The Transformation of Housing Careers:

An Application of Guy Standing's 'Proletariat' and 'Precariat'

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# Section 1: Good Culture and Housing

- Importance of housing to individual well- being and social welfare:
- Housing is established as a human right in a number of human rights instruments including Article 25 of the Universal Declaration of Human Rights and Article 11(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR).
- The Committee for Economic Social and Cultural Rights (CESCR) recognises the right to adequate housing as being of central importance for the enjoyment of all economic, social and cultural rights.
- General Comment 4, "the right to housing should not be interpreted in a narrow or restrictive sense which equates it with, for example, the shelter provided by merely having a roof over one's head or views shelter exclusively as a commodity. Rather it should be seen as the right to live somewhere in security, peace and dignity. (para 7).

Goals of Housing Policy

- Morgan (2009) has proposed that the goal of housing policy should be to ensure the provision of a sufficient quantity of affordable, secure accommodation that is in a reasonable state of repair and is located where people need it.

- 'this accommodation should be **secure** so it enables households to have a degree of **control** over their lives. It should enable people to express their sense of **identity** and provide those dependant on them with a **stable home.**

- Good policy must include qualitative and symbolic norms relating to well being, security, autonomy, identity and fixity / settlement.

- Irish housing policy points to a clear retreat / avoidance of these norms especially for precarious households

- Driven by longer term policy shift (early 1990s) & compounded by banking collapse, economic crisis & imposition of austerity politics (mid 2000s).

- Dominance of owner occupation up to early 1990s driven by generous state subsidies and incentives to households.
- Initial growth and gradual flattening of social housing due to impact of tenant sales and dilution of direct provision & shift in subsidy regime from bricks and mortar to household support.
- (Asset based welfare regime)
- Long term decline of private renting (transitional, insecure, poor quality, weak tenant protection) until early 1990s and growth in tenure share from 2000s.
- Large number of small scale landlords
- Private renting – up to 30% share in cities.

Tenure trends in Ireland 1946-2011
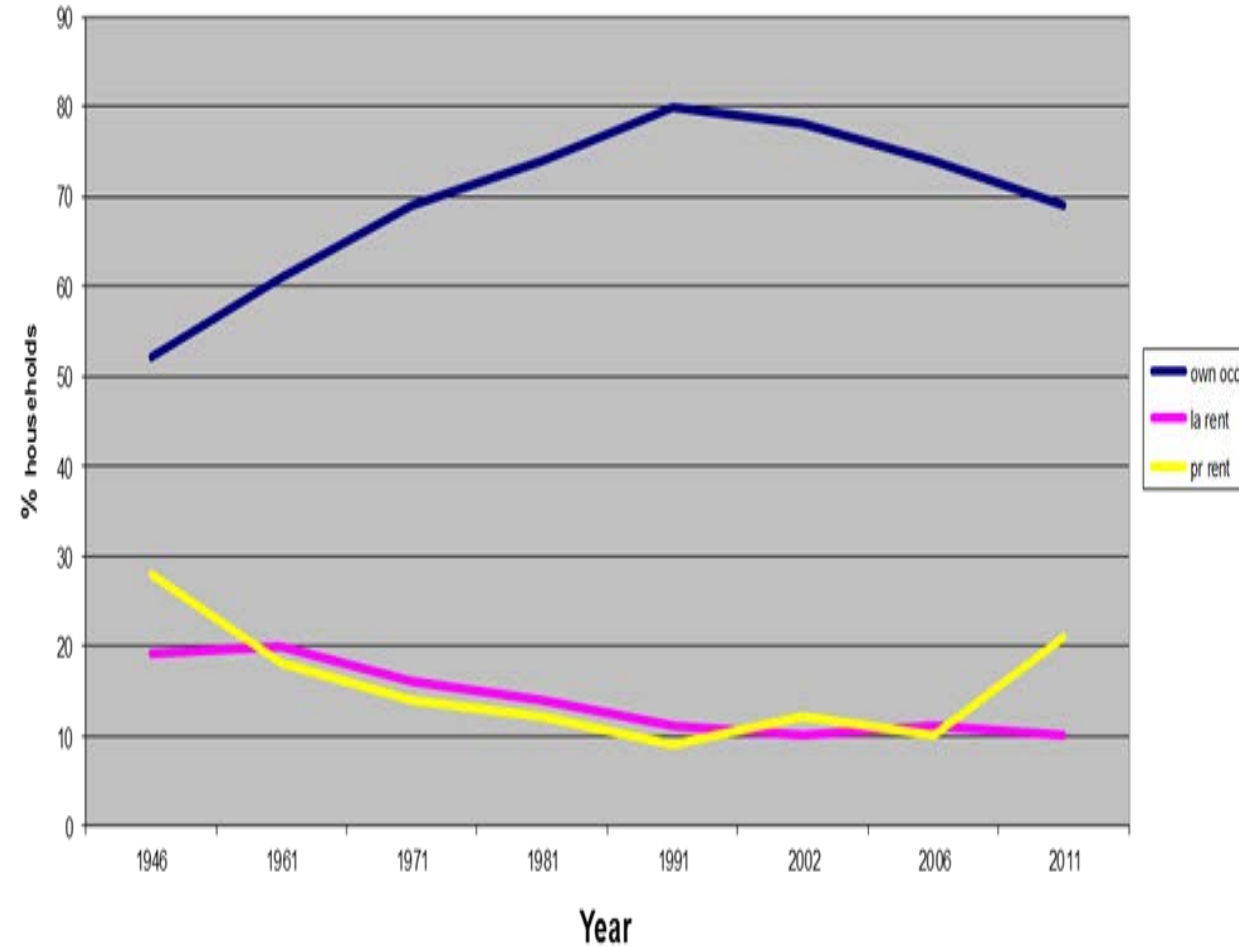
- What was "classic" housing for the proletariat: Social Housing

- What is the "classic" housing for the precariat: Private Rented Sector

Standing and precarity

- Guy Standing as leading analyst of precarity and the precariat (PCT)
- Three sub-categories of the PCT:
- (1) previously in the proletariat,
- (2) traditional denizens
- (3) the young educated and those dislodged from salariat.
- The focus of this paper is the latter sub-category (3), specifically young adults at the beginning of their employment careers entering a precarious labour market.
- This presentation explores the housing options facing this segment of the precariat in Ireland namely within the Private Rented Sector

Section 2
Housing the Proletariat

Forms of labour security under industrial citizenship

Labour market security – Adequate income-earning opportunities; at the macro-level, this is epitomised by a government commitment to 'full employment'.

Employment security – Protection against arbitrary dismissal, regulations on hiring and firing, imposition of costs on employers for failing to adhere to rules and so on.

Job security – Ability and opportunity to retain a niche in employment, plus barriers to skill dilution, and opportunities for 'upward' mobility in terms of status and income.

Work security – Protection against accidents and illness at work, through, for example, safety and health regulations, limits on working time, unsociable hours, night work for women, as well as compensation for mishaps.

Skill reproduction security – Opportunity to gain skills, through apprenticeships, employment training and so on, as well as opportunity to make use of competencies.

Income security – Assurance of an adequate stable income, protected through, for example, minimum wage machinery, wage indexation, comprehensive social security, progressive taxation to reduce inequality and to supplement low incomes.

Representation security – Possessing a collective voice in the labour market, through, for example, independent trade unions, with a right to strike.

Housing security under Phase 1 Social Housing

- State commitment to direct provision

- Dominant local authority sector

- Response to market failure – poor quality, overcrowding, insecurity

- Affordable - Income related rents

- Adequate dwelling quality,

- No probation on tenacies,

- Lifetime tenancy / occupancy,

- Succession   / inheritable tenancies,

- No obligation to move if circumstances change

- Guaranteed maintenance

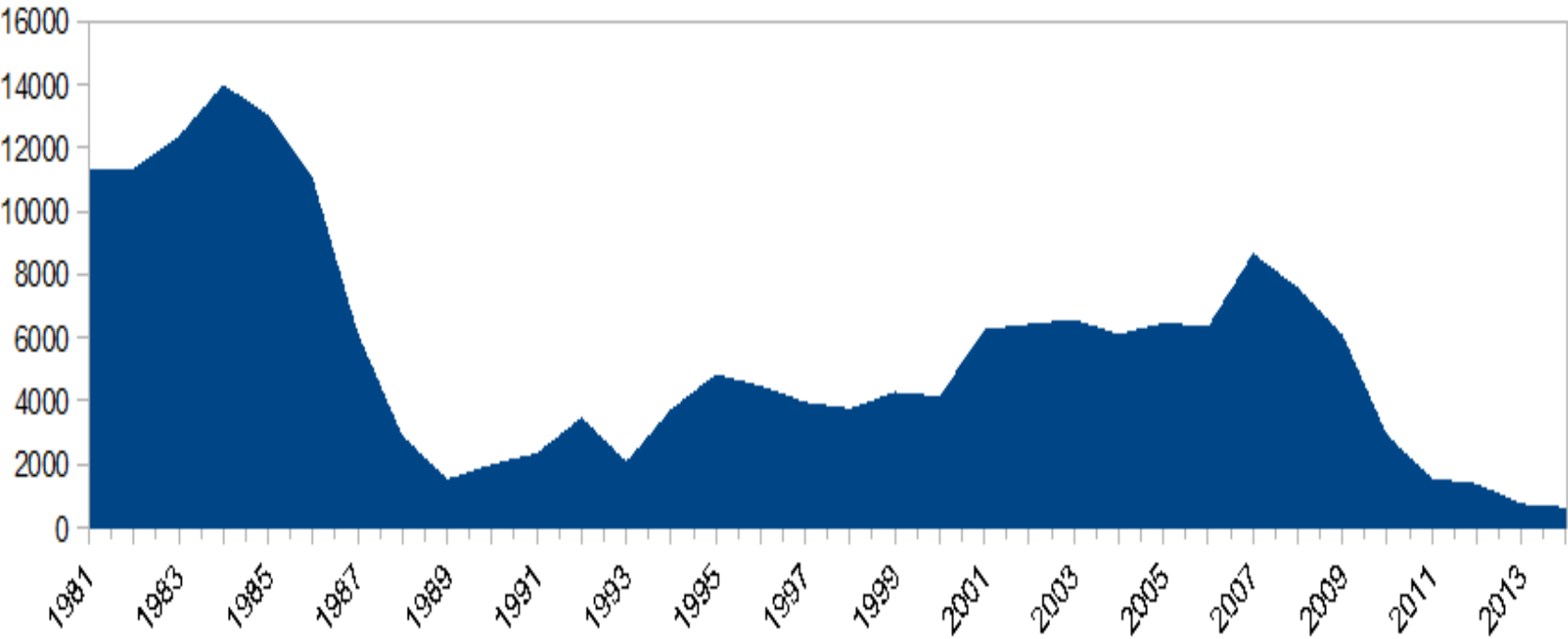- Opportunity to acquire dwelling via tenant purchase.

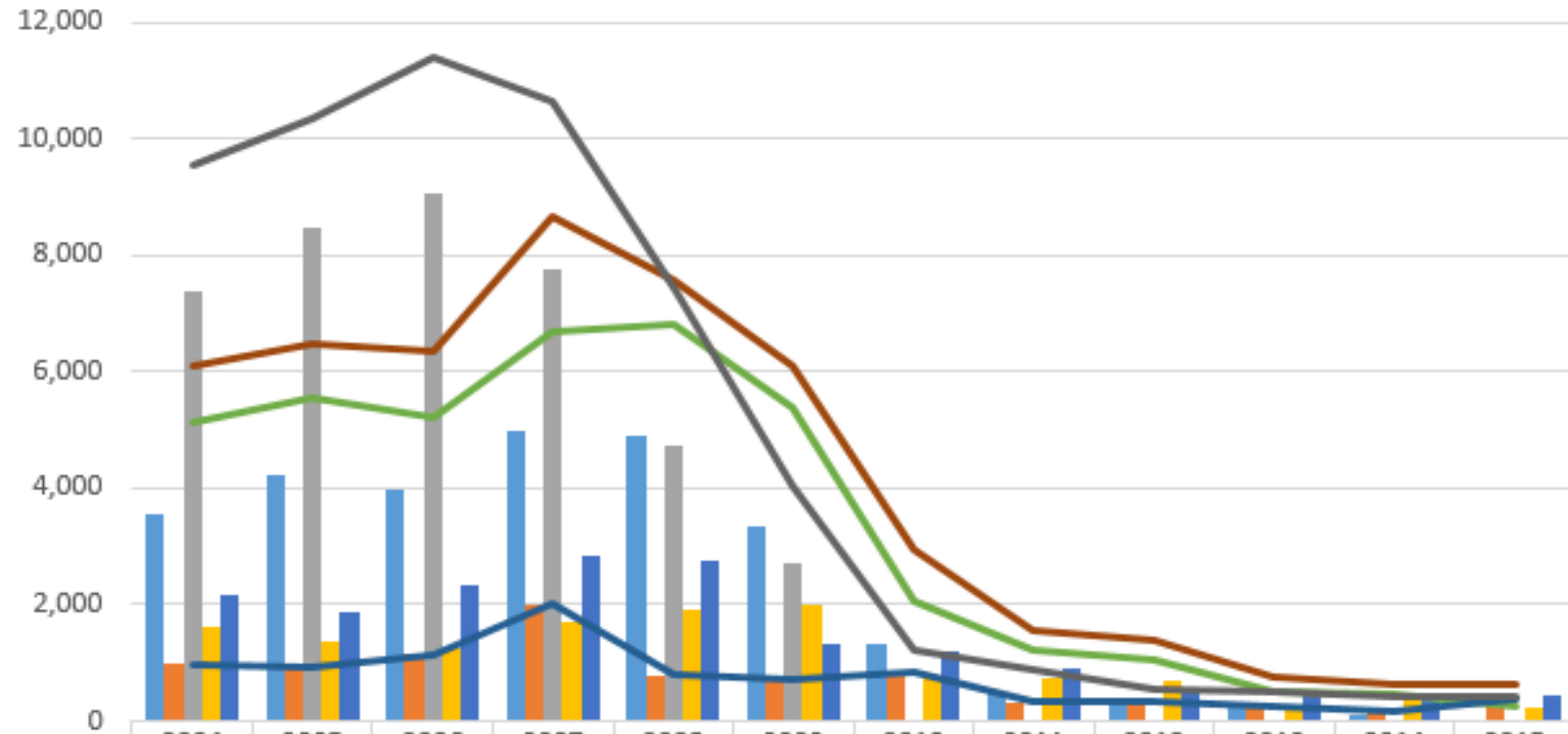# TRADITIONAL TENURE CAREER OF YOUNG ADULT PROLETARIAT (IRELAND)
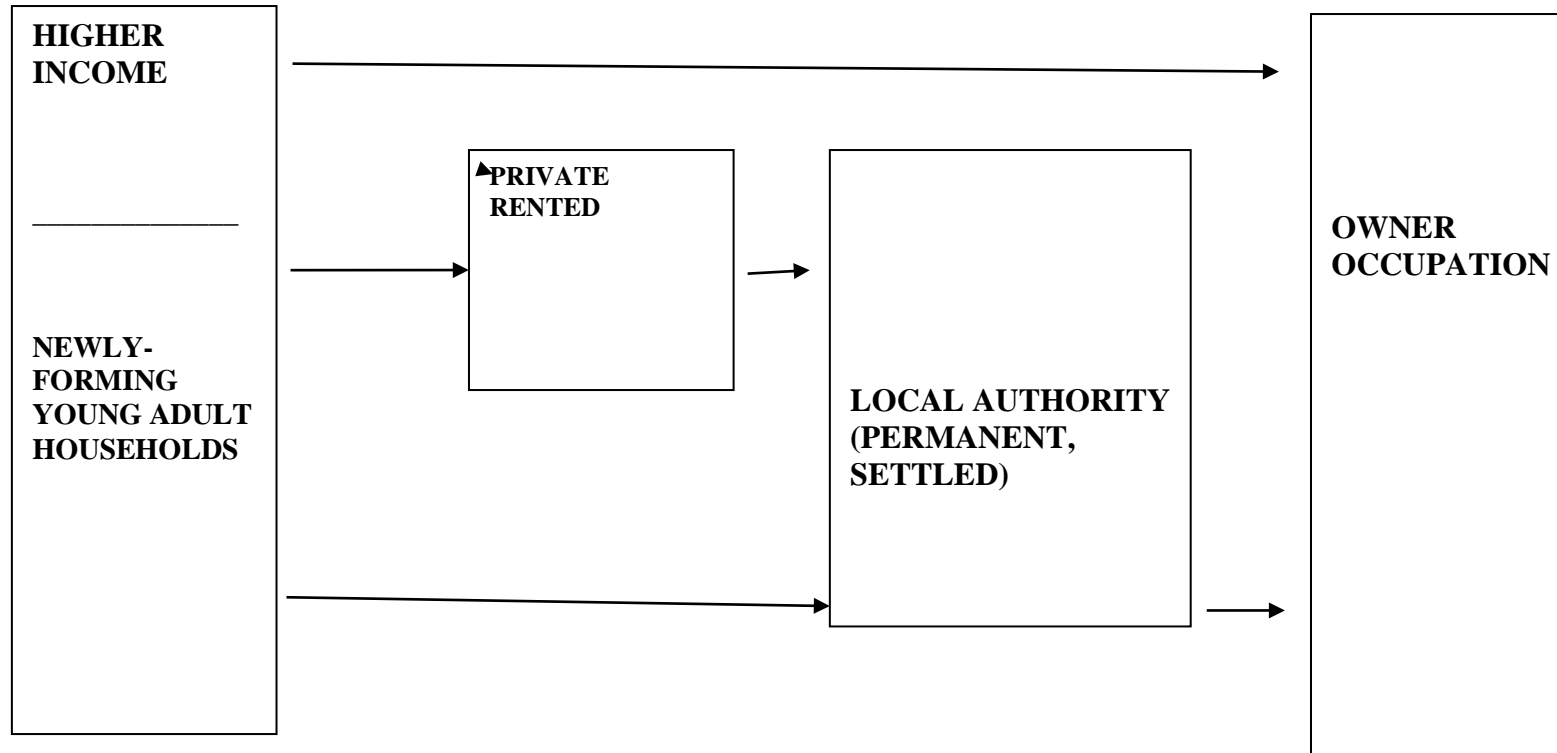
Irish social housing new build and acquisitions, 1981-2014

(Local authority and Housing Associations)

Social Housing Output Collapse Most Acute

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
LA Completions **	3,539	4,209	3,968	4,986	4,905	3,362	1328	494	363	293	102	28
LA Acquisitions *	971	918	1,153	2,002	787	727	850	325	351	253	183	399
LA In Progress	7,389	8,482	9,052	7,768	4,727	2,709						
V&C Completions **	1,607	1,350	1,240	1,685	1,896	2,011	753	745	677	211	357	218
V&C In Progress	2,178	1,885	2,330	2,852	2,738	1,318	1220	890	570	503	442	432
Total Completions	5,146	5,559	5,208	6,671	6,801	5,373	2,081	1,239	1,040	504	459	246
Total Acquisitions	971	918	1,153	2,002	787	727	850	325	351	253	183	399
Total Delivered	6,117	6,477	6,361	8,673	7,588	6,100	2,931	1,564	1,391	757	642	645
Total In Progress	9,567	10,367	11,382	10,620	7,465	4,027	1,220	890	570	503	442	432

Section 3
Housing the Precariat

- Standing's thesis asserts that changes to labour markets have given rise to a "precariat" whose conditions contrast with those of the proletariat.

- Changes in housing markets mirror the changes in the labour market.

- The state has facilitated these changes by modernising the private rented sector, changing the subsidy regime and displacing the local authority housing offer with a private rented sector offer.

CURRENT TENURE CAREER OF YOUNG ADULT <u>PRECARIAT</u> (IRELAND)
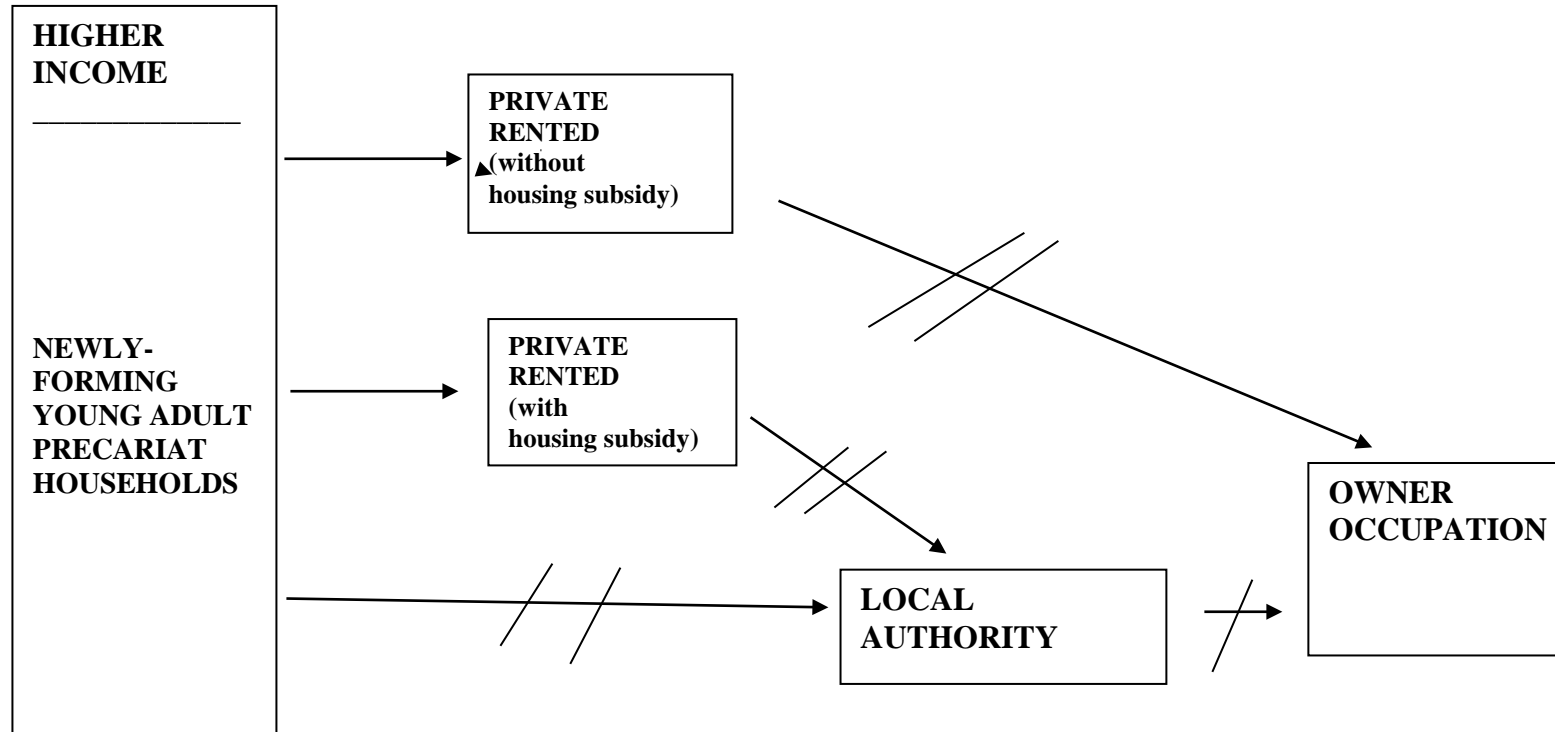
Unsubsidised private rental tenant – what's precarious?

- Imbalance in rights of tenant and landlord

- Insecurity of tenure – legislated by Residential Tenancies Act 2004 and recent policy interventions

- Absence of affordability

- Absence of rent certainty

- Lack of legislative protection for licencees

Emergence of HAP
(housing assistance payment)

- A state subsidy to private rental tenants to enable them to meet their housing costs where local authority leases accommodation from a private landlord for a defined period.

- A housing payment tailor-made for the precariat!

- Varies with employment and income circumstances
  - A tapered payment regime reflecting labour market developments for the PCT

HAP tenancy – what's additionally precarious?

- In addition to the general precariousness faced by private rental tenants there are further precarities faced by HAP tenants:

- Affordability: HAP payment lags behind rapid rent inflation

- At end of the lease period:

- (1) Withdrawal / revision of social housing offer based on review of eligibility (mirrors Standing on employment insecurity)

- (2) Absence of Fixity – tenants required to move to different accommodation caused by volatility of landlord participation in HAP in competitive market with rising rents (mirrors Standing on job insecurity).

Rising rents reflecting falling supply and greater competition
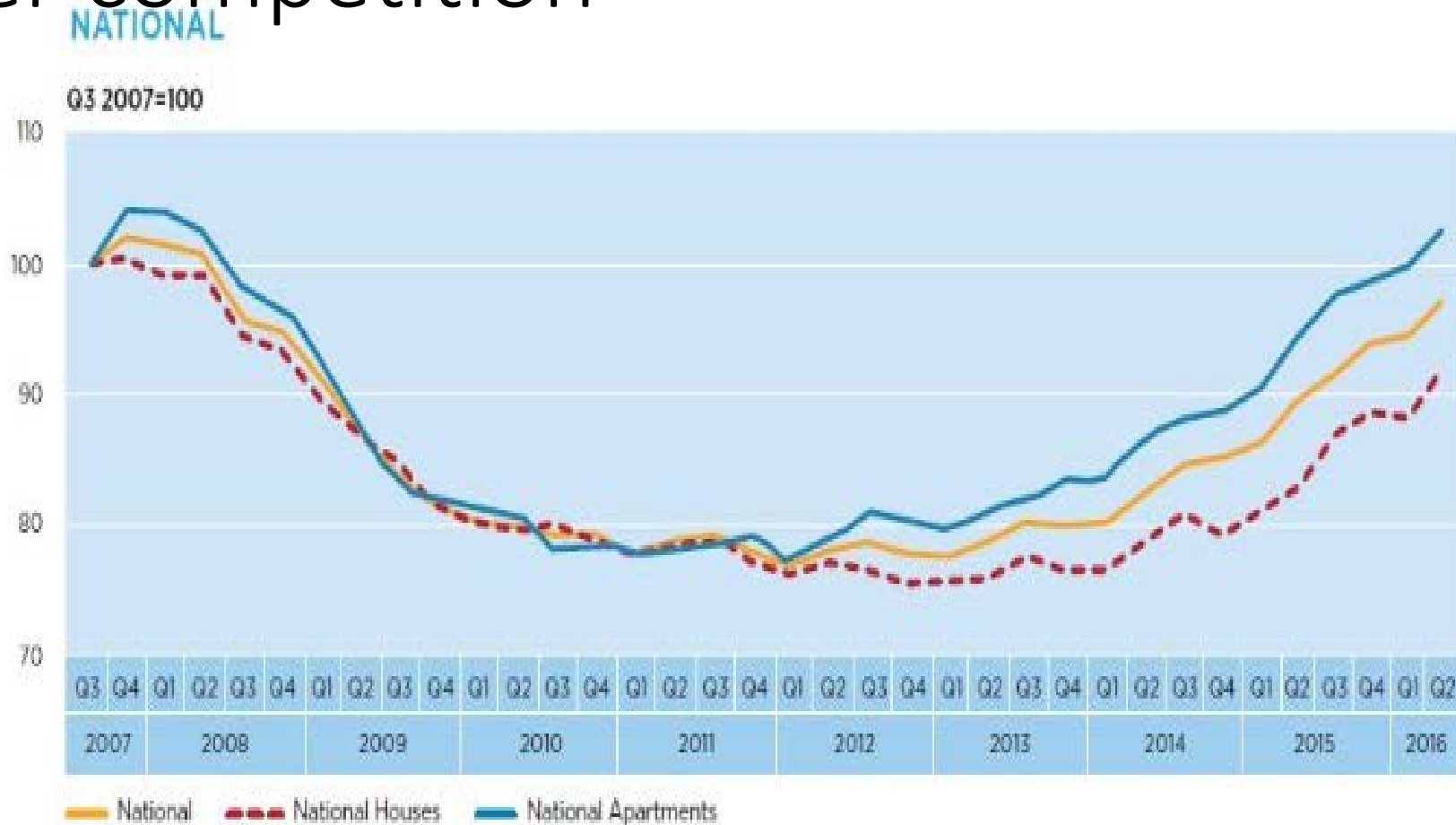
Section 4
Conclusions

Conclusion #1

Social policy interventions such as HAP and RTA 2004 put a floor under the housing situation of the PCT in a narrow and restrictive sense but without fundamentally addressing issues of affordability and insecurity thus failing to meet the threshold set by Morgan's definition of good housing policy.

Conclusion #2

The HAP case illustrates ambiguity of social policy interventions & limits of reformism: Modernisation of the private rental sector is a change driven by changes in the labour market.

Conclusion #3

Move to modernisation of the private rented sector has occurred in lots of countries to manage the emergence of the precariat but the nature of the reforms vary cross-nationally.