
Summary: Trade unions and housing: international examples, Hungarian possibilities¹

Written by Natasa Szabó (Solidarity Economy Center)

In many countries around the world unions are taking an active role in solving the housing problems of their members and of workers in general. This involvement can happen in the form of (1) political advocacy, of (2) cooperation with existing tenant advocacy bodies or housing cooperatives, or (3) of participation in the development or financing of their own housing projects. In Hungary, since 1989 trade unions have moved away from housing issues, while their membership has decreased and their political room for manoeuvre has narrowed. Additionally, since 2010 (due to the effects of the 2008 crisis and successive Fidesz-led governments) workers have been in an even more vulnerable position than before. Our research suggests that public employees working in key sectors (health, education, social services) and low-income earners face increasingly severe housing problems in the context of a massive house-price boom since 2015.

The Hungarian-language publication, „Trade unions and housing: international examples, Hungarian possibilities”, aims to inspire trade unions in Hungary to intervene in the field of housing. In the first part of the publication we present 10 case studies from 7 different countries about housing interventions of trade unions. In the second part of the publication, based on our work with the Teachers’ Union (Pedagógusok Szakszervezete – PSZ) and with the Trade Union Cooperation Forum (Szakszervezetek Együttműködési Fóruma - SZEF) in Hungary, we offer a range of examples for the role unions could assume in tackling housing problems. The conclusion of the publication is that the strategic intervention of trade unions in the field of housing can be important for mitigating the housing crisis as well as for renewing and strengthening the trade union movement.

International case studies: trade unions and housing around the world

The international case studies presented in the publication differ in terms of the type and scale of the intervention, as well as its success in bringing about affordable housing. We divided the models into three groups according to what means they use to address the issue of housing. In the first group, we can find cases where unions help alleviate housing problems by providing political support to housing movements, and by advocating for affordable housing themselves. In Italy and the US some trade unions have incorporated the issue of affordable housing into their strike demands; the German ver.di union is lobbying for better housing together with civilian initiatives and tenants’ associations; and in Uruguay trade unions fought together with housing cooperatives when the cooperatives’ functioning was threatened by the state. The case studies showed the importance of union-civil society partnerships in fighting for affordable housing, and of unions developing their housing demands based on the real needs of their membership.

In the second group we can find examples where unions actively collaborate with tenant organizations or housing cooperatives. Collaboration in these cases involves political support, but also goes beyond that by providing direct help to union members. In Italy and Germany union members can access legal help provided by tenant organizations. In Switzerland, housing cooperatives have provided housing for union members during their early history, and in Uruguay housing cooperatives are still the most important housing providers for union members. Union members do not only benefit from such partnerships, but they can also support the development of housing cooperatives/tenant organizations with their experience in advocacy and union organization.

In the third group we can find cases where unions participate in housing programs through construction, funding or mediation. From all the housing interventions presented here, these require

¹ The publication was produced by Periféria Policy and Research Center and the Solidarity Economy Center, in partnership with the Teachers’ Union (Pedagógusok Szakszervezete), and the Trade Union Cooperation Forum (Szakszervezetek Együttműködési Fóruma); with the support of the Budapest office of the Friedrich Ebert Stiftung. <http://library.fes.de/pdf-files/bueros/budapest/16940.pdf>

the biggest financial or resource investment from the unions, but they are also the greatest help to the membership. Although we see examples of owner-occupied housing development by unions in Croatia and Sweden, we found that rental schemes are the most successful in creating affordable housing for lower income workers. In Italy, unions and the municipality of Milan run a social housing agency together which connects tenants in need with owners who are willing to rent at a regulated price. In Switzerland and New York unions have developed or financed rental based housing cooperatives on a large scale, and in Sweden unions developed rental housing in co-ownership with municipalities. The analysis of these housing programs offered us two main conclusions: first, that public resources were crucial for the development of tenant-occupied schemes in all the case studies. Second, that it is better for unions to closely cooperate with independent housing organizations than to set up their own real estate development department.

Possible housing interventions of trade unions in Hungary

As international examples cannot simply be applied to the Hungarian context, in the second part of the publication we offer a spectrum of possible housing interventions that are feasible within the domestic political, institutional and regulatory environment. The spectrum ranges from interventions that can be easily implemented in the short run without significant resources, to models which need more investment and organizational capacity, and which are feasible in the long run. In preparation of our suggestions we conducted interviews with officials of the Teachers' Union (PSZ) and did an online survey among the membership about their housing situation. We found that respondents have worse living conditions in almost all aspects than the national average: they spend a higher proportion of their income on housing, commute more, live in overcrowded households, and a higher share of them have housing loans.

Building partnerships with the civil and the public sector could be crucial for the housing interventions of trade unions in Hungary. First, we show how unions could work together with housing organizations, either by helping them politically or by building partnerships that can also benefit union members. Such partnerships could be feasible with housing cooperatives or organizations operating housing agencies; even on a smaller scale. We also describe the possible ways trade unions could work together with municipalities. For example, unions could provide information to their members about municipal housing support. As a more ambitious cooperation, unions could renovate municipal flats in exchange for rental accommodation for their members, or work together with municipalities on developing housing for municipal workers.

Besides these partnerships, unions could develop housing aid schemes or even their own housing programs. It would be a great help for the membership if unions would offer them additional housing support. This could include legal help, lobbying the employers for housing related support, or setting up mechanisms within the trade union such as a revolving housing fund. The most ambitious endeavour from the side of the unions would be to create housing for their members. Two models could be feasible within the Hungarian context: unions could invest into self-owned rental housing, or they could act as a housing agency by mediating between potential union tenants and owners of private or municipal housing units.

The interventions described here could achieve systemic results if they are part of a broader vision for the future. If trade unions build strategic partnerships with housing experts, NGOs, municipalities or public bodies, and base their interventions on the housing needs of their membership, they can help mitigate the housing crisis and renew and strengthen the trade unions movement.