

Submission by SIPTU for the Commission on Housing

September 2022



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Introduction

The Services Industrial Professional and Technical Union (SIPTU) is Ireland's largest trade union. SIPTU represents approximately 180,000 members in both jurisdictions on the island. Members of SIPTU work in a broad range of industries across the private and public sectors.

We thank the Housing Commission for affording us the opportunity to share our trade union's views on a referendum on housing.

As trade unionists, we see adequate housing as a fundamental human right. Yet, many of the members of our union struggle to put a roof over the heads. Members cannot afford to purchase homes or pay extortionate rents. Housing and its contribution to the spiralling cost of living is one of the most immediate barriers to a decent standard of living and quality of life for working people in our country.

Failure to meet existing housing demand combined with rising demographic and employment growth means that an increasing number of people find themselves in unsustainably expensive private rented accommodation or overcrowded housing with no short-term prospect of being able to get long-term secure housing.

Reliance on the private sector to resolve the housing shortage has been tested and has failed. What is even worse is that favourable tax arrangements have been established and sustained by successive Governments that enable real estate investment trusts (REITS) which allow very large global equity firms to acquire and develop thousands of apartment dwellings. This has produced a situation where the living arrangements of thousands of people is being concentrated in a few equity funds buying up large tracts of apartment developments. Decisions made to sell up these developments could jeopardise the living arrangements of many tenants and expose them to eviction or expensive legal action.

SIPTU believes that the amount of public and affordable housing required to meet the current demand can only be delivered through a massive local authority led investment programme. Further, SIPTU believes that there are two parts to this increased role for local authorities (i) planning for future housing demand and

providing accordingly over the medium-term and (ii) direct responsibility, control and management by local authorities of the design, funding, building and operation of the public housing programme. Together these combined powers will ensure that local authorities can lead housing provision in their respective areas in the coming decades.

Acknowledging the fundamental role that safe and secure housing plays in providing a decent standard of living and enabling workers to live with dignity, SIPTU has been an active participant in the Raise the Roof coalition since it was established. Alongside other members of Raise the Roof, we recognise the critical importance for workers and their families of a statutory right to housing.

The Housing Crisis

SIPTU has long campaigned for the State provision of social and affordable housing for our members and the workers of this country. Since the 1990's, successive governments and local authorities have abandoned their responsibility to provide decent homes for the people. Instead, they ceded control of the housing market to private landowners, builders and developers. The collapse of the economy in 2009 was largely fuelled by an explosion in property prices and the associated reckless lending by financial institutions. As a consequence of the crisis, the provision of both private and public housing was significantly reduced resulting in the current housing crisis.

Since 2016, governments have introduced plans including Rebuilding Ireland (2016) and Housing for All (2021), which were promoted as solutions to the housing crisis. The crisis has deepened as housing supply has failed to meet demand, prices have climbed to unprecedented levels while control of significant sectors of provision have been seized by global investment funds, incentivised by government tax breaks.

Since the current government took office in 2020, house prices have risen by 22%, rents have increased by 15%, and homelessness by 19%.

Just over 20,000 new houses have been built across the State over the past year, many at prices well beyond

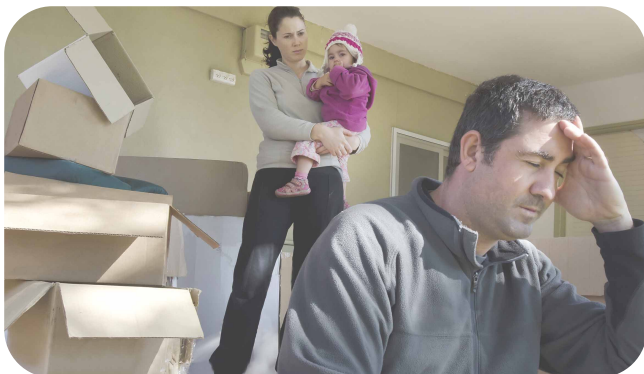
what most workers can afford. Local authorities have built a paltry number of houses and have relied on the private sector to provide social housing.

Meanwhile, the State spends almost €1 billion under the Housing Assistance Payment scheme which is provided to landlords to subsidise low income tenants. Housing charities and approved housing bodies provide social housing for those on low incomes but nowhere nearly enough to meet the requirements of 60,000 on the official housing list and a similar number in urgent need of low cost, social and affordable housing.

The Most at Risk

Since early 2021, child homelessness has increased by 41%. There are 5,054 single people, 3,028 children and 1,366 families officially recognised as homeless. A further 3,278 adults and children are trapped in Direct Provision even though they have secured permission to remain in this country. Hundreds of adults and children reside in Túsla funded domestic violence refuges and other hostels not funded by the State. There is an unknown number of people 'couch surfing' or living in overcrowded and inadequate accommodation.

Travellers, people with disabilities, older people and migrants continue to live in unsuitable accommodation at the margins of our housing system. The latest ESRI report on housing tenure and pension income adequacy indicates significant risk of increased pensioner poverty for those unable to buy their own home and dependent on private renting. It estimates that up to 40% of people aged between 25 and 40 years will never own their own home and will face rental difficulties in retirement. The CSO has identified 48,000 long term vacant homes and 35,000 vacant rental homes across the State.



Government Failure

The current 'Housing for All' plan is not sufficient to meet the expanding housing need. It has a target to build 300,000 homes by 2030. Notwithstanding the current difficulties in recruiting skilled workers to meet its annual build target and the recent inflation in construction costs, the plan fails to meet the demand for social and affordable housing over the coming decade.

The housing supply and rental crisis is compounded by an inadequate supply of affordable student accommodation which is at crisis proportions at the commencement of the 2022/23 academic year.



SIPTU Policy on Housing

SIPTU has refined its previous policies with a view to meeting the challenge posed to members, their families and broader society by the current and deepening housing crisis. This policy incorporates proposals adopted at the union's Biennial Delegate Conference in March, 2022. It also incorporates the demands of the Irish Congress of Trade Unions led, Raise the Roof campaign which comprises trade unions, housing organisations, the National Women's Council, Union of Students in Ireland, the Traveller movement, progressive political parties, academics and activists.

We are calling on the Government to ensure that future housing policy has a major focus on the State led provision of large volumes of genuinely affordable homes for those locked out of the private rental and owner occupier markets.

This requires:

1. The holding of a constitutional referendum to enshrine the right to housing in the constitution.
2. Increased direct capital investment in a major local authority led public housing programme to deliver at least 20,000 social and affordable homes per year, including 4,000 affordable, cost rental homes.
3. Greater focus on bringing vacant homes back into use through the public housing programme and the introduction of a vacant property tax.
4. An increase in the percentage of Part V units for social and affordable housing.
5. A substantial intervention in the private rented market with public-sponsored cost-rental accommodation, either through new builds or acquisitions.
6. A ban on rent increases and measures to cut rents in the private rental sector.
7. An emergency ban on evictions to halt the rise in homelessness and legislative change to restrict grounds for eviction.
8. A new student accommodation strategy in partnership with colleges and students' unions delivering genuinely affordable accommodation for students on or near campus and greater protections for those students in poor standard rental accommodation.
9. Full implementation of the recommendations from the report of the Expert Group on Traveller Accommodation.
10. An end to all pro-developer subsidies including Help to Buy, Shared Equity First Home and Croí Cónaithe.
11. Introduction of measures to tackle the issues of speculative investment in land and land hoarding.
12. An end to the tax reliefs on rent and capital gains for institutional and global funds.
13. The application of the Construction Sector Employment Order on all sites involved in building homes for local authorities and state bodies.
14. A plan to attract 25,000 additional workers into quality, secure and unionised employment in the construction industry.
15. A programme for up-skilling workers and expansion of the apprenticeship in the Construction sector.
16. Trade union representation on the different State boards involved in the building of homes including the Land Development Agency.
17. That all state construction projects are carried out by reputable companies and that a register of such companies is compiled with the input of SIPTU and the ICTU Construction Industry Committee.
18. Access for trade union representatives to all construction sites engaged in the State provision of social and affordable housing.
19. Increased resources for the local authorities as the primary focus of public sector spending on housing and through direct employment.
20. Support for a voluntary system of buyback and replacing houses of senior citizens with 1-2-bedroom houses and apartments in the areas in which they reside, thus rebalancing supply and demand in particular areas of the country.

21. A campaign for a government strategy for the regeneration of towns and villages with local authorities in each county resourced to purchase brown-field sites for housing development.
22. The establishment of an all-party Oireachtas committee to oversee the continuing progress in relation to financing local authorities and empowered to investigate and make accountable Chief Executives of local authorities/state housing agencies in relation to public housing policy.
23. To make public housing available to more people on a broad range of incomes, with rents set at a percentage of take-home pay in cost rental accommodation.
24. To create and fund a State Building Agency to affordably retrofit and refurbish workers' homes to ensure they meet new energy efficiency standards.
25. A new Rental Board to represent and extend security of tenure and maintenance/dwelling standard rights for all tenants including students, introduce a system of rent setting and control and encourage tenant unionisation.



Referendum on Housing

This submission has been prepared in response to a public consultation by the Housing Commission on whether there should be a constitutional amendment through a referendum on housing in Ireland and what form it should take.

SIPTU believes that constitutional change is an essential component in a comprehensive strategy to tackle our country's housing and homeless crisis and for this reason we support the holding of a referendum on the property provisions in the Constitution namely, Article 43 and Article 40.3.2. as these two Articles both separately and together are the primary sources of property rights in Ireland. Broadly speaking, Article 40.3.2^o may be said to protect the individual citizen's property rights, while Article 43 deals with the institution of property itself¹.

While an amendment to the Constitution to insert a right to housing will not fix all aspects of the homeless and housing crisis overnight; it will improve the situation for workers and their families by placing a constitutional obligation and responsibility on the State and the Government to realise the human right to safe and secure housing.

SIPTU can see no justifiable reason for a delay in the holding of a housing referendum and therefore calls for the referendum to take place as soon as is practicable after the Housing Commission produces its report and certainly no later than 2023.

In relation to the form of a referendum on housing, SIPTU endorses the analysis and proposed wording advanced by the academic, legal, housing and homelessness experts in Home for Good. We endorse the preference expressed by Home for Good of a stand-alone justiciable right of equal value to the right to private property. With a stand-alone right to housing, there would be a counterbalancing obligation and responsibility to realise that right and an impetus for

¹ Report of the Constitution Review Group, 1986 pgs. 336-346 <https://web.archive.org/web/20110721123125/http://www.constitution.ie/reports/crg.pdf>

effective action by the State through the development of progressive and effective housing policies within available resources.

Home for Good argue that currently in both Article 43 and Article 40.3, the constitution provides protection of private property rights and that there is no equivalent protection for the right to housing. Harmonising this constitutional imbalance, they argue, is crucial as currently the starting point for any legal analysis in respect of the regulation of land must begin from the perspective of the property owner's right. While this right can be restricted in the interests of the common good, the starting point remains the private interest, with the common good only relevant insofar as it justifies the State in limiting the right to private property. Consequently, the Constitution perceives property as a private interest held by a right's holder, with the common good cast in opposition and the State given the role of protector of this private right.

A 2019 Oireachtas Research Paper demonstrates the stark reality of the role of the State under the current constitutional standing of property as a private interest when it shows that on twelve separate occasions over recent years, housing legislation proposed in Dáil Éireann did not progress due to the inhibiting effect of Article 43².

It is clear that successive governments perceive Articles 40.3 and 43 as presenting a real challenge to housing reform.

A constitutional amendment could reframe the current interpretation of private property rights and enable the State and the Government to respond to the housing and homeless crisis in a manner which fairly balances competing interests. In this scenario, the legislature and the courts would be tasked with balancing two rights, subject to proportionality and rationality.

In addition, the wording proposed by Home for Good would provide a constitutional framework for State involvement in the provision of adequate housing as it would place a positive constitutional obligation on the State to act, rather than, for example, to adopt a market-driven approach to housing.

Conclusion

In conclusion, we would strongly urge the Housing Commission to recommend that a referendum is held on the right to housing. We would ask the Housing Commission that when making this recommendation, that it would propose a specific wording and that the proposed wording would provide for an amendment that would create a balanced, standalone and enforceable right to housing.

Finally, SIPTU's National Executive Council has decided that should a referendum on housing be held, that we will actively educate our members and workers generally on the issues before them and encourage them and their family members to exercise their democratic right by voting in the referendum, and when doing so to vote in their interest.

² Keyes, "Briefing Paper: Property Rights and Housing Legislation", Oireachtas Library and Research Service, 2019. Available here: https://www.homeforgood.ie/assets/files/pdf/enquiry_2019_715_-_property_rights_and_housing_legislation.pdf



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