related to social inclusion. Accordingly, it initiated a consultation process with the Member States, which would lead to the creation, by June 2001, of national action plans (NAPs) for social inclusion. According to the European Commission, the national action plans should be based on four principles:

- access to jobs and other resources, including housing;
- reducing the risk of job losses;
- working on behalf of the most vulnerable, e.g. homeless people;
- mobilising the appropriate bodies.

The importance of housing for social inclusion was confirmed by the results of the first round of NAPs on social inclusion. According to the Joint Report of the Commission and Council (2002), key criteria for a social housing policy were defined as access, adequacy and affordability of housing.

In the analysis of key trends on social development throughout the EU, the Joint Report observes a substantial number of people living 'in an unfavourable situation with respect to financial problems, basic needs, consumer durables, housing conditions, health, social contacts and overall satisfaction. One in every six persons in the EU (17%) faced multiple disadvantages extending to two or even three of the following areas – financial situation, basic needs and housing' (European Commission, 2002, p. 19).

On the basis of these results, three specific housing issues are identified as key risk factors for social exclusion:

- living in an area of multiple disadvantage;
- precarious housing conditions and homelessness;
- the cycle of intergenerational poverty and social exclusion, for instance, the concentration of multiple deprivation in certain communities.

A total of eight policy challenges is outlined for guiding national social inclusion policy. The fifth challenge deals with ensuring good accommodation for all and stipulates that: 'Access to good quality and affordable accommodation is a fundamental need and right. Ensuring that this need is met is still a significant challenge in a number of Member States. In addition, developing appropriate integrated responses both to prevent and address homelessness is another essential challenge in some countries' (European Commission, 2002, p. 28).

The eighth challenge, 'regenerating areas of multiple deprivation', is also important. It states: 'The challenge of developing effective responses to the problem posed by areas of multiple deprivation (both urban and rural) so that they are reintegrated into the mainstream economy and society is recognised by the Member States' (European Commission, 2002, p. 28).

Analysis of Member State initiatives on housing summarises their activities under three key policy approaches:

- increasing the supply of affordable housing and accommodation;
- guaranteeing quality and value for money at the lower end of the housing market;
- improving access and protection of vulnerable consumers in the housing market (European Commission, 2002, p. 43).

Homelessness is identified in the Joint Report as perhaps the 'most extreme form of social exclusion' (European Commission, 2002, p. 58). The report notes, however, that information on this important issue is generally poor: 'Most Member States admit that they know (too) little about both the magnitude and the nature of the problem, which also prevents them from developing more strategic and preventive measures against homelessness.' To overcome this information gap, the Commission decided to set up a working group with Eurostat and with national statistical offices and European NGOs.

In summary, the results of the first round of the Open Method of Coordination on social inclusion show a strong relationship between access to housing and poverty. The increased emphasis for the future on dealing with the relationship between migration and poverty includes the need for more targeted policies enabling access to housing for migrants. A 2005 DG Employment report analyses this relationship.

The results of the first round of NAPs were more or less confirmed in the second round of NAPs (2003–2005). In its report on the second round, the Commission urges the Member States to pay particular attention to six policy objectives, two of which have relevance for the social aspects of housing:

- increasing the access of the most vulnerable people and those most at risk of social exclusion to decent housing, quality health and lifelong learning opportunities;
- reducing poverty and social exclusion of immigrants and ethnic minorities.

Under the key policy objective, 'promoting access to resources, rights, goods and services', the Joint Report from 2004 recommends the implementation of policies aimed at improving access for all to decent and sanitary housing, and to basic services, e.g. electricity, water, heating. In analysing

policy initiatives of the Member States with regard to this issue, only certain elements of EU policy proposals are mentioned, and in a rather unsystematic manner. According to the Commission, this is mainly due to the absence of common indicators and the failure of the Member States to present any national indicators on housing, despite the explicit recommendation of the Laeken Council in 2001. Although many Member States emphasise the acute problem of unmet housing needs, nearly all fail to set any tangible objectives for solving this problem. The sole exception is the UK, which guarantees that, by 2010, all social housing will be of a decent standard.

Many Member States identify specific risk groups in relation to housing. For some, low income groups are of particular importance, whereas others identify young and single persons, elderly and disabled people, migrants, the Roma and homeless people as being the key risk groups. Besides emphasising the gap between demand and supply of affordable housing, some Member States focus on the need to improve the quality of social housing by combating conditions of dilapidation and squalor, which affect segments of the housing market.

A second key policy objective, outlined in the Joint Report on Social Inclusion (2004), is preventing the risk of exclusion, recognising the particular significance of homelessness as one of the most extreme forms of exclusion. As already mentioned in the first Joint Report, one key challenge in Europe is agreeing on a common definition of homelessness and providing sufficient statistical evidence through precise and comparable figures. Some progress has been made in this regard through the joint working group formed between Eurostat, the Member States, the Commission and social NGOs. However, as far as the prevention and eradication of homelessness is concerned, only four Member States have introduced strategies in this regard, while another three countries are in the process of preparing them.

Thus, while the importance of access, affordability and quality of housing for effective social inclusion is confirmed once again in the second joint social inclusion report, actual progress in the Member States is slow and unsystematic.

### **National action plans in new Member States**

In 2004, the first NAPs on social inclusion were submitted by the NMS countries. These confirmed the strong political commitment of the NMS to tackling poverty and social exclusion, already demonstrated by the Joint Inclusion Memorandum. The six priority areas identified in the memorandum also emerged in the NAPs; however, more emphasis than before is given to the issues of poor housing, homelessness and child poverty (Commission, 2005, p. 6). The six challenges are:

- expanding active labour market policies;
- ensuring sufficient coverage of social protection systems;
- strengthening policies to tackle child and family poverty;
- improving access to decent housing and tackling homelessness;
- improving quality of and access to public services;
- intensifying efforts to overcome extreme forms of social exclusion.

In their respective reports, all of the NMS agreed that access to adequate housing is one of the most important factors influencing social inclusion. Despite the partial liberalisation of the housing market in some countries in the 1990s, lack of access to affordable and quality social housing remains a key challenge. Of particular concern is the poor condition of many dwellings, which are often badly equipped. 'Housing poverty' is also a serious threat, which can lead to financial problems and overcrowded dwellings.

In response, two Member States presented quantified objectives in relation to social housing. Half of the NMS also have a comprehensive social housing policy. The Commission report presents specific initiatives under three headings (Commission, 2005, pp. 55–57):

- better access to decent, affordable, sanitary and de-segregated housing;
- balance between rights and obligations of tenants and house owners;
- housing or accommodation assistance for vulnerable individuals and families.

Thus, poor housing conditions represent a key challenge for enhancing social inclusion in the NMS, despite a relatively high rate of private ownership.

### **Structural and regional funds**

One political reaction to the poor housing conditions in the NMS was the request by respective governments to include funding for housing in the specifications of the regional and structural funds in their 2007–2013 programme. During the previous funding period, although housing was on the list of domains, it was not eligible for funding under the European Regional Development Fund, the European Social Fund or the Cohesion Fund. Despite this regulation, some Member State operational programmes implementing the funds allowed the use of EU funds to support projects involving work to improve housing.

The housing issue has been, and continues to be, a controversial subject in the negotiations for the next period of funding, 2007–2013. In July 2005, the European Parliament proposed measures to increase the energy efficiency of housing eligible for funding. In December 2005, the governments of the NMS took a step further by agreeing to remove housing from the list of non-eligible spending areas and, instead, to allocate structural funds for housing projects.

The next step in the negotiations requires agreement on the exact wording of the programme. From a social policy perspective, this means that housing projects must be specified within the framework of integrated urban regeneration or social inclusion. In addition, it seems logical to allow access to funding for specific housing projects to the NMS countries only.

Up to now, the Commission's stance has been to exclude housing projects from eligibility for structural and regional funding, as is the case in the current funding period. As an alternative, the Commission promotes the use of loans for housing projects from international finance institutions, such as the European Investment Bank and the Council of Europe Development Bank.

Nevertheless, it appears likely that funding for social housing developments in the NMS will be granted under the European Regional and Structural Funds, at least for the medium-term period from 2007–2013.

### **Indicators of housing and social exclusion**

The housing issue was also taken up by an expert group supporting the European Commission in the development of indicators for social inclusion in 2001–2002. From the expert group's point of view: 'housing conditions occupy a central position in poverty research and policy. Unfavourable housing conditions can contribute to social exclusion. Conversely, poverty often manifests itself in sub-standard housing conditions' (Atkinson et al, 2002, p. 158). The experts suggest additional indicators of quality and affordability of housing, which include indicators pertaining to:

- households lacking specific amenities;
- living in overcrowded housing;
- living in housing with poor environmental quality;
- being in arrears on rent or mortgage payments;
- being homeless and living in precarious housing.

In 2005, the Luxembourg presidency of the EU asked the same group of researchers to support them in advancing the social inclusion process, by compiling an independent report (pre-final report, 31 May 2005). One of the key objectives of the report was to contribute to the dynamic process of developing common social indicators in the context of EU enlargement and in the domain of quality of life, which until then had not been covered adequately.

Unsurprisingly, the report identifies housing as one of the important domains not currently covered by the agreed indicators, despite its immense importance for social inclusion. The issue of homelessness is identified as being one of the most urgent concerns. As mentioned, progress on the question of how to deal with homelessness is hampered by difficulties in agreeing on a shared concept between the Member States and between the organisations representing different interest groups. A second challenge is measuring homelessness. As homeless people represent a small but mobile population, this population can fluctuate significantly. Moreover, due to the precarious and temporary nature of their accommodation, it is difficult to include homeless people in household surveys or other standard statistical data collection initiatives.

The research group indicates that the serious issue of homelessness must be addressed in stages. First, a common definition of homelessness, one that identifies the smallest common denominator, needs to be agreed upon. Second, in relation to the measurement of quality and adequacy of housing, the experts recommend making a clear distinction between poor housing conditions and poor conditions of local environment, with both factors being treated separately. They also raise the issue of points of reference in relation to homelessness. Should the same standards of quality and adequacy of housing be applied across the 25 Member States, or would it be more appropriate to use points of reference based on standards derived either from the country itself or from a group of countries? Would it be appropriate, for example, to consider different climate zones within the



EU? Lastly, the experts raise the question of whether the financial burden of housing costs should be measured separately. From their point of view, this should be done with caution, as crude measures of the financial burden in relation to housing can be problematic, e.g. due to financial transfers to tenants or due to subventions for social housing to house owners.

In summary, therefore, the report of the Luxembourg presidency underlines the need for greater progress in establishing joint indicators on housing as part of a more comprehensive and unified approach to social inclusion among the Member States. This confirms the experience of the first and second rounds of implementing the NAPs on social inclusion in the EU.

## **Social rights**

The concept of social rights is one of the key concepts underlying the development of policies related to social aspects of housing. NGOs in the housing field, such as Feantsa (2001, p. 9) and Cecodhas (2001, p. 17), underline the importance of social rights in ensuring proper access to affordable housing. Such rights are commonly referred to using abstract terms such as ‘freedom’, ‘dignity’ and ‘security’. These terms refer to society’s obligation towards individuals and are based on a social relationship or a type of ‘social contract’ between individuals and society. As part of this contract, society accepts certain obligations to ensure that the rights of the individual are valued and respected. In contrast, this line of reasoning is contested by another school of thought that highlights the responsibility and obligations of individuals rather than society. In between these two philosophies lie the proposals of ‘new Labour’ to establish a mutual balance between the obligations of society and those of individuals.

Human rights are usually divided into civil and political rights, on the one hand, and economic and social rights on the other. The first set of rights are typically regarded as primary rights, while the latter are regarded as secondary rights, which enable individuals to attain their primary rights. Both sets of rights have distinctive features, which have significance for the policy process. Social rights are based on an active state, whereas primary rights define individual freedom from the state. Civil and political rights are usually ‘justiciable’ (i.e. can be settled by law or through a court of law), whereas social rights are often realised through policies and programmes. The realisation of primary rights is absolute and immediate, whereas social rights are often based on action programmes leading to a gradual realisation of these rights.

According to the Council of Europe, social rights are defined as those provisions, ‘expressed in legal and other forms, which are necessary for the fulfilment of people’s needs and for the promotion of social cohesion and solidarity’ (Council of Europe, 2002, p. 30). The Council of Europe interprets social rights as referring to ‘social protection, housing, employment, health, and education’ (2002, p. 30). This clearly shows, therefore, that housing is one of the key components of social rights according to the Council of Europe.

Social rights consist of a number of significant features; according to the Council of Europe, they:

- have other reference points beyond legislation;
- represent a blend of legal and programmatic provisions;
- are based on a positive state obligation;

- are embedded in a re-distribution effort;
- express a commitment to social cohesion, solidarity, equality and inclusion.

Access to social rights is seen as a key component and depends on the:

- declaration and form of the right;
- process and procedures;
- situation, resources and capacities available.

‘The underlying view is that access to social rights forms a chain whereby the declaration and framing of the right, the process through which it is to be realised, and the activities and resources necessary to realise it ... are all interconnected’ (Council of Europe, 2002, p. 31). The potential of the claimant to use his or her rights is of key importance. This depends not just on the individual’s legal rights, but also on financial resources and on intellectual, social and cultural capabilities.

The social rights approach to housing is directly connected to the capabilities approach of Sen (1992, 1999). According to Sen, housing is part of a ‘capability set’ that all individuals require in realising their human rights. These capabilities are not just important for the pursuit of universal human rights, they also have values in themselves (Nussbaum, 2000). Other authors (e.g. Somerville and Chan, 2002) highlight how access to affordable and adequate housing is linked to individuals’ self-esteem and social respect. Edgar et al (2002, p. 16) emphasise that ‘homelessness and the institutionalised, often disrespectful treatment of those at risk of homelessness strips away an individuals dignity, thereby effectively reducing his or her functioning capacity as a human being’.

## **European social model and welfare regimes**

The importance of social rights and capabilities in relation to social housing is also strongly related to concepts pertaining to the European social model. According to Esping-Andersen et al (2001, p. 2), European policymakers face ‘a genuine Gordian Knot, how to sustain Europe’s normative commitments to social justice, while aspiring to be a truly competitive force in the evolving knowledge economy’. Many observers point to the problem of an emerging fragmentation of society combined with increased exclusion of important groups and a greater need for social cohesion. In the past, social rights have played an important role in preserving greater levels of social cohesion in accordance with the European social model. According to the Council of Europe (2002, p. 13), globalisation, transformation processes in eastern Europe, changes in social values and in basic needs, as well as increased status differences, all pose a challenge to the European social model. Based on these trends, the Council of Europe in its social rights campaign highlights the importance of supporting the welfare state in key areas such as housing.

Some observers point to a ‘hollowing out’ (Jessop, 1994) of the welfare state and a change in some of its traditional activities, including its increasing withdrawal from the supply of direct provisions for social housing. This process, however, is neither universal nor linear in all the Member States. In some cases, the state has reversed this process by claiming back power through institutions and through the monitoring, regulating and funding of housing activities.

Closely related to the concept of the European social model is the typology of welfare regimes in Europe, which distinguishes between four national welfare models (Esping-Andersen, 1990). Some attempts have been made to construct a housing regimes typology (Daly, 1999) and to relate those to the welfare regime typology. The review of Edgar et al (1999), however, demonstrated serious difficulties in these undertakings, which led to an unexpectedly low degree of overlap: 'The reason for the lack of congruence reflects the schizophrenic structure of housing in Europe – part private market, part state' (Edgar et al, 2002). According to Toergersen (1987), housing has always been the unsteady pillar of the welfare state. In her efforts to establish a typology, Daly faced two main problems in relation to the EU15, namely, the different meanings pertaining to housing tenure and strong differences in the nature of housing subsidies. No doubt these differences will increase following EU enlargement to 25 Member States, since the housing regimes in the new Member States are characterised by very specific features.

### **State intervention and private housing**

The discussion about the role of the welfare state in housing has direct relevance in the policy challenge regarding the relationship between the private housing market and the need for state intervention. In social policy, there is a perceived need to combine market and state intervention, in order to ensure access to adequate housing for low income and socially vulnerable groups.

In most EU countries, the state's role in providing access to affordable housing has changed significantly since the 1960s. Instead of redistributing resources, the emphasis has shifted to regulation and risk management. The state now has a mainly regulatory role 'to accommodate the market and to facilitate an increasing reliance on private finance in the delivery of public services' (Edgar et al, 2002). In the 1970s and 1980s, this resulted in policies involving the 'deregulation of rents, reduction in property subsidies and a more vigorous promotion of home ownership' (2002, p. 53). As a consequence, the production of new social housing for renting has continued to decline since then.

This policy change has led to significant problems in housing supply from a social policy perspective, reflected in the persistently high level of demand for affordable housing among deprived groups in society. Increasing globalisation has been accompanied by serious poverty risks among more vulnerable parts of society. Segmented labour markets have led to a greater polarisation of the workforce, while flexible labour markets have often resulted in income insecurity leading to rent arrears and homelessness. In addition, the growing migration of people from the periphery (east and south) of Europe has increased the demand for cheap housing.

While the demand for social housing has increased, urban planning policies have resulted in a reduction of large amounts of cheap inner city housing. This, in turn, has led to greater spatial segregation between classes in inner city areas in nearly all EU countries. However, the core workforce and middle classes have not felt this pinch of reduced supply and increased demand for social housing. Periods of prolonged economic growth in the 1960s and 1970s supported a state policy aimed at increasing home ownership. Attempts to reduce the public debt and inflation levels further increased government interest in the privatisation of social housing. This resulted in a 'dual' private housing market, with more fashionable private dwellings for the middle classes and often

‘enforced’ home ownership for disadvantaged groups, along with the ‘reduced capacity of the state to maintain a permanent safety net for the weakest income groups’ (Edgar et al 2002, p. 46).

Diverse policy recommendations aim to reverse this situation. One proposed solution is to restore the central steering capacity of the state through identifying supply targets for affordable rented housing, state provision of such housing, public control over the allocation of these dwellings, and establishing a general right to housing (Sahlin, 2001; Edgar et al, 2002).

An alternative solution relates to an ‘enabling’ approach to governing the housing market. The basic assumption of this approach is that a well-functioning private housing market is the most important pre-condition required to meet the housing needs of a society. ‘New housing policies must face the market ... and make it behave’ (Angel, 2000, p. 4). In other words, such policies must enable the housing market to serve the fundamental housing interests of society and to fulfil its housing needs in an efficient, equitable and sustainable manner.

‘Good’ enabling policies can be characterised by three factors:

- they relinquish control over the housing market and leave the direct provision of housing up to the private sector;
- they give support to the private housing market;
- they set clear boundaries for market behaviour.

Thus, the ‘enabling’ paradigm rejects the interventionist approach of public housing provision by the state, which is based on the assumption that the private sector cannot be trusted to supply the kind of housing required, particularly among low income and deprived groups in society. According to the enabling concept, the interventionist approach squanders limited resources available to society. Instead, it argues that housing policy should be centred around knowledge-rich government institutions, which accumulate information, monitor developments in the housing market, understand its effects and implement minimal corrective measures. More specifically, an enabling housing policy should comprise five key elements: special cases for government intervention; correction of market failures; governance by law; a pluralistic and multi-actor system; and a specific set of government interventions (Angel, 2000, p. 12).

Government intervention should firstly relinquish control over the housing market and establish an enabling environment, which allows government interventions to have a critical and measurable effect on the performance of the housing market. Enabling policies should also correct possible market failures, e.g. the undersupply of merit goods (affordable housing), the control of unwanted externalities and problems arising among market participants due to inadequate and asymmetric information. Such a policy should be based on governance by law, which establishes housing policy as a set of rules that determine the government’s relationship with other actors in the housing market. Enabling strategies necessarily assume a multiplicity of actors in the housing market. It implies a system of balance of power in which no single actor has a mandate to act outside the established rules.

According to Angel (2000, p. 19), an enabling housing policy should consist of five key policy instruments:

- adjudication of property rights in housing;
- regulation of finance institutions for housing;
- administration of housing subsidies;
- provision of residential infrastructure;
- regulation of housing developments.

Modern housing policy should be motivated by three main concerns: realising the potential of housing as a major economic sector; redefining public assistance in housing as a secondary intervention as part of the reform agenda of the welfare state; and a commitment to good governance.

Achieving the housing sector's economic potential should consider the following aspects of good housing policy:

- maintaining wealth;
- supporting economic growth;
- generating household savings;
- supporting sufficient regional mobility in the labour market;
- limiting public expenditure on social policy;
- ensuring the growth of financial markets.

In accordance with the enabling approach, the social component of state intervention in the housing market should only be a secondary concern. The state should guarantee sufficient affordable housing, which should exceed adequate minimum standards. In line with this approach, the state assumes the role of 'houser of last resort' (Angel, 2000, p. 27), taking responsibility for creating a social security net for low income and deprived families.

Good governance in the housing market refers mainly to state activities aimed at: reducing discrimination in access to housing; rehabilitating socially deprived neighbourhoods with high crime rates; preventing exploitation of tenants; and promoting home ownership. At the same time, housing policy should not be limited to issues of social assistance aimed at preventing social exclusion. It should not be based on the concept of a 'paternalistic government'; rather, it should aim 'to dismantle public institutions myopically engaged in the construction and management of public housing' (Angel, 2000, p. 5). Policies should broaden their perspective, managing the housing sector as a whole, and viewing it as a key economic sector.

So far, the jury is still out in relation to the benefits of a housing policy based on the social inclusion/social rights paradigm, on the one hand, and of an enabling private housing market policy, on the other. Ultimately, the benefits of one approach over another will depend on its ability to deliver results that are capable of guaranteeing a good social and economic performance within the housing sector.

## Number of rooms per person

Information about living space is essential for an evaluation of housing conditions. To have one's own room, of an appropriate size, seems to be crucial for people's comfort and basic needs – at least from a European perspective. Size of dwelling is also an indicator of a person's social position and is one of the measures used to determine someone's place within a system of social stratification.

Living space may be characterised according to two types of parameters: number of rooms per person in the household, and the overall size. The last parameter usually refers to the number of square metres per person.

In Europe, it is commonly accepted that a decent living space requires a separate room, of at least 20 square metres, for each household member. This report will focus solely on the number of rooms per person, as there is no information on the overall size of accommodation. However, it is important to bear in mind, for further comparisons, that the size of accommodation in eastern Europe is generally smaller than that in western Europe. This is mostly the result of economic problems, although it also has some roots in political ideology.

In the 1950s, increased industrialisation of predominantly agrarian countries, and the extensive migration of people from rural to urban areas, began in eastern Europe. These changes resulted in a strong demand for the construction of accommodation for the new socialist working class. In poor economies, this goal was realised by building houses using standardised, prefabricated elements with a view to limiting their size as much as possible. The socialist welfare state ideology also believed that larger sized accommodation was unnecessary, as several family functions were taken over by various state institutions and placed outside the home. Statistics reflect the existing disparity in size of accommodation between the groups of countries, according to the floor area of an average dwelling. In the EU15, the average floor area is 84.2 square metres, while in the NMS, the average floor area is comparatively lower at 72.9 square metres. This measurement is even lower in the central and eastern European countries, where the average floor area is 58.1 square metres (Norris and Shiels, 2005).

In the 1990s, the introduction of a free market economy in the building trade helped to bring about new standards in housing construction, but not to the extent that would be distinctly visible in living space statistics. In this respect, eastern European countries still lag behind the western countries.

Table 1 reflects the general improvement in housing conditions, in terms of living space, in virtually all countries. This overall improvement results from two tendencies: the increasing size of accommodation and the decreasing number of people occupying the accommodation. Despite the more rapid pace of development in this respect in the former communist countries, the gap between western and eastern countries is still significant. The data on availability of housing also demonstrate the regional variations across Europe. In the EU15, the average number of dwellings per 1,000 inhabitants is 440.6 dwellings; in the NMS, the equivalent figure is 394.7 dwellings per 1,000 inhabitants. This figure is even lower in the eight former communist countries (the NMS excluding Cyprus and Malta) at an average of 387.4 dwellings per 1,000 inhabitants (Norris and Shiels, 2005).

**Table 1 Average density and floor space per dwelling, 1985 and 2001**

	1985		2001	
	Number of persons per dwelling	Floor space per completed dwelling (square metres)	Number of persons per dwelling	Floor space per completed dwelling (square metres)
Austria	3	97	3	101
Belgium	3	187	3	203
Bulgaria	3	65	2	85
Denmark	2	97	2	119
Finland	2	84	2	88
Germany (1985 former West Germany)	2	94	2	97
Germany (1985 former East Germany)	2	61		
Italy	2	76	2	81
Poland	3	69	3	86
Romania	3	57	3	69
Sweden	2	94	2	102

*Note:* Data for other countries not available.

*Sources:* Statistical Yearbook 1987 and 2003, International Review; Polish Central Statistical Office

Judging by results of the EQLS across the 28 countries covered, living space requirements in terms of having one's own room appear to be generally fulfilled. One exception in this respect is Poland, where the average number of rooms per person is only 0.9 rooms. The particularly difficult situation in Poland is the outcome of the extensive destruction that took place during the Second World War and of the subsequent need to provide accommodation for a large proportion of the population whose homes were practically in ruins after the war.

Overall, there are significant differences in the number of rooms per person between the EU15, the 10 NMS and the ACC3. In the EU15, the average number of rooms per person stands at 1.9 rooms, in comparison with an average of 1.1 rooms per person in the other two country groups. Malta and Cyprus are the exceptions in this case with an average of 1.8 and 1.7 rooms per person respectively, putting them on a par with the EU15.

Within the EU15 itself, some differences also exist. The most favourable conditions appear to exist in the UK (2.8 rooms per person) and in the Benelux countries, i.e. Belgium (2.7 rooms per person), the Netherlands and Luxembourg (2.1 rooms per person). The worst conditions in this respect appear to exist in southern Europe, particularly in Greece (1.4 rooms per person), Italy and Portugal (1.5 rooms per person), and Spain (1.6 rooms per person).

The age of the householder is one of the factors that differentiates the size of the accommodation. Essentially, the size of the housing gets bigger according to the age of the person, which means that younger people tend to have relatively less satisfactory housing conditions (see Table 2). This situation is particularly poor in Poland, where the average of one room per person is reached only by those in the over 50 years of age category. The same average is only reached by respondents over 35 years of age in Hungary and Lithuania and by those over 25 years of age in Latvia.

**Table 2 Average number of rooms per person, by age and area**

	Total no. of rooms	Age					Area	
		18–24 years	25–34 years	35–49 years	50–64 years	65+ years	Rural	Urban
Austria	1.8	1.5	1.6	1.5	2.0	2.3	1.9	1.6
Belgium	2.7	2.2	2.4	2.2	3.0	3.6	2.7	2.7
Denmark	2.0	1.7	1.7	1.7	2.3	2.6	2.1	2.0
Finland	1.6	1.3	1.3	1.4	1.8	1.9	1.7	1.5
France	2.0	1.5	1.6	1.7	2.2	2.8	2.2	1.8
Germany	1.9	1.4	1.6	1.8	2.0	2.4	2.0	1.9
Greece	1.4	1.4	1.3	1.3	1.4	1.8	1.5	1.4
Ireland	2.0	1.6	1.7	1.8	2.4	2.9	2.1	1.9
Italy	1.5	1.0	1.4	1.3	1.6	2.1	1.5	1.5
Luxembourg	2.1	1.5	2.0	1.7	2.3	3.2	2.3	1.9
Netherlands	2.1	1.6	1.9	1.7	2.5	2.7	2.1	2.1
Portugal	1.5	1.2	1.3	1.3	1.6	2.2	1.5	1.4
Spain	1.6	1.3	1.5	1.4	1.7	2.2	1.6	1.6
Sweden	1.9	1.4	1.4	1.5	2.3	2.6	2.0	1.9
UK	2.6	2.2	2.4	2.6	2.6	2.9	2.5	2.6
Cyprus	1.7	1.3	1.5	1.5	1.9	2.3	1.6	1.7
Czech Republic	1.4	1.1	1.1	1.3	1.6	1.8	1.5	1.3
Estonia	1.5	1.1	1.2	1.3	1.7	1.9	1.6	1.4
Hungary	1.1	0.9	0.9	1.0	1.3	1.4	1.1	1.1
Latvia	1.1	0.9	1.0	1.0	1.2	1.4	1.2	1.1
Lithuania	1.2	0.9	0.8	1.0	1.5	1.7	1.3	1.1
Malta	1.8	1.6	1.7	1.5	1.8	2.6	1.8	1.8
Poland	0.9	0.8	0.8	0.8	1.0	1.4	0.9	1.0
Slovakia	1.3	1.0	1.0	1.2	1.6	2.0	1.3	1.4
Slovenia	1.2	1.1	1.0	1.1	1.2	1.6	1.2	1.3
Bulgaria	1.3	1.0	0.9	1.1	1.4	1.7	1.3	1.2
Romania	1.2	1.1	1.1	1.1	1.4	1.7	1.3	1.2
Turkey	1.1	1.0	1.0	0.9	1.3	1.5	0.9	1.1
EU15	1.9	1.5	1.7	1.7	2.0	2.5	2.0	1.9
NMS	1.1	0.9	0.9	1.0	1.3	1.5	1.1	1.1
ACC3	1.1	1.0	1.0	1.0	1.3	1.6	1.1	1.1

Source: EQLS, Q.17 – How many rooms does the accommodation in which you live have, excluding the kitchen, bathrooms, hallways, storerooms and rooms used solely for business?; HH1 – I'd like to start by asking you a few questions about your household. Including yourself, can you please tell me how many people live in this household?

In the EU15, the average difference between the living space of the youngest (25 to 34 years old) and oldest (65 years and older) age groups amounts to 0.95 rooms higher among the latter group (controlling for occupational category, place of residence and income) – see Table 3. In both the NMS and the ACC3, the net difference between these two groups amounts to about 0.54 to 0.58 rooms. As shown in Table 2, the smallest difference between these two categories can be found in



Greece and the UK, while the largest difference can be found in Italy and Luxembourg, where the value of the index is doubled.

**Table 3 Linear regression of rooms per person, by age, occupational category, place of residence and income**

Independent variables	EU15		NMS		ACC3	
	b	Beta	b	Beta	b	Beta
Age (65 years and over)	0.95	0.34	0.54	0.29	0.58	0.27
Age (50–64 years)	0.42	0.15	0.26	0.15	0.29	0.17
Age (35–49 years)	0.09	0.04	-0.04	-0.02	-0.07	-0.05
Age (25–34 years)	0.06	0.02	-0.13	-0.07	-0.04	-0.03
Professionals	0.08	0.03	0.34	0.15	0.24	0.11
Non-manual workers	0.11	0.05	0.16	0.10	0.13	0.08
Self-employed	0.16	0.04	0.23	0.07	0.19	0.07
Skilled workers	0.05	0.02	0.01	0.01	0.04	0.02
Unskilled workers	0.14	0.04	0.06	0.03	0.00	0.00
Farmers	0.00	0.00	-0.04	-0.01	-0.16	-0.04
Place of residence (0–rural; 1–urban)	-0.10	-0.05	-0.07	-0.05	-0.06	-0.04
Personal income (in thousands of €)	0.42	0.29	0.31	0.14	0.70	0.22
Constant	1.15		0.82		0.91	
R <sup>2</sup>	0.18		0.16		0.17	

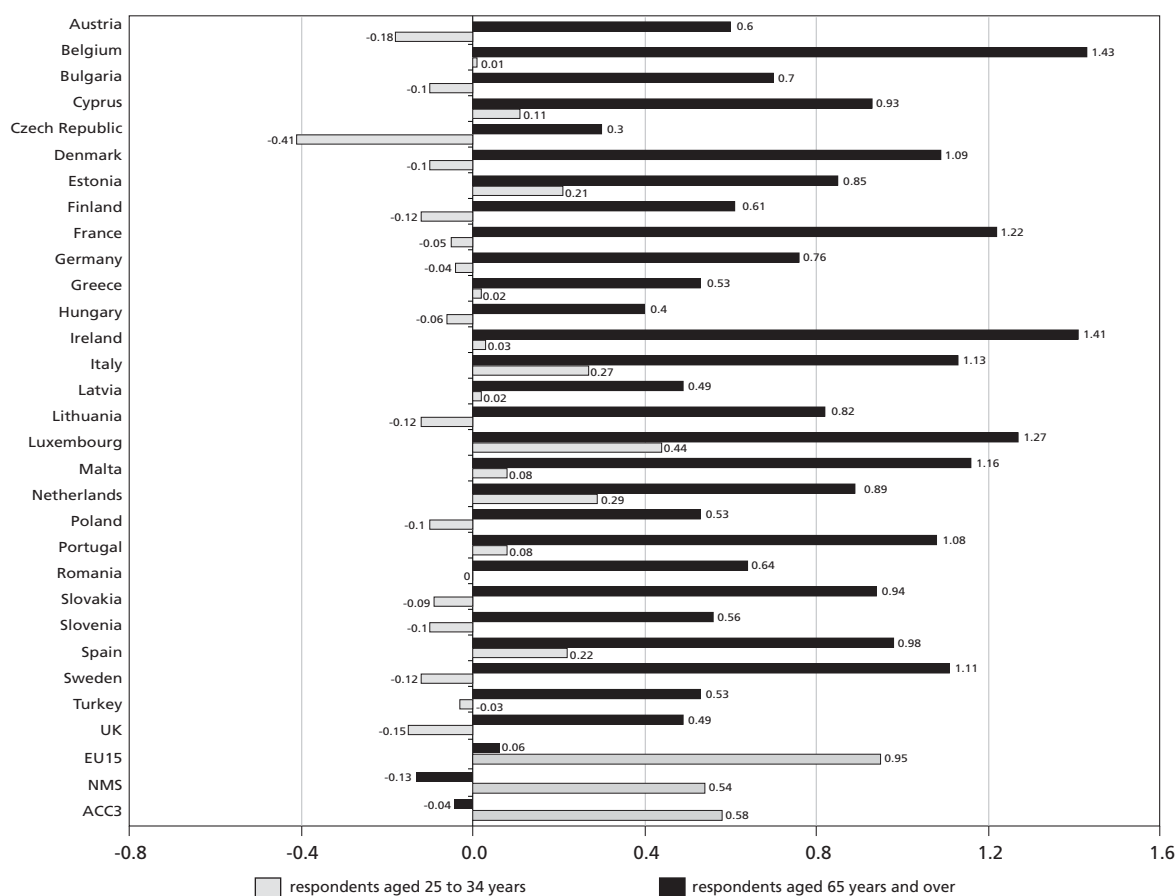
*Source:* EQLS, Q.17 – How many rooms does the accommodation in which you live have, excluding the kitchen, bathrooms, hallways, storerooms and rooms used solely for business?; HH1 – I’d like to start by asking you a few questions about your household. Including yourself, can you please tell me how many people live in this household?

*Note:* Reference category in the case of age is people below 25 years, and, in the case of occupational status, persons who never had a paid job. In some countries, the category of ‘farmers’ was underrepresented in a statistical sense (too few cases), so statistics obtained for them need to be analysed with caution.

This analysis shows how strongly age differentiates the size of accommodation. In most countries, there is a visible correlation between older age groups and larger sized accommodation (see Figure 1). Two things should be noted. First, as Figure 1 shows, in each country the oldest age category enjoys much greater space relative to the youngest age category. Second, despite this transnational pattern, the most favourable housing conditions for older people appear to exist in developed western countries. At the top of this list of countries are Belgium, Ireland, Luxembourg and France, followed by Malta, Italy, Denmark, Sweden and Portugal.

Differences in the number of rooms per person are not as considerable when comparing urban and rural areas. The differences were greatest in Austria, Luxembourg and France; however, even in these countries, the differences in rooms per person between urban and rural areas are relatively small, although the average is somewhat greater in cities. Generally, the ratio of rooms per person in the EU15 is slightly higher in rural areas (2 rooms per person) than in urban areas (1.9 rooms per person). In the NMS and ACC3, this ratio is identical, at an average of 1.1 rooms per person in both urban and rural areas.

Figure 1 Linear (OLS) regression of rooms per person



Source: EQLS, Q.17 – How many rooms does the accommodation in which you live have, excluding the kitchen, bathrooms, hallways, storerooms and rooms used solely for business?; HH1 – I’d like to start by asking you a few questions about your household. Including yourself, can you please tell me how many people live in this household?

Note: Metric coefficients for 25–34 year and 65+ year age groups, controlling for occupational categories, place of residence and income. These parameters were established in the regression model with the reference category for age being below 25 years.

Overall, therefore, living space conditions seem to be similar in rural and urban areas, although they appear to be slightly better in rural areas. The UK, Poland, Turkey and Cyprus are the only exceptions in this respect, with the average number of rooms per person being greater in urban areas. The urban–rural divisions also reflect differences according to age, income, and occupational status. According to these differentiations, one can identify the net effect of the place of residence on size of accommodation. In individual countries, the net effects confirm more spacious accommodation in rural compared with urban areas. Using controls, a greater number of rooms per person in cities remains statistically significant only in the UK. Place of residence matters more in the EU15 countries, in the sense that moving from the city to the countryside increases space by an average of 0.1 rooms (controlling for age, occupational category and income). In the NMS, this increase amounts to 0.07 rooms and, in the ACC3, to 0.06 rooms (see Table 3).

**Table 4 Average number of rooms per person, by household income quartile and occupational status**

	Quartiles of household income					Personal occupational status					
	Total	Lowest quartile	Second quartile	Third quartile	Highest quartile	Profess- ional	Other non- manual	Self- employed	Skilled workers	Unskilled workers	Farmers
Austria	1.8	1.5	1.5	2.0	2.2	1.9	1.7	2.1	1.7	1.6	2.2
Belgium	2.7	2.3	2.6	2.7	3.3	2.6	2.8	2.6	2.8	2.5	2.1
Denmark	2.0	1.8	1.8	2.1	2.3	2.3	1.9	2.3	2.0	1.9	3.3
Finland	1.6	1.4	1.6	1.5	1.8	1.6	1.6	1.8	1.6	1.5	1.7
France	2.0	1.5	1.8	2.2	2.6	2.1	1.9	2.4	1.8	2.0	2.1
Germany	1.9	1.9	1.7	1.9	2.2	2.1	1.9	2.4	1.8	1.8	2.3
Greece	1.4	1.2	1.3	1.3	1.6	1.4	1.3	1.5	1.3	1.4	1.7
Ireland	2.0	1.8	2.1	1.8	2.6	2.2	1.9	2.6	1.9	1.9	3.1
Italy	1.5	1.0	1.5	1.7	2.0	1.7	1.5	1.8	1.3	1.1	1.5
Luxembourg	2.1	1.5	1.9	2.2	2.9	2.1	2.2	2.5	1.9	1.9	2.9
Netherlands	2.1	1.6	2.2	2.4	2.5	2.2	2.0	2.3	2.0	2.2	3.1
Portugal	1.5	1.4	1.5	1.6	1.7	1.6	1.4	1.7	1.5	1.5	2.0
Spain	1.6	1.4	1.7	1.7	2.1	2.0	1.6	1.8	1.5	1.5	1.7
Sweden	1.9	1.6	1.7	2.1	2.2	2.0	1.8	2.4	2.0	1.6	2.0
UK	2.6	2.6	2.4	2.6	3.0	2.8	2.5	2.6	2.3	2.7	2.0
Cyprus	1.7	1.6	1.5	1.7	2.3	1.6	1.7	1.7	1.6	1.8	1.8
Czech Republic	1.4	1.3	1.7	1.2	1.5	1.5	1.4	1.4	1.5	1.5	1.1
Estonia	1.5	1.4	1.6	1.3	1.5	1.5	1.5	1.6	1.3	1.6	1.8
Hungary	1.1	0.8	1.1	1.2	1.3	1.3	1.1	1.3	1.1	1.1	1.0
Latvia	1.1	1.1	0.9	1.2	1.2	1.3	1.1	1.1	1.0	1.1	1.4
Lithuania	1.2	0.8	1.5	1.4	1.2	1.3	1.2	1.2	1.1	1.2	1.2
Malta	1.8	1.6	2.0	1.7	2.0	1.8	1.7	1.8	1.5	1.4	1.9
Poland	0.9	0.7	0.9	1.0	1.1	1.4	1.0	1.2	0.8	0.9	1.0
Slovakia	1.3	0.9	1.7	1.3	1.4	1.5	1.3	1.4	1.3	1.4	1.4
Slovenia	1.2	1.1	1.2	1.1	1.4	1.3	1.3	1.3	1.1	1.3	1.1
Bulgaria	1.3	1.1	0.9	1.8	1.2	1.4	1.3	1.5	1.2	1.2	1.9
Romania	1.2	1.1	0.9	1.7	1.3	1.4	1.2	1.5	1.2	1.3	1.5
Turkey	1.1	0.7	1.0	1.1	1.4	1.4	1.2	1.2	1.0	0.9	0.9
EU15	1.9	1.6	1.8	2.0	2.3	2.1	1.9	2.1	1.8	1.9	2.0
NMS	1.1	0.8	1.2	1.1	1.2	1.4	1.2	1.3	1.0	1.1	1.0
ACC3	1.1	0.8	1.0	1.3	1.4	1.4	1.2	1.3	1.1	1.1	1.0

Source: EQLS, Q.17 – How many rooms does the accommodation in which you live have, excluding the kitchen, bathrooms, hallways, storerooms and rooms used solely for business?; HH1 – I'd like to start by asking you a few questions about your household. Including yourself, can you please tell me how many people live in this household?

Note: In some of the countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for them need to be analysed with caution.

It is also useful to compare living space conditions by socio-occupational group. Overall, most professionals and self-employed categories enjoy slightly better living space conditions than other categories (see Table 4). However, in some cases the opposite is true. In Belgium, for instance, skilled workers enjoy more spacious living accommodation (2.8 rooms per person) than self-employed people (2.6 rooms per person). In the UK, unskilled workers, on average, live in more spacious accommodation than skilled workers, professionals and self-employed people. Interestingly, in a number of countries, farmers have the greatest number of rooms per person, i.e. in Austria, Denmark, Greece, Ireland, Luxembourg, the Netherlands, Portugal, Malta, Estonia, Cyprus and Bulgaria. However, it should be noted that most of these effects are not statistically significant.

As expected, the number of rooms strongly correlates with income; this is clearly visible in the three groups of countries. While in the EU15, the overall average number of rooms per person is 1.9 rooms, this average drops to 1.6 rooms per person among those in the lowest income quartile and increases to 2.3 rooms per person in the highest income quartile. This disparity is most noticeable in Italy and Luxembourg, where the number of rooms per person doubles when comparing the first quartile (lowest) with the fourth quartile (highest). Such a correlation also occurs in the NMS and the ACC3 (the difference ranging between 0.8 and 1.2 rooms per person).

A total of three significant cross-systemic differences emerge when comparing living space conditions according to income. First, income seems to have greater relevance in the EU15 than in the NMS. In the EU15, the net effect of income on size of housing is much higher (0.42 against 0.31), which suggests that housing conditions are determined more by income in market economies. Second, excluding Malta and Cyprus, where respondents belonging to the fourth quartile enjoy 2.0 and 2.3 rooms per person respectively, the housing conditions of those with higher incomes in the NMS and the ACC3 are still below the average of those earning the lowest incomes the EU15. Third, in Poland, Lithuania and Latvia, the situation is particularly unsatisfactory since their highest income earners have less space at their disposal than the lowest earners of the EU15 (with the exception of Italy).

Overall, assuming that one room per person is the most basic condition for individual comfort and privacy, this need is not fulfilled in Poland, where only respondents from the fourth (highest) income quartile have the comfort of at least one room per person. This need is not fulfilled either among the lowest earning categories in Slovakia, Lithuania and Hungary.

## **Number of rooms by household type**

The adequacy of the living space, and composition and arrangement of the accommodation, should reflect the life stage of individuals or families. For example, the housing needs of families with young children will differ from the needs of single or elderly people. Therefore, an analysis of housing conditions in Europe should include data on the living space of various types of households.

The majority of Europeans live in couples and families. Satisfactory quality and size of housing are essential for the effective fulfilment of their roles and tasks. According to the data, the quality of living space (number of rooms) occupied by various types of families and individuals varies greatly

between countries, and is generally worse for those living outside the EU15. Even within the EU15, certain differences can be observed between countries: the average number of rooms in most types of households is highest in Belgium, the UK, Ireland and Luxembourg and lowest in Greece. In the NMS and the ACC3, Romanian households generally have less space than households in other countries. Such inequalities pose a key challenge for European housing and family policy.

Special attention should be given to the housing problems of young and single people, or of those who live in couples but without children. In recent years, demographic trends indicate decreasing figures for marriage and birth coefficients in Europe, which often result from a lack of access to affordable housing, at least in some countries. The role of spouse, parent and breadwinner are considered essential during a particular phase in life. One of the important factors for success at this stage is autonomy in housing. A comparison between the housing situation of young respondents (18–24 years) in the EU15 and the NMS clearly indicates that independent living is not equally distributed among these countries. The characteristic pattern in western Europe is based on a large proportion of young adults living alone or in nuclear families; however, in eastern Europe, living in extended families is the prevailing pattern.

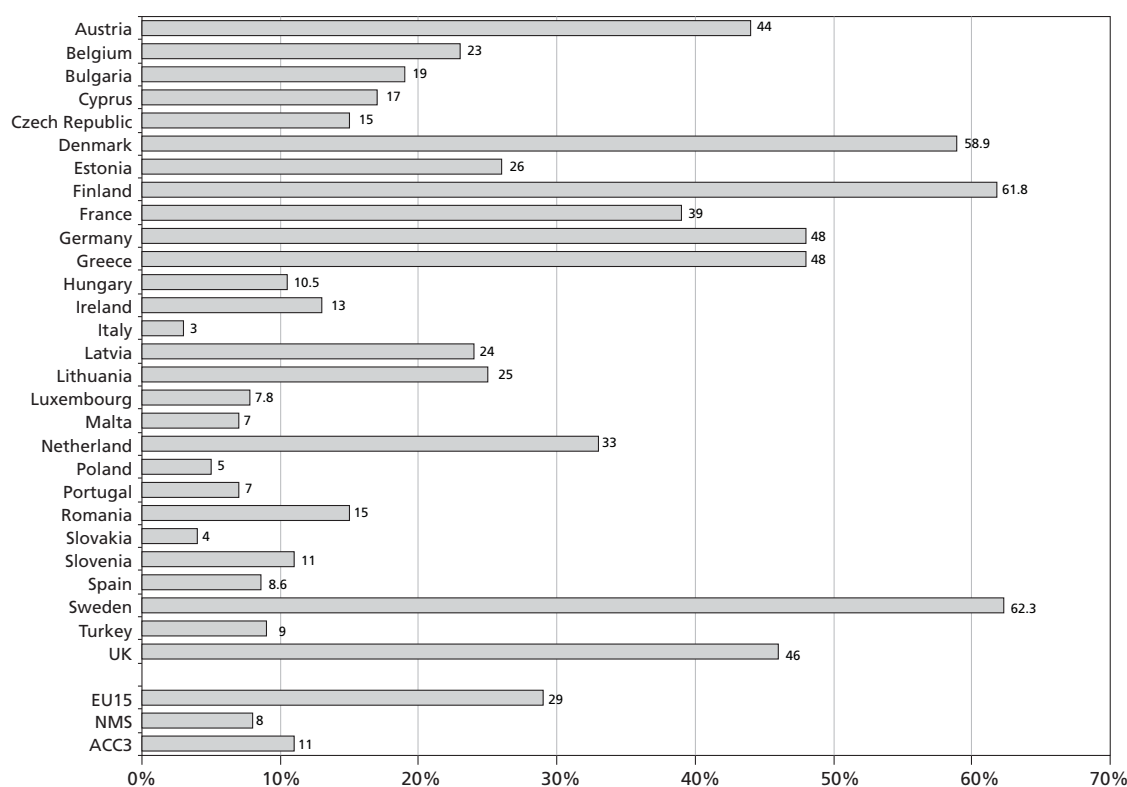
Differences in the proportion of young people who live on their own in the different country groupings may partly explain the varying perceptions of adequate accommodation as a necessity for a good life, observed in Eurobarometer studies. According to these results, there is a visible disparity between the priority given to housing by young persons (below 25 years) and older persons (above 65 years) in the NMS and ACC3, compared with the corresponding difference in the EU15. There is practically no difference between young and old people's perceptions in the EU15; however, it amounts to 11% of a difference in the other countries, with young people attributing a higher value to accommodation (Delhey, 2004). This could be interpreted as a sign of their relative deprivation in this respect.

These differences continue to persist in adult life (25–34 years). Young adults continuing to live in their parents' household is also a characteristic of southern countries in the EU15. In some cases (Italy, Portugal and Spain), the proportion of young adults living in extended families even exceeds the corresponding figures for the Baltic countries. Looking at Figure 2, one can identify the largest cross-national contrasts in the proportion of young people living independently. In Poland, Slovakia and Italy, the proportion of young people living independently appears to be about 20 times smaller than in Denmark, Finland and Sweden.

The shortage of affordable accommodation and its relatively small size in poorer European regions partly explains the delay in living independently in these countries. Young adults stay on in extended families, not only because of cultural traditions or preferences, but also due to the low accessibility of own accommodation. This situation can impact on the lives of those young adults affected. It often leads to an inability to break away from the authority of their parents and to assert independence. A further consequence may be the effects this can have on their professional careers and on the establishment of their own way of life.

Thus, delayed adulthood as a social phenomenon produced by housing conditions is a problem that employment and social policies should take seriously, in terms of the potential negative effects

**Figure 2 Percentage of young people (18–24 years old) living independently (alone or in couples)**



Source: EQLS, Q.HH1 – How many people live in this household?

it can have on fertility, geographical and labour market mobility, and employment rates. This delayed transition into adulthood particularly affects the quality of life of urban populations; in rural settings, it is partly absorbed by the culturally established tradition of living in extended families. In addition to problems of individual autonomy and privacy, the accommodation occupied by extended families is often too small and not of the highest standard.

Another point of interest is the number of rooms by household type defined in terms of the respondent's marital status and number of children. Table 5 outlines the average number of rooms in households of people living alone, in couples, as single parents, in 'nuclear' families (categorised as parents with one or two children below 16 years of age, or with three or more children below 16 years of age) and in extended families. All other families of mixed type (i.e. with children below and above 16 years of age) are included in the category referred to as 'other'. The data indicate the general trend of a greater average number of rooms correlating with increasing family size. There are, however, some exceptions to this rule. In several countries, the number of rooms in households with three generations of family is the same or even less than in households of families with three young children. This is particularly apparent in Finland and Estonia.

In Italy, the Czech Republic and Bulgaria, couples with three children live in less satisfactory conditions than smaller families. In a large number of countries, there is a marked tendency in 'single' households for the older single households to have slightly more space than the youngest

(18–24 years) single households. Once again, this reflects the generally better housing conditions of older people in relation to living space. However, this comparison may only be tentative due to the small number of cases in certain types of households, in some countries.

**Table 5 Average number of rooms, by household type**

	Total	Type of household								
		Single 18–24 years	Single 25–64 years	Single > 65 years	Single parent with child/ children < 16 years	Couple	Couple with 1 or 2 children < 16 years	Couple with 3+ children < 16 years	Three genera- tions	Other
Austria	3.5	2.4	2.4	2.9	3.1	3.6	4.1	4.4	5.4	4.1
Belgium	5.5	4.9	4.5	4.7	5.0	5.3	6.0	7.3	6.8	6.1
Denmark	3.9	2.1	2.8	3.0	3.8	4.2	4.8	4.9	4.9	5.0
Finland	3.0	1.6	2.1	2.2	3.2	3.2	3.7	5.0	4.0	3.9
France	3.7	2.0	2.8	3.4	3.4	3.9	4.3	5.2	5.4	4.3
Germany	3.6	1.6	2.5	2.9	3.3	3.8	4.5	4.6	5.5	4.7
Greece	3.0	1.8	2.6	2.6	3.4	3.0	3.2	3.6	3.5	3.3
Ireland	4.6	3.6	3.6	3.8	4.2	4.4	5.0	5.5	5.5	4.8
Italy	3.6		2.9	3.4	3.6	3.4	3.5	3.1	3.6	4.0
Luxembourg	5.2	4.1	4.1	5.1	3.8	4.8	5.3	5.3	6.9	5.6
Netherlands	4.3	2.5	3.6	3.4	4.0	4.4	4.7	5.6	5.6	4.8
Portugal	3.5	4.0	2.8	2.9	2.7	3.3	3.6	3.7	4.1	3.9
Spain	3.9	3.2	3.7	3.6	3.7	3.7	3.9	4.4	4.5	4.0
Sweden	3.7	1.5	2.6	3.1	4.1	4.0	4.4	5.5	5.6	4.6
UK	4.4	3.7	3.3	3.8	3.8	4.8	4.9	5.0	4.6	4.7
Cyprus	4.2	2.2	3.0	3.8	4.2	4.2	4.2	4.9	4.3	4.4
Czech Republic	3.1	2.5	2.3	2.2	2.6	2.9	3.3	2.6	4.2	3.6
Estonia	2.8	1.9	2.1	2.3	2.6	2.9	2.9	3.9	2.8	3.2
Hungary	2.7	2.2	2.1	2.0	2.3	2.5	2.9	2.8	2.9	3.0
Latvia	2.4	1.9	1.9	1.7	2.2	2.3	2.8	2.5	3.1	2.6
Lithuania	2.7	2.0	2.1	2.2	2.4	2.7	2.6	3.4	3.4	3.0
Malta	4.8	4.0	3.4	4.3	4.0	4.7	4.7	5.4	5.2	5.0
Poland	2.8	1.4	1.7	2.2	2.4	2.3	2.6	2.9	3.7	3.0
Slovakia	3.4		2.4	2.6	3.0	3.2	3.3	3.7	4.4	3.7
Slovenia	3.2	1.8	2.0	2.2	2.7	2.7	3.1	4.3	4.6	3.5
Bulgaria	3.1	1.7	2.5	2.4	2.6	3.0	2.8	2.0	3.9	3.3
Romania	2.9	2.0	2.3	2.3	2.7	2.8	2.7	2.8	3.6	3.2
Turkey	3.3	3.6	2.8	3.1	3.3	3.3	3.2	2.9	3.8	3.5
EU15	3.8	2.2	2.9	3.3	3.6	3.9	4.1	5.1	4.4	4.3
NMS	2.9	2.1	2.0	2.2	2.5	2.6	2.8	3.0	3.7	3.2
ACC3	3.2	2.6	2.5	2.5	3.1	3.0	3.1	2.9	3.8	3.4

Source: EQLS, Q.17 – How many rooms does the accommodation in which you live have, excluding the kitchen, bathrooms, hallways, storerooms and rooms used solely for business?

Looking at size of accommodation across various types of families, two-room accommodation seems to prevail among respondents living alone. This was the case among 46% of respondents in the NMS who are living alone and among 33% of respondents in the EU15 who are living alone. Specifically, when the living space of the majority of single persons within the groups of countries is considered, accommodation most frequently consists of two to three rooms in the EU15 (61%) and the ACC3 (74%), but of only one to two rooms in the NMS (74%).

In relation to single parents, more than one-third of respondents (38%) belonging to this category live in three-room accommodation. Respondents in the EU15 are more likely to have larger sized accommodation (nearly one in two has four or more rooms) than respondents in the NMS. Respondents from the ACC3 appear to fare worst, as almost 60% of all single-parent households have two rooms or less.

Couples without children seem to have relatively satisfactory living space conditions. Once again, the most favourable situation appears to exist in Belgium, where the majority of couples without children occupy five or more rooms. Every fourth or fifth respondent in the UK, Ireland and Luxembourg also enjoys accommodation of that size. However, in Greece and Finland, a significant percentage of respondents from this household category occupy accommodation with only one or two rooms.

In the NMS, the most satisfactory situation is recorded among respondents from Malta and Cyprus. This result is supported by other sources (Norris and Shiels, 2005), indicating that the average size of accommodation (both in numbers of rooms and floor space) in these two countries is in line with the EU15 average rather than that of the NMS. A minority of couples without children in these two countries claim to occupy accommodation with one, two or three rooms. Three-room apartments are most frequent in Slovakia (42%) and the Czech Republic (37%), and in Poland, Hungary and Latvia (over 45%).

Couples with one or two young children mostly live in accommodation with three or four rooms. In the EU15, the situation is significantly better, as the majority of couples claim to have larger sized accommodation. In the ACC3 and NMS, a majority of couples with one or two children live in accommodation with three rooms.

Among the NMS, Malta and Cyprus have the highest number of couples with children living in large sized accommodation (four to five rooms). Among the post-communist countries, couples with children in the Czech Republic, Slovakia, Slovenia, Hungary and Estonia have the best situation, with a majority of couples living in accommodation with more than two rooms. Meanwhile, in Poland, Lithuania and Latvia, couples with children have to be content with smaller, two-room apartments.

The housing conditions of couples with three or more children vary greatly. However, in some countries, the number of respondents from this category of household is so small that it makes any comparison difficult. Generally, couples with three or more children have the best situation in the EU15, where the number of rooms per person is significantly above average for all these countries. As the data show, almost one-third of these couples live in accommodation with six to 10 rooms, while just over a quarter live in accommodation with five rooms.



In the NMS and ACC3, the housing conditions of couples with three or more children are much less satisfactory, with a majority living in accommodation with three rooms and the remainder living in even smaller sized accommodation. This is probably related to the unsatisfactory financial situation of many families from non-EU countries, where a large number of children is the starting point for poverty.

Multi-generation families consist of three generations, i.e. grandparents, parents and children. As is the case with other types of households, multi-generation families in the EU15 have the most satisfactory housing conditions, although this category of household is also the least frequent in the EU15. A majority of respondents from this category in the EU15 claim to live in accommodation with four or more rooms. In fact, it is rare for such families within the EU15 not to have accommodation with at least one room per generation. In the NMS and ACC3, multi-generation families live in smaller sized accommodation. Housing conditions are particularly less satisfactory for multi-generation families in the NMS, where such families are also more numerous. The largest proportion of multi-generation families living in substandard, basic housing conditions (with less than one room per generation) can be found in the former Soviet republics (Lithuania, Latvia, Estonia) and in Hungary.

### **Perceived lack of space**

Dissatisfaction with living space conditions does not necessarily reflect actual deficits; the same applies to positive assessments that reflect a perception of accommodation size filtered by values and norms. Nevertheless, subjective feelings can provide a certain insight into the potential tensions and problems related to housing conditions. Thus, it is useful to identify the source of such dissatisfaction within the social structure.

Table 6 gives a breakdown of the people claiming lack of space, according to age and place of residence. It indicates that the greatest dissatisfaction is found among respondents in the ACC3 (31%), and among those in the NMS (24%), with levels of dissatisfaction being relatively lower in the EU15 (17%). The highest rate of dissatisfaction appears in Turkey, where 33% of respondents report a lack of living space, followed by the post-communist countries, Estonia (30%), Poland (30%), Latvia (29%) and Romania (28%).

In the EU15, the largest proportion of dissatisfied respondents are to be found in Luxembourg (26%) and Portugal (25%). In the UK, Greece and Italy, one in five respondents complained about insufficient living space. Respondents in Germany appear to be the most satisfied in this respect, with only around 11% claiming lack of living space. In Austria, Belgium and Spain, just under 15% of respondents expressed dissatisfaction with living space. Among the NMS, Malta and Slovakia stand out with the least percentage of complaints (13% and 14% respectively).

Taking into consideration family planning (as well as large-scale demographic processes), housing conditions appear to be particularly disadvantageous for inhabitants in the former Soviet republics and in Poland, where one in three people complain about not having enough living space. It is worth emphasising that it is irrelevant whether the accommodation is actually undersized or only perceived as such by the respondent. In either case, the sense of lack of space, regardless of the objective situation, negatively affects reproduction, lifestyle, life orientation, etc.

**Table 6 Percentage of respondents claiming lack of space, by age and area**

	Total	Age (%)					Area (%)	
		18–24 years	25–34 years	35–49 years	50–64 years	65+ years	Rural	Urban
Austria	15	23	23	18	9	4	10	20
Belgium	14	15	22	19	9	7	11	17
Denmark	19	23	32	25	12	6	15	22
Finland	22	20	33	35	12	7	18	26
France	21	28	32	27	15	5	16	25
Germany	11	20	22	13	5	3	9	12
Greece	21	25	27	22	20	14	19	22
Ireland	17	20	20	19	15	9	18	16
Italy	20	24	20	26	20	12	18	22
Luxembourg	26	35	31	26	22	18	27	23
Netherlands	16	23	24	17	10	6	14	17
Portugal	25	30	27	28	24	19	25	26
Spain	14	9	22	20	11	6	11	16
Sweden	20	26	38	27	8	6	17	21
UK	22	19	32	29	18	8	21	22
Cyprus	17	15	21	20	14	11	12	19
Czech Republic	15	19	26	17	11	4	13	17
Estonia	30	53	42	40	18	8	25	34
Hungary	18	22	32	22	10	5	18	18
Latvia	29	41	44	33	20	13	23	32
Lithuania	26	31	41	35	14	5	21	28
Malta	13	8	18	14	15	8	13	13
Poland	30	34	39	37	19	16	30	29
Slovakia	14	23	20	14	7	4	15	12
Slovenia	15	13	28	20	9	6	13	19
Bulgaria	21	30	22	21	21	17	17	26
Romania	28	28	32	36	21	20	26	30
Turkey	33	33	37	38	24	18	40	31
EU15	17	20	25	22	13	7	15	19
NMS	24	30	34	30	15	10	23	25
ACC3	31	33	36	36	23	18	32	31

Source: EQLS, Q.19.1 – Do you have any of the following problems with your accommodation?

Shortage of space (1 – Yes; 2 – No; 3 – Don't know)

Dissatisfaction with size of accommodation evidently varies with age. Generally, it appears to be higher among those in the second youngest age group (25–34 years). In the EU15, 20% of respondents in the youngest age group (18–24 years) claim lack of space, while 25% of respondents in the second youngest age group (25–34 years) do so. Almost 22% of respondents in the 35–49 years age category express dissatisfaction with living space, while under 13% of respondents aged 50–65 years and only 7% of the oldest respondents (65 years and over) are dissatisfied in this regard. Interpreting these results is somewhat problematic. While responses reflect existing space deficits, they may also reveal differences in needs and changing attitudes, as well as age-related

criticisms and aspirations. For example, in the 25–34 years age group, the impact of objective lack of living space and increased needs may be related to the respondents' particular life phase. Thus, the high level of dissatisfaction with space among this age group may be linked to their possible entry into the procreation stage of life and their greater need for space for their families.

Young Estonians seem to be particularly dissatisfied with living space, with 53% declaring their dissatisfaction with such conditions. The situation is similar in Latvia (41%), Luxembourg (35%), Poland (34%), Lithuania, Portugal and France (each about 30%). This suggests that young people face certain obstacles when accessing the housing market for the first time. If this is the case, then it may create social barriers for both groups of young people (i.e. those in the 18–24 years and 25–34 years age groups), as seems to be the case in the former Soviet republics, Turkey, Poland, Luxembourg and France.

As noted above, levels of dissatisfaction with living space decrease among people aged between 50–65 years of age, and fall to just 7% among those in the oldest age group (65 years and over) in the EU15, and to 10% in the NMS. The highest levels of satisfaction with size of housing can be found among respondents in the oldest age group in Germany, with only 3% expressing dissatisfaction, followed by just 4% of their peers in Austria and Slovakia. Positive assessments of living space among the oldest age groups tend to confirm the finding that housing conditions often improve for people over time, at least in terms of living space conditions. One may attribute this to the natural processes that take place over the life course, for example, where large families break up when children leave the house and where one of the partners eventually dies.

Perceptions about accommodation are also related to whether people live in urban or rural areas. People living in rural areas appear to be slightly more satisfied with the size of their accommodation than inhabitants living in urban areas. In the EU15, some 19% of urban inhabitants are dissatisfied with living space conditions, while 15% of those living in rural areas are dissatisfied. This contrast is particularly pronounced in Austria, where twice as many people living in rural areas are satisfied with living space compared with those living in urban areas. While, in most countries, urban dwellers are more likely to complain about lack of living space, the opposite appears to be true in Ireland, Luxembourg, Slovakia, Poland and Turkey. In these countries, most of which are predominantly rural, dissatisfaction with size of accommodation tends to prevail in rural areas. Generally, the urban–rural dimension weighs more heavily in western Europe in relation to assessing levels of dissatisfaction with living space. In the NMS and ACC3, this difference seems to have less importance.

People's socio-occupational background also appears to be relevant, as various occupational groups claim different levels of satisfaction with the size of their housing. Negative opinions seem to prevail among those in working class categories. However, in some countries, negative assessments prevail among self-employed people. This is particularly the case in Latvia (29%), Lithuania (38%), Estonia (39%) and Poland (30%). Moreover, in other countries, managers express the greatest levels of dissatisfaction with living space: this is the case in Finland (28%), Greece (26%) and Luxembourg (33%). In the EU15, farmers seem to be more content with their living space, compared with the other occupational categories. The only exception in this respect is in the UK and Luxembourg, where farmers appear to be the most dissatisfied group. In the UK, 51% of farmers claim that they are dissatisfied with their living space, in comparison to only about 20% of

employees and less than 10% of self-employed people. A similar tendency can be observed in the Czech Republic and Turkey.

In most of the countries, satisfaction with size of accommodation increases with household income. Nevertheless, this correlation is not perfectly linear. In seven countries in particular – Ireland, the Netherlands, Spain, Portugal, Romania, Turkey and Sweden – the percentage of those dissatisfied with living space clearly falls as the level of income increases. However, in some countries, this trend appears to be reversed. This is particularly the case in Estonia, where as many as 42% of respondents in the highest income quartile complain about living space, compared with 27% of respondents in the lowest income quartile, 20% of respondents in the second income quartile, and 39% of respondents in the third income quartile.

**Table 7 Logistic regression of perceived lack of space (1=yes, 0=no) by age, occupational status, area, income and number of rooms**

Independent variables	EU15	NMS	ACC3
		Exp(b)	
Age (65 years and over)	0.49	0.71	0.76
Age (50–64 years)	0.69	0.81	0.84
Age (35–49 years)	1.10	1.22	1.07
Age (25–34 years)	1.38	1.46	1.09
Professionals	0.93	0.70	1.04
Non-manual workers	1.15	0.84	0.94
Self-employed	0.87	0.83	0.96
Skilled workers	1.02	0.78	0.98
Unskilled workers	1.33	0.87	1.24
Farmers	0.77	0.88	1.84
Place of residence (0=rural; 1=urban)	1.27	1.32	1.00
Personal income (in thousands of €)	0.99	1.18	0.80
Number of rooms per person	0.47	0.04	0.25
Constant	0.68	4.41	1.78
Pseudo R <sup>2</sup> (Cox and Snell)	0.08	0.22	0.10

Source: EQLS, Q.19.1 – Do you have any of the following problems with your accommodation?

Shortage of space (1 – Yes; 2 – No; 3 – Don't know)?

Note: Reference category in the case of age is people below 25 years, and in the case of occupational status, persons who never had a paid job. In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

Table 7 outlines the net effect of age, occupational status, place of residence and income on perceptions about living space. In addition, in order to assess the extent to which perceptions about space mirror the objective situation, a question about the number of rooms per person was also introduced. Parameters above one refer to what increases a sense of lack of space, while those lower than one refer to what tends to decrease this sense. The results show that the perception of space mirrors the objective situation only in the EU15, where the score of 0.47 indicates that a higher number of rooms per person significantly reduces the feeling of lack of space. Regarding the effects of other characteristics, the most consistent pattern emerges across categories of age. The

sense of lack of space is highest among the younger age category of 25 to 34 year olds, and appears lowest among the oldest age category (65 years and over). Moreover, the 'objective' patterns – living in urban areas and having a lower income – strengthen the level of dissatisfaction regarding living space conditions.

Data regarding the size of people's living accommodation allow for an assessment of density and comfort of living. However, they do not shed light on the quality of accommodation and on the related satisfaction of the inhabitants. An assessment of the potential deficits and shortcomings of accommodation should, thus, also be taken into account. To allow for such an assessment, the data identify three basic aspects of housing conditions: leaking windows; rotting doors, window frames and floors; and lack of an indoor flushing toilet.

## Leaking windows

Overall, the rate of complaints about leaking windows is smallest in the EU15 (13%), compared with the NMS (19%) and the ACC3 (30%) – see Table 8. Within the EU15 itself, a further distinction can be made between three main groups of countries. The first group consists of countries in which the number of complaints about leaking windows is relatively small, i.e. Sweden (6%), Luxembourg (7%), and Austria, the UK and Germany (8%–10%). The second group consists of poorer southern European countries, in which there are a significant number of complaints about leaking windows, i.e. Portugal (almost 40%) and Greece (almost 20%). The third group consists of the remaining EU15 countries, in which the number of complaints oscillates around the EU15 average.

There is some degree of correlation between complaints about leaking windows and level of economic development. It should be noted, however, that the condition of window frames relates to relatively lower heating costs in southern Europe, since the heating period is considerably shorter than in northern Europe. People living in milder climates require less heating without lessening their comfort. Therefore, changing or renovating frames may not be as essential as it may be in northern countries. Also, when analysing the condition of window frames, the type of material from which they are made ought to be taken into consideration. Such data would enable a prediction of how this situation might change in the future.<sup>3</sup>

In the NMS, differences between the countries in the number of complaints about leaking windows are significant and range from 12% to 13% in Slovenia, the Czech Republic and Slovakia, increasing to between 29% and 31% in Latvia, Estonia and Malta. The larger number of complaints made by respondents in the former Soviet republics confirms the negative assessments of housing conditions in these countries, where people complain not only about a lack of space but also about leaking windows. The latter represents a serious deficit in these countries, since, in contrast to Greece or Portugal, the Baltic republics have a colder, more severe climate and, therefore, good quality windows are a greater priority. It is likely that the bad condition of window frames in these countries is related to the low quality of materials used in Soviet times, the relatively low cost of heating (which means that renovation of frames is not such a high priority investment as it would be in the EU15, where heating is costly) and finally low income, which makes changing or renovating frames too much of a financial burden.

In Malta, and to some extent in Cyprus, the situation resembles that of southern European countries. While accommodation is relatively spacious in both countries, the proportion of complaints about leaking windows is quite high, since well-insulated windows are not a huge priority.

<sup>3</sup> Window frames made of plastic with rubber elements have a 10-year warranty, while wood frames, unless they have an additional coating, have a shorter time warranty.

**Table 8 Percentage of respondents claiming leaking windows, by age and income**

	Total	Age					Quartiles of household income			
		18–24 years	25–34 years	35–49 years	50–64 years	65+ years	Lowest quartile	Second quartile	Third quartile	Highest quartile
Austria	8	13	9	7	6	9	14	4	6	6
Belgium	13	19	19	14	10	8	20	16	13	15
Denmark	11	15	19	14	5	3	11	13	8	10
Finland	15	20	14	14	15	12	18	14	13	13
France	14	15	20	15	12	10	24	14	12	10
Germany	10	9	13	13	7	6	12	16	7	6
Greece	19	26	19	15	16	21	28	26	16	17
Ireland	13	10	14	12	15	12	27	20	15	6
Italy	13	15	11	14	11	14	26	16	8	4
Luxembourg	7	3	11	7	3	8	15	8	7	4
Netherlands	11	11	14	14	11	2	14	14	12	9
Portugal	40	41	31	36	42	49	54	47	43	26
Spain	14	11	14	13	14	16	19	12	13	12
Sweden	6	11	6	6	4	4	7	5	6	5
UK	8	5	8	12	9	3	15	8	7	5
Cyprus	20	15	17	20	24	25	30	28	19	12
Czech Republic	13	10	14	14	11	13	23	14	16	6
Estonia	31	32	31	30	37	23	46	30	26	22
Hungary	15	21	16	16	11	16	27	15	14	11
Latvia	29	27	32	31	30	25	44	34	21	20
Lithuania	19	12	26	21	19	17	29	20	17	12
Malta	31	26	29	26	36	37	39	27	26	26
Poland	21	18	24	21	20	19	28	20	16	18
Slovakia	13	12	11	9	15	21	19	21	11	11
Slovenia	13	7	14	8	14	20	19	13	11	7
Bulgaria	25	22	22	23	26	30	32	27	23	17
Romania	29	29	30	31	24	33	35	30	29	23
Turkey	31	27	34	37	24	29	47	35	25	18
EU15	13	13	14	14	11	11	19	15	11	8
NMS	19	17	20	19	18	19	28	20	16	15
ACC3	30	28	33	34	24	30	42	33	26	19

Source: EQLS, Q.19.3 – Do you have any of the following problems with your accommodation?

Dampness, leaks (1 – Yes; 2 – No; 3 – Don't know). In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

In the ACC3 countries, on average, 30% of respondents claim to have leaking windows. There are no significant country-specific differences in this respect between the three countries, with between 25% and 31% of respondents complaining about this problem.

When assessing the distribution of complaints about leaking windows by age, four basic patterns emerge in the EU15. First, in countries such as Belgium, Denmark, Finland, France and Sweden,

accommodation below a subjectively defined standard is occupied by young people and this standard increases with age, with the oldest respondents living in the most satisfactory conditions. Second, in countries such as Austria, Greece and Portugal, there is typically a curvilinear pattern of association with age, where substandard accommodation is occupied by both the youngest and the oldest respondents, while those in the middle age group enjoy the best living conditions. Third, in countries such as Germany, the UK and Ireland, substandard accommodation is occupied by respondents in the youngest and the middle age groups, with the oldest respondents enjoying the best living conditions. A fourth group also exists, which is typified by a mixture of the three models outlined, and which includes Italy, Luxembourg, the Netherlands and Spain.

In all three country groups, there is a strong association between the number of complaints about leaking windows and household income. Clearly, a higher income correlates with a smaller number of complaints about leaking windows. The difference in the percentage of complaints between the first (lowest) income quartile and the fourth (highest) income quartile is almost double. In the EU15, the number of complaints ranges from 19% in the lowest income quartile to 8% in the highest income quartile; in the NMS, the number of complaints ranges from 28% (lowest income quartile) to 15% (highest income quartile); while, in the ACC3, it ranges from 42% (lowest income quartile) to 19% (highest income quartile).

The greatest difference between income quartiles in this context occurs in Italy, where there is a sixfold difference in complaints about damp and leaking windows, ranging from 26% in the lowest income quartile to 4% in the highest income quartile. In Ireland, this difference in the number of complaints ranges from 27% (lowest income quartile) to 6% (highest income quartile), while, in the UK, it varies between 15% (lowest income quartile) and 5% (highest income quartile). Among the NMS, the overall difference in the number of complaints about leaking windows between the lowest and highest income quartiles is double. Only in the Czech Republic is this difference nearly fourfold, ranging from 23% (lowest income quartile) to 6% (highest income quartile).

Overall, the data confirm relatively poor housing conditions across the NMS and ACC3. This tendency could be attributed to these countries' communist past, particularly the egalitarian policy of the communist state. At the same time, there appears to be much greater diversity in housing conditions in some of the EU15. Such diversity may be a natural consequence of the market forces that prevail in these countries.

### **Rotting window frames, doors and floors**

Complaints about rotting windows, doors and floors are most frequent in the ACC3 (30%), followed by the NMS (25%), with comparatively few complaints (8%) in the EU15 (see Table 9). Nevertheless, these averages hide differences between the countries of each group. In the EU15, a distinction can be made between countries in which the percentage of complaints is very small, e.g. Sweden (2%) and Germany (4%), and countries with a significantly higher percentage of complaints, e.g. Portugal (almost 16%), Italy (12%) and Greece (11%). Data for the latter three countries confirm earlier assessments of inferior housing conditions in less well-off regions of the EU15.



**Table 9 Percentage of respondents reporting rotting windows (doors and floors), by age, area and income**

	Total	Age					Area		Quartiles of household income			
		18-24 years	25-34 years	35-49 years	50-64 years	65+ years	Rural	Urban	Lowest quartile	Second quartile	Third quartile	Highest quartile
Austria	5	6	6	4	3	6	4	5	8	3	6	3
Belgium	9	13	12	10	7	6	10	8	16	10	9	7
Denmark	5	4	7	7	3	3	5	5	5	7	3	4
Finland	8	11	12	6	8	7	9	8	10	8	9	7
France	11	12	18	10	9	8	10	12	15	8	9	8
Germany	4	3	5	6	2	2	2	5	4	8	2	2
Greece	11	8	6	10	15	16	16	9	24	15	11	4
Ireland	9	5	7	10	11	12	11	7	19	11	9	5
Italy	12	3	12	13	13	12	9	13	17	16	8	6
Luxembourg	5	3	8	6	3	7	6	5	9	4	5	2
Netherlands	9	5	11	13	7	6	9	9	13	7	9	6
Portugal	16	9	8	14	18	27	16	15	25	18	22	8
Spain	5	4	4	5	7	7	5	5	12	6	2	3
Sweden	2	3	4	3	1	2	3	2	4	2	2	1
UK	7	4	11	9	4	5	8	6	11	7	5	3
Cyprus	15	11	9	11	22	22	18	14	32	14	16	10
Czech Republic	6	7	3	6	6	6	6	6	12	8	6	2
Estonia	40	33	43	45	40	37	50	34	57	40	33	37
Hungary	24	24	22	27	23	25	28	21	37	27	19	18
Latvia	32	22	38	32	35	32	41	27	49	36	29	19
Lithuania	35	32	38	34	34	36	44	30	46	42	29	25
Malta	21	13	15	21	26	26	19	21	31	20	20	16
Poland	28	27	27	29	24	31	30	26	42	30	20	21
Slovakia	41	42	40	31	44	52	41	39	45	53	39	34
Slovenia	14	6	16	9	13	25	14	12	16	18	14	7
Bulgaria	19	11	12	21	24	23	22	17	30	18	20	12
Romania	30	24	28	35	27	33	29	30	38	30	28	21
Turkey	31	28	31	36	29	27	41	27	47	37	24	16
EU15	8	6	10	9	7	7	8	8	12	9	6	5
NMS	25	25	25	26	24	28	28	23	38	29	20	19
ACC3	30	26	30	34	28	29	35	27	43	34	25	17

Source: EQLS, Q.19.2 – Do you have any of the following problems with your accommodation? Rot in windows, doors, floors (1 – Yes; 2 – No; 3 – Don't know)

Note: In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

In the NMS, differences between the countries in relation to the number of complaints about rotting windows, doors and floors are not as clear. One interesting finding, however, relates to the divergence between the two countries that once made up the former Czechoslovakia. While Slovakia (along with Estonia) has the highest percentage of complaints (41%) about rotting

windows, doors and floors, in the Czech Republic, only 6% of respondents claim to have problems with rot – the lowest percentage in the NMS. Slovenia and Cyprus have roughly comparable levels of complaints to those of the EU15 countries, at below 15%. The most unsatisfactory housing conditions in this respect can be found in the former Soviet republics: Estonia, Lithuania and Latvia. Among the ACC3, one-third of respondents in Turkey and Romania declared problems with rotting window frames, doors and floors.

Complaints about rot also varied across age categories. In the EU15, four distinct patterns emerge in this respect:

- In Belgium and France, age has a positive effect, and substandard accommodation is occupied by a greater number of young people. Such conditions improve with age and are reported as being most satisfactory among the oldest respondents (aged 65 years and over).
- In countries such as Portugal, Spain, Greece and Ireland, substandard accommodation (i.e. problems with rot) is occupied by the oldest age group.
- In a third sub-group of countries, a curvilinear pattern emerges, where substandard accommodation is occupied by respondents in the middle age group, while the youngest and the oldest respondents enjoy better conditions. Denmark, Germany, the UK and the Netherlands display this pattern.
- A residual sub-group of countries also exists, containing a mixture of the above models. This category comprises Austria, Finland, Luxembourg and Sweden.

In relation to the urban–rural division, city dwellers appear to be more satisfied with the condition of their windows, doors and floors, and do not complain about rot as much as people living in rural areas. Malta is an exception in this case, with 19% of complaints coming from respondents living in rural areas and 21% coming from those living in cities. A similar pattern emerges in Romania, where 29% of complaints are reported by rural dwellers, while 30% of complaints are reported by urban dwellers. In the EU15, the percentage of complaints about rot is similar in rural and urban areas, although in some countries, it is slightly higher among those living in rural areas.

In all three country groups, there is a strong correlation between the number of complaints about rot and the level of household income. In the NMS, complaints ranged from 38% in the lowest income quartile to 19% in the highest income quartile. In the EU15, complaints about rot ranged from 12% (lowest income quartile) to 5% (highest income quartile), while in the ACC3, they ranged from 43% (lowest income quartile) to 17% (highest income quartile). In general, the effects of income on the number of complaints about rot appear to be greater in the EU15. In Greece, the differentiation between numbers of complaints seems to be greatest, ranging from 24% in the lowest income quartile to 4% in the highest income quartile. There was a fourfold difference between these two quartiles in Spain, the UK, Ireland and Luxembourg, and a threefold difference in Portugal. Among the NMS, only the Czech Republic has a similar pattern to that of the EU15.

**Table 10 Logistic regression of problems with damp, leaks or rot (1=yes, 0=no), by age, occupational status, area and income**

Independent variables	EU15	NMS	ACC3
	Exp(b)		
Age (65+ years)	1.00	1.11	0.91
Age (50–64 years)	1.15	0.88	1.01
Age (35–49 years)	1.46	1.05	1.55
Age (25–34 years)	1.53	1.11	1.34
Professionals	0.73	0.75	0.61
Non-manual workers	0.83	0.85	0.68
Self-employed	0.95	0.74	0.59
Skilled workers	0.92	1.38	1.05
Unskilled workers	1.05	1.40	1.29
Farmers	1.40	0.71	1.32
Area (0=rural; 1=urban)	1.17	0.87	0.98
Personal income (in thousands of €)	0.53	0.46	0.09
Constant	0.28	0.62	0.91
Pseudo R <sup>2</sup> (Cox and Snell)	0.03	0.03	0.06

Source: EQLS, Do you have any of the following problems with your accommodation?

Q.19.2 – Rot in windows, doors or floors; Q.19.4 – Damp, leaks (1 – Yes; 2 – No; 3 – Don't know)

Note: 'Problems with damp, leaks or rot' identifies respondents who declared at least one of these problems. Reference category in the case of age is people below 25 years, and in the case of occupational status, persons who never had a paid job. In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

## Lack of indoor flushing toilet

Having an indoor flushing toilet is the most basic feature of modern accommodation, and is therefore an essential component to address when assessing the standard of accommodation. Moreover, it can also be assumed that the absence of a toilet indicates the absence of a bathroom, one of the most basic personal hygiene facilities. The lack of a separate toilet, instead replaced by 'shared' toilet facilities or an outdoor toilet indicates a low standard of living conditions.

In Romania and Bulgaria, the lack of a flushing toilet is a major problem and a significant problem in the Baltic countries. Although it is not included in the collected data, it can be assumed that the standard of accommodation in the former Soviet republics is heavily dependent on the age of the building. While apartments in buildings from the inter-war period are more spacious, many lack a sewage system and central heating, which were at that time considered luxuries. It is noteworthy that nowadays, it is up to the tenants of such accommodation, not housing societies, to finance any repairs or modernisation to accommodation; however, most of these people cannot afford such expenditure, as their level of income does not allow it. In contrast, in Germany, the so-called 'Plattenbau' housing, constructed after the Second World War, is equipped with all installations, although these apartments are significantly smaller.

In the EU15, the lack of an indoor flushing toilet is almost non-existent, with only 1% of respondents claiming to have such a problem (see Table 11). Portugal and Greece, still among the least affluent countries in the EU15, are exceptions in this case with 5% and 4% of respondents, respectively, claiming that they lack an indoor flushing toilet. In the NMS, 10% of respondents report such a deficit, while in the ACC3 21% of respondents indicate that they do not have an indoor flushing toilet. Differences between specific countries within the NMS are more evident than in the EU15. In Cyprus, Slovenia and the Czech Republic, 4% to 5% of respondents claim not to have an indoor flushing toilet; however, in Estonia, Lithuania and Latvia, as many as 17% to 25% of respondents report this problem. Turkey is an exception among the ACC3, as only 11% of respondents complain that they do not have a flushing toilet, the equivalent of the NMS average.

Data from the Regular National Report on Housing Developments in European Countries (Norris and Shiels, 2005) also underline the generally lower housing quality, in terms of available facilities, in eastern Europe; nonetheless, the report presents different figures regarding the absence of indoor toilet facilities in accommodation in some countries. According to the report, the percentages pertaining to absence of indoor toilet facilities are higher for Portugal (11%), Estonia (28%), Hungary (24%), Poland (11%), Slovakia (39%) and Romania (39%), and lower for Bulgaria (17%). These differences may be attributed to different sources of information (official data of ministries responsible for housing issues, as opposed to survey data). However, it also points to inconsistencies and probably to inaccuracies in the data provided by various ministries. It is rather doubtful, for example, that the percentage of housing without a lavatory is hugely lower in the Czech Republic (5%) than in Slovakia (39%). According to the EQLS, from which the findings outlined in this report are taken, the respective figures for the Czech Republic and Slovakia in relation to absence of an indoor flushing toilet are 5% and 7%.

As shown in Table 11, the lack of an indoor flushing toilet in the EU15 is mostly, albeit with some exceptions, cited by respondents in the oldest age categories. This tendency is even stronger in the NMS and ACC3, where more than twice as many old people as young people report the lack of an indoor flushing toilet. Such a trend is most visible in Estonia, where only 10% of respondents in the youngest age category live in accommodation without a separate toilet, while 29% of those in the oldest age category do so. This implies negatively that elderly people, who are least mobile and flexible because of the ageing process and who are more likely to suffer from age-related diseases, are most likely to occupy substandard accommodation lacking basic comforts – an additional factor in the social exclusion and marginalisation of this group.

Age is not the only differentiating factor in this respect. There are also many differences relating to lack of an indoor flushing toilet facility between rural and urban areas in the NMS and ACC3. In the NMS, 15% of respondents living in rural areas complain about this deficit, while only 6% of urban dwellers report the same problem. This difference is even greater among the ACC3, where the figures range between 48% of rural dwellers and 7% of urban dwellers – almost a sevenfold difference. The greatest lack of indoor flushing toilet facilities is reported by respondents living in rural areas in Bulgaria (51%) and in Romania (63%). This is likely to be linked to the fact that priority was given to cities over rural areas in terms of large-scale investments (electricity, telephone lines, sewage systems), prior to the democratic changes of the early 1990s. In contrast, in the EU15, differences between urban and rural areas are barely visible in this respect, with only 1% and 2%, respectively, of respondents reporting the lack of indoor flushing toilet facilities.

Table 11 Percentage of households without an indoor flushing toilet

	Total	Age					Area		Quartiles of household income			
		18-24 years	25-34 years	35-49 years	50-64 years	65+ years	Rural	Urban	Lowest quartile	Second quartile	Third quartile	Highest quartile
Austria	1		1	1	1	2	1	2	4	1		0
Belgium	3	1	3	3	5	3	4	2	6	2	2	3
Denmark	1		2	1	0	3	0	2	2	1	2	1
Finland	2		2	1	4	1	2	2	3	2	1	
France	1	2	2	0		1	1	1	2	1	0	
Germany	1	1	1	1	1	0	1	1	1	0	1	
Greece	4	1	4	3	4	8	6	3	10	4	3	4
Ireland	2	1	1	2	3	3	3	1	2	2	2	2
Italy	1		1	0	2	2	1	1	1	3		1
Netherlands	2	2	2	1	3	4	3	1	2	3	2	1
Portugal	5	1	3	6	6	8	6	3	11	6	5	1
Spain	2	2	1	1	2	4	3	1	2	2	1	2
Sweden	1			1	1	2	1	1		1	2	1
UK	1	2			2	0	1	1	1	2	1	
Cyprus	4	2	3	4	5	4	2	4	5	4	2	2
Czech Republic	5	6	5	4	3	7	6	4	11	3	2	4
Estonia	17	10	8	15	17	29	33	7	21	24	12	11
Hungary	8	11	6	8	5	13	12	5	17	9	9	3
Latvia	20	17	15	17	25	24	36	11	31	23	18	10
Lithuania	25	21	30	20	26	28	45	13	45	33	18	5
Malta	1			1	1			1	1		1	
Poland	11	3	10	10	15	14	17	5	16	17	6	9
Slovakia	7	5	6	7	6	15	10	4	9	11	6	5
Slovenia	5	7	2	2	1	13	4	6	7	7	3	1
Bulgaria	30	16	26	29	35	36	51	8	55	32	29	9
Romania	39	30	34	36	45	52	63	12	63	37	31	20
Turkey	11	9	12	10	14	15	30	5	25	11	6	4
EU15	1	1	1	1	2	2	2	1	2	2	1	1
NMS	10	6	9	9	12	14	15	6	17	15	7	7
ACC3	21	15	18	20	26	35	48	7	41	19	16	9

Source: EQLS, Q.19.4 – Do you have any of the following problems with your accommodation?

Lack of indoor flushing toilet (1 – Yes; 2 – No; 3 – Don't know)

Note: Luxembourg was excluded from the calculation of percentages for the EU15, since the data on 'indoor flushing toilet' for this country seemed invalid. In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

Overall, while the housing standards of urban dwellers in the EU15, NMS and ACC3 are roughly similar, there is still a significant gap between conditions in rural areas in the EU15 and in the other two country groups. Inhabitants living in rural areas in the NMS, and particularly in the ACC3, appear to live in the most deprived conditions; since they also belong to the lowest income group, this situation is unlikely to undergo dramatic changes in the near future.

In all three country groups, level of income strongly correlates with lack of an indoor flushing toilet facility. In fact, while it was only one of the determining factors in the case of leaking windows, and rotting windows, doors and floors, it is a much more critical factor in relation to absence of an indoor toilet. In the EU15, there is a twofold difference between the income quartiles, with 2% of respondents in the lowest income quartile reporting the absence of an indoor toilet and 1% of respondents in the highest income quartile reporting such a deficit. In the ACC3, the difference is greater than fourfold, ranging from 41% of respondents (lowest income quartile) to 9% of respondents (highest income quartile). In the NMS, some 17% of respondents in the lowest income quartile report the absence of an indoor toilet, compared with 7% of respondents in the highest income quartile. Such differences are most visible in Portugal, Austria and Lithuania, where the discrepancy between both income quartiles is almost tenfold.

In a comparison between the EU15 and the NMS regarding the correlation between income and lack of an indoor toilet, as many as three times more of the highest earners in the NMS lack a separate toilet facility, compared with the lowest earners of the EU15 declaring the same deficit. However, the situation is worst in the ACC3, particularly in Bulgaria and Romania, where more than half of the least well-off citizens claim not to have an indoor flushing toilet. Lithuania's lowest earners also measure a particularly high deficit in this regard, at 45%.

Overall, the lack of an indoor flushing toilet seems to be most prevalent in the lowest income group, and among the oldest respondents and inhabitants of rural areas. Although there are exceptions to this trend, and in some countries it is not as clearly defined, the data indicate, beyond doubt, the existence of such correlations.

## Heating

Adequate heating is yet another indicator of standard of accommodation. It is also an important indicator for poverty, as 'fuel poverty' is viewed by many observers as affecting quality of life. In the survey, respondents were asked if they could afford adequate heating, if required, but not if they had any heating installations. Therefore, it is impossible to determine exactly why many of them live in unheated accommodation. Information gathered from answers to this question is, thus, only an indirect indicator of housing standards and of respondents' financial situation.

Certain factors should be taken into consideration when assessing the issue of heating. It is certainly true that heating is less costly in new facilities that are equipped with hermetic windows and doors. It is also less of a financial burden for people living in warmer climates, as heating may not be a priority. Moreover, in some countries, there is a flat rate for heating, while in others, heating usage is carefully measured. Costs also depend on the type of installation used in a particular household (e.g. whether it is central heating, individual gas or oil).

**Table 12 Percentage of respondents who cannot afford to pay for heating, by age and income**

	Total	Age					Quartiles of household income			
		18–24 years	25–34 years	35–49 years	50–64 years	65+ years	Lowest quartile	Second quartile	Third quartile	Highest quartile
Austria	1	1		1		1	2	1		
Belgium	3	3	4	5	2	2	6	3	1	2
Denmark	2	2	3	2	2	1	2	4	2	
Finland	1	1		1	1	0	2	0	0	
France	7	11	11	8	3	4	15	6	5	4
Germany	4	2	7	6	3	1	5	8	1	2
Greece	12	9	8	10	15	19	25	22	9	8
Ireland	6	4	7	7	6	5	21	5	2	4
Italy	6	3	6	3	7	10	19	11	3	
Luxembourg	6	6	8	8	7	2	13	6	6	4
Netherlands	2	1	3	3	0	1	5	4		
Portugal	45	28	27	45	56	60	73	60	42	17
Spain	14	9	10	10	13	25	19	20	11	3
Sweden	1	0	1	1	0	0	0	1	1	0
UK	6	13	6	7	4	4	16	6	2	3
Cyprus	11	4	11	13	12	12	19	15	6	1
Czech Republic	8	6	4	9	7	11	12	11	7	2
Estonia	32	21	32	32	40	31	47	36	25	22
Hungary	11	10	10	11	12	12	20	13	13	4
Latvia	25	22	20	22	29	33	39	23	22	19
Lithuania	56	51	49	53	60	68	54	65	61	46
Malta	21	16	21	16	25	29	31	20	17	16
Poland	30	22	23	30	37	34	42	38	29	17
Slovakia	17	17	12	13	22	24	29	29	9	10
Slovenia	3		3	4	1	6	6	6	3	
Bulgaria	51	53	46	49	55	52	64	55	53	35
Romania	50	50	42	46	51	66	60	47	54	34
Turkey	44	40	48	48	39	37	66	52	40	20
EU15	7	7	8	7	6	8	14	10	4	3
NMS	23	18	18	24	28	27	35	29	22	15
ACC3	47	44	48	48	46	54	66	52	46	26

Source: EQLS, Q.20 – There are some things that many people cannot afford, even if they would like them. For each of the following things on this card, can I just check whether your household can afford it if you want it? – Keeping your home adequately warm (1 – Yes, can afford if want; 2 – No, cannot afford it; 3 – Don't know).

Note: In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

In the EU15, 7% of respondents cannot afford adequate heating, as shown in Table 12. Not being able to afford heating is a more common problem in the NMS, where 23% of respondents have difficulties in affording heating for their accommodation. In the ACC3, on average, 47% of all respondents complain that they cannot afford adequate heating. Significant differences also exist between the countries in each group.

In the EU15, three basic sub-groups can be distinguished:

- countries with a marginal percentage of respondents declaring problems with being able to afford heating, i.e. Sweden, Austria, Finland, the Netherlands and Denmark;
- countries with a significant percentage of respondents declaring problems with being able to afford heating, i.e. Spain (14%) and Greece (12%) and, in particular, Portugal, where nearly half of all the respondents (45%) have this complaint;
- the remaining countries, where the percentage of respondents citing problems with being able to afford heating is close to the overall EU15 average of 7%.

As noted, the percentage of complaints about heating in Portugal, Greece and Spain is greater than the EU15 average. This is likely to be more related to the lack of heating installations, due to the countries' climate conditions, which rarely force people to install heating systems, rather than the financial problems of particular countries. In contrast, the smallest numbers of complaints are recorded in Sweden, Finland and Denmark, countries with much colder climates, as adequate heating is more likely a top priority and a major concern.

It is interesting to supplement these data with information about household expenditure on housing and energy. According to Eurostat (2004), countries with small percentages of respondents reporting problems in relation to heating (Sweden, Denmark, Finland) also have the highest expenditure on housing and energy as a proportion of total household consumption expenditure. Conversely, countries with the highest percentage of complaints are among those with the lowest expenditure.

In the NMS, many differences exist between particular countries. Inhabitants of Slovenia and the Czech Republic are least likely to declare problems with heating, while citizens of the Baltic states and Poland are most likely to do so. When comparing the EU15 with the NMS, it appears that differences between countries in the EU15 are determined mostly by climate, while in the NMS, financial conditions play the most crucial role.

Age also plays a significant role in determining whether respondents can afford heating. Within the EU15, three main types of countries emerge:

- countries, such as France and the UK, where young people cannot afford heating, but where the situation changes according to age categories, being most favourable in the 65 years and over age group;
- countries where the oldest respondents cannot afford heating, i.e. Greece, Spain and Portugal;
- countries where those in the middle age category cannot afford heating, while the youngest and the oldest can, i.e. Germany, Denmark, Ireland and Luxembourg.



In the NMS, it is mostly respondents in the oldest age categories who cannot afford heating. The situation is most unsatisfactory in the post-communist countries and in Poland, where as many as one-third of older respondents are in this situation; Lithuania is exceptional, with two-thirds of older respondents reporting that they cannot afford heating. In the ACC3, both the youngest and the oldest respondents cite the same problem.

In all groups of countries, problems with heating strongly correlate with household income. The difference between the first and the fourth income quartiles is smallest in the NMS, with the exception of the Czech Republic and Hungary, where the data indicate a fivefold difference in being able to afford heating between the most and the least affluent categories. The greatest difference can be observed in the EU15, where the percentage of complaints is, on average, five times higher in the first (lowest) income quartile than in the fourth (highest) income quartile; a sixfold difference between these two categories can be found in Italy, the UK and Spain.

# Comparative overview of housing conditions in Europe

So far, this report has analysed various aspects of housing conditions separately. This chapter aims to provide a more comprehensive picture of the differences across Europe, by combining the six basic issues of: leaking windows; rotting doors, window frames and floors; lack of an indoor flushing toilet; inadequate funds to 'keep the home adequately warm'; perceived shortage of space; and available space per person. It considers the total cumulative effect of these deficits for the 28 countries, for the different country groupings and for the relevant socio-economic groups. The cumulative effect is measured by the percentage of people who perceive none of the abovementioned deficits and who have at least one room per person. Table 13 presents the results across 28 countries.

Clearly, there are marked differences between the EU15, where around two-thirds of respondents report positive conditions, and the other two country groups. In the NMS, about one-third of respondents report positive conditions, while, in the ACC3, less than one-fifth report positive conditions; therefore, in comparison to the EU15, these two country groups tend to fare substantially worse in relation to general housing conditions. The best quality of housing appears to exist in Germany, followed by Sweden, Austria, the Netherlands and Belgium. In contrast, the worst conditions are found in Bulgaria, Lithuania and especially Romania. There are some exceptions in relation to distinctions between the country groups. For example, Portugal's score is more similar to the NMS average; indeed, Portugal and Greece have poorer housing standards than the leading countries in the NMS, at the same time, the Czech Republic or Cyprus have similar housing conditions as Italy or Spain. Overall, EU enlargement highlights this diversity and the related social inequalities with regard to the quality of housing, which may be interpreted as a major concern of European social policy.

In order to gain a greater insight into the overall picture, it is useful to examine the distribution of unsatisfactory housing conditions across income quartiles. A total of three main conclusions can be drawn from this analysis (Table 13). First, turning to the basic question about which country has the best housing conditions in Europe, not surprisingly, there is a strong correlation with income in this respect. Second, western European countries are generally more homogeneous in terms of housing conditions than the NMS, if considering the relative difference between the lowest and highest income quartiles.<sup>4</sup> The greatest relative disparities across levels of income are apparent in Bulgaria, Lithuania and Romania, in contrast with a markedly narrow span of differentiation in Denmark, Germany and Finland. It is also interesting to observe the comparison between housing conditions in the bottom income quartile of the wealthier countries and the upper income quartile of the poorest countries. Such a comparison reveals that the poorest income categories in Austria, Denmark, Germany and Sweden fare better than the highest income categories in Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Bulgaria, Romania and Turkey.

A final observation is the influence of ownership structure on quality of housing. In all three country groupings, house owners have a better quality of housing than tenants. The most significant difference between both groups can be found in the EU15, whereas the gap between owners and tenants in the NMS and ACC3 is smaller. Among the EU15, France, Belgium, Portugal and Italy have marked differences in this respect. In France, for example, 80% of house owners report a good quality of housing, whereas only 49% of tenants say that they live in good conditions.

<sup>4</sup> The differences in percentage points are, however, almost the same.

**Table 13 Percentage of people having at least one room per person and perceiving none of the housing deficits<sup>5</sup>**

	Ownership		Income quartiles				Region		Age				
	Total	No	Yes	Lowest quartile	Second quartile	Third quartile	Highest quartile	Rural	Urban	18–24 years	25–49 years	50–64 years	65+ years
Austria	73.8	65.8	82.1	63.2	74.2	71.9	83.2	77.0	71.0	61.9	67.8	85.5	81.9
Belgium	70.1	49.6	79.3	55.2	65.9	69.1	70.9	69.0	71.6	67.7	61.5	77.9	82.0
Denmark	69.8	56.6	77.6	67.8	65.0	70.8	72.9	77.1	65.6	69.2	56.8	81.1	86.8
Finland	63.3	60.8	64.6	61.0	60.3	59.7	69.1	64.5	62.1	62.0	52.9	72.4	76.6
France	63.7	48.5	79.9	53.0	52.9	70.9	72.5	68.7	59.5	53.1	53.3	70.8	85.3
Germany	78.4	70.7	87.8	79.9	63.6	83.9	84.0	82.6	74.6	75.6	68.8	86.7	89.3
Greece	48.6	43.1	51.3	29.7	39.2	49.9	51.5	47.4	49.4	45.1	45.9	54.7	50.3
Ireland	67.4	46.8	75.3	43.4	56.6	68.3	87.4	65.3	70.0	66.9	63.5	69.4	77.9
Italy	59.4	38.9	66.0	23.5	54.2	65.1	80.2	62.1	56.9	52.3	56.0	61.3	67.7
Luxembourg	61.9	50.3	65.8	43.3	59.0	57.3	66.5	61.4	63.1	52.5	55.6	69.3	75.6
Netherlands	70.4	63.7	77.4	59.4	61.7	72.4	82.5	70.8	70.4	67.2	64.0	75.9	84.1
Portugal	30.6	12.9	42.7	13.2	16.2	31.9	54.9	31.1	30.1	38.6	33.9	26.8	22.3
Spain	59.1	45.8	63.1	45.0	57.6	63.6	75.2	61.0	58.3	63.6	56.5	59.5	61.9
Sweden	74.3	67.6	79.0	67.0	70.6	77.8	79.7	74.1	74.4	60.3	62.8	87.1	89.2
UK	67.2	59.5	71.7	55.9	63.6	72.6	71.4	69.5	66.0	63.6	59.3	72.4	82.7
Cyprus	57.0	33.1	63.4	41.9	42.6	67.7	81.5	52.4	58.4	59.5	56.3	56.1	57.9
Czech Republic	58.3	50.4	67.6	44.0	60.3	54.7	68.7	60.6	56.2	47.0	52.2	68.6	72.6
Estonia	24.0	22.0	24.6	9.7	24.7	24.1	30.3	18.4	27.2	21.9	22.1	25.3	28.0
Hungary	40.5	28.5	41.6	27.6	23.6	47.0	55.3	35.4	45.6	32.1	31.4	53.3	52.4
Latvia	25.4	21.8	29.5	14.3	17.8	24.7	39.6	21.4	27.9	26.6	23.3	27.0	27.3
Lithuania	13.7	11.3	14.0	5.3	11.1	12.4	27.7	11.8	14.8	13.7	12.1	17.4	13.4
Malta	44.8	33.5	47.9	31.3	52.7	44.4	53.3	42.8	45.9	50.6	44.9	43.6	41.9
Poland	22.4	10.2	27.6	8.1	15.2	26.2	31.5	18.2	26.5	21.7	18.2	25.3	32.2
Slovakia	37.2	16.7	41.1	24.3	26.0	41.2	49.4	35.0	39.9	38.8	35.9	42.9	32.0
Slovenia	50.1	34.5	52.9	41.2	40.9	51.1	68.5	49.7	50.9	49.9	45.5	61.3	49.0
Bulgaria	15.7	7.8	17.1	4.2	9.2	18.4	28.7	12.2	18.8	9.3	16.9	16.1	16.7
Romania	11.8	10.4	12.0	5.3	6.4	18.2	21.9	9.2	15.2	12.5	12.4	10.8	10.8
Turkey	21.3	15.2	25.9	8.4	8.8	22.2	45.2	14.1	23.9	22.1	17.1	28.4	32.2
EU15	65.6	56.0	72.1	53.9	58.0	71.3	76.4	68.3	63.6	61.1	58.7	71.6	76.9
NMS	32.1	23.8	35.3	17.7	24.4	35.0	42.1	29.2	34.7	29.1	27.2	37.8	40.9
ACC3	18.2	14.2	20.1	7.0	8.1	21.0	37.3	11.8	21.8	19.4	15.9	21.4	20.5

Source: EQLS, Rooms per person: Q.17,HH1 (as in Table 2); Deficits: Q.19.1, Q.19.2, Q.19.3, Q.19.4 – Do you have any of the following problems with your accommodation?

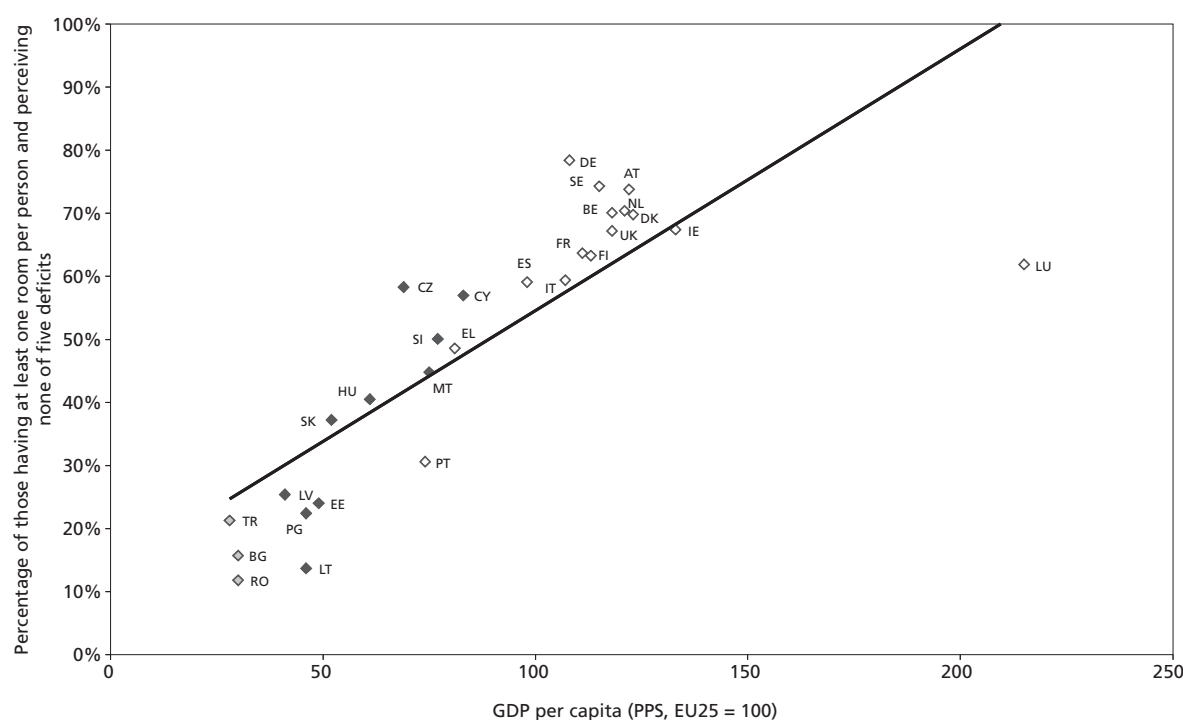
1. Shortage of space, 2. Rot in windows, doors or floors, 3. Damps/leaks, 4. Lack of indoor flushing toilet.

<sup>5</sup> See Domanski and Alber, 2006, pp. 96–97

In both the old and new Member States, quality of housing substantially increases with people's age, so that older age groups are more privileged in this respect than younger groups. Nevertheless, in the NMS, large majorities of the young and even the oldest age groups lack adequate housing standards. Finally, rural–urban differences are noteworthy in the two acceding countries and Turkey, but not very prominent elsewhere.

Considering the emerging policy debate at European level over whether to use EU structural and regional funds to support social housing in the NMS, it is important to take a closer look at the relationship between the national wealth measured by GDP per capita and the quality of housing. Figure 3 outlines a strong positive correlation between GDP and quality of housing. The corresponding regression line indicates that, for every one unit of increase in GDP per capita (measured in purchasing power parities), the percentage of people living in high quality housing also increases by 0.41 points. This presents a clear message to policymakers: whereas several EU15 countries have higher levels of quality of housing, as their national wealth would suggest, the three Baltic countries, Poland and Romania, Bulgaria and Turkey have even lower standards of housing, as their GDP levels reflect.

**Figure 3 Relationship between GDP per capita and percentage of people having adequate housing conditions**



Sources: GDP per capita: Eurostat news release 145/2004; index of housing quality calculated from EQLS as in Table 4.



The EQLS identified five main categories of title for housing ownership with a mortgage; ownership without a mortgage; private lease; paying rent in social/voluntary/municipal housing; and living rent free. Although home ownership is generally regarded as being a strong indicator of a person's wealth in the western world, this is not so obvious in the ACC3 and NMS. In the majority of these countries, 'ownership with a mortgage' is relatively rare and constitutes a small percentage of the ownership structure. This is linked to the dispossession of homes after the Second World War, but also to the housing development measures that were unique to the communist countries.

The new system that was introduced in these countries was based on a partial transfer of the costs of the newly built accommodation onto the future inhabitants, in the form of housing cooperatives. At the same time, users were not made owners, but were only granted the right to occupy the accommodation. Apart from housing cooperative, which date back to the beginning of the twentieth century, so-called 'council housing' constituted a significant part of all housing. The council flats system was established, mainly to satisfy the needs of people who were not able to finance the building of their own accommodation as their income was too low. After 1990, as a result of legal changes, most of these people were granted the right to become owners of the accommodation they were occupying, with only a low cost involved.

Prior to the changes that occurred after 1990 in the NMS and ACC3, and before the collapse of communism, it should be noted that the majority of inhabitants who owned their home, with or without a mortgage, were living in rural areas. However, these areas were not part of the state's priority in terms of investment in infrastructure (gas, sewage systems, telephone lines), which meant that they remained underdeveloped.

## **General ownership and tenancy structure**

According to the data, ownership without a mortgage is the most common type of ownership across a majority of countries, being the most frequent type of ownership both within the EU15 and the NMS (see Table 14). The least frequent type of ownership is accommodation provided rent free. The percentage of ownership without a mortgage appears to be strikingly high in the former communist countries; Bulgaria, Romania, Lithuania and Slovenia are in the lead, with more than 80% of respondents claiming ownership without a mortgage.

The level of owner occupied housing without a mortgage varies significantly across Europe. In the EU15, it accounts for 38% of ownership, and almost double this amount (66%) in the NMS and ACC3. As noted above, this proportion reaches over 80% in Bulgaria, Romania, Slovenia and Lithuania. In the EU15, the highest levels of ownership are to be found in Greece, Italy and Spain, although the respective figures are relatively lower than those in the NMS and ACC3. Also, when interpreting the seemingly high figures of home ownership in these countries, it should be remembered that their technical condition and standard are, on average, much lower than conditions in northern and western Europe. The lowest rates of owner occupation are recorded in the Netherlands, Denmark and Sweden, which in turn have the highest rates of ownership with a mortgage. In the NMS, the lowest rate of ownership is observed in the Czech Republic, which has a level similar to that of the EU15.

**Table 14 Distribution of housing ownership, by country**

	Own without a mortgage	Own with a mortgage	Tenant, paying rent to private landlord	Tenant, paying rent in social/voluntary/municipal housing	Accommodation is provided rent free
Austria	31	21	17	26	6
Belgium	37	33	15	9	4
Denmark	11	51	12	20	
Finland	40	27	14	17	1
France	34	14	31	17	3
Germany	27	18	34	19	2
Greece	62	6	29	1	3
Ireland	39	34	13	12	1
Italy	63	13	15	5	3
Luxembourg	54	23	17	2	2
Netherlands	4	44	6	42	1
Portugal	40	18	24	8	8
Spain	53	24	17	2	4
Sweden	20	39	24	13	2
UK	24	35	13	26	1
Cyprus	60	20	9	1	6
Czech Republic	41	4	9	38	5
Estonia	73	9	8	4	3
Hungary	76	15	3	4	1
Latvia	47	3	12	28	9
Lithuania	83	5	6	3	3
Malta	68	10	13	3	5
Poland	68	2	3	23	2
Slovakia	74	8	3	7	5
Slovenia	80	7	5	5	4
Bulgaria	86	0	4	2	6
Romania	83	1	4	1	10
Turkey	56	2	27	2	13
EU15	38	22	22	15	3
NMS	66	5	4	19	3
ACC3	66	1	19	2	12

Source: EQLS, Q.18 – Which of the following best describes your accommodation?

1. Own without a mortgage (i.e. without any loans); 2. Own with a mortgage; 3. Tenant, paying rent to private landlord; 4. Tenant, paying rent in social/voluntary/municipal housing; 5. Accommodation is provided rent free; 6. Other; 7. Don't know.

This high share of ownership without a mortgage in the abovementioned countries can be attributed to the rapid privatisation of accommodation, that began in the early 1990s. Following new legal regulations, people could afford to become home owners at a relatively low cost and this applied even to poorer families. As the quality of this housing was relatively low, it led to the paradoxical situation where ownership could not be followed by the necessary repayments and upkeep.

Private leasing of accommodation has proved popular in the EU15, but is still relatively rare in the NMS; Hungary, Poland and Slovakia each record a proportion of just 3%. Among the NMS private rental is most common in Malta (13%) and Latvia (12%).

As mentioned, the rarest type of ownership is living in accommodation rent free (e.g. living with friends or relatives). While this category is rare in the EU15, except in Portugal, respondents in the NMS are more likely to claim this situation. It is especially common in Latvia, where nearly 10% of respondents report this form of tenancy. This may possibly imply that respondents are living with their parents.

The figures also confirm the significance of social housing schemes managed by voluntary, municipal or social housing associations in the various country groupings. In the Netherlands, over 40% of the respondents live as tenants in social housing schemes; however, in the southern EU15 countries, these schemes appear to be relatively unimportant. Conversely, in Austria, the UK, Germany and Denmark, the social housing market plays an important role in national housing provision, covering between 20% and 25% of the population. In the NMS, the Czech Republic is the leader in social housing, providing accommodation to just under 40% of people. In contrast, social housing is minimal in the southern NMS countries and in Estonia and Lithuania; in the ACC3, it plays a negligible role.

Overall, the ownership structure just outlined is compatible with the data presented by the Regular National Report on Housing Developments in European Countries (Norris and Shiels, 2005). Nonetheless, there are some differences between the various countries.

### **Social composition of owners**

Table 15 presents a breakdown of the distribution of house owners by age, place of residence, income quartiles and occupation. In the EU15, level of income has a significant effect on house ownership, whereas in the ACC3, no effect can be observed. The results for the NMS show a small difference between the two bottom income quartiles and the two top quartiles, reflecting the privatisation of housing in 1990s and the opportunities for more equal access to housing.

As house ownership is related, among other things, to capital accumulation over the life course, it is not surprising to find a higher rate of ownership among the older respondents in all three country groups. Overall, the difference between the youngest and the oldest age groups in this respect is 30 percentage points, which is quite substantial.

The traditional urban–rural divide is also confirmed. In rural Europe, between 70% and 80% of people own their accommodation; in urban Europe, this rate falls to between 50% and 60%.



**Table 15 Percentage of owners (with and without mortgage), by age, area, income and occupational status**

	Age						Area		Quartiles of household income				Occupational status					
	Total	18-24 years	25-34 years	35-49 years	50-64 years	65+ years	Rural	Urban	Lowest quartile	Second quartile	Third quartile	Highest quartile	Professionals, managerial	Other non-manual professionals	Self-employed	Skilled workers	Unskilled workers	Farmers
Austria	51	30	44	56	54	57	70	29	48	51	46	54	51	52	59	55	40	80
Belgium	70	51	61	69	75	81	70	70	56	71	74	75	90	73	68	65	51	100
Denmark	63	41	51	67	77	60	76	55	50	52	66	82	70	61	80	68	50	89
Finland	67	30	51	72	77	83	77	57	53	65	71	74	77	64	75	68	57	90
France	48	24	31	44	63	68	62	37	39	47	46	59	51	45	64	39	29	82
Germany	45	27	27	47	60	47	64	28	33	38	49	53	54	40	57	39	40	93
Greece	68	30	55	69	81	86	85	58	70	63	61	66	77	57	77	70	56	89
Ireland	73	53	57	80	84	88	79	65	50	70	76	78	76	72	88	68	61	96
Italy	76	80	66	77	83	75	82	71	64	73	84	79	83	75	74	80	77	71
Luxembourg	77	75	65	74	81	90	80	72	69	74	81	78	83	82	63	57	77	79
Netherlands	48	29	42	61	61	33	58	41	36	38	53	64	66	49	63	38	20	62
Portugal	59	55	59	58	64	56	65	45	49	46	55	75	76	61	76	53	46	80
Spain	76	67	68	75	82	87	84	74	59	81	78	79	83	71	84	81	57	85
Sweden	60	32	43	66	73	65	72	56	51	60	62	71	70	55	76	59	43	83
UK	59	36	50	67	66	66	65	56	27	53	71	88	87	65	86	59	34	32
Cyprus	79	81	73	82	80	78	81	78	71	82	82	86	87	76	76	74	75	79
Czech Republic	45	31	34	51	50	51	60	32	37	44	50	49	57	43	52	42	41	67
Estonia	82	66	73	82	89	90	89	78	79	87	82	80	87	78	78	84	76	100
Hungary	90	81	82	92	96	96	95	86	87	94	93	90	94	93	95	89	89	69
Latvia	50	49	43	51	53	49	47	51	35	51	56	50	57	49	54	48	41	39
Lithuania	89	72	78	91	97	98	90	88	90	90	91	85	92	88	89	91	82	100
Malta	78	74	75	79	83	72	83	76	73	80	78	77	86	78	88	64	66	81
Poland	70	54	73	70	74	77	86	55	62	65	69	75	86	69	82	62	66	97
Slovakia	82	72	78	82	89	90	86	78	73	84	85	82	86	82	82	82	85	100
Slovenia	86	85	72	86	95	91	89	81	90	80	89	85	89	85	87	87	76	100
Bulgaria	86	69	78	84	96	92	85	87	82	88	90	84	85	88	96	88	85	100
Romania	84	62	71	88	97	97	86	83	83	82	89	83	86	82	86	89	85	83
Turkey	57	54	49	52	73	80	74	52	63	52	58	59	49	57	59	61	45	83
EU15	60	44	48	61	70	67	70	53	45	55	62	68	69	56	71	57	47	82
NMS	72	58	69	73	77	78	83	61	66	70	75	75	81	70	79	66	72	95
ACC3	67	57	56	66	83	89	81	60	71	62	70	67	68	70	67	76	64	83

Source: Q.18 – Which of the following best describes your accommodation?

1. Own without a mortgage (i.e. without any loans); 2. Own with a mortgage; 3. Tenant, paying rent to private landlord; 4. Tenant, paying rent in social/voluntary/ municipal housing; 5. Accommodation is provided rent free; 6. Other; 7. Don't know.

Note: In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

Looking at the occupational status of home owners, it is obvious that farmers in all three country groups have by far the highest ownership rate, reaching 95% in the NMS. Interestingly, particularly from a social policy perspective, there is a marked difference between unskilled workers and managers in the EU15, which amounts to 22 percentage points. This difference falls to nine percentage points in the NMS and to four percentage points in the ACC3. Such a comparison suggests that, in the EU15, much higher levels of inequality exist in access to private housing, when comparing people's occupational status. This situation is particularly prevalent in the UK and the Netherlands, where the difference between unskilled workers and managers in relation to home ownership is as large as almost 50 percentage points, i.e. double the EU15 average and five times higher than the NMS average.

A more detailed analysis between the groups of countries (parameters of regression model for owners) is presented in Table 16 (owners with a mortgage) and in Table 17 (owners without a mortgage). As shown, in the EU15, people in the 35–50 year age group have the highest chance of being owners with a mortgage, while those in the 65 years and over category have the lowest odds. This confirms the typical progression of savings over the life course, which are often invested into a person's house. A slightly different pattern emerges in the post-communist countries, where the highest rate of ownership with a mortgage is found in the 25–35 year age group, while the oldest age group once again has the lowest odds of ownership with a mortgage. In relation to occupational status, professionals and managers are most likely to be home owners with a mortgage.

**Table 16 Ownership with a mortgage, by age, occupational status, area and income.**  
Parameters of logistic regression (ownership with mortgage coded 1, otherwise=0)

Independent variables	EU15	NMS	ACC3
		Exp(b)	
Age (65+ years)	0.22	0.27	0.72
Age (50–65 years)	0.79	0.88	0.64
Age (35–50 years)	2.28	2.03	2.13
Age (25–35 years)	1.53	2.17	1.86
Professionals	1.44	1.90	1.46
Non-manual workers	1.27	1.59	0.18
Self-employed	0.97	1.87	0.28
Skilled workers	1.08	0.70	1.40
Unskilled workers	1.02	0.98	0.15
Farmers	0.96	0.78	0.00
Area (0–rural; 1–urban)	0.65	0.79	0.99
Personal income (in thousands of €)	1.50	0.82	0.35
Constant	0.18	0.04	0.01
Pseudo R <sup>2</sup> (Cox and Snell)	0.11	0.03	0.01

Source: EQLS, Q.18 – Which of the following best describes your accommodation? 1. Own without a mortgage (i.e. without any loans); 2. Own with a mortgage; 3. Tenant, paying rent to private landlord; 4. Tenant, paying rent in social/voluntary/municipal housing; 5. Accommodation is provided rent free; 6. Other; 7. Don't know.

Note: Reference category in the case of age is people below 25 years, and in the case of occupational status, persons who never had a paid job. In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

The second category of home ownership is ownership without a mortgage. In order to determine the social composition of this form of ownership, it is worth looking at the effects of age, occupational status, place of residence and income (see Table 17). Such a breakdown differs from the category of owners with a mortgage in that, firstly, the oldest age group is clearly over-represented. In the EU15, people above 65 years of age have 5.2 times more of a chance of belonging to the category of owners without a mortgage than those in the youngest age category. In the NMS, people in the oldest age group are 3.6 times more likely to own their homes without a mortgage. An interesting pattern emerges in relation to occupational status. In the EU15, professionals and managers no longer take the lead in house ownership. In fact, occupational status does not strongly differentiate this kind of ownership. In the former communist countries, those in the agricultural occupational categories have the highest rate of ownership without a mortgage. The effect of other occupational categories does not appear to be significant. The urban–rural distinction remains a significant determinant in the category of ownership without a mortgage, with inhabitants living in rural areas more likely to be in this group. Income appears to be an important determinant only in the NMS.

**Table 17 Ownership without a mortgage, by age, occupational status, area and income. Parameters of logistic regression (ownership without mortgage coded 1, otherwise–0)**

Independent variables	EU15	NMS	ACC3
		Exp(b)	
Age (65+ years)	5.20	3.16	5.32
Age (50–65 years)	3.61	2.52	3.38
Age (35–50 years)	1.05	1.53	1.18
Age (25–35 years)	0.82	1.36	0.83
Professionals	0.77	1.43	1.25
Non-manual workers	0.57	0.87	1.48
Self-employed	1.15	1.29	1.43
Skilled workers	0.58	0.73	1.62
Unskilled workers	0.46	0.78	0.91
Farmers	1.64	2.67	1.69
Area (0–rural; 1–urban)	0.59	0.33	0.44
Personal income (in thousands of €)	0.98	1.44	0.95
Constant	0.53	1.99	2.03
Pseudo R <sup>2</sup> (Cox and Snell)	0.11	0.03	0.01

Source: EQLS, Q.18 – Which of the following best describes your accommodation?

1. Own without a mortgage (i.e. without any loans); 2. Own with a mortgage; 3. Tenant, paying rent to private landlord; 4. Tenant, paying rent in social/voluntary/municipal housing; 5. Accommodation is provided rent free, 6. Other; 7. Don't know.

Note: The reference category in the case of age is people below 25 years, and in the case of occupational status persons who never had a paid job. In some countries, the category of 'farmers' was underrepresented in a statistical sense (too few cases), so statistics obtained for this group need to be analysed with caution.

Quality of life may be characterised by the degree to which one's needs are satisfied. Undoubtedly, spacious and convenient housing, and its technical condition and fittings, are crucial for comfort and satisfaction. In addition, the location and surroundings of housing – in other words, the local environment – also play a vital role.

Critical features for assessing the attractiveness and adequacy of the local environment may be defined according to three dimensions:

- ecological characteristics measured in terms of quality of water and air, noise levels, access to green areas, recycling etc;
- personal safety (low crime rate, especially in relation to theft and assault);
- accessibility of local infrastructure (roads, shops, offices, schools, clinics etc).

Deficits in any of these three areas, and particularly their cumulative effect, may act as a negative influence on the well-being and health of inhabitants.

Together, these three dimensions form the foundation for various urban policies, each one requiring different types of activity, systemic solutions and links to different social institutions. Ecological policy is required to prevent degradation of the environment and to establish rules for the use of natural resources. To help ensure public safety, the cooperation of different services is needed for the prevention and reduction of crime and other social problems, such as drug addiction and alcohol abuse. Careful planning is required to create an adequate local infrastructure designed to satisfy people's needs in the area in which they live. This problem is becoming more acute with the ageing of Europe's population and the growing number of less mobile people, who are becoming increasingly dependent on local services.

All of these areas of activity require considerable financial planning and the existence of specific services, as well as social analysis of people's subjective feelings of satisfaction. Both statistics and also anecdotal evidence reveal significant differences in the quality of the local environment in particular regions of Europe with regard to the three dimensions outlined (see Table 18). Further analysis of such differences could make an interesting perspective from which to study the social inequalities in Europe, both within and between countries. These inequalities are most visible when comparing the EU15, the NMS and the ACC3, and may be related to differences in the economic situation of these countries and the socio-political conditions, mainly in eastern Europe.

As with any sudden social change, the change in these countries' socio-political system led to the weakening of social ties and social control, and subsequently to an increased crime rate in the former communist countries. Prolonged unemployment and the relative poverty of large groups of people, along with a poorly reformed legal system, which enabled business fraud to flourish, all contributed to this increasing crime rate. The opening of borders and increased migration of people also contributed to the growing prevalence of organised international crime. This too led to a growth in the overall crime rate, particularly in urban areas, which in turn led to a greater sense of insecurity among people.

Eastern Europe's unfavourable environmental situation, compared with that of western Europe, has a long history. In the communist countries, a policy of rapid industrialisation resulted in the pollution and degradation of the natural environment. Pressure to increase production and the use of out-of-date technologies, which were potentially harmful to the environment, led to the existence of many ecological risk zones. For a long time, health risks arising out of environmental pollution were virtually ignored by the state, while people's own environmental awareness was low. Ironically, these visible effects of industrialisation were once considered the symbols of civilisation, progress and growth. In the mid-1980s, the situation started to improve somewhat; nonetheless, the results of many years of negligence and ignorance are still present today.

Data collected in the Foundation's EQLS confirm some of the differences in the quality and safety of the local environment between the EU15 and the NMS, and the even lower quality of the local environment in the ACC3. Respondents were asked to assess their environment, taking into consideration factors such as noise, air pollution, lack of access to recreational or green areas, and water quality. Their sense of safety was assessed by the question: 'How safe do you think it is to walk around in your area at night?' Unfortunately, the study did not include any information about accessibility to the local infrastructure.

To assess the 'accessibility of local infrastructure' dimension of the local environment, one might consider the distance respondents have to travel to receive medical assistance. It may be safely assumed that communities with good access to medical services will have equally satisfactory access to schools, post offices and shopping centres. Therefore, the indicator of accessibility of medical services is used as an indirect indicator of accessibility of local infrastructure. It should be added that the level of accessibility correlates with an overall assessment of medical services (Kendall's Tau for all countries equals 0.173) and of social services (0.163). Distance from medical services may also reflect respondents' sense of security. However, it is not related to sense of personal safety in the direct local environment, but to lack of easy access in the case of a sudden health problem. Table 18 shows differences between particular countries in their assessment of the local environment, according to the determinants of noise, air pollution, lack of open areas, safety and distance from medical services.

A comparison between the three country groups reveals that the ACC3 have the worst conditions in all three dimensions of local environment, while the NMS fare slightly worse than the EU15 in relation to safety, water quality and pollution. However, such an analysis should be placed alongside a comparison between particular countries within each group and between southern and northern Europe.

In general, inhabitants of southern European countries report more complaints about their natural environment than people living in northern Europe do. Italy, in particular, stands out among the EU15 countries, as Italian citizens complain more than people in any of the other EU15 about noise, air pollution, lack of access to green areas, and water quality. People living in France, Greece, Portugal and Spain also express a relatively high level of complaints about all these dimensions. Among the NMS, the inhabitants of Malta, Cyprus, Lithuania, Latvia and Hungary are most likely to report environmental problems. Turkey stands out among the ACC3, with the highest level of complaints regarding the different dimensions.

**Table 18 Percentage of complaints concerning noise, air pollution, lack of open areas, safety and distance from medical services, by country**

	Types of complaints					
	Noise	Air pollution	Lack of open areas	Water quality	Safety	Distance to medical services
Austria	11	8	4	2	8	16
Belgium	21	17	14	14	17	9
Denmark	5	3	1	1	6	10
Finland	8	5	1	2	10	10
France	26	29	23	28	9	10
Germany	9	5	4	2	23	15
Greece	29	33	25	24	36	29
Ireland	8	7	10	11	10	20
Italy	30	40	36	26	24	45
Luxembourg	16	16	10	17	22	12
Netherlands	8	3	8	2	13	14
Portugal	17	17	23	13	30	32
Spain	22	17	21	24	22	22
Sweden	7	6	3	1	9	7
UK	11	7	4	5	33	16
Cyprus	24	23	21	37	9	48
Czech Republic	20	20	11	13	28	26
Estonia	13	13	6	24	38	21
Hungary	21	22	13	18	35	27
Latvia	20	24	16	37	50	29
Lithuania	17	20	22	39	65	21
Malta	34	49	44	34	23	15
Poland	19	22	17	21	29	23
Slovakia	17	19	14	15	35	37
Slovenia	14	19	6	15	18	25
Bulgaria	18	23	18	28	39	55
Romania	19	26	17	22	35	43
Turkey	29	29	45	41	39	52
EU15	18	18	16	15	21	21
NMS	19	21	15	20	32	26
ACC3	25	28	35	35	38	51

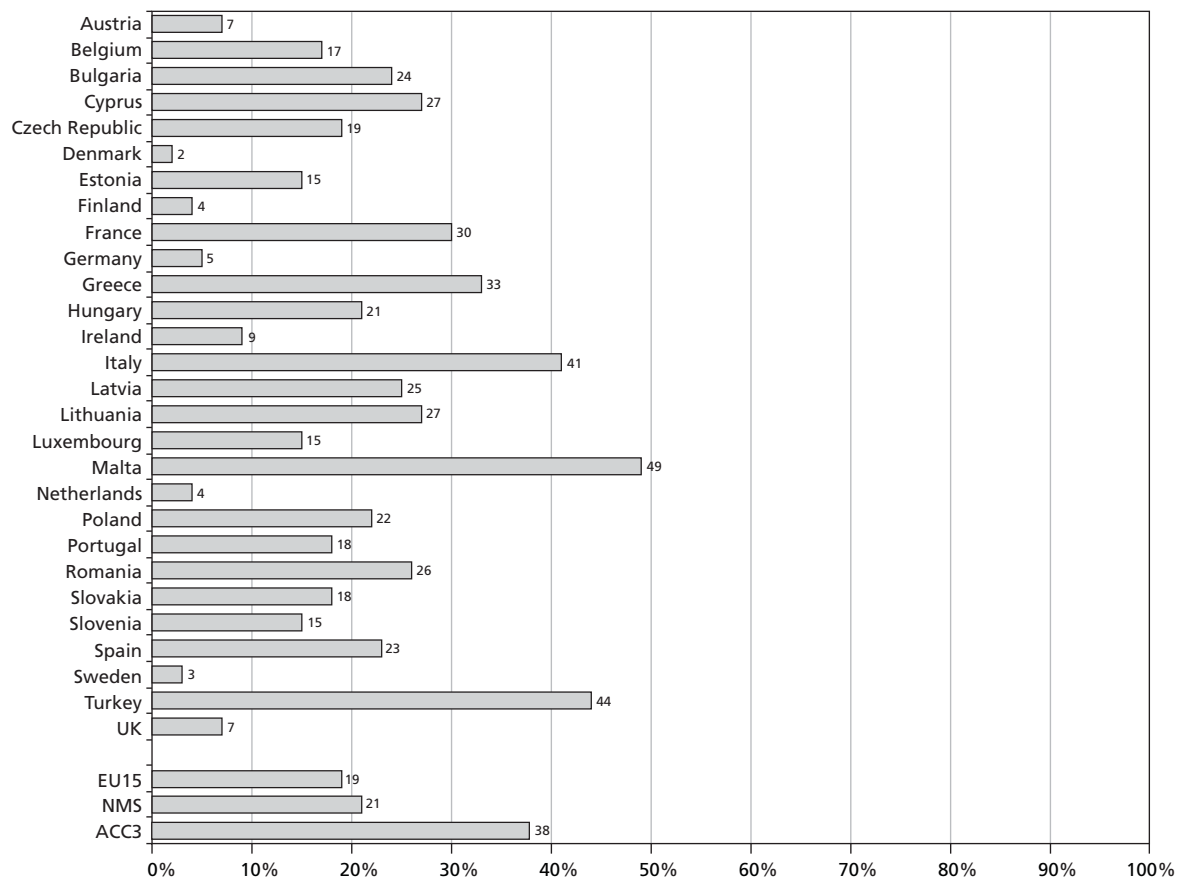
Source: EQLS, Q.56 – Do you have very many reasons, many reasons, a few reasons or no reason at all to complain about each of the following problems: a) noise; b) air pollution; c) lack of access to recreational or green areas; d) water quality?

Q.57 – How safe do you think it is to walk around in your area at night? Do you think it is: a) very safe; b) rather safe; c) rather unsafe; d) very unsafe; e) don't know?

Q.45 – On the last occasion you needed to see a doctor or medical specialist, to what extent did each of the following factors make it difficult for you to do so: distance to doctor's office/hospital/medical centre? a) very difficult; b) a little difficult; c) not difficult at all; d) not applicable/never needed to see doctor; e) don't know.

Note: Categories of complaint in the Table include 'very many reasons' and 'many reasons' to complain. Complaints on safety include 'very unsafe' and 'rather unsafe'. Distance to medical services includes 'very difficult' and 'quite difficult'.

**Figure 4 Percentage of respondents complaining about at least two of the following problems: noise, air pollution, lack of access to green areas, and quality of water, by country**



Source: EQLS, Q.56 – Do you have very many reasons, many reasons, a few reasons or no reason at all to complain about each of the following problems: a) noise; b) air pollution; c) lack of access to recreational or green areas; d) water quality?

Looking at multiple environmental problems (Figure 4), in the three southern countries, Malta, Turkey and Italy, there appears to be a high concentration of complaints about the local environment, ranging from between 40% and 50% of the population. In Greece, France, Lithuania, Cyprus and Romania, over 25% of respondents complained of at least two environmental problems. In contrast, in the Scandinavian countries and in the Netherlands, there appears to be a low frequency of environmental problems.

In relation to an even stronger indicator of local environment, i.e. respondents who complain about all four problems, a similar pattern can be found, whereby Malta and Turkey take the lead, with 11% and 10% of respondents, respectively, complaining about all four problems. These countries are closely followed by France (9%), Italy (8%) and Bulgaria (7%). It should be remembered, however, that such data relate to subjective declarations and do not necessarily match objective conditions.

The proportion of complaints about lack of personal safety in the EU15 ranks lowest in the Scandinavian countries and in Austria; this proportion is higher in the UK and in some southern countries, particularly in Greece and Portugal. Among the NMS and ACC3, the inhabitants of Romania and Bulgaria are most likely to report that they live in an area they do not consider safe. These results confirm serious concerns of the European Commission with regard to crime levels in these two countries prior to their accession. In contrast, the inhabitants of Cyprus seem to feel most secure.

Among the EU15, lack of easy access to medical services seems to be most serious in the southern European countries – Italy, Portugal, Greece and Spain. The percentage of those who claimed ‘difficult’ or ‘very difficult’ access to medical services in these countries is similar to that of eastern Europe. At the same time, Malta is the only NMS country where access to medical services is similar to that of the majority of EU15 countries. Accessibility of medical services, as an indirect indicator of the existing local infrastructure, is less satisfactory in the ACC3. Approximately half of the inhabitants of the ACC3 do not live close to any kind of healthcare centre. This indicates serious differences in services between the surveyed countries. Low accessibility of medical services is reported by more than 21% of inhabitants in the following countries, thus putting them above the EU average: Greece, Italy, Portugal, Slovakia, Latvia, Hungary, the Czech Republic, Cyprus, Bulgaria, Romania and Turkey.

General differences between the more affluent and less affluent countries reflect variations in terms of environmental protection policies. Nonetheless, it should be remembered, when interpreting these results, that these differences are based on subjective opinions of what defines a favourable environment. Statistics compiled by the European Environmental Agency (EEA) provide a more objective, broader perspective. The EEA claims that there are wide variations between regions and countries in the scale of environmental pressures and in the balance between positive and negative impacts, which the Agency partly attributes to economic differences. In the latter part of the 1990s, economic growth in western Europe was steady following an earlier period of recession, while, in central and eastern Europe, the former centrally planned economies were still in a phase of gradual, but uneven transition. Consequently, the latter countries may in some cases have had decreasing environmental pressures because of their economic downturn, but may also have had relatively limited possibilities for the private or public financing of environmental measures.

In relation to air pollution, emissions from energy industries (electricity and heat production) are greater in central and eastern Europe than in western Europe, partly as a result of EU policies aimed at the reduction of sulphur dioxide and, to a lesser extent, nitrogen oxides. Ground-level ozone and particulate matter, however, remain of concern for human health and for the effects on European ecosystems. In 2003, air concentrations of ground level ozone exceeded the target in about 30% of cities in the EU; the greatest excesses were found in central and southern European countries. Air quality also depends on the proportion of forests left undisturbed by humans. In most European countries, this proportion stands at less than 1%, with the exception of the Scandinavian countries (northern Sweden, Finland and Norway).

The quality of drinking water is another major concern throughout Europe, with significant microbiological contamination of drinking water supplies in the NMS and ACC3 (especially contamination by salts in central Europe). On average, over 10% of EU15 citizens and 22% of



inhabitants in eastern and central Europe are potentially exposed to microbiological and other contaminants that exceed the maximum permitted concentrations. While those living in the NMS and ACC3 appear to have poorer quality water, those living in western parts of Europe are also exposed to water contaminated by organic and inorganic pollutants, such as pesticides and heavy metals, at concentrations greater than those in the ACC3 and NMS, and greater than the standards laid down by the EU and by other international organisations.

Significant differences also exist in terms of water supply between southern and northern parts of Europe. Overall, 31% of Europe's population live in countries that experience 'high water stress', particularly during periods of drought or of low river flow. These water shortages continue to occur in parts of southern Europe, where there is a combination of low water availability and high demand, particularly from the agriculture sector (Italy, Spain and Greece).

In general, subjective claims about natural resources tend to mirror the objective data. The situation in the NMS and ACC3, and in southern parts of Europe, appears to be less favourable. Variations between regions and countries in the scale and range of environmental problems, and in the balance between positive and negative impacts, is one of the subjects of European common environmental policy. In particular, enlargement of the EU and commitments at the World Summit on Sustainable Development provide an opportunity to develop more effective sectoral environmental integration and to build the principles of sustainable development into the design of environmental policies.

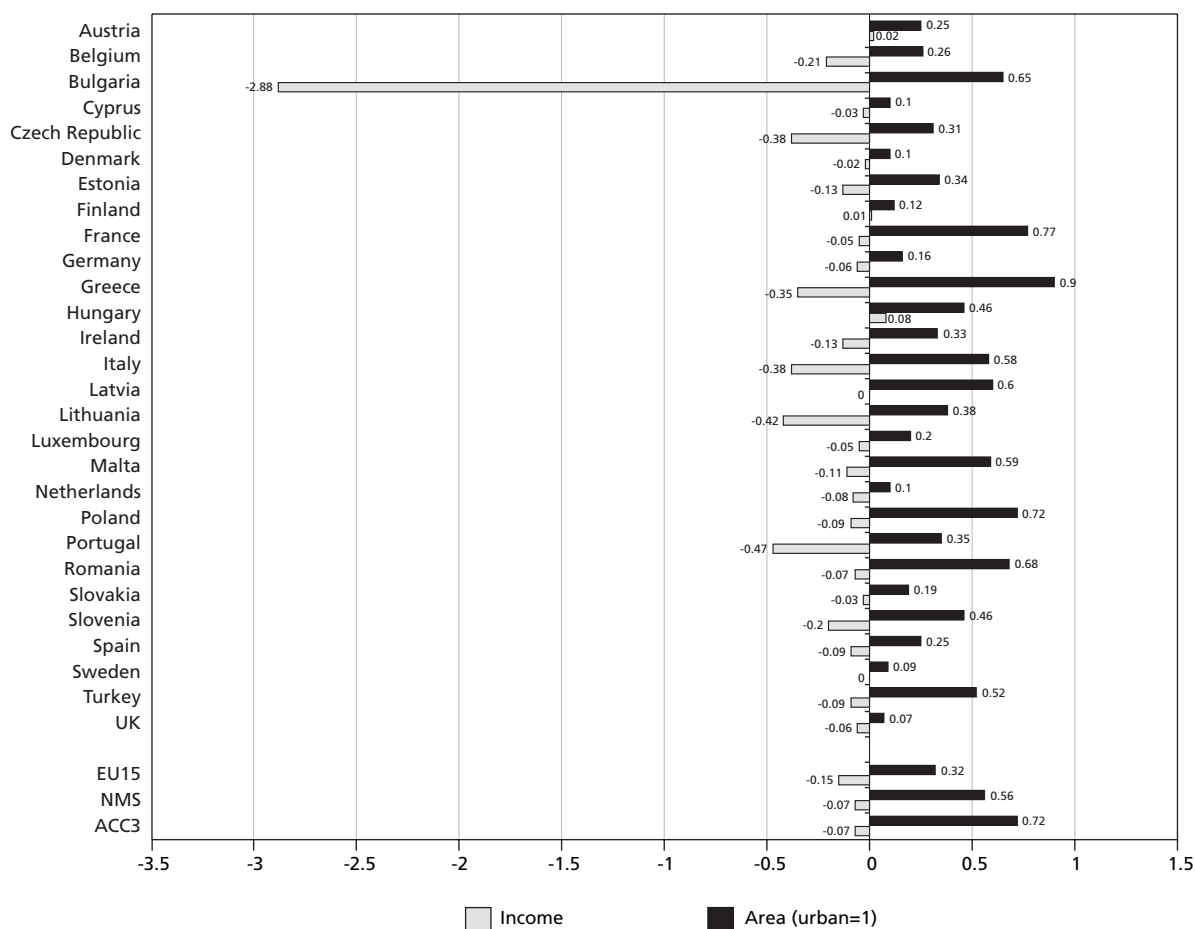
Irrespective of all the differences between the three main country groups in Europe, social differences within individual societies appear to play an important role in this context. According to the data provided by the EQLS, even in countries with the highest quality of environment, the most satisfactory feelings of personal safety, and highly developed local infrastructure, differences still exist across the various social categories and may partly explain the distribution of problems in the local environment.

Sex does not seem to be a strong determinant with regard to perceptions of accumulated environmental problems, except in France and Romania, where women are more likely to perceive these problems and in Malta and Italy, where men are more likely to do so. There is no clear pattern in this respect among elderly people. In countries such as Italy, Latvia and Malta, older people tend to perceive more environmental problems; the opposite is true in Luxembourg, Greece and France. In the remaining countries, differentiation according to age does not have any relevance.

Figure 5 shows that, in nearly all countries, a greater proportion of urban dwellers appear to perceive more accumulated environmental problems, although there are differences between particular countries. In Sweden, Denmark, the UK and the Netherlands, for example, there are virtually no differences between urban and rural areas in this respect. These countries also appear to have the lowest rate of accumulated problems. In general, a good ecological situation seems to help eliminate differences between urban and rural areas. In contrast, significant differences appear to exist between urban and rural areas in Bulgaria, France, Greece, Italy, Malta, Poland and Romania.

The respondents' level of income also seems to have some effect on their perception of environmental problems. In some countries, those with the lowest income are more likely to be dissatisfied with their local environment, which seems to point to yet another dimension of their economic and social deprivation. Such countries are mostly southern European countries, like Greece, Italy, Portugal and Bulgaria, but also include Lithuania and the Czech Republic. Nonetheless, in Sweden, Finland, Denmark, Slovakia, Austria, Cyprus, and partly also in France, the UK, Germany and Luxembourg, income does not seem to play a significant role; in these countries, there is little disagreement between the most affluent and the least affluent people in their assessment of the local environment.

**Figure 5 Linear regression of ecological problems, by income and area**



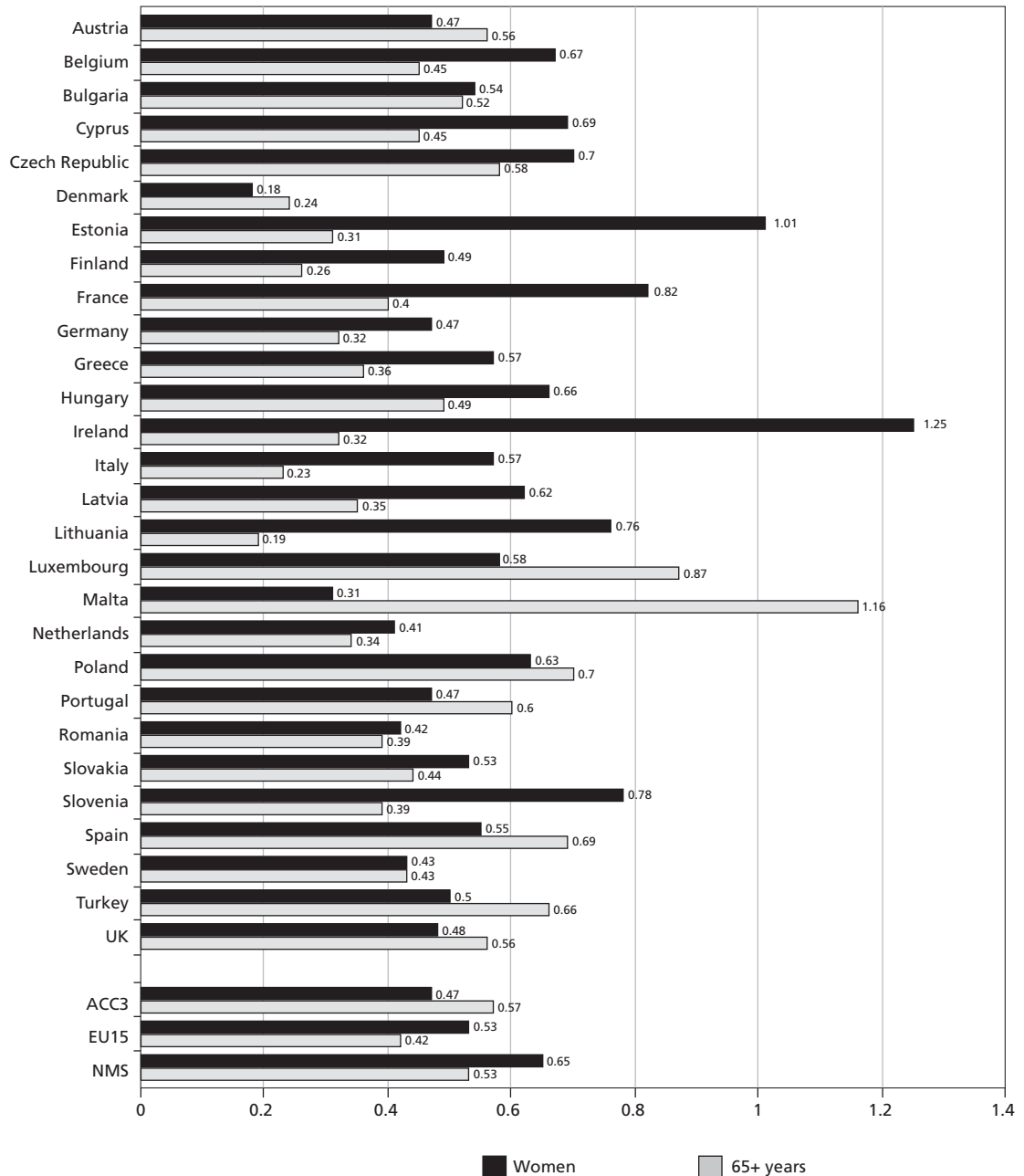
Source: Q.56 – Do you have very many reasons, many reasons, a few reasons or no reason at all to complain about each of the following problems: a) noise; b) air pollution; c) lack of access to recreational or green areas; d) water quality?

Note: The index relates to a linear regression of ecological problems, using b-coefficients for effects of income and area, controlling for age, sex and occupational category.

In the EQLS, feelings of personal security in one's local area are differentiated according to sex, age and type of residence (urban or rural) along the same patterns in all countries. Figure 6 outlines the net effect of sex and age on feelings of security in the EU15, the NMS and the ACC3; Figure 7 outlines the net effects of income on sense of personal security in these countries.

In general, women, elderly people and those living in cities feel less secure. This mirrors most of the objective data on crime and on victims of crime. Women and elderly people living in Lithuania, Denmark, Italy, Finland, Estonia, Malta, Ireland and Germany feel particularly unsafe. In other countries, women and men do not differ in terms of their feelings of being unsafe. In fact, in Ireland and Malta, men are significantly more worried than women about their personal safety.

Figure 6 Logistic regression of feelings of personal security in an area, by age and sex

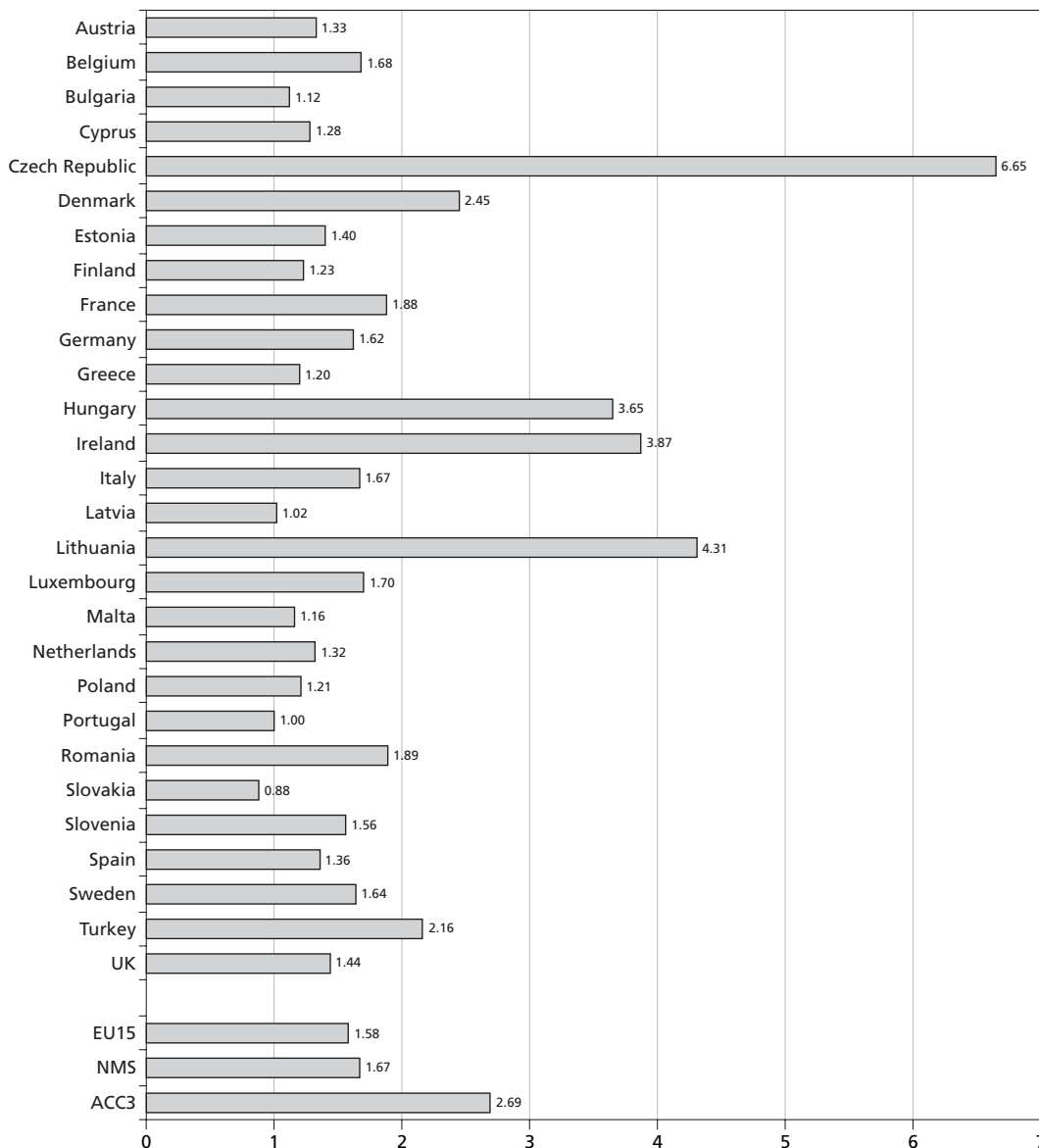


Source: Q.57 – How safe do you think it is to walk around in your area at night? Do you think it is: a) very safe; b) rather safe; c) rather unsafe; d) very unsafe; e) don't know?

Note: Exp(b)-coefficients controlling for age, sex and occupational category.

In relation to the effects of income on feelings of personal security, in the Czech Republic, respondents with a lower income are much more worried than those with a higher income. Lower levels of income have a relatively strong effect on feelings of personal security in Lithuania, Ireland and Hungary. On the other hand, in some of the new Member States (e.g. Slovakia and Latvia) and in some southern EU15 countries (e.g. Portugal and Greece), income does not appear to have any effect on feelings of personal safety on the streets.

**Figure 7 Logistic regression of feelings of personal security in an area, by income**



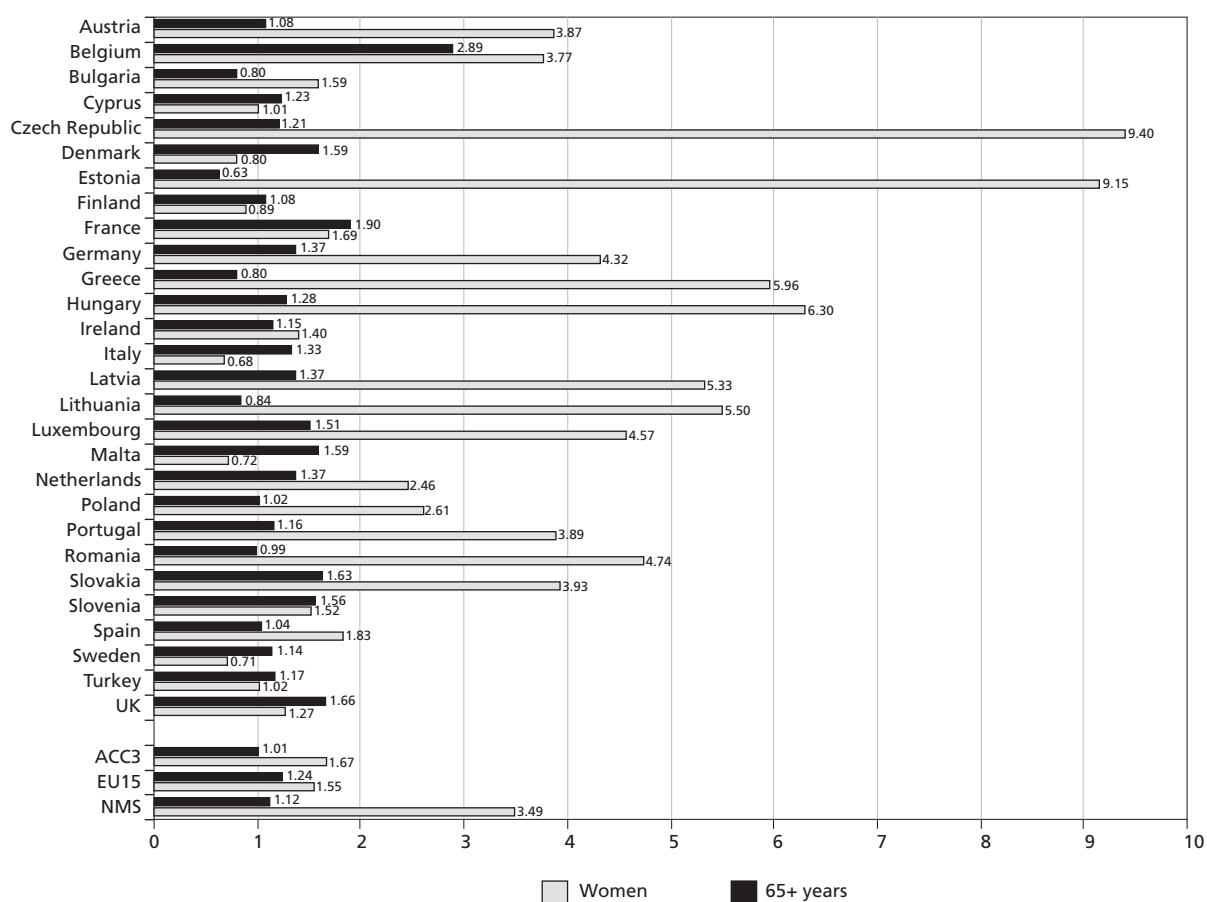
Source: Q57 – How safe do you think it is to walk around in your area at night? Do you think it is: a) very safe; b) rather safe; c) rather unsafe; d) very unsafe; e) don't know?

Note: Exp(b)-coefficients controlling for age, sex and occupational category.

In relation to another important dimension of local environment – accessibility of basic services and facilities – substantial differences also exist across social groups. Bearing in mind that this dimension refers to accessibility of medical services as a supposed measure of local infrastructure,

it is not surprising that women and elderly people cite more problems with distance. As these particular groups are most often customers of the healthcare system, they are bound to be more concerned about the accessibility and proximity of such services. Once again, differences exist between the sexes and between the youngest and oldest respondents in particular European countries. It is also useful to identify differences in the perceptions of accessibility of healthcare between urban and rural dwellers and between different income groups. In relation to income groups, respondents were asked about their last contact with a physician; however, it was not specified whether the doctor worked in the public or private sector.

Figure 8 Logistic regression of a large distance to doctor, by sex and 65+ year age group



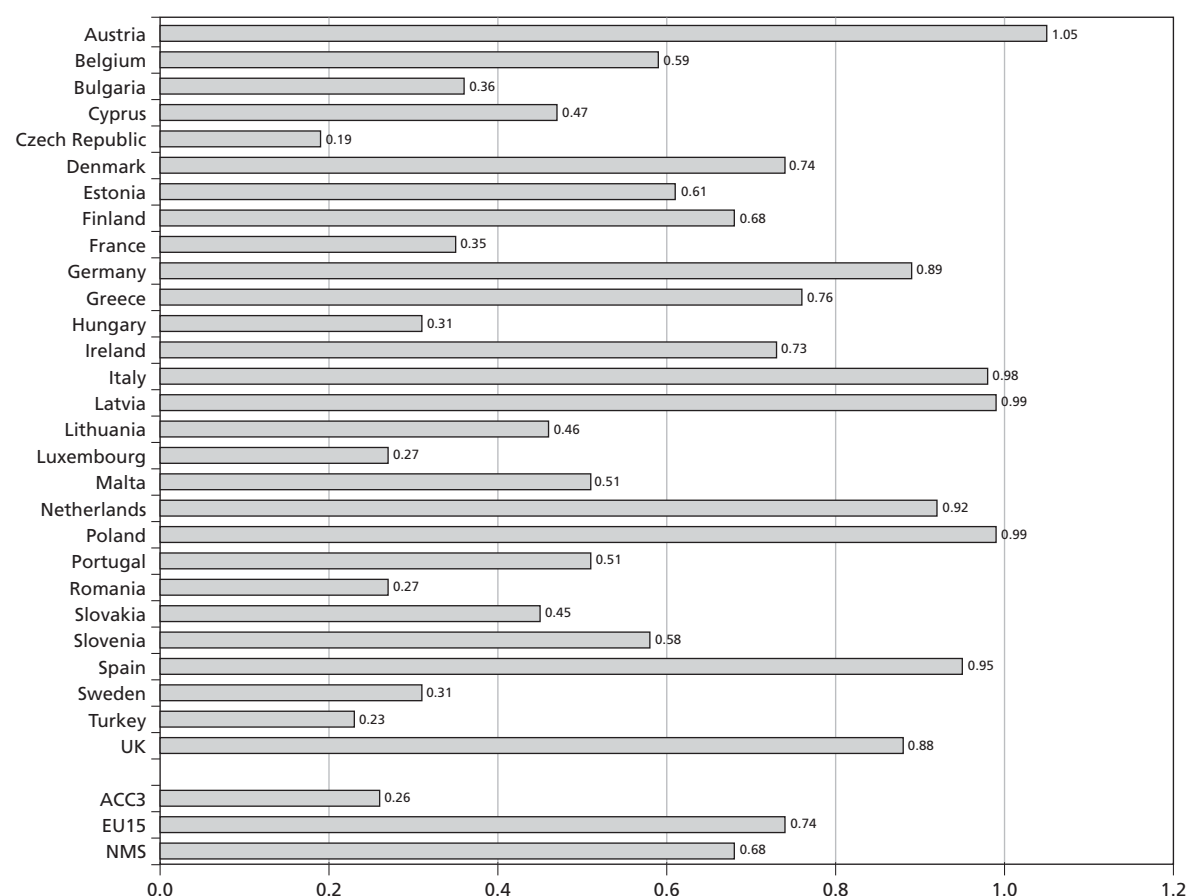
Source: Q.45 – On the last occasion you needed to see a doctor or medical specialist, to what extent did each of the following factors make it difficult for you to do so: Distance to doctor's office/hospital/medical centre? a) very difficult; b) a little difficult; c) not difficult at all; d) not applicable/never needed to see doctor; e) don't know.

Note: Exp(b)-coefficients for sex and 65+ year age group, controlling for occupational category, place of residence and income.

In a majority of countries, women are more dissatisfied with distance to medical services than men are. Nevertheless, in Belgium, Bulgaria, Greece, Lithuania and Romania, more men than women are dissatisfied with the situation. Once again, however, it should be noted that these results correlate to subjective assessments, which are more than likely based on different standards of what is perceived as a 'far' and a 'close' distance to service, and which do not necessarily coincide with objectively measurable distances.

Perceptions about proximity to a doctor strongly depend on age. Not surprisingly, in most European countries, elderly people are more dissatisfied with proximity to medical care centres than the youngest respondents are. This situation is particularly pronounced in the Czech Republic and Estonia, where nine times more respondents over 65 years of age complain about distance compared with the proportion of young people who do so. Significant, but slightly smaller, differences across age may be observed in Greece, Hungary, Lithuania, Latvia and Romania – all of which, with the exception of Greece, are post-communist countries. Such data indicate the need for social policy in these countries that focuses more on the needs of elderly people, ensuring, for example, their close proximity to medical services. In contrast, the elderly inhabitants of Cyprus, Denmark, the UK, Malta, Sweden and Turkey enjoy better conditions and are as satisfied with the accessibility of medical services as young people are; in fact, in some cases they are more satisfied than the younger respondents.

**Figure 9 Logistic regression of a large distance to doctor, by income**



Source: Q.45 – On the last occasion you needed to see a doctor or medical specialist, to what extent did each of the following factors make it difficult for you to do so: Distance to doctor's office/hospital/medical centre? a) very difficult; b) a little difficult; c) not difficult at all; d) not applicable/never needed to see doctor; e) don't know.

Note: Exp(b)-coefficients controlling for age, sex, place of residence and occupational category.

Patterns vary in this respect in relation to the urban–rural dimension. In a majority of countries, rural inhabitants are more dissatisfied with access to a doctor, especially in Belgium, Bulgaria, Latvia, Poland, Portugal, Slovenia and Spain. However, the situation is not the same in Cyprus, the Netherlands and Luxembourg: in these countries, city dwellers are more dissatisfied with access to a doctor than people living in rural areas.

In the majority of EU15 countries – with the exception of France and Sweden – income does not seem to correlate, at least in a significant way, with perceptions of distance to medical services. In the NMS, particularly in the Czech Republic, income has some influence. The same is not true for Poland, however, where both the most and the least affluent make the same claims. In the ACC3, low income correlates with lower accessibility to healthcare facilities.

In general, there are considerable differences in the quality of the local environment, not only between the EU15, the NMS and the ACC3, but also within these country groups. Taking into account aspects such as personal security and access to basic services, the countries with the most satisfactory environmental conditions include Finland, Sweden, Denmark and the Netherlands. Although the overall situation in the EU15 is more satisfactory than that in the NMS and in the ACC3, significantly worse conditions can also be found within the EU15, particularly in southern Europe.

# Satisfaction with housing

# 7

There are significant differences in general satisfaction with housing between the EU15 and the other country groups in Europe. These differences are measured on a 10-point scale. Accordingly, the mean value for the EU15 countries is 7.7 points, but only 6.7 points for the NMS and ACC3. The highest level of satisfaction with housing was reported in Denmark (8.4 points), Austria (8.3 points), Luxembourg (8.2 points), and Ireland and Sweden (8.1 points respectively). Among the NMS countries, Malta had a particularly high score (8.2 points). The lowest level of satisfaction was reported in Lithuania (5.9 points), Latvia (6.3 points), Estonia (6.4 points) and Poland (6.5 points).

These subjective differences also reflect differences in the objective conditions of housing in Europe. As outlined in the report, in virtually all the dimensions of housing (e.g. space, technical condition and standard, type of ownership, or quality of local environment), the NMS and ACC3 scored well below the EU15 average. Contrasts between the most and least advantaged countries are even greater. Nonetheless, when interpreting these data, one should take into account the different cultural norms that influence people's perception of 'satisfactory housing' in various societies, as well as their varying levels of aspiration, the average standard of housing within countries and people's realistic expectations of possible improvement for the future. All of these factors play a role in people's evaluations, as individuals often judge their own situation in relation to others around them.

Comparing the level of satisfaction with housing with the three other dimensions of satisfaction – education, job and standard of living – again reveals, from a cross-national perspective, an international hierarchy, with the EU15 countries ahead of the NMS and ACC3. Interestingly, average satisfaction with housing appears to be the highest in most countries, compared with satisfaction with education, job and standard of living (see Figure 10). This is, however, not the case in the three Baltic countries, Romania and Poland, where serious problems with the quality of housing persist.

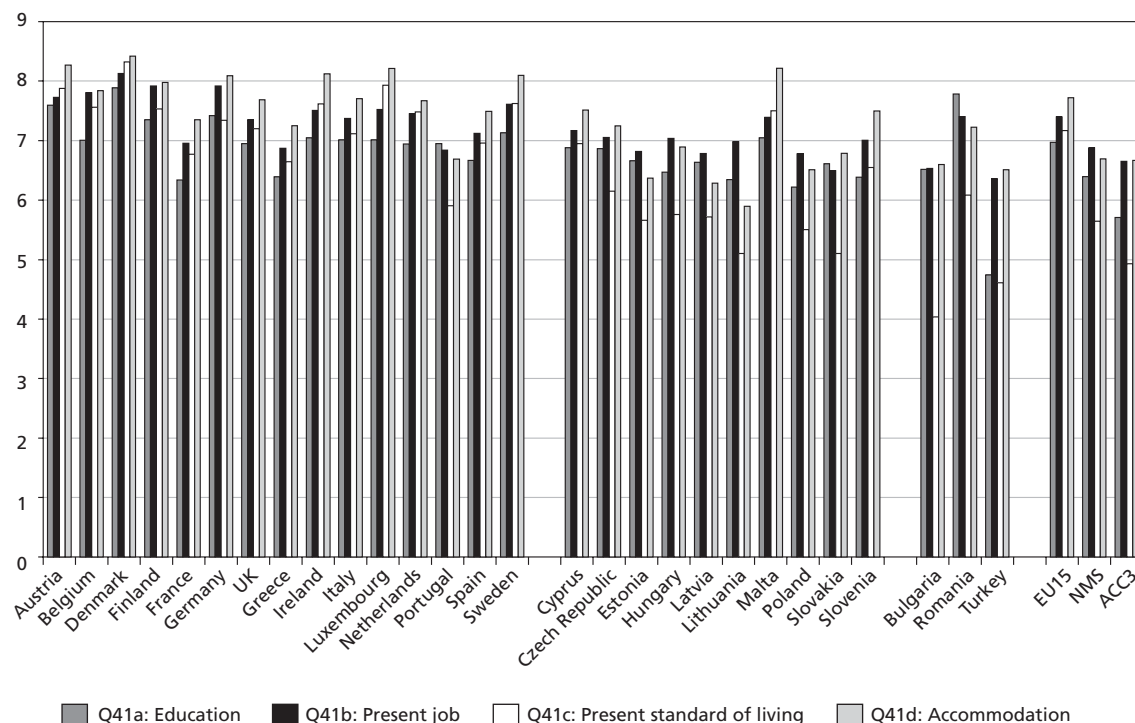
It is worthwhile comparing the determinants of an individual's well-being in the EU15, the NMS and the ACC3. The parameters presented in Table 19 reveal to what extent satisfaction with housing depends on socio-economic characteristics, as well as on objective housing conditions. An interesting question concerns the correlation between subjective factors and objective conditions. As shown, all of the combined characteristics of objective housing conditions – such as size, rotting windows, leaks and damp, lack of a toilet, and inadequate heating – exert the most substantial effect in the statistical model. This is true for all three country groups, particularly in the NMS and ACC3, where it accounts for between 10% and 14% of the variance in satisfaction with housing.

In the EU15, the second strongest association is in relation to the ownership structure, as it explains nearly 5% of the variance in satisfaction with housing. In the NMS and ACC3, the effects of ownership are much lower. However, a reduction in the number of rooms leads to a decline in satisfaction, as do the other deficits outlined above.

The perceived quality of the local environment also has some relevance. In the ACC3, it explains 3% of the variance in satisfaction with housing; however, its relevance is relatively insignificant in the NMS. More surprisingly, the quality of the local environment contributes to only 2% of the variance in satisfaction with housing in the EU15, despite higher levels of environmental awareness and the relatively high demands of and expectations for urban environmental policies.



Figure 10 Average levels of satisfaction with education, present job, standard of living and accommodation



Source: EQLS, Q.41 – Could you please tell me on a scale from one to 10 how satisfied you are with: a) your education; b) your present job; c) your present standard of living; d) your accommodation?

With regard to the other variables, it appears that sex, age, place of residence, and family income do not affect satisfaction in any of the country groups consistently.

Finally, it is worth noting the impact of housing conditions on the perceived quality of life, as measured by general satisfaction with life. Parameters outlined in Table 19 compare the net effects of various aspects of housing with the effects of income, occupational category, place of residence, sex and age. The results indicate that quality of housing plays an important role in determining general life satisfaction, even if other factors such as income are controlled. The main difference between the EU15 and the NMS lies in the net effect of house ownership. This again is linked to the different meaning attached to house ownership in eastern and western Europe. In the EU15, ownership signifies a higher status and better housing quality, whereas, in the NMS, ownership has much less significance, as the majority of people in these countries were made legal house owners after the countries' socio-political transition. Thus, the higher share of owners in these countries is coupled with poorer housing quality and less space, which also implies that house ownership has little impact on general life satisfaction in the NMS.

**Table 19 Relationship between satisfaction with housing and general satisfaction with life and objective characteristics of housing**

Independent variables	EU15		NMS			CC3
	B	Beta	B	Beta	B	Beta
Sex (0-M; 1-F)	0.27	0.07	0.02	0.00	0.32	0.06
Age (65 and over)	0.51	0.11	0.20	0.03	0.33	0.04
Age (50-65)	0.22	0.05	0.09	0.02	0.24	0.03
Age (35-50)	0.06	0.01	0.00	0.00	-0.03	0.00
Age (25-35)	-0.09	-0.02	-0.13	-0.02	-0.06	-0.01
Professionals	0.32	0.07	0.18	0.02	-0.12	-0.01
Non manual	0.13	0.03	0.05	0.01	-0.16	-0.02
Self employed	0.29	0.04	-0.38	-0.04	0.08	0.01
Skilled workers	0.15	0.03	-0.30	-0.06	0.04	0.01
Unskilled workers	-0.18	-0.03	-0.51	-0.07	-0.46	-0.05
Farmers	0.09	0.01	0.32	0.02	-0.73	-0.05
Area (0-rural; 1-urban)	0.00	0.00	0.09	0.02	0.23	0.04
Personal income (in 1000's of €)	0.10	0.04	0.14	0.02	0.12	0.01
Owners with mortgage-other	0.24	0.06	0.51	0.10	0.08	0.01
Owners with mortgage-other	0.25	0.06	0.13	0.01	0.23	0.01
Tenant, private-other	-0.67	-0.15	-0.66	-0.06	-0.92	-0.13
Tenant, social-other	-0.34	-0.06	0.07	0.01	-1.40	-0.06
Number of rooms per person	0.07	0.04	0.66	0.19	0.50	0.12
Rotten windows	-0.84	-0.12	-0.89	-0.16	-0.68	-0.11
Damps and leaks	-0.76	-0.14	-0.81	-0.13	-1.01	-0.17
Lack of flushing toilet	-0.89	-0.05	-1.18	-0.15	-0.44	-0.06
Problems with heating	-0.91	-0.13	-0.68	-0.12	-0.80	-0.14
Number of complains on environment	-0.21	-0.12	-0.16	-0.07	-0.25	-0.11
Insecure environment	-0.09	-0.02	-0.10	-0.02	-0.43	-0.08
Constant	7.51		6.40		7.42	
R2	0.24	0.00	0.25	0.00	0.22	0.00

Source: Q.41 – Could you please tell me on scale of one to 10 how satisfied you are with each of the following items, where one means you are very dissatisfied and 10 means you are very satisfied: your accommodation?

Notes: Semi-partial coefficients of linear regression are controlling for age, sex, occupational category, area and income, multiplied by 100.<sup>6</sup> Reference category in the case of age is people below 25 years; in the case of occupational status, persons who never had a paid job; and in the case of type of housing, those who were categorised as 'accommodation is provided rent free' or 'other'. The index of complaints about the environment is on a five-point scale defined as the number of complaints reported by respondents, with the set of complaints including: noise; air pollution; lack of access to recreational or green areas; water quality.

<sup>6</sup> See Domanski and Alber, 2006, p. 103



This report on the social aspects of housing in the EU after enlargement confirms some of the long-standing social trends related to housing in Europe. It also reveals a number of surprising results, as well as uncovering some worrying inequalities between European countries and between socio-economic groups, thus underlining the 'housing paradox' in Europe. Moreover, the report makes important observations in relation to overcrowding in housing, as well as assessing the importance of the local environment for satisfaction with housing, and highlighting the concerns among inhabitants in several European countries and among specific social groups for their personal safety.

## **Housing still an important priority**

The results of the report confirm the high priority that people in western and eastern Europe still attach to housing and housing conditions. Research conducted in the various countries proves that having satisfactory accommodation is at the top of the hierarchy of human needs. According to a recent European-wide study conducted in 28 European countries, having a good job and adequate accommodation are viewed, on average, as being the most necessary prerequisites for a good and satisfactory quality of life. This is confirmed by the findings outlined in this report, which show that quality of housing plays a significant role in determining general life satisfaction, even if other relevant factors like income are taken into consideration.

From a policy perspective, these results – which are based on a combination of people's subjective aspirations and their perceptions of objective housing conditions – underline firstly the importance of a normative policy approach that promotes the social rights of access to affordable and decent housing in Europe. Secondly, the results highlight the importance assigned to housing in the social inclusion approach of the European Commission, which has also been confirmed in the various rounds of the national action programmes on social inclusion. Thirdly, if housing has such an immense importance for the subjective quality of life of European citizens, then sub-standards in housing will also affect the social cohesion of an enlarged EU. This raises the question of whether or not housing should be included as an area of activity in EU regional and structural funds.

In general, all three lines of reasoning, which have relevance for policy, support a limited role of the European Commission on specific housing issues, despite the fact that the EU has no formal competencies in housing under the EU treaty.

## **High ownership rates in NMS and ACC3**

A potentially surprising result for many non-experts in the European housing field is likely to be the high ownership rates in the NMS and ACC3. This may imply some unexpected level of material well-being in these countries, which is usually not reflected in public debate. Some observers may also see this as being a good pre-condition for a more accelerated economic liberalisation process in the NMS, as house ownership is sometimes seen as indicating the social integration of workers in a middle class society based on strong individualistic and materialistic values.

From a policy perspective, the high ownership rates in the NMS may also bring into question the results of poverty and social cohesion research, using a European-wide income measure, which indicates the significant disadvantage of the NMS. These studies usually do not consider

ownership. Thus, the significantly higher degree of house ownership, and particularly the high degree of house ownership without a mortgage, could be seen as an off-setting factor in a comparison between the old and new Member States. An important factor in this equation would be the quality of housing conditions related to house ownership.

### **Inequalities in housing conditions**

There are significant differences in housing conditions across Europe. The basic divide exists between the EU15 Member States, on one side, and the NMS and ACC3 countries on the other side. People living in the post-communist countries tend to live in significantly worse housing conditions compared with the EU15 and below the level stipulated in EU policy. Differences also exist both within western and eastern Europe. Cross-national variations within the latter group are stronger, with Slovenia demonstrating the most favourable conditions, and the Baltic countries and Poland demonstrating the least favourable conditions, followed by the acceding countries, Romania and Bulgaria, and the candidate country, Turkey. From the perspective of an international hierarchy of housing conditions, these findings are consistent with the level of wealth and of consumption among the particular countries. They confirm that economic developments, i.e. differences in GDP per capita, explain most in relation to inequalities in housing conditions.

From a policy perspective, the worrying extent of housing deprivation and the strong association with the national level of GDP per capita underlines first of all, the strong relationship between the EU's cohesion strategy and housing conditions. Secondly, it highlights the importance of national reforms related to housing and the associated capital market for establishing reliable and long-term housing regulations to facilitate and encourage private investors by providing them with stable and reliable expectations. Specific measures could include, among others, the greater availability of mortgages, more economic incentives by the state such as cheaper credit, grants or tax subsidies, clearer regulation of the relationship between tenants and house owners in the private housing market, and greater investment in social housing combined with increased support for social housing associations.

### **Inequalities between socio-economic groups**

In addition to the housing inequalities across countries, inequalities also exist within these countries. Such inequalities are most apparent among the poorer segments of society, as a result of the general deficits and underdeveloped economies in these particular segments. Certain socio-economic groups, in particular, are worst affected by these deficits and deserve specific policy attention, as they are more at risk of a decline in standards and quality of life. The following categories (on the basis of frequency of problems) have been identified as being most at risk:

- young people in Poland, Italy, Slovakia, Portugal and Malta, whose entry into independent living is delayed due to housing shortages;
- elderly people in Greece, Portugal, Estonia, Latvia, Lithuania, Romania, Bulgaria, Poland and Hungary, who are often owners of sometimes even large properties, but who are unable to meet the costs involved in renovation and modernisation of the property;
- rural inhabitants of Romania, Poland, Turkey, Bulgaria, Latvia, Lithuania and Estonia who live in low standard accommodation;

- people on lower incomes in some of the EU15 countries (i.e. Italy, Greece and Portugal), in the Baltic countries, and in Poland, Bulgaria, Romania and Turkey.

From a policy perspective, these results confirm the conclusions of the three rounds of EU-level national action programmes on social inclusion up to 2005. Initiatives highlighted in the Joint Reports on social inclusion by the European Commission and the Council in relation to social housing issues should be adopted by the Member States and addressed by future EU social action programmes, such as Progress.

### **Extent of 'fuel poverty'**

Some quality of life analysts perceive 'fuel poverty' as posing a serious risk to a decent standard of living by European standards in the twenty-first century. In some eastern European countries, but also in the southern European country, Portugal, half of the population cannot afford proper heating in the winter. This is combined, in the same group of countries, with an even higher rate of fuel poverty among older people: between two-thirds and three-fifths of older people (65 years and over) in Romania, Lithuania and Portugal are affected by fuel poverty, according to their own assessment.

Challenges in relation to fuel poverty are, on the one hand, related to national pension policies and, on the other hand, related to a lack of specific subsidies for improving either housing conditions or housing subsidies among those who are less well-off.

### **Overcrowding**

In general, overcrowding of accommodation is not a major concern in the EU. Nonetheless, certain Member States fall below, or are close to, the minimum standard of at least one room per person. Poland is the only country that falls below this level, with an average of 0.9 rooms per person. Hungary, Latvia and Turkey, with an average of 1.1 rooms per person, and Slovenia, Lithuania and Romania, with an average of 1.2 rooms per person, are close to this minimum standard.

The combination of overcrowding and sub-standard housing conditions in Poland, Lithuania and Latvia once again provides a strong argument in favour of the use of regional and structural funds for the improvement of housing conditions in these countries.

### **Housing paradox in Europe**

The results show, in certain European countries, a clear association between the private ownership of housing and the quality of housing conditions: on average, house owners in these countries tend to have better housing conditions compared with tenants. However, at a macro level, when comparing countries with each other, these results are not confirmed. In eastern European Member States, high house ownership goes hand-in-hand with poor housing conditions and, in some countries, with very poor conditions.

To combat this situation, greater account needs to be taken of the economic and demographic conditions that create specific pressures in the housing market. In eastern Europe, these conditions are related to the political and economic transition, which was accompanied by the rapid

privatisation of state-owned housing. Although former tenants were now able to become home owners, many could not afford to maintain and improve the quality of their accommodation. This reality underlines the need for state-funded initiatives, such as long-term programmes that are beyond the financial means of the affected households. In addition to specific interventions in the housing market, individuals and families would also benefit from more employment opportunities, higher employment security combined with greater flexibility, and higher incomes. The life course perspective is very important in this context, as housing investment should be seen as a long-term investment sometimes spreading across more than one generation.

### **Concerns for local environment**

Results of the EQLS study indicate that the local environment is an important factor in relation to housing quality. Overall, a higher level of complaints about the local environment appear to be visible in the southern European Member States in particular. Among the specific groups of people that perceive a particular threat in relation to the local environment in which they live are:

- inhabitants in urban areas of Malta, Turkey, Italy, Greece, France, Cyprus, Lithuania and Romania, who cite the highest level of complaints about noise, air pollution, and quality of water;
- elderly people in the Czech Republic, the three Baltic countries, Hungary, Greece and Romania, who complain most about unsatisfactory access to the local infrastructure (doctor's surgery).

A more surprising result is the fact that perceived conditions in the local environment have a less significant influence on overall satisfaction with housing than seems to be reflected in public debate. According to these results, the quality of housing conditions is five times more important for satisfaction with housing than the quality of the local environment.

### **Lack of personal safety**

An important dimension of quality of life is people's sense of personal safety in the area. In recent years, several European governments have taken action to improve the public's personal safety. The security issue, traditionally more of a 'law and order issue' of conservative and centre right wing governments, has today become a policy issue widely accepted by most political parties. This report identifies women and/or elderly people in particular, in Lithuania, Italy, Denmark, Finland, Estonia, Malta, Ireland and Germany as having a low sense of personal security in their neighbourhoods.

Improving personal security on the streets is obviously not in the domain of EU policy; instead, it is mainly part of the remit of local and regional authorities.

### **Limitations of the study**

This report does not provide an exhaustive list of all the housing issues on the European policy agenda. Rather, it points to those issues that produce the most distinctive differences in housing conditions, and that have marked consequences for the quality of life of many Europeans. Certainly, these issues should not be overlooked by European social policy. Nonetheless, other significant problems also need to be addressed, in particular the issue of homelessness. This report

does not refer directly to homelessness, as the research methodology was not appropriate for studying this problem. Therefore, a discussion on homelessness – including the extent of homelessness in Europe and within particular countries – was beyond the scope of the report's analysis.

Housing conditions, quality of the local environment, ownership structures, and overcrowding are key concerns of European citizens. A sustainable and effective quality of life policy for the EU Member States should, therefore, take into proper consideration the importance of housing policy for all citizens. It should also reflect the importance for housing policy of labour market policies, education, family and fertility policies and the development of local, regional and national infrastructure. Only a holistic, integrated and long-term policy approach can maximise the positive effects of housing policies.





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*What is the ownership structure of housing in Europe following enlargement? Is there a significant difference between the 'old' and 'new' Member States as regards available living space? What are the perceptions of quality of the local environment in Europe? How does satisfaction with housing vary?*

*This report explores housing conditions in the context of individual quality of life, revealing important differences in standards and expectations across the EU. The findings are based on the Foundation's First European Quality of Life Survey, which was carried out across 28 countries: the EU25, two acceding countries – Bulgaria and Romania – and one candidate country, Turkey. The report finds that, in addition to living space and standard of accommodation, quality of life is largely dependent on factors such as personal safety, proximity to local infrastructure, and the quality of the environment such as clear water, clean air and green areas. The underlying argument is that the EU policy goals of combating exclusion and discrimination – and strengthening social cohesion – cannot be achieved without harmonising the housing conditions of Europeans.*

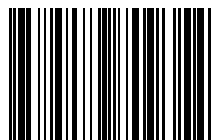
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