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Militant research: work and housing

After 1990, Romania's policies on housing went along with the major trends of privatization and the formation of the market economy. The adopted legislation created the conditions for the privatization of the state housing fund. Moreover, the new government housing programs initiated in the 2000s (ANL housing, First Home, Bauspar) supported the creation of the new private housing fund. And, for these three decades, the allocation of funds from the public budget to build new public housing remained insignificant. These housing policies have created opportunities for the investment of domestic and foreign capital into real estate-banking development, producing unlimited profit in this area. Since houses are accessible almost exclusively through the market and since most of them are built only to be sold or rented out, their function as commodities and sources of capital accumulation prevails over their social function. Thus, the price of housing increases more and more rapidly, evicted persons become homeless, and, similar to the employers who make profits by exploiting the cheap labor force, the real estate-banking investors are making larger and larger profits as the need for housing rises.

The current housing crisis is the crisis of capitalism. The Block for Housing had demonstrated this again, in 2019, through all its militant work and housing research, and initiated an alliance with labor unions.

Based on the idea that the social reproduction of labor force, and housing in particular, are central for the process of capital accumulation, through our recent militant research we have highlighted the link between work and housing, between working rights and housing rights, between the exploitation of cheap labor and the creation of a housing fund exclusively for profit. For us, this militant research is not a simple production of knowledge, but an analytical tool for raising awareness on the interaction between work and housing, as well as for constructing a political discourse on the relation between low incomes and the high costs of housing; this constitutes the basis for solving the housing crisis. Through all the components of our research, we have created knowledge through awareness, and we have contributed to awareness through knowledge, aiming to put both in the service of action. Our ultimate goal was to contribute to a union agenda that includes, along with demands for higher wages and better working conditions, housing rights for employees, and a more general demand for housing justice.

In our militant research:

- we have conducted individual and group interviews with trade unions' leaders from Bucharest, Cluj-Napoca and Timișoara (see Ioana Vlad's article on this issue, as well as the collage of interview fragments that shows why housing must be included on the unions agenda);
- we analyzed macro-statistical data on work and housing (discussed in this issue of Cărămida newspaper by Ioana Florea and Enikő Vincze);
- we applied an online questionnaire experimentally, which was completed by teachers from Cluj county, as well as by sanitation workers from Cluj-Napoca (Robert Blaga and Vlad Mureșan present how the answers received reflect some major trends of housing issues in their article);
- we reviewed how the precarization of employees and the limitation of union organization were a direct consequence of legislative changes in 2011, all made under the pretense of the flexibility of labor (Caius Muresan does a brief review of what flexibility means in this context);
- we have identified examples of employees' living problems in the documents of some international organizations, as well as on unions' agendas from other countries (see George Zamfir's article).

At the end of the research, we have organized a discussion with some of the union leaders about the need and the possibility of creating an alliance for work and housing. The roundtable with members of the Block for Housing and union leaders was a good opportunity to ask our major research questions again. In the present issue of the newspaper 'Cărămida' we also publish a message we developed together at the Block for Housing Forum in Timișoara. This message, addressing the issue of housing justice for workers, remains to be disseminated among union members.

All Romanian political parties supported the neoliberal agenda on housing: for 30 years, liberals, conservatives, and social-democrats together, have argued that the market and / or the family must solve the need for housing and people's access to a house, and that the right to housing should not be guaranteed by the state as a fundamental human right. As a consequence, in present day Romania, from a total of 9.031.317 homes, 8.919.357 are privately owned. At the national level, between 1990 and 2018, 1.154.410 houses were built, out of which 896.470 from private funds. Between 1999 and 2018, only 65.740 houses were built from public funds in Romania. Financialized capitalism is not interested in finding real solutions to the housing crisis, but only to protect the real estate-banking capital. **This is why the creation of a broad coalition or an alliance that will put pressure through various means on the political decision-makers for a fair and anti-racist policy of housing, with a strong component of building new public housing at its core, is a need greater than ever.**

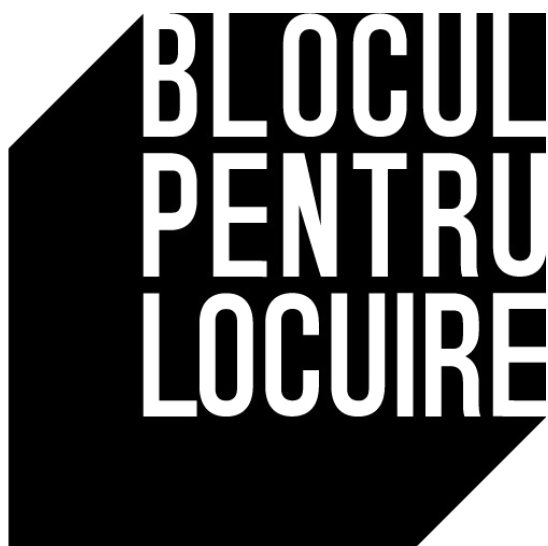
**The militant research was carried out within the Action against labor exploitation and housing deprivation project, implemented by the Desire Foundation with the support of Rosa Luxemburg Stiftung.*

The BLOCK is a decentralized network of organizations fighting for the empowerment and political organization of communities against housing injustice. The BLOCK was formed in June 2017, following the actions of the following militant groups: Social Houses NOW!, the Common Front for the Right to Housing, E-Romnja, the Right to the City.

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Block for Housing 2019 Publications (accessible on our website):

/ Guide to preventing forced evictions while holding public authorities accountable for the allocation of adequate housing to the evicted persons, 2019

/ Report on forced evictions from Romania during 2008 - 2017

/ Recommendations for the prevention and prohibition of forced evictions

/ A CALL TO CANDIDATES IN THE EUROPEAN PARLIAMENTARY ELECTIONS: PUBLIC SOCIAL HOUSING! A priority on the agenda of the European Parliament 2019-2023

/ Objections to the COMPLETION OF LAW 350/2001 on spatial planning and urbanism

/ #Allforprofit: The negative impact of the World Bank's involvement in housing policy in Romania

“Housing is actually the number one priority” - Interviews with union leaders

Ioana Vlad

The militant research undertaken by the Bloc for Housing within the “Action against Labor Exploitation and Housing Deprivation” project funded by the Rosa Luxemburg Foundation, also included interviews with union leaders. This initiative aims, on one hand, to document their perspectives regarding the relationship between work and housing, and on the other, to establish a future collaboration between the union organizations approached and the organizations fighting for housing justice, members of the Bloc for Housing.

Methodology

We have conducted semi-structured interviews in Bucharest, Cluj and Timișoara, based on interview questions through which we sought to obtain information regarding the activity of the union leaders, the priorities and successes of the unions, as well as the housing situation of their members and their perspective on trade unions’ role in housing issues.

Due to the semi-structured framework, in the end we have obtained a variety of data and opinions, later processed through a thematic analysis, thus identifying common elements in their discourses, as well as differences or connections between various aspects.

We have conducted 15 interviews with leaders of unions, federations and confederations in the following fields: post-secondary education, secondary education, telecommunications, IT, hospitality, commerce, services, sanitation, health, urban transport and rail.

We have transcribed and thematically coded the interviews, with some of the themes being based on the interview grid, and others flowing from information obtained during the interviews.

In addition to establishing contact with the trade unions and developing common proposals and agendas, Bloc members organized a public debate in Bucharest, as well as two group discussions with the trade union leaders, in Bucharest and Cluj.

Results

The codes developed based on recurrences in trade unionists’ discourses group their positions on major socio-political issues, such as: labor force, wage policy, the role of the state in the economy, privatizations and their impact, the transformation of trade union work in post-socialism, as well as reflections on the relationship between work and housing and the transformation of housing policies in the 1990s.

The limited space does not allow us to go into detail for each one of these themes, so in the following pages we will only present an illustrative selection of the data obtained.

“The Romanian state particularly protects corporations”

Trade union members are very aware about the consequences of the privatization of the Romanian economy and how this process created a fertile ground for foreign capital and multinationals, which found a cheap labor force in Romania:

“The same people who are responsible for past wrongdoings, are also responsible for the present ones. These are the former directors, who managed the privatization. Stock privatization meant that all workers could buy shares, but who had the money? The directors gave themselves bonuses every month only to buy more and more shares. Hoping that later will be better, most workers still tightened their belt, especially in the 1980s, and after 1990 all this effort ended up in directors’ pockets. A huge amount was stolen from the national economy. For those who were already directors in 1989, it was easy to become owners, practically without doing anything, or even more, just by letting the companies to go bankrupt. Behind politicians there are people only interested in increasing their wealth. And you can count the multinationals among them. They actually dictate what happens. Foreign companies actually benefit from Romania continuing to not have a developed infrastructure and remaining a country with a cheap labor force.” (trade union confederation leader)

There is a consensus among the interviewed leaders, according to which the young workforce is insufficient, demotivated by the low wages, by the precarious working conditions and by the instability of jobs.

This view is found mainly in the discourse of trade unionists from services and public utilities, and from urban and rail transport.

“The problem is that there are no young people coming. Those who come are 50 years old, on average. Young people are not coming because it’s not easy work, and the pay is not attractive. Last year, two employees died due to scalding. There are risks and danger in working with installations which are more than 35 years old and not maintained...” (public services and utilities union leader)

“Plus, many people do come, are attracted to this job, do school, stay for a year, but then leave; they prefer to work as drivers in foreign countries, because they earn more.” (rail system union leader)

Sanitation workers, besides having very low incomes, are also stigmatized, both them and their work:

“New houses and apartment buildings are built in Cluj, among the old ones, so the workload increases every year for employees, as they have to collect garbage from the whole area, including

from the new houses. But their salaries are not increasing, even if the company receives higher incomes from the newly collected taxes. And no extra people are being hired. For 21 years I worked as a garbage collector for the city and in 2010 the city hall forced me to move and live in a dump (at Pata Rât)." (sanitation union leader)

The economic model of attracting multinational companies at any price creates, in the opinion of several union leaders, a fragile and unstable balance based on small salaries and low skilled labor force:

"We are dependent on the multinational corporations and this dependency will be seen, even if no one sees it for now. Now everything is ok, everything goes smoothly, we have 1% unemployment, thankfully. But if one of these [companies] leaves tomorrow, one of the big ones leaves the city, people will suffer! Because a lot of families are directly dependent on multinational companies." (IT union leader)

"The Romanian state does not protect its citizens, neither in terms of wages, nor in terms of housing, nor in terms of health. The Romanian state particularly protects corporations. At least since 2008-2009. And the corporations get upset if the government raises the minimum wage and they threaten to leave." (trade union confederation leader)

In order to maintain this economic model, the wage policy of the Romanian state is favouring multinationals, as exemplified by the interviewees: through flat-rate taxation, a high level of labor taxation, the transfer of the responsibility for social contributions from the employer to the employee, as well as through all the adverse effects of the cancellation of the national level collective agreements and the changes brought to the Law on social dialogue and the Labor Code.

"Give me one example of a well developed country where taxation is at the same level [as in Romania]. I don't know any. Only in the countries of the 17th world - because we are no longer in the third, we are in the fourth - you can see such things. Here, only the employees contribute to the general expenses, while most of those who earn very high incomes pay nothing." (trade union leader)

"It sometimes happens that during negotiations the employers agree with what we ask for. And the government does not. So I was wondering, why is the government involved? That is, it could participate as an employer, as it is among the largest employers in Romania. But it participates as the government, and this is a problem for us, because it supports the employers." (trade union confederation leader)

Thus, the state is seen either as not being sufficiently involved in regulating the market (not guaranteeing socio-economic rights, not redistributing resources, not maintaining infrastructure and public services or not controlling the banking system), or by contributing and being complicit in the bankruptcy and/or the degradation of industry and services, to the benefit of private actors. *"The State's role is not just to collect taxes. They must manage this money in the interest of the*

population. We have accepted too easily their explanations on why we do not have health, why we do not have good education, why we do not have good roads, why we do not have social housing - we are all told that there is no money. Which is false. There is money. The question is what do you do with it, where do you invest it, in whose favor? A percentage of the annual budget could be allocated for social housing for example." (trade union confederation leader)

"The aim was not to buy anything, because the purchase of a rolling stock would mean that the state operator would benefit from 80% of it, and the private operator only from 20%. And then their interest was to keep the state operator under control and diminish its importance. Lacking rolling stock, the state market share decreases from year to year. And then the transfer of the public passenger service is made to private operators." (railway union leader)

2011 marked a painful turning point for trade union organization, in particular:

"In 2011, the Labor Code changed, so that it became the "employer's code". And the Law of Social Dialogue was promulgated. It became easier for the employer to fire employees. And establishing a trade union has become much more difficult, even impossible in most cases." (trade union confederation leader)

"We fought for a sector wide collective agreement, but they finished us in 2011." (public services and utilities union leader)

"It was the law of Sisyphus"

How do union leaders see the transformation of unions' work and unions' role in society in the last thirty years, while the social state was dismantled?

Among new challenges faced by the unions that were brought up by the interviewees, were: the co-operation and pacification of the union struggle through projects funded through European grants, campaigns of undermining the union leaders, the unions' lack of resources and power, the unions' hierarchical structure and the passivity of their members, as well as the fragmentation of the trade union movement.

"And they came from other countries to tell us what union work means. And they told us that it's not good to have a single union, we have to divide ourselves into blocks. Let's diversify. But why, I asked? Don't we all have the same objective of fighting, that is, for the good of the worker?" (trade union confederation leader)

In addition to this, there is a difficulty and fear of unionization in the private environment and an anti-union policy of the private companies who both contribute to deepening the discrepancies between the private and the public sector, fueling dissension and de-solidarization between the two categories of workers.

"It was the law of Sisyphus. We went to another county, set up a union there, and meanwhile the previous one was destroyed, because the snowball principle did not work. (...) And we had two colleagues in one store, the only employees there, both had signed up for the union, but neither one of them had told the other, being afraid that once the employer would find out, they would be kicked out." (trade union leader)

"We are badly paid. There are many of us who have mortgages and loans. Mobilization is difficult. People are afraid. Roma people are afraid of action. 'Let's threaten them with resignation' - this would probably work, but we are afraid." (sanitation union leader)

Furthermore, the views of the union leaders on the unions' political role are exemplified most eloquently by their approach on negotiations with authorities and employers. The perspective that emerges from interviews is one that is mainly non-confrontational, one which sees trade union activity as a form of social dialogue, which would presume the existence of equal parties in the process of negotiation, with similar interests and benefits.

"Both workers and unions are able to live because there are factories. So our goal is not to hurt the company, but to convince employers that they must act in such a way that workers would also benefit, and not just them." (trade union confederation leader)

"'The union is in bed with the leadership! This is not good!' they immediately jumped. Hey! He is our colleague in the first place. And if I see him as my colleague and my friend, it's much easier for me to negotiate with him. If I go in a battle stance, fierce, I feel nauseous. I just can't." (university education union leader)

"I mean, we are not the ones making the laws. And we have to respect existing laws. We can lobby, we can propose projects, we can improve some things (...), but we can't fight - we or other unions - with our employers without the law on our side." (IT union leader)

“Everything was wiped off”

Both the positions on the transformation of union work in a post-socialist context, as well as unions' non-confrontational approach in relation to the state and employers, have direct implications on how union leaders are currently dealing with workers' housing issues. The role played by the unions in the implementation of the housing policy during the socialist period was very important; therefore, there is a positive appreciation among the interviewees - both from a historical, as well as from a familial and personal point of view - on the role of the unions in ensuring housing access, as a fundamental element in the social reproduction of the workforce.

"In my youth, I have also benefited. I lived in a residence for single people, after which I received a work-dwelling. It was a tradition for railway workers." (rail system union leader)

"In the past, the union was the organization that supervised the allocation of housing for all sectors. I think this was a good thing." (health care union leader)

"It bothers me that many people today do not recognize the good things that we had in the past; of course there were bad things, but what was good should be recognized as such. Everything was wiped off. People who bought their homes after 1990 forgot that they received those houses from the state." (trade union confederation leader)

"Until 1994 there was an agreement between the union and the local council on how to respond to the housing demand. It was a normal practice back then. Every year, files were submitted based on specific criteria, and a few houses were distributed. The local council took the decisions, and there were about 2-3 available apartments per year and about 40-50 applications." (pre-university education union leader)

"At the beginning of the 1990s, and until 1994, houses were still being allocated to healthcare personnel. 1 or 2 apartments were distributed to each medical institution. The union was part of the commission for housing allocation. At the moment, the number of work-dwellings does not cover the need. In Cluj, one of the biggest problems is caused by the fact that people are forced to commute long distances to work - for the staff living in Gherla or even in Dej, it takes 2 or 3 hours to get to work." (health care union leader)

Therefore, trade unionists say that we must not forget that in the past there were other models of addressing the workers' housing need:

"Before 1990 you had a job, you had a house, at first maybe in a workers residence, but then you would receive an apartment in a building. This is how it started, with the construction of a factory or a plant, and then with houses for workers. This model was not invented by Romanians and it was not invented during socialism." (trade union confederation leader)

In this context, current workers' expectations that the union should address their basic needs, as they did during the socialist period, are criticized by leaders, not necessarily in the sense that unions should not get involved in these issues, but because they no longer have the resources and the power they once had.

"What can you do, as a union? As a union, I can come to his or her aid and negotiate a contract, a bonus when he or she goes on leave, a free ticket to the seaside, to the mountains, to the employees' children with problems, to help him or her when they retire, to be able to live until they receive their pension. But otherwise you cannot do much, and the contribution is very small. What is the priority? You also have to be able to support yourself." (public services and utilities union leader)

"The state does not contribute to the activity of the unions. The entire fund of the union is based on the membership fee." (pre-university education union leader)

“Speaking of black humor, they are waiting for their parents to die”

Despite the serious character of the housing issue, the unions' involvement in this matter is seen as a thing of the past, and precisely this lack of perspective must be deconstructed, as both the workforce and trade unions are aging fast.

The workers' openness towards the topic of housing is naturally related to the way in which union leaders evaluate the situation of those in their own sector of activity, to the way they understand the correlation between workers' housing conditions and their physical and mental health.

“Speaking of black humor, the answer is that they are waiting for their parents to die. You tell me, with 1200 lei (aprox 250 euros) a month, two employees - one cashier and one commercial worker - what future plans for housing can they make? What dwelling could they rent?” (trade union leader)

“In the hospitality sector, there are hundreds of people who had housing problems due to retrocessions, who were dwelling in unhealthy and precarious conditions. Because the household's costs are much higher than their income.” (Horeca union leader)

“How can you wash, how can you rest after a day or a night of work, after collecting the garbage, if you live in conditions such as Pata Rât, where many live without running water, without electricity, were many people are crowded in very small spaces?” (sanitation union leader)

“Starting from here, from the way they dwell, we can talk about the employees' level of health. Do you know how many people are sick in post-secondary?” (post-secondary union leader)

In some of the fragments above, we can see that besides the awareness on this specific problem, there is a common view that housing precariousness is being exclusively caused by the very low incomes, without any relation to the high costs of housing. This perspective is also reinforced by other leaders interviewed and is the second element that we intend to deconstruct together. Thus, bringing back the theme of housing on unions' agenda would mean not only the recognition, in the Romanian and international context, of the historical importance of unions in the fight for housing justice; it would also mean the deconstruction of the role of the unions defined only as a struggle for higher wages and better working conditions. In this sense, our initiative – an alliance for work and housing – would highlight the possibilities of a common struggle for the strengthening of the social state and public services, of which housing is an essential component.

“Housing? It could be the theme of the future”

Interviews reveal a discrepancy between recognizing the scale of housing problems and imagining possible solutions; the free market is still seen as a valid answer to the housing crisis, while the social role of the state is barely mentioned.

"If the Romanian state would take over the interest payments for those who want to buy a house, up to a certain threshold of household income... I am not saying to give it for free... we still do not have an economy that can support this. But to bear the interest, and being the only interest negotiator on the market, then the interest would be reasonable." (trade union leader)

"I think that the rent payed by young people during their studies or for a specific period in their lives, should be subsidized. Ideally, the rent of young families who start living together, should be subsidized by the state (...) So, in my opinion, the rent represents the future. And it is the rent, because people will no longer afford it... if prices for property, loans continue to grow, etc (...), [the solution should be] state or private rent, or a public-private partnership - this would be even cooler. As the state could afford to build, a public-private partnership [would be the best option]." (post-secondary education union leader)

However, we also found the opinion that:

"For the moment, there is a lack of awareness on the question of housing. But if something were to be done in this direction and work-dwellings were to be built, it would be great for many young people working in education. There would also be benefits for the community, and of course, for the staff... Schools are administrated by local councils, and many of them have dormitories that are no longer used by students. Why couldn't these become houses for young teachers?" (pre-university education union leader)

We also have encountered the desire to find ways to introduce housing in the three-way negotiation:

"It would be good to know how this is happening in other countries, with unions, how housing is introduced as a subject in negotiations. A connection should be made between the employer, the government that builds the social houses (central or local), and the workers. So that it should be clear how each of them can contribute and benefit. For example, employers could pay the rent. Or do I know..." (trade union confederation leader)

Alternatively, reactions like:

"Housing? It could be the theme of the future. But now we are focusing on what is happening in the workplace." (trade union confederation leader)

"A program of public housing could contribute to curbing the migration towards western countries of the medical personnel." (health care union leader)

Moreover, during our discussions, the union leaders were open to the idea of supporting different measures that, complementary to a policy on wages, would reduce the housing costs:

"For a long time, the policy on wages kept Romanian workers in misery. They would not die, but neither would they be able to live. Now this policy has changed, and salaries have increased, but

prices have gone up, so the purchasing power remained the same or even lower. Prices should be kept under control. If social housing was to be built, the cost of housing on the market would be reduced. Counterbalancing the ever-growing housing costs through state social housing could be a solution.” (trade union confederation leader)

“I say that this is too low”

The theme of housing has great potential for mobilizing and unionizing workers, especially those who are precarious, burnt out and disappointed. In particular, the theme of housing can be a tool for attracting young workers in joining unions, recognizing that they have a different housing situation than their parents or grandparents had:

“Probably those who are over 40-50 years old do not have a housing problem. Because they, or their parents, have already had houses before 1990. But those born after 1989, surely have big problems having enough money for rent or mortgage.” (trade union confederation leader)

“The average age of the employees is about mine, that is, around 40-50 years old. We will be retiring soon. Considering that more people will be hired, we would like to lower the average age towards 30 years. Speaking of these age categories, automatically we will have potential problems in the future with how each of us will live, especially in the capital. Because there, when someone is hired, they have to be able to afford rent or to buy a house.” (telecommunications union leader)

Perhaps most importantly, regarding the theme of housing on the trade union agenda, is the reaffirmation of the profound political role of trade unions in the fight against the neoliberal discourse and policies, in which the disappearance of the social state in favor of the free market is transformed into a personal guilt, failure and stigma.

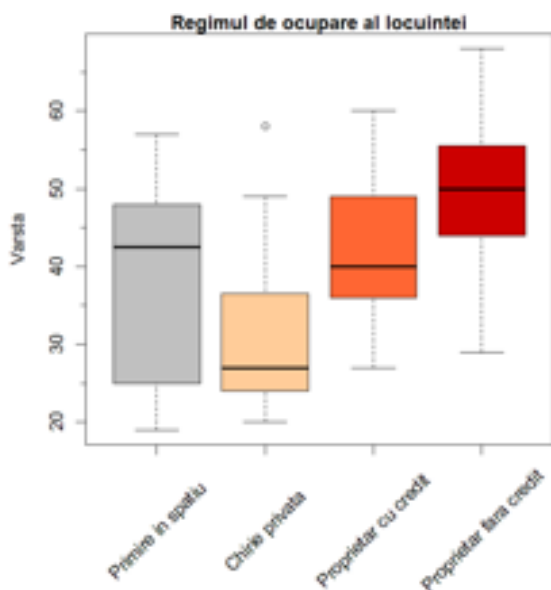
“I can also see in the media, when you see people with their sofas taken out in the street and living between cardboards. God help us, we’re not in the U.S.. This is the price of the market economy. But I think we can’t afford to get to that.” (telecommunications union leader)

Cutting housing costs would improve living standards

Robert Blaga and Vlad Mureșan

As part of the Rosa 3 project, we have initiated a survey to map the housing conditions for members of Romanian trade unions. At this early stage, the largest number of responses received (133) are from people living in Cluj county and employed in primary and secondary (pre-university) education. Therefore, the observations below are limited to this data set. In primary and secondary education, unions are representative for the whole sector, as the degree of unioniza-

tion is extremely high; however, due to the fact that the sample is small, one should be cautious of any generalization based on our conclusions. Despite this limited sample, there are some clear correlations that confirm anecdotal insights and knowledge, which fit into the larger national trends, and which can also be observed for other Central and Eastern European countries.



Type of inhabiting:

- Co-living
- Private rent
- Landlord with bank loan
- Landlord without bank loan

Based on this sample, two notable observations can be made:

a) the housing occupancy degree is strongly correlated with the age of the dwellers and

b) a large percentage (between a quarter and a third) of union members commute from other municipalities for work.

The first of the two observations - the correlation between home ownership and the age of the dwellers - can be explained by the particularities of housing history in Romania. Most of the people who were adults in the early 1990s benefitted from a very favorable policy, which allowed them to buy the units they lived in before 1989. In addition, unlike other former socialist countries, Romania insisted on in-kind compensation of former owners when dealing with the retrocession of the properties and buildings nationalized in the 1950s. Thus we are now in a situation where the vast majority of the population consists of home owners (the highest percent in the EU: 96.8%; Eurostat, 2017). In the decades after the 1989 Revolution, the typical neoliberal ways of accessing a house (private rent and mortgage loans) began to spread. In fact, the high percentage of home owners conceals the high percent of overcrowded households (the highest number in the EU: 47%; Eurostat 2017) and the fact that the private rent market remains largely informal. Moreover, there are also significant differences between regions, and between large urban and small urban and rural areas, respectively. Therefore, a person's particular housing situation depends on the place - in both space and time - where they find themselves to be living.

For our sample, the average age of people renting is 32, the average age of mortgage loan owners is 42.1, and that of loan-free owners is 49.5. For people living in other forms of accommodation,

there is no strong correlation with age, except for the fact that most of them are under 50-55 years old. We consider that it is reasonable to expect that these figures are representative for the employed population living in the large urban area.

These figures are also relevant for two interconnected reasons.

The first relates to living costs. From a recent study on the cost of the minimum costs basket necessary for a decent living in a large urban center, it turns out that the total housing costs represent the largest cost category, over one third of the value of this basket (EFF, 2019). Moreover, the category of people who pay more than 40% of their disposable income to cover housing costs, varies: for the owners without any loan, the percentage is 13.7, while for the owners with loans and for tenants, we are talking about 32.5%, and 36.3%, respectively. Taking into account the correlation of the type of employment and the age of the tenants, we can conclude that young people are the ones most impacted by the costs of living. The fact that many union leaders are from the upper echelon of the age range - usually non-credit homeowners who do not encounter difficulties with housing costs similar to those of younger members - may provide a partial explanation for the fact that the topic of housing has been, so far, marginal in the Romanian trade union space.

The second reason is that for the past decade, in Romania, as in most Central and Eastern European countries, the unionization rate has dropped drastically, and the average age of union members has increased steadily (K. Vandele, 2019). Unions have been finding it more and more difficult to attract new members. Considering how housing costs impact young people, embracing the theme of housing could be a good tactic on the unions' part to attract new members, young employees, to the union struggle.

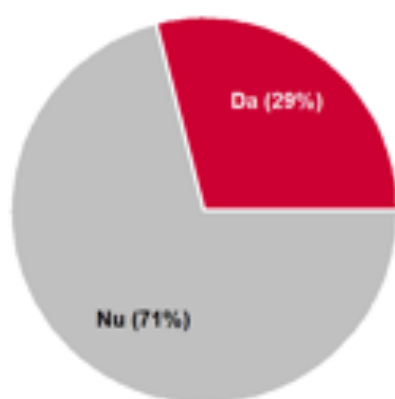
The second observation that can be drawn from investigating this sample relates to the high number of people commuting to work. Obviously, the fact that commuters can find a job is a good thing. However, from a macro point of view, this is a situation in which the capital is allowed to not fully cover the costs of living, and to not pay wages that would be in line with the value of the labor force. In other words, any situation in which workers are forced to "figure it out", means that part of the costs of social reproduction - which should be covered by capital - are "privatized" to workers. This puts a downward pressure on everyone's wages. This "figuring out" can take many forms, like covering part of the costs of food through the practice of small scale agriculture. As a rule, regarding commuting, the most important factors relate to housing; either living in the parental home, or in a flat with low rent in their home towns. The rate of commuting certainly varies strongly across different sectors, but it remains very high overall (21% of the total number of employees; World Bank, 2017). A decent solution for workers who commute would be the construction of decent public housing - financed in one way or another through capital taxation.

The conclusion, also supported by the preliminary results of this questionnaire, is that there is much room for raising the standard of living by directly or indirectly reducing the costs related

¹Vandele K. *Bleak prospects: mapping trade union membership in Europe since 2000*. Institutul Sindical European (2019).

to housing. The most natural and logical way to do this is by building public housing. Increasing the stock of public housing would directly reduce the housing costs of the beneficiaries - providing commuters with an alternative solution, and would indirectly put a downward pressure on private rents at the municipal level. For unions, embracing the theme of housing could have the additional benefit of attracting young employees to the union struggle.

Lucrați în alt oraș decât cel de reședință?



Are you working in a different city from where you live? Yes -29% No-71%

Why Should Housing Rights and Demands For Higher Wages Be Put Together?

The Block For Housing

“The social situation, of employees working for the Bucharest Transport Company (STB) used to be problematic particularly in terms of housing; since many of them came from rural areas, living in Bucharest difficult. And here, the union played an important role. Today, due to the changes in legislation, and to the fact that people are able to pay rent, this is no longer an issue. However, it might come back, and your project is very interesting, as it engages with this European movement to find a balance between work and life. And of course, housing is important in and of itself.” (urban transport worker, Bucharest)

“For the time being, the question of housing is not being understood for what it is. But if something were to be done in this direction and housing would be built for workers, it would be great for many young people working in education. Both the community and the staff would benefit from this. Schools are in the administration of local councils and many of them have dormitories that are no longer used by the students. Why couldn't they be made available for young teachers? As workers' housing.” (secondary education teacher, Cluj)

“Companies should be open to this opportunity, and build social residences, but municipalities should also build their own social housing stock. We believe that there should be an inalienable public housing fund, that cannot not be sold, that would grow and address the housing need; as would workers’ housing.” (rail worker, Bucharest)

“At the beginning of the 1990s, housing was still being redistributed to health personnel. There were distributed 1-2 apartments per medical institution, and SANITAS (the health workers union) was part of the commission for housing allocation. At the moment, workers’ houses do not cover the need. A public housing program could help halt the westward migration of medical personnel.” (healthcare worker, Cluj)

The material situation of the workers is defined both by their incomes and by the housing costs. Thus, the low incomes and the high costs of housing (rent or real estate loan, housing maintenance, utilities), lead to the impoverishment of workers. From the perspective of the labor force, this is the essence of the Romanian housing crisis. (the Block for Housing)

“Unfortunately, many colleagues who wanted to own property bought houses at very high prices, especially during the real estate boom of 2007-2008, with high degrees of burden. We have provided some legal advice on these issues, but the financial institutions have won this war. At least for now. There are colleagues whose lives are quite hard, because of the huge debt. And their professional life is also affected. In this regard, people do have expectations from the unions.” (healthcare worker, Bucharest)

“I bought my apartment during Ceaușescu’s time. But during Ceaușescu’s time I was able to go to the seaside, to the mountains, and you didn’t have many places where you could spend your money; your job was secure, you knew how big the C.A.R. (a non-bank financial institution) monthly rate for your house was, and you managed to pay. Whereas now you do not know if you will get your salary, if there will be any money, and what will happen to your working unit tomorrow; if the unit is in insolvency, the bank will not give you a loan to buy a house, and unless you have a minimum salary of 4000 lei net (approximately 800euros), the bank will not give you a substantial loan.” (Stoica)

The difference between wages and the minimum living costs basket could be reduced not only by increasing wages, but also by reducing housing costs. This can be achieved by building a significant stock of public housing with affordable rent, based on income. (the Block for Housing)

“Wages have increased, but prices went up, so the purchasing power remained the same or even lower. Prices should be kept under control. There is a Government Decision in place regarding the minimum living costs basket. This is what should be reinstated and amended if necessary, as opposed to starting a legislative initiative in parliament.” (trade union confederation member, Cluj)

“We are poorly paid. There are many of us who have mortgages, loans. New houses and apartment buildings are being built in Cluj, among the old ones, so the workload for the employees increases every year, as we have to take the garbage from the whole area, including the new houses. But

our salaries are not increasing. And houses in the city are very expensive. So, for the most part, the sanitation employees live in Pata Rât. Those who do not live in Pata Rât, live in overcrowding conditions. Their parents were given an apartment from the state, but for about 30 years nobody received anything, so the new generations, brothers, sisters, everyone, and their families are crowded into the apartments from Mănăştur." (sanitation worker, Cluj)

Adequate housing that does not burden and make workers dependent on real estate mortgages and on jobs that offer them low salaries and inadequate working conditions is not merely the aim of the union struggle. It is also a condition of it: workers in adequate housing would be more secure and less vulnerable in their fight for labor rights. (the Bloc for Housing)

"It is different when you are offered one [a house]; of course you are no longer stressed out at work and give everything you can, because you have everything assured. Now you do not know if you will have enough money to pay for housing utilities. Especially when you have a child with problems." (Stoica)

"Probably for those who are older than 45 or 50, things are safer from this perspective. in the age category of 25-40 year olds, I think it is this mortgage pressure that they each feel. The payments have increased over the last 2, 3 years by 200, 300, 400 lei each. So this is not a very comfortable thing. And I was even talking to colleagues about the times - although I am not nostalgically for the Ceausescu regime, and I will never be - our parents were able to take a two bedroom apartment, with a mortgage, because the state was the one building those blocks." (IT worker, Timisoara)

The state should invest more in the construction of public housing, instead of supporting the profit of the real estate market. Employers must stop exploiting the labor force through low wages, and take over some of the housing costs of their employees. (the Bloc for Housing)

"The State's role is not just to collect taxes. They must manage this money in the interest of the population. We have too easily accepted their explanations on why we do not have health support, why we do not have good education, why we do not have good roads, why we do not have social housing - we are all told that there is no money. Which is false. There is money. The question is what do you do with it, where do you invest it, in whose favor? A percentage of the annual budget could be allocated for social housing for example." (trade union confederation member, Cluj)

"It was a tradition for railway workers. When there was a unified railway company, there were housing units built until '95 -'96. They were built either in the railway area, on the plots owned by the railway company, or in those negotiated for and acquired in the center of the city - for example right here in Bucharest they had two apartment buildings. The whole area here - May 1st and Calea Griviței - belonged to the railway company, all the villas. If you worked for the Romanian Railway Company, you could receive a house and use it for the entire period; if you didn't buy a house as personal property, you could live there until you retired." (rail worker, Bucharest)

Low salaries - high costs of living. Solution: increase the public housing fund

Ioana Florea and Enikő Vincze

One of the basic ideas of our militant research is this: the material situation of the workers is defined by both their incomes and by the costs of living. Thus, both low incomes and high costs of housing (rent or mortgage loan, housing maintenance, utilities) lead to the impoverishment of workers. In what follows, based on statistics regarding population incomes, on the one hand, and on the situation of the housing fund on the other, we discuss the huge disparity between wages and living costs in nowadays Romania. Our conclusion is that the individual strategies through which people try to cope with the consequences of this disparity are inadequate, due to the systemic dimension of the housing crisis; it is therefore necessary to hold the state accountable in order to create a significant public housing fund that would address the issue.

1. The evolution of the number of employees and the evolution of housing needs

Year after year, data from the National Institute of Statistics shows that people who are not employed (as well as people living in households where the responsible adult is not employed) have a much harder life than people employed, being at a high risk of living in the most precarious conditions (or at risk of housing deprivation): in unheated homes, not properly equipped, overcrowded, built informally, at risk of eviction, etc. After the global crisis that affected Romania between 2008 and 2009, the number of employees decreased at the national level (reaching only 4,348,739 people, so the number of precarious and housing deprived persons has increased considerably). It reached 5 million only in 2018, but it is still below the pre-crisis level and well below the number of 8 million employees in 1990. Also, according to the 2019 study the Situation of Romanian Employees - An Annual Study (see Syndex - 2019), the differences between the counties from the South, South-East, South-West and North-East regions, on the one hand, and the rest of the country, on the other hand, remain very pronounced. In many counties from these regions, employees represents less than 20% of the total population, while in the capital the number of employees exceeds 50% of the number of inhabitants; a high percentage of employees can also be found in Timiș county - 34.8%, and in Cluj county - 33.3%.

All this shows that although the status of the employee provides access to more suitable living conditions, especially compared to unemployed people, this status remains uncertain, vulnerable to local economic changes (access to jobs, unequal development of regions, etc.) and to macro-economic ones; in particular, it remains vulnerable to price fluctuations, therefore restraining access to vital assets and particularly to a home.

In Cluj County, the average number of employees remained relatively constant and, compared to number of employees found in the city of Cluj-Napoca, it remained relatively small; here, it increased from 2008 to 2017 with an additional 35,000 employees. This evolution shows that the employment opportunities found in the city of Cluj-Napoca are not found in the rest of the county; the city functions as a great magnet for the workforce, which in turn exerts a great pressure on the housing stock of the city. If we take into consideration the impact of growing tourism (since 2016, the number of tourist arrivals in the city of Cluj exceeds the number of the inhabitants of the city), we can understand why the owners and the real estate developers were able to raise prices and to significantly increase their profits; these dynamics show that the need for housing is very high and growing strongly in Cluj-Napoca.

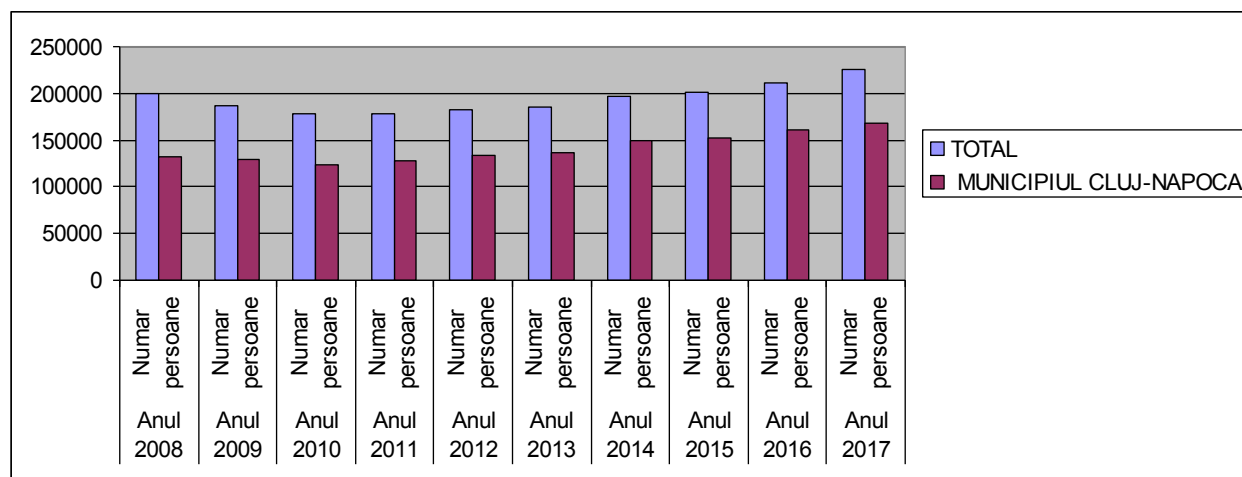


Table 1. Number of employees in Cluj-Napoca and Cluj County, 2008-2017, INS

In Timiș County, the number of employees is still below the pre-crisis level in the city of Timișoara (and remained relatively constant in recent years); as for the entire county, the number of employees rose above the pre-crisis level, and increased in comparison to the number of employees in Timișoara. The data provided by the trade unions which are partners of the Bloc for Housing, shows that most of the jobs in the county - without considering the employees working in Timisoara - are also concentrated near the city. This means that workers' need for housing is a constant both within the city and in its neighboring localities, in other words in areas where the developers have already increase prices.

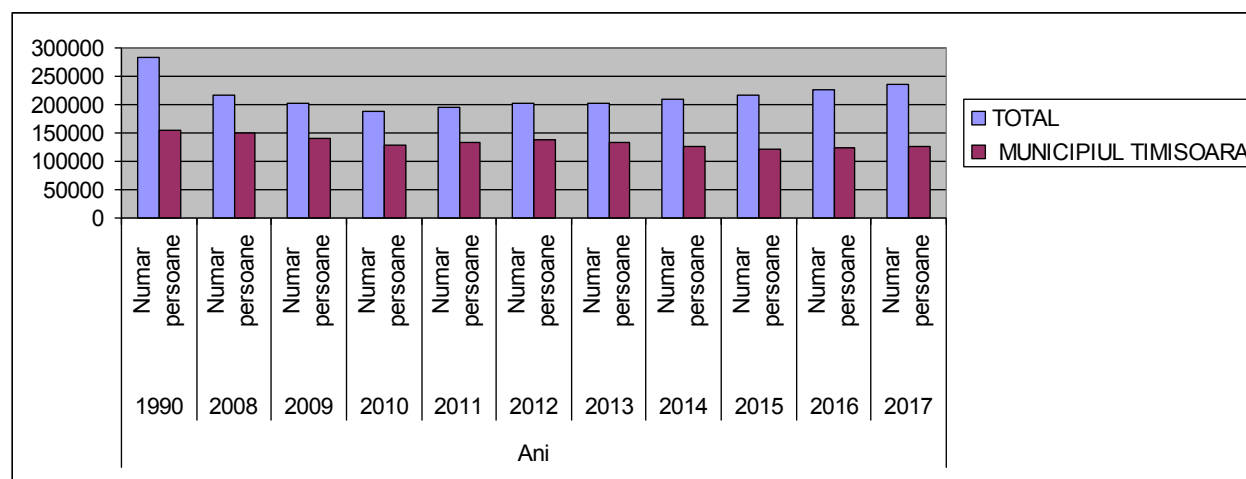


Table 2. The number of employees in Timișoara and in Timiș county, 1990-2017, INS

The average number of employees working in Bucharest has surpassed the pre-crisis level only in 2018, even though over the last four years it has increased a lot (from about 810.000 during the austerity years, to 918.228 in 2017, which was below the 922.234 number of employees in 2008, pre-crisis). In the last decade, in Bucharest, the number of employees has fluctuated by about 140.000, and in Ilfov county it has gradually increased (except for the hard years of 2010-2011) by 40.000. This shows that, regarding employment, Bucharest is also a magnet city, and therefore, the need for housing is very high.

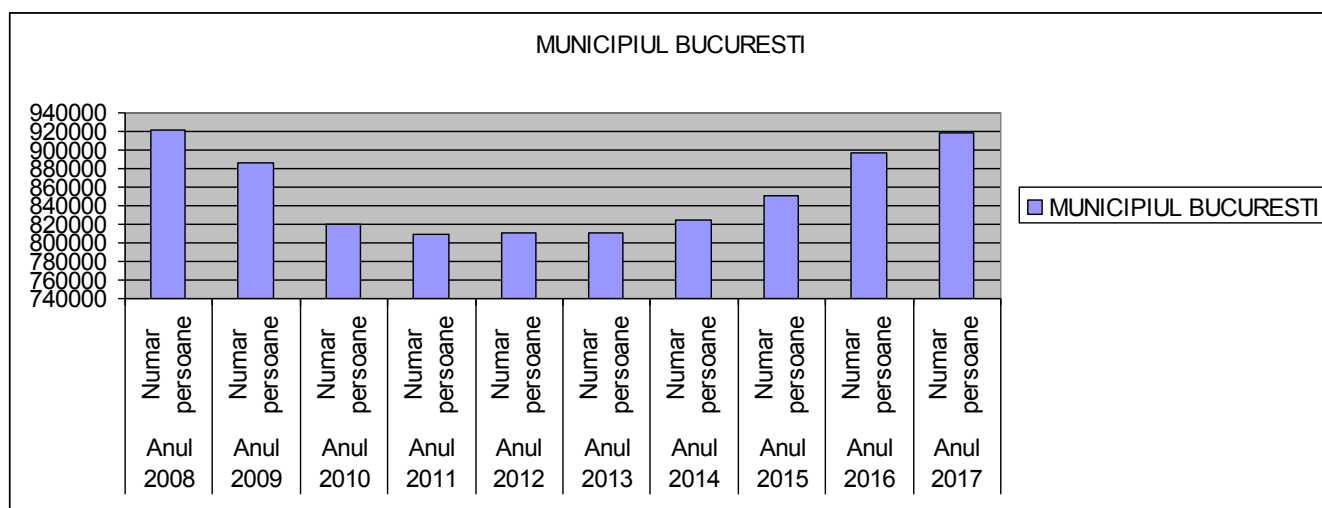


Table 3. The number of employees in Bucharest, 2008-2017, INS

During the same period, the number of newly built housing in those three cities, and in Romania in general, remained insufficient. Houses are built mainly with private funds, which means that workers do not have any control over housing prices or housing accessibility - these are the people who have a great need of new housing and who do not have the resources to purchase them from the market.

Along with the privatization of the old housing state fund, the very small number of public houses can be explained by the fact that after 1990 the state built very few homes with public money, and at the same time, the construction of most of the newly built houses was done with private funds.

Total housing completed	1154410
Housing built with public funds	184861
-From which, up to 1998, inclusively, started before 1990 and sold to tenants	119121
Housing built with private funds	896470

Table 4. Housing completed in Romania, between 1990-2018, INS - Tempo online

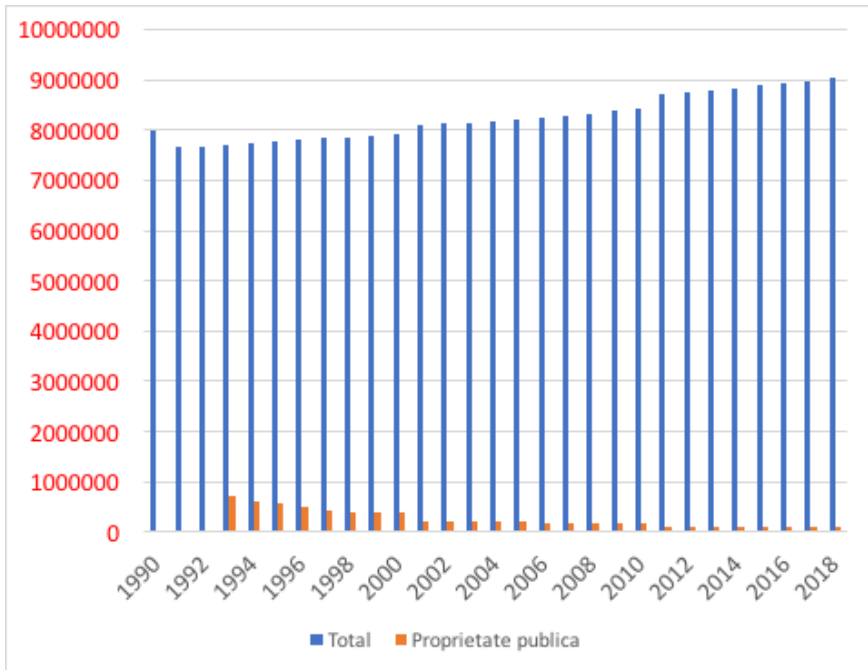


Figure 1. Housing stock in Romania: total housing and publicly owned housing, INS – Tempo online

2. The increase of the minimum wage contracts and the increase of rent and housing prices

The discrepancy between the evolution of the number of employees, what they can afford, their need for housing, and their actual access to housing becomes even clearer when we see that, although the number of employees has increased, so has the number and share of employees on minimum wage. Moreover, housing costs have increased much more than the increase in incomes over the last 30 years. Over 30% of full-time individual employment contracts have reached the basic salary equal to the legal minimum wage, compared to less than a fifth of the contracts in 2014. At the end of January 2019, over 46% of individual employment contracts (including part time contracts) had the basic salary at or below the minimum wage level (Syndex - 2019); over 55% of individual employment contracts had a gross basic salary below 2300lei (482euros).

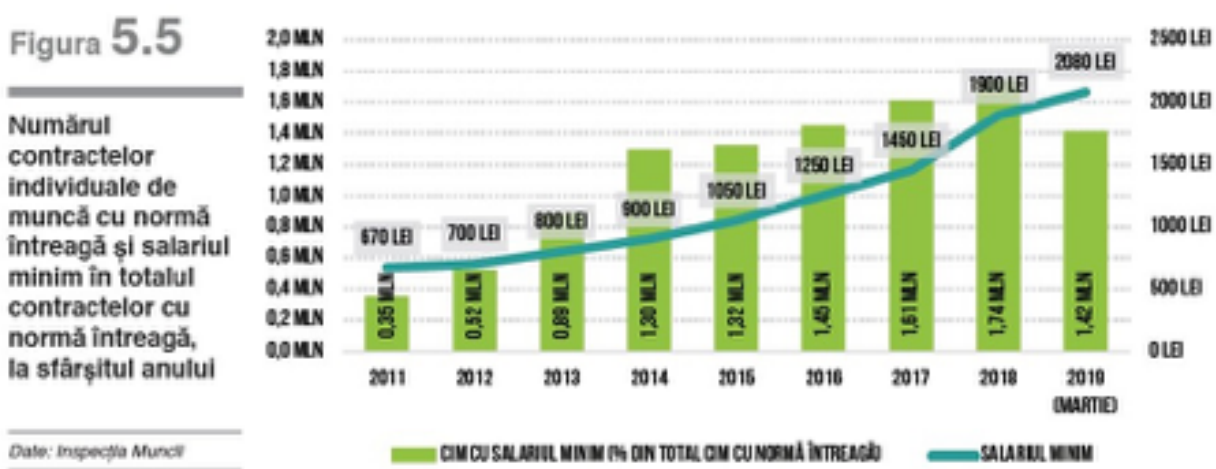


Figure 2. The number of employment contracts with the minimum wage and the level of the minimum wage, 2011-2019, Syndex - 2019

According to the data presented in the above figure, in March 2019, the gross salary was 3 times higher than in 2011. However, if we compare the net salaries, we notice that this increase was only 2 times higher (from 516 lei to 1263 lei - from 108euros to 265euros), and anyway, both in 2011 and 2019 they were very small. During this time, housing prices have increased in the big cities: about 30% in Iasi, Ploiesti, Bucharest, Constanta, and up to 65% in Cluj-Napoca, as the Figure 3 shows.



Figure 3. Price evolution of apartments in major cities in Romania, Residential Real Estate Market, Quarter II Report 2019

According to the report cited above, rent is also very high in the three cities at the top of the list of residential real estate prices. In Cluj-Napoca, the rent of a comfort 1 apartment with two rooms (one-bedroom) is 400 Euros/month both in 2018 and 2019; in Bucharest, it has increased from 366 to 400 Euros, and in Timișoara from 300 to 340 Euros.

We wonder who can afford such costs? If we compare the average incomes in these three cities - Bucharest, Cluj and Timișoara (which are higher than the national average) - with the average rent or with the mortgage rate paid monthly for a real estate loan for a two-room apartment, we notice (as shown in the tables below) that more than half of income is spent on these costs even by those with an average income.

2018	Average net salary in euros	Average rent for a two-room apartment in euros	% of income spent on rent
București	792	366	46%
Cluj-Napoca	669	400	60%
Timișoara	633	300	47%

Table 4. Net average salary (INS), rent level at the apartment (Residential real estate market, Report for the second quarter of 2019) and the percentage spent on renting a home

2018	Average net salary in euros	Price for a 52 sqm apartment	Monthly mortgage payment for 360 months	% of income spent on monthly payments
București	792	67600	337	43%
Cluj-N	669	79560	397	59%
Timișoara	633	62400	311	49%

Table 5. Net average salary (INS), price per apartment of 52 sqm (Residential Real Estate Market, Quarter II Report 2019), monthly rate on a real estate loan (payment simulator, Banca Transilvania) and the percentage spent on the monthly rate

If we add the costs of utilities and housing maintenance to the prices shown in the tables above, we can easily conclude that the Romanians spend a big percentage of their incomes on housing costs. More importantly, this is an alarm bell regarding the housing crisis, which takes the form of a crisis of accessibility to a suitable housing, especially in the case of employees earning the minimum wage. In Romania, their percentage is very high, approaching 50%, as shown in the figure below:

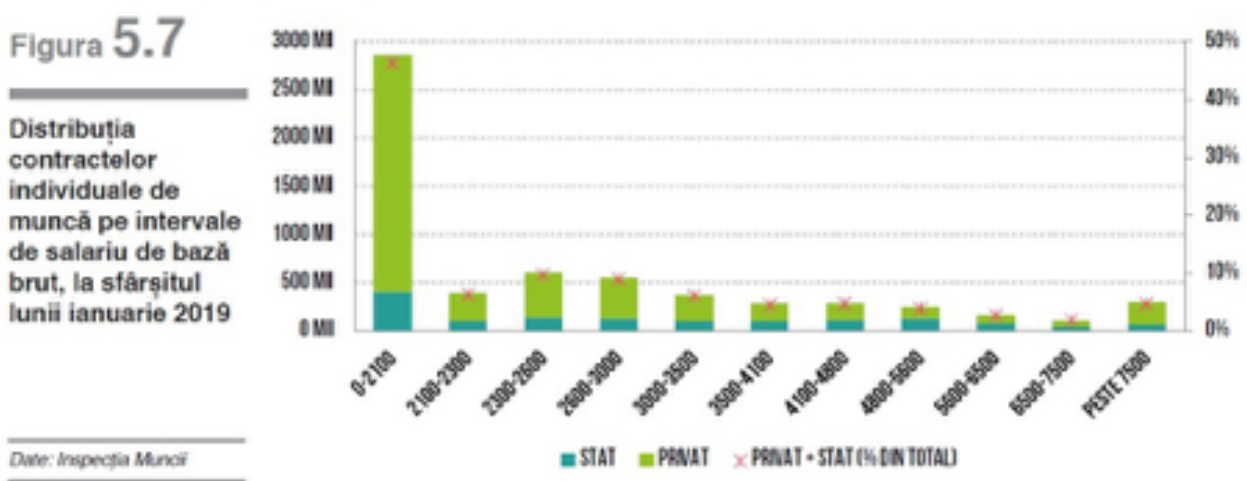


Figure 4. Distribution of employment contracts by salary ranges, Syndex Report - 2019

The conclusion of a study by Friedrich Ebert Stiftung (2018) can be summarized as “low wages, high costs: decent living in Romania is a luxury.” Calculating the minimum needs basket per month necessary for one person to have a decent life at 2552 lei/ 535euros, it turned out that 85% of employment contracts do not reach this level. The question is then, who can afford to rent or buy a house on the market, given the high living costs



Figure 6. Minimum wage contracts and contracts below the minimum basket threshold, Report The minimum monthly consumption basket for a decent living for the population of Romania, FES 2018

3. What strategies do employees use in order to cope with the high costs of living?

In this context, where most Romanian citizens are deprived of jobs that would provide them the necessary wage for decent living, the main strategy they developed is transnational migration.

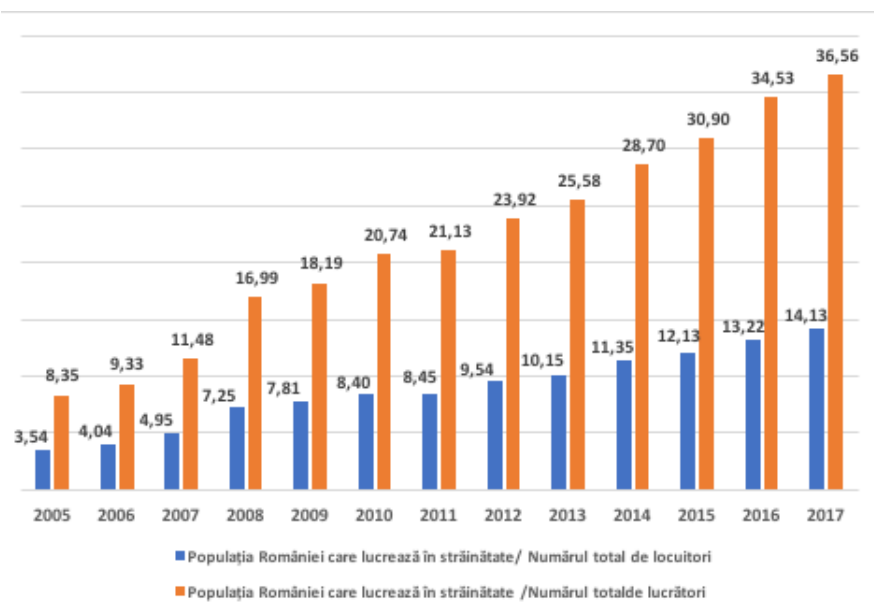
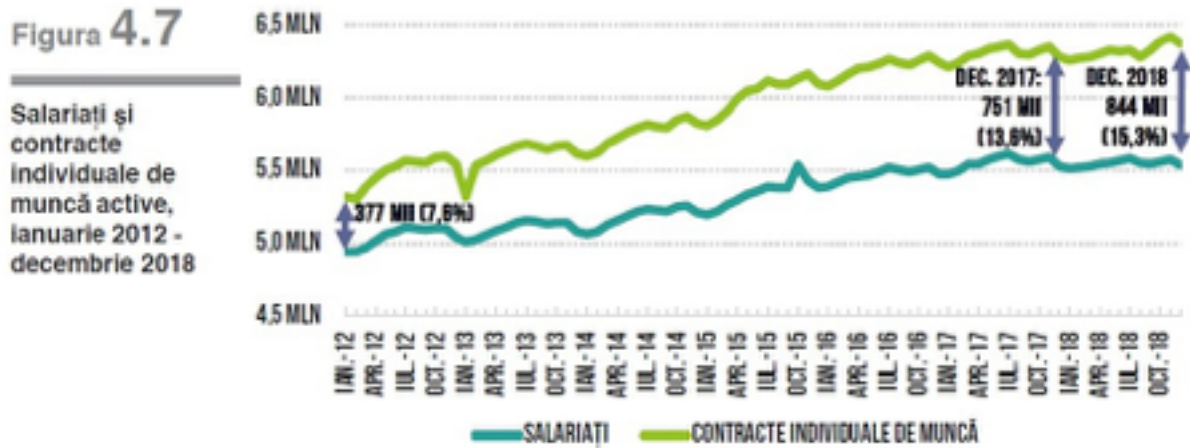


Figure 7. Romania's population working abroad, National Bank of Romania, Report on Financial Stability, 2018

Another strategy of workers paid with low wages and facing the high costs of living (including housing) is having several jobs. Thus, in recent years, there is a growing difference between the

number of active employment contracts ('CIMs') and the number of employees: from a difference of about 377,000 at the beginning of 2012, it has reached a difference of about 844,000 at the end of 2018. So there are about 844,000 'CIMs', representing a second or even third job for those employed, which means that for hundreds of thousands of employees the single salary is insufficient to cover the costs of living!



Date: INS (tabelul 4.1), Institutul Muncii (figura 4.7)

Figure 8. The difference between the number of employees and the number of contracts, Syndex - 2019

The high and rising costs of living are also forcing people to give up living in decent conditions. Thus, about half of Romania's population lives in overcrowding conditions - one of the highest overcrowding rates at European level. In addition, in the years of austerity, almost 65% of the people with low incomes lived in overcrowded houses, therefore lacking adequate conditions for rest, study, health recovery etc. This level does not fall below 56% even in the years of economic growth, and this shows the vulnerability and the systemic housing precariousness of the people with low incomes.

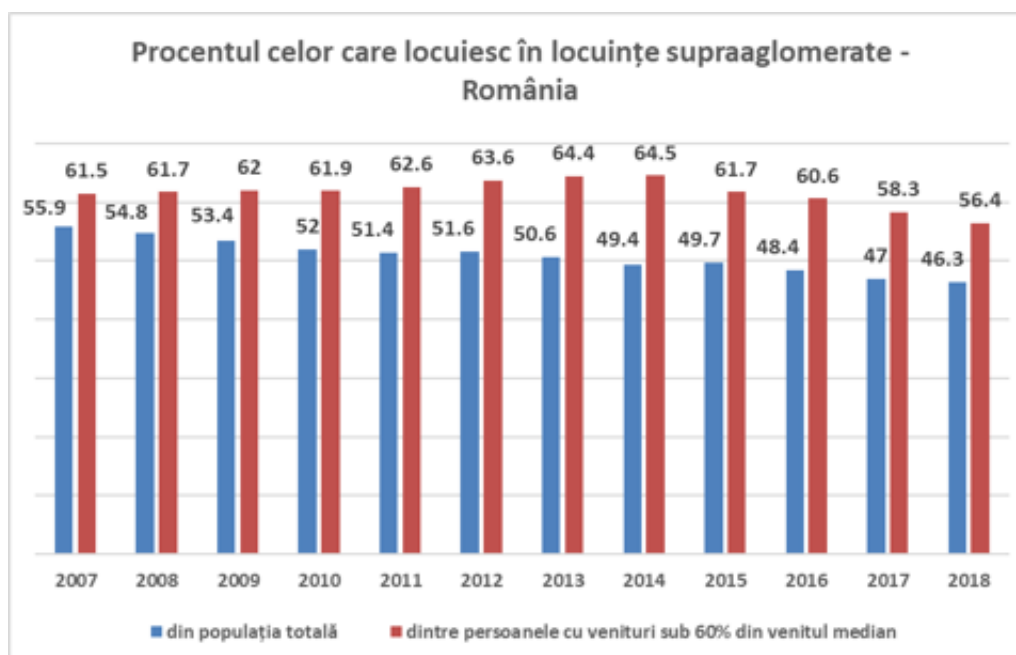


Figure 9. Percentage of those living in overcrowded homes - Romania, EUROSTAT, 2018

4. Conclusions

The high costs of living and its related problems (undesirable living conditions, overcrowding) are found in areas where the highest paying jobs are concentrated (such as Bucharest, or in the counties of Cluj, Timiș, Ilfov, Brașov, Sibiu, Iași). The causes are, as shown above, the high costs of living and the fact that they represent a large part of the monthly costs for the entire population! Housing costs (rent, mortgage or tax, water, electricity, gas, etc.) are the second largest category of costs, after food. If we add to the housing costs, the costs of furniture, furnishing and housing maintenance, together they become higher than the costs of food. If we also add the transport costs - which are related to the location / positioning of the dwelling closer or further from the workplace, vital public services, children's school, etc. - these costs together become much higher than any cost category, reaching about 40% monthly (compared with 27% spent on food), at the level of the entire population.

These problems, created by the development of the real estate market and by the transformation of housing into a very expensive commodity and an object for investment, as well as by the working conditions in Romania, which became a country with cheap labor, make us affirm: the housing market is not the solution, but the cause of the housing crisis. Therefore, in the coming years it is necessary to produce and distribute a significant number of houses outside the market. Ensuring access to public housing is crucial in cities with a growing population, and a priority for low-income workers and those living in insecurity and in inadequate conditions.

Trade unions and housing: international examples of activism

George Zamfir

As a result of world-wide weakening of the trade union movement, its organizations are forced to limit their activities to direct negotiations with employers and governments only around working conditions. Thus, the workers' housing conditions, which used to be a very important subject for trade union activists, became a marginal issue. Historically, some organizations have developed their own housing stock, while others have advocated the right to housing, both as a general social message and for employees, in particular. For example, French trade unions started the Paris Cooperative Real Estate Company in 1867, which could be considered the ancestor of housing cooperatives (1). More recently, in the mid-1980s, some Cypriot unions from Nicosia have started several housing cooperative projects, including Is-Coop & Türk-Sen, Teachers' Cooperative, Police Cooperative, building a total of 650 apartments (2). Moreover, the International Labor Organization continues to promote the idea of cooperatives in the field of housing, as well (3). However, perhaps the most famous example remains that of the Neue Heimat company owned by the German Trade Union Confederation, which managed to produce 400,000 dwellings before imploding following corruption scandals in 1982. At its peak, it had a turnover equivalent to 3 billion

Euros in 2019 (4). Nevertheless, the organizational model was no longer under the direct control of union members, turning it into yet another real estate business. As described by the housing policy representative of the German trade union ver.di, Neue Heimat is the reason why today's organizations in Germany are reluctant to build homes directly. It should be noted that in the states and cities where the administration was dominated by the Left, such as Vienna (5) (a classic example, as well as a notable exception among capitalist cities and states) or the former socialist states, the housing stock has grown considerably, even if not exclusively, by public means.

International trade unions and labor organizations support the right to housing through a series of positions and documents. In 1961, the International Labour Organization issued recommendations regarding the living conditions of employees (6). Among other things, they promoted a housing policy aimed at supporting people in precarious situations, targeting a cost of housing that is reasonable in relation to wages, and insisted on public authorities assuming responsibility on the issue. The European Trade Union Confederation Congress of May 2019 emphasized, among their other priorities, a provision for decent housing (7). During the UN Habitat Forum of 2018, the Federation of Public Services International recommended that the global social housing crisis be addressed with urgency (8).

Recent union campaigns and initiatives on housing

'The Stamford Organizing Project' (9) started in 1998 in the city of Stamford, Connecticut, in the context of a spectacular economic growth, which led to an increase in the number of luxury homes. The area has become one of the richest in the US, but the people working in basic services (caretakers, drivers, waiters, etc.) had increasing difficulties in accessing housing. The campaign was a joint effort of community organizing led by four unions covering six industries and six ethnic groups. Through members' discussions, contact was made with the Stamford Housing Authority was contacted, in order to prevent the demolition of certain public dwellings, and to stop a pilot regulation that privatized housing. Various campaigns were organized, which included marches, direct actions and protests; one of the most important results of these campaigns was seen in the increased commitment of members' to their organizations.

The 'Raise The Roof - Homes for All' campaign (10) was launched in 2018 in Ireland. It was organized mainly by the Irish Congress of Trade Unions, the National Women's Council of Ireland, the Student Union in Ireland, and the National Coalition for Homelessness & Housing Coalition. Basically, the campaign's aim was to support directives on housing set out in October 2018 by the Lower House of the Irish Parliament. The Chamber asked the government the following: to declare a housing crisis, as the official number of homeless people has increased from 3.000 in 2014 to 10.000; to increase the stock of social and affordable housing through an adequate budget; to prohibit various types of evictions; to organize a referendum to introduce the right to housing in the constitution. The campaign also included the organization of a protest in the fall of 2018, attended by 12 thousand people, spring protests in several cities, and a march for housing in Dublin in May 2019.

With 1.3 million members, UNISON (11) is the largest union in the United Kingdom, with the most housing sector workers as members. They recently published an analysis of housing needs that combines several reports, including one on the English workforce. Their conclusion was that the lack of access to adequate housing is one of the biggest difficulties faced by workers. Many employees in the public sector are practically excluded from the possibility of becoming homeowners and are barely facing market-price rent payments. Employees in the private area are in similar situations. UNISON has prepared a tool to highlight these problems - the Online Housing Affordability Tool - where you can enter the postcode from a specific area and the annual salary to see how much time it will take you to buy a house there. The union notes that in the last years, 30 billion pounds have been invested in the of private rent sector and in privately owned houses, and only a very small sum was invested in building new social housing. The union also opposes the continued privatization of public housing and actively supports a national housing program through which people with the lowest incomes might gain access to social and affordable housing.

The *Unione Sindicale di Base* union from Italy was founded in 2010 as a merger between two older unions. The Association of Tenants and Dwellers (*Associazioni Inquilini e Abitanti*) (12), is one of its very active working groups. Its members are frequently taking public positions, analyzing housing policies, pointing out difficult situations in which tenants live, and organizing protests to oppose evictions.

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- (1) <https://www.housinginternational.coop/co-ops/france/>
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- (11) <https://www.unison.org.uk/at-work/community/key-issues/housing/>
- (12) <https://asia.usb.it/>

We Need to Increase the Power of Unions

Caius Mureșan

2011: The austerity government of Prime Minister Emil Boc and President Traian Băsescu is responsible for amending the Labor Code and the Social Dialogue Law in the detriment of workers. Many of the current problems in the labor legislation come from before 2011; for example: the minimum threshold of 15 employees for setting up a union, the threshold of 21 members necessary to sign a collective agreement, the recognition of a labor conflict only if it happens during the collective agreement negotiation period, etc. The preservation of this legislative legacy, together with the 2011 deregulations in the legislative framework, is actively favoring capital and disadvantaging workforce employees.

The flexibilization of labor promoted by the new legislation actually means that labor becomes precarious due to the following deregulations:

Regarding employment contracts

-The elimination of the collective labor agreement at the national level

-Weakening permanent employment contracts, and adapting them to the labor needs of companies, due to long- or short-term changes in demand or technology

-Strengthening other types of employment contracts: piecework, fixed-term employment contracts, seasonal employment

-The collective labor contract at the unit level remains mandatory only for companies with at least 21 employees, while, for example, in 2015, 95% of the total number of companies had under 21 employees.

-Various means created for the employer to further control the time spent by the employee in the workplace. Given the low salaries and job insecurity, it is harder for employees to refuse these measures.

Regarding trade unions and workers organizing for labor rights

-Diminishing trade unions' role, and the importance of collective bargaining and social dialogue institutions.

-The minimum threshold of 15 employees for setting up a union remains unchanged from the previous law. For an economy based on small and medium-sized enterprises with an average of 5 to 25 employees, this limit is excessive. In 2015, over 90% of companies had fewer than 15 employees (approx. 1.1 million employees).

-The establishment of a trade union by association with companies in the same sector or profession is forbidden.

-The possibility of a collective labor conflict is limited, by imposing the condition of a `warning strike` first, it became harder to trigger a strike.

-The employees have the possibility of being represented by the institution of the `employees' representatives`, but due to the lack of regulations and the clarity of its duties, this cannot really replace the function and power of a union. The power dynamics can be even more disadvantageous for employees when the employee representative is part of the management, human resources or has a personal relation with the employer.

The legislation on social dialogue adopted in 2011 violates the Convention for the Protection of Human Rights and Fundamental Freedoms, the Charter of Fundamental Rights of the Union, ILO Convention no. 87 regarding the freedom of association and the protection of unionizing rights, 1948, and ILO Convention no. 98 regarding the application of the principles of the right to organize and collective bargaining, 1949 – all ratified by Romania.

Discussions about changing the law of social dialogue began about two years ago. Following the 2019 European Parliament elections, the unions C.N.S. Cartel ALFA, CNSRL-FRĂȚIA, NBS, CSN MERIDIAN and CSDR placed the need to amend Law no. 62/2011 of social dialogue back on the agendas of the Government and Parliament of Romania, in order to guarantee:

- the right of free association, without any restriction or prior authorization;
- removing obstacles in the establishment of a trade union;
- the right of collective bargaining at all levels, including at national level;
- reducing the representational thresholds at the sector level;
- the right to strike, as a fundamental right of workers and of their organizations;
- sanctions for the discrimination of the employees on the grounds of belonging to a union or of participating in trade union actions.

The employers' organizations did not accept the changes proposed in the trade unions proposed bill. As a result, the law could not be modified.

November 2019: President Klaus Iohannis returned the law establishing the minimum wage in relation to the monthly needs basket to the Parliament instead of promulgating it. In parallel, as a response to the request of the European Commission to have an instrument that establishes the minimum wage, the new liberal government will develop it together with an organization of foreign investors, and without the involvement of trade unions.

The message of the “Alliance for Work and Housing” campaign

The right to housing is a universal right. In capitalism however, housing becomes a very expensive commodity and an opportunity for investment. It's time to join forces to claim and push for a new generation of public housing!

In 2018, there were 9 million dwellings in Romania. Of these, only 111.000 could be rented out at a reasonable price, since they were publicly owned; meanwhile, 47% of employment contracts paid minimum wage or below. Between 1999-2018, in Romania, only 65.000 dwellings were built from public funds. Throughout history, labor unions and cooperatives have always owned housing, but today that is no longer the case. Who do you think makes huge profits in this situation, just like employers turning profits by exploiting cheap labor?

Over the past 5 years, the prices of apartments have increased by 60% in Cluj-Napoca, by 31% in Bucharest, and by 45% in Timișoara. Prices have also increased massively in Brăila, Galați, Craiova, Oradea, Constanța, Iași, Ploiești and Brașov. How much has your salary increased in the past 5 years? It is not your fault that you cannot afford to pay the costs of housing or if you are only able to do this with very high sacrifices.

Even in the big cities, where the average income is above the national average (about 700 euros), people spend up to 60% of their salary on rent or on the monthly rates of their mortgage loan. How much money from your income do you spend on housing, if you also add the costs of utilities and maintenance for your home?

To afford the very high costs of housing, over 60% of Romania's population lives in overcrowded households. To be able to pay these housing costs, many workers are forced to take on more jobs. Many people are forced to live in makeshift dwellings on city outskirts, without utilities or without having a bathroom or a toilet in the house. Those who cannot afford these high costs become homeless. Do you know the housing situation of your co-workers? Do they know what problems you are facing? Build solidarity with your colleagues! Housing problems are not an individual responsibility!

We are claiming a new stock of public housing as a common good!

- Increase the public housing stock under tenant control to 25% of the total housing stock.
- Over the next 4 years, the state should build and maintain 2,000,000 not-for-profit houses.
- No one should be forced to spend more than 20% of their income on housing.
- The criteria for the allocation of public social housing should prioritize people with low incomes and those living in precarious conditions.

- Prohibiting evictions that leave people without a housing alternative.

The “Alliance for Work and Housing” campaign argues that the free market is the cause, not the solution of the housing crisis. The state must take responsibility for ensuring the right to housing for all. For three decades, all governments have denied us this right, claiming that the market or the family must address the need for housing. In 2020 we will take our housing claims to the local councils in Bucharest, Cluj and Timisoara. Let’s put housing on the political agenda! Raising wages and reducing housing costs can ensure a better standard of living for people!

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Cărămida. The housing justice journal.

**Inițiativa “Căși sociale ACUM!/
Social housing NOW!”**

Special issue Blocul pentru Locuire / Block for Housing

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