



MLADINSKI  
SVET  
SLOVENIJE  
NATIONAL  
YOUTH  
COUNCIL  
OF SLOVENIA

**MSS-111-10**

***Policy Paper***

**YOUTH HOUSING**

## Introduction

### ON YOUTH POLICIES

In the past few years, youth policy in Slovenia has entered the socio-political agenda, and has become increasingly important and taken into account. Since 2010 it is also defined in the Act on the Public Interest in the Youth Sector (ZJIMS) as: " /.../ a harmonised set of measures of various sectoral public policies with the purpose of promoting and facilitating the integration of youth in the economic, cultural and political life of the community and appropriate support mechanisms for developing youth work and operation of youth organisations, which is carried out in cooperation with autonomous and democratic representatives of youth organisations and professional and other organisations /.../«.<sup>1</sup>

The National Youth Council of Slovenia (MSS), the umbrella organisation of national youth organisations and the key partner in the social dialogue in the field of youth, strives for the development of youth policies and, consequently, for the improvement of the situation of young people. With this in mind, MSS adopts policy documents tackling different sectoral policies, which call upon relevant stakeholders to implement the proposed actions. Such documents – the present one, tackling youth housing, being one of them – are a basis for MSS to, *inter alia*, enter into discussions with policy makers, to react to current affairs, and to inform young people and the wider public.

A definition of youth says that one is young until one has reached the desired points of growing up (has moved away from one's parents, has created a family, has become employed, has finished schooling, etc.), and has thus become autonomous and independent. Youth policies intend to properly regulate these key transitions in the lives of individuals. Through policy papers, MSS wants to form these processes according to the views of young people.

### POLICY PAPER "YOUTH HOUSING"

Youth housing plays an important role in the process of gaining autonomy for young people, and is thus a key area of youth policy. The aim of this policy paper is to present and identify the problems related to it, to outline certain inconsistencies and to propose measures for its improvement.

In this framework we will especially:

- present the systemic deficiencies, which prevent young people from arranging their housing situation;
- point out the difficulties that arise in this area due to an unsuitable regulation of the housing market;

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<sup>1</sup> Act on the Public Interest in the Youth Sector, ZJIMS, [http://www.ursm.gov.si/fileadmin/ursm.gov.si/pageuploads/pdf/ZJIMS/ZJIMS\\_ENG.pdf](http://www.ursm.gov.si/fileadmin/ursm.gov.si/pageuploads/pdf/ZJIMS/ZJIMS_ENG.pdf). Original available at: <http://www.uradni-list.si/1/content?id=97951> (19. 8. 2010).

- propose systemic improvements of the current regulations of housing for young people, pertaining to political authorities and appropriate civil society structures; and
- improve conditions for full development of youth autonomy, and in this way contribute to the improvement of the situation of young people in the society.

## The significance of youth housing

**Independent life represents a key element on the way towards youth autonomy.** The so-called prolonged childhood or **dependence on the parents is largely reflected particularly in youth housing.** 67,9% of young people in Slovenia aged between 18 and 34 live with their parents, which puts it in the second place among EU27 countries; according to statistics on young men it even takes on first place with 74,8%.<sup>2</sup> The consequences are varied: young people who live with their parents, are not independent, face more difficulties and take more time to learn how to take care of themselves; those who move away and live independently, are under bigger financial pressure, have problems renting apartments, etc. This **forces them to take more time and effort to create their own families and to assume responsibility for other areas of life.**

The basic problem lies in price inaccessibility of housing and the lack of apartments for rent, since around 90% of apartments in Slovenia are proprietorial. This not typically European property structure is a result of the changes during the transition to capitalism: in the 1990s users of public rental apartments could buy them at extremely favourable prices. Also, building a house was much more affordable before political changes than it is nowadays.

The young generations of today are, compared to previous ones, in a much worse situation, because the so-called housing question is one of the main problems on the path to independence. We thus see **access to housing and decent living conditions for young people** as its central issue.

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<sup>2</sup> Mandič, Srna. 2009. Stanovanjske razmere mladih. V: *Med otroštvom in odraslostjo*, 87. Ljubljana: MŠŠ – URSM in IVZ.

## **Key issues in the area of youth housing in Slovenia**

### **Young people have difficulties accessing housing, both for rent and for purchase.**

When buying an apartment, obstacles arise already with obtaining a loan. Due to low income and fixed-term work contracts, which characterise the situation of the majority of young people, they often have no opportunity to take a loan. Next to this, demands related to loans, such as the starting deposit, loan insurance or guarantees, may be an obstacle even for those with sufficient income and an open-ended contract.

In addition, prices of apartments in Slovenia represent a large hindrance; they are very high in relation to the standard of living, especially in larger urban areas and their surroundings; both of these also encompass the majority of jobs.

Slovenia has extremely few non-profit apartments for rent, whose prices are relatively acceptable; therefore, the majority of young people who rent, live in private apartments and pay the market price rent.<sup>3</sup> However, the market price rent has the same caveat as taking a loan to buy an apartment: not many young people can afford it. Because of the high rents young people and young families often rent smaller and cheaper apartments, and live in inappropriate conditions.

### **There is a serious lack of apartments for long-term rent, whilst renting in the short term brings numerous problems to young people.**

Slovenia faces a significant lack of apartments for rent, since 90% of them are privately owned; this rate is extremely high and has several negative consequences. There are hardly any apartments for long-term rent, and inhabitants can only choose between buying or entering non-regulated short-term rental contracts. Housing is becoming a central obstacle (in gaining independence) specifically for young employed people – and buying an apartment is seen as one solution.

In market price renting, tenants face high rents and other problems, which are mainly consequences of a lack of regulation of the area and of the existence of a black market. Problems may arise already when looking for an apartment, when landlords have specific demands about whom they are going to lease the apartment to. They often reject young families, young couples and young people in general.

Landlords often do not report the rent income, do not agree to register the tenant's permanent or temporary address and limit the right to use the apartment. Rental agreements are normally signed for a year, with a 2-3 month notice, and it is very challenging to settle down under such conditions. Young people thus face more obstacles in deciding to found a family, they suffer the consequences of being non-registered in

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<sup>3</sup> Mandič, Srna. 2009. Stanovanjske razmere mladih. V *Med otroštvom in odraslostjo*, ur. Urban Boljka in Tatjana Rakar. Ljubljana: MŠŠ – URSM in IVZ.

their place of residence, they choose smaller and cheaper apartments, and this lowers their quality of life.

**The key problem with housing for students is the lack of student accommodation and of other forms of housing support during studies.**

A large part of young people begin a relatively independent life when they start studying. Independent housing has a positive influence in terms of gaining autonomy, as the majority do not plan to return to their parents' home after finishing their studies.

In the academic year 2009/2010 the three university centres offered altogether 15.647 student beds, for which there were 19.832 requests, whilst the number of all students in full-time studies was 48.583.<sup>4</sup> This means that every year several thousand applicants remain without a student bed; the majority of others probably foresee that they would not fulfil the conditions to get one, or they live where they study. At least half of the students live with their parents or relatives.<sup>5</sup>

Applicants who do not benefit from one of the options above, are forced to rent at market prices (without subsidies), which is more expensive, or they must use transport, which can be difficult, or even impossible, depending on where they live and study. Inaccessibility of housing in the place of studies also means lower access to studies in general.

Rent subsidies are generally a good solution for students; however, they are relatively rare, also due to the arbitrariness of landlords and the black market mentioned above.

Student accommodation also suffers from the so-called sale of dorm residence permits (the person with the right to live in student accommodation gives her/his bed to someone who would normally not be entitled to it). Such illegal accommodation causes an even greater lack of access to student accommodation for other students legally entitled to it.

**Urban planning and public transport systems do not take into account the needs of young people.**

Urban centres often show a type of planning that does not ensure the needed infrastructure, such as parking places, day care facilities and public transport. There is also a lack of pedestrian- and cyclist-friendly areas, not to mention (im)mobility for prams and wheelchairs; unregulated parking brings additional negative impacts.

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<sup>4</sup> 1. Univerza v Ljubljani. 2009. *Univerza v številkah*. Dostopno na: [http://www.uni-lj.si/o\\_univerzi\\_v\\_ljubljani/univerza\\_v\\_stevilkah.aspx](http://www.uni-lj.si/o_univerzi_v_ljubljani/univerza_v_stevilkah.aspx) (3. 2. 2010).

2. Univerza v Mariboru. 2009. *Vpis*. Dostopno na: <http://vpis.uni-mb.si/> (3. 2. 2010).

3. Univerza na Primorskem. 2009. *Na Univerzi na Primorskem predstavili podatke o letošnjem vpisu*. Dostopno na: [http://www.upr.si/novice/?tx\\_ttnews\[backPid\]=140&tx\\_ttnews\[pointer\]=10&tx\\_ttnews\[tt\\_news\]=573&cHash=78c737dcac](http://www.upr.si/novice/?tx_ttnews[backPid]=140&tx_ttnews[pointer]=10&tx_ttnews[tt_news]=573&cHash=78c737dcac) (3. 2. 2010).

<sup>5</sup> Študentska organizacija Slovenije. 2010. *Dokument o celoviti ureditvi študentskega položaja v Sloveniji*. Dostopno na: [http://www.studentska-org.si/images/stories/dokumenti/2010/s178\\_dokument\\_sos\\_koncna.pdf](http://www.studentska-org.si/images/stories/dokumenti/2010/s178_dokument_sos_koncna.pdf) (3. 2. 2010).

When entering employment or starting their studies many young people must decide whether to move close to the target institution or to the town that hosts it, or to commute daily. Public transport is often not an option, because it does not exist, or because it is time-wise or location-wise inaccessible, or takes too long.

Flexible working time, distance to the work place, a rise in transport (to work, to free time activities, to child-care facilities and schools, and to out-of-school activities etc.), the need to save time, price accessibility and comfort, all cause a growing use of personal vehicles. On the other hand, disorganised traffic, traffic jams and a lack of parking places, can be alleviated with public transport, walking and cycling.

Slovenia is characterised by an underdeveloped public transport, which in many parts of the country makes living without a car almost impossible.

**The ownership structure of apartments in Slovenia brings, especially for youth, problems of registering their (permanent) residence, which is a basis for asserting their rights.**

Permanent residence is turning into a fictional category, because many young people are not registered where they actually live, but with their parents or other relatives. This is acceptable if they only change residence for the purpose of studying. Afterwards, the situation should be regulated so as to reflect the real situation.

Especially those living in market price rental apartments have trouble, as landlords often do not agree to register the tenants' residence; in fact, even tenants do not always see the value of registering, since rental agreements are short-term and tenants do not know for certain when they would have to vacate the apartment.

Permanent residence affects a number of individual rights. Paradoxically, a non-profit apartment in a commune can be requested only by people with permanent residence there. Access to public nursery schools is mostly available only for children with permanent residence in the local community. The right to vote and to be elected to local authority structures can be exercised only in the commune where one has her/his permanent residence. Permanent residence is also linked to the rights to social transfers (e.g. the right to rent subsidies), the registration of job-seekers, etc. These rights are violated for those people who cannot register their permanent residence in the local community in which they live.

The lack of access to social transfers and other benefits and the already very expensive living in market price apartments, in fact often makes young immigrants from other communities (often young families) the poorest inhabitants.

## Recommendations

The situation of young people within the housing policy as identified in this policy paper, must urgently be improved. The National Youth Council of Slovenia strives for the implementation of a range of measures through the state, local communities, civil society structures and employers – all these are the key agents of change in the area.

1. We propose that decision makers **adopt a national programme on ensuring young people's access to housing**. The problems need a long-term approach in order for plans to withstand the change of generations. The main aim we would like to see achieved is young people's access to housing for rent or purchase; every young person should, when entering the labour market, have the opportunity to become independent. Her/his own or rented housing and adequate living conditions are inextricable parts of such independence.
2. **The state should take on the guarantees for young people's housing loans** (i.e. those young people on fixed-term contracts), while at the same time the possibility to postpone the repayment to creditors due to loss of income (i.e. loss of job) should be in place.  
**The state should also put in place a stimulative tax policy for the first housing purchase** (options: subsidies, tax breaks, exemption from VAT with consequentially lower prices).
3. **Local communities should set up a development-oriented housing** policy, which should include reasonable use of real estate owned by the community, rent and first-purchase subsidies, and encouragement to exchange apartments between generations (larger for smaller and vice versa).
4. **State and local authorities should ensure subsidies for the construction of new housing** (e.g. transfer of ownership of land or unused buildings in public property, subsidised construction, etc.) to construction enterprises, who engage to sell to young first-time buyers at a predetermined (lower) price.
5. **Larger employers must be encouraged to have at their disposal housing for employees**, and to establish child-care facilities for their children.
6. Repurchase and new construction should – wherever possible – **increase the rental housing market, thus decreasing market price rents and ensuring enough non-profit housing for young people**. Measures must be put in place to force owners of empty or unused housing (private, state- or local community-owned, and newly constructed) to rent them. In this sense more supervision of the housing market and taxation of housing areas are needed, especially when the standards are exceeded and when ownership of several items of property is in question.  
**Local communities should also ensure access to more non-profit rental housing for young people**. An option lies also in transitional housing for young people, where they would reside for a limited period.



7. Since many young people are unable to permanently rent housing in current circumstances, **private owners should be encouraged to put housing for long-term rent**, for example with tax incentives. To resolve problems with landlords, so-called housing cooperatives or similar should be encouraged, whereby owners would give their apartments to the management of the cooperative, for a fixed or open-ended term and would themselves have no link to the apartment or the tenants. When renting non-profit housing, the job location of the applicant should play an important role, too.

**Control over the level of rents is needed.**

Levelling rent prices with interest rates on long-term loans for housing purchase should be achieved, when comparing them over the same period.

8. **Students must be able to live where they study at an affordable price.** In addition to recommendations to encourage the rental housing market, reasonable construction of student accommodation should be encouraged, and the rent subsidy fund should be increased and then properly used. Independent living should be encouraged among all students, also those who already live close to where they study. Also, control over illegal residence in student accommodation should be increased.
9. **Urban planning must aim at the highest possible financial accessibility (for young people), logistical efficiency, and must consider ecological aspects.** Housing construction should adapt to the quantity of jobs in different areas; residence in the place of work or close to it should be encouraged. Urban planning needs to take into account the location of infrastructure and needs to ensure public transport to (the most) used locations. Walking, cycling (on cycling paths) and unrestricted access for prams and wheelchairs must be enabled.
10. **Use and efficiency of public transport must be increased.** Urban centres should have certain zones accessible only by public transport and non-motorised vehicles, and parking must be regulated and controlled. Public transport must be subsidised, particularly for less profitable distances between residential areas and target locations, and a considerable price advantage relative to the use of personal vehicles must be upheld.
11. Housing legislation and the overview over its implementation must be adapted in a way which will **enable everyone to register their permanent residence, where they actually live** and plan to stay. The **importance of permanent residence status should also diminish – especially in terms of access to non-profit apartments and child-care facilities**, which should be linked with the location of the applicant's work place.

## **Conclusion**

Regulating youth housing in Slovenia is a necessary step towards the improvement of the position of young people, and consequentially towards ensuring a sustainable development of the society. Young people are often the most overlooked part of the society, as a group which in the opinion of many does not need special measures. However, such reasoning does not hold, seen the importance of transitions one goes through during one's youth. If we strive for a healthy, harmonious and interconnected society, giving a perspective for the future and enabling a happy and productive life, young people need to be properly provided for.

The National Youth Council of Slovenia works to foster cooperation of all stakeholders which can in any way contribute to the improvement of existing conditions. We strive for the development of a long-term and coherent policy corresponding to the needs of young people, enabling their successful achievement of independence. In this way, we can have an important influence on the quality of life in Slovenia and on the future of our society.