Hans Kristensen

Housing and planning: Changing roles for state and municipalities

Abstract

The state became strongly involved in the housing issue following the end of World War 2. Housing was seen as an essential element in the building of the welfare state. The housing policy has mainly been a state-policy, although the municipalities have got more influence over the years especially regarding what to build and where to build. The housing policy of Denmark has been quite successful when the housing standard and distribution is compared to other European countries. And the house and home has become an obsession to many Danes.

There are, however, still some general problems on the Danish housing market: the steep increase in prices on owner-occupation over the last 10-15 years and the social and ethnical segregation in the housing stock.

A marked change in the Danish housing policy took place after the general election in 2001, where a liberal-conservative government was formed. They decided to lay down the Ministry of Housing, and to spread the activities from this ministry to several other ministries. As a result the state has become less visible in the housing policy area. In January 2007 a municipal reform reduced the number of municipalities to less than 100, and increased the local autonomy and responsibilities of the municipalities.

In the paper, the conclusion is, that it must be expected that the new and stronger municipalities gradually will increase their influence in the formulation of housing policies and in the field of housing planning.

Keywords

General housing policy, housing conditions, housing market, housing planning, municipal housing policy
At the end of World War 2, Denmark was still an agricultural country in which nearly half of the population lived in rural areas. In the subsequent decades, employment in industry grew dramatically and rapid urbanisation followed. Cities grew particularly fast from 1960 to 1980. Vast, new suburban areas with single-family houses were built around big cities and market towns alike. Non-profit housing organisations were also active and built many very large, modern (concrete) housing estates. Today less than 20% of the population lives in the rural areas. Housing standards improved considerably in those years, both with regard to new single-family houses and new rented housing units. In the period from 1975 to 2000, large-scale urban regeneration took place, thus also improving the standard of older dwellings. Despite rising housing prices in the past ten years, the number of new buildings is nowhere near the figures seen around 1970.

Danish housing policy has been through various phases in the more than sixty years that have passed since the end of World War 2. In the following outline of developments in housing policy, we will look at the build-up phase, ie 1945-1966; the expansion phase, 1966-80; the management phase, 1980-2001; and finally the change phase that started in 2001.
Figure 1. Trends in the construction of dwellings in different types of buildings. Dwellings are broken down by year of construction (2004)
Source: Housing database established by the Centre for Housing and Welfare.

1945 – 1966: Pressure on the housing sector to build more dwellings as fast as possible

When World War 2 began in 1939, dwellings were rationed, and rent freezes and rent control were introduced in Denmark. In the war years, the demand for housing exceeded the supply, and housing prices went up. It was expected that the prices on houses would fall once the war was over. But the anticipated drop in housing prices never came. Politically, there was no desire to bring an end to rent control, as increasing unemployment and social unrest were expected. The Social Democrats advocated better planning and control in order to solve the housing problem, and in 1947 a separate Ministry of Housing was established.

The 1951 Rent Act expanded the already existing rent regulation provisions, and the already existing ban on giving tenants notice was extended to cover the entire housing stock. One of the consequences of the many years with low rents was that older, privately owned rented housing facilities turned into slums, which resulted in demands that the worst dwellings be condemned or renovated. In the 1960s and 1970s, residents – then a mix of people from the lowest income groups and young university students – took issue with this policy.

Affluence and wages grew dramatically in the 1960s, and more and more people could afford to improve their housing situation by buying a house of their own. Affluent wage earners in the cities began to leave their rented apartments. It became difficult to find tenants for new social housing estates, and a growing proportion of the new buildings constructed in the 1960s were single-family houses. The right to deduct interest payments from taxable income was an indirect subsidy. Continued inflation, low
property taxes and increasing marginal tax rates made it financially advantageous for people with fixed incomes to own their home. The advantage was greatest for people with high taxable incomes.

The municipalities were small in the 1960s, and the urban and housing planning was rather weak. Almost any building project was accepted by the municipalities. In 1963 the Government suggested stronger municipal planning laws, but due to an intensive campaign from the conservatives and the liberals the laws fell in a referendum – and the rather uncontrolled and speculative urban and housing development continued for another ten years.

Starting in the late 1960s, the housing shortage was no longer the top item on the housing policy agenda in Denmark. The new big bone of content was – and still is – housing prices and the allocation of housing subsidies. The issues in this debate focus on who should benefit from a possible phasing-out of rent regulation, whether direct and indirect housing subsidies are allocated fairly, and whether they should be phased out, abolished or redistributed.


A housing agreement was adopted in 1966 with broad political support. According to the agreement, the market for rented housing was to be normalised over an eight-year period. A housing benefit scheme was introduced to compensate tenants who could not afford the higher rents. Furthermore, it became possible to sell old, privately owned rented dwellings as freehold flats, which meant that tenants could buy their own dwellings and benefit from future increases in their value.

The assumptions underlying the 1966 housing agreement proved mistaken: interest rates did not drop, construction and site prices grew, and no housing reserve distributed evenly in terms of geography and types of housing ever developed. The sale of rented dwellings in old rented properties as freehold flats was highly criticised because it ensued material increases in the value of the properties for the benefit of their owners. In 1972, a stop was introduced to the possibility of dividing old properties into flats and selling them off individually. However, despite these problems, the period of 1966 to 1975 was the time in which more dwellings were built per year than ever before. The new buildings were both private, owner-occupied buildings (mainly single-family houses), and social housing.

Although the social housing units were – and still are – the largest and best-equipped social housing units ever built, it was difficult to find tenants for the new dwellings on the outskirts of towns and cities, and financial support from mortgage credit institutions, local authorities and the state became necessary. People preferred single-family houses, and it was not only the middle classes that moved into them: many people with working class
backgrounds chose this type of housing as well. Large areas around all small and large towns and cities in Denmark were zoned for single-family houses to such an extent that critics talked about 'single-family housing lava' rolling out, devastating the landscape.

In 1970 a municipal reform reduced the number of municipalities from around 1500 to 275, and a few years after the planning laws where changed, giving the municipalities much more influence on the urban and housing development. The new planning laws came into effect in 1977 – where, paradoxical, the building boom and strong urban growth was nearly over.

Until the end of the 1970s, the renewal of city districts with old rented properties typically implied wholesale demolition of entire areas and the construction of new buildings. This approach changed in the late 1970s due to increased opposition to it in the population. The new approach focused on preserving buildings and urban regeneration. However, urban regeneration, which in fact was housing regeneration, did not start in earnest until a new urban regeneration act was adopted in 1983. Initially, most projects were located outside the Greater Copenhagen area; it was not until the mid-1990s that the Vesterbro district of Copenhagen saw its first urban regeneration projects.

1980-2001: The housing sector presents problems in the form of building damage, empty flats and compulsory purchases

The situation of social housing estates, in which there were vacant flats in the mid-1970s, did not stabilise. In the early 1980s it was not only difficult to find tenants for them; they were also characterised by building damage, physical decay and social problems. To this should be added the segregation that became increasingly characteristic of the housing market. Low-income households, often consisting of single people and single parents, came to dominate social housing estates together with socially marginalised people, refugees and immigrants, whereas working families with children from the working and middle classes had moved into single-family homes.

Since the mid 1980s several improvement programmes have been implemented in the troubled housing estates. Most of the programmes came as government initiatives, but they gradually involved the municipalities more. The effects of the improvement programmes have, however, only been limited. When they were most successful, they could stop further deterioration, but not reverse the processes of decay.

In 1986 the taxation rules were changed so that the value of the interest deduction available to homeowners was reduced. At the same time, a number of austerity measures, together nicknamed ‘the Potato Diet’, were adopted, resulting in stricter requirements to the cash position of property buyers and borrowers. The effect of these austerity measures manifested itself in earnest in 1987, when demand in the housing market fell drastically,
and falling prices, bankruptcies and compulsory purchases brought housing construction to a standstill. This situation lasted until 1993, when interest rates dropped and it became easier to borrow money with property as collateral. Since then housing prices have gone up, a trend that was slow at the outset but then gained pace. The escalation of prices has been most dramatic in major cities, whereas increases have been modest in more peripheral parts of the country.

2001 - : Cracks in the housing policy – demolition or conversion?

In 2000 there was uncertainty about the problems and challenges faced in Danish housing policy. Major fact-finding work aimed at the abolition of rent regulation had come to nothing. Many pointed out that continued subsidisation of all housing types was not a viable policy. It was also argued, that a stronger municipal involvement in housing improvement programmes was necessary. The Social Democratic government wanted more private funding of urban regeneration projects.

A new Liberal-Conservative government closed down the Ministry of Housing and Urban Affairs in November 2001 following an election campaign in which both the Liberals and the Social Democrats promised not to touch rents in rented housing. The ministry’s areas of authority were transferred to a number of other ministries. Government regulation of the housing and construction sector is now organised in a manner very similar to how things were done before the first Ministry of Housing was established in 1947. The Government’s manifesto stated that the government would propose a reform that would make it possible for residents in social housing to buy their home either as a freehold flat or as part of a cooperative housing scheme. Both the housing associations and the municipalities were against a more general sell out. They wanted a more selective and rather limited policy in this field. The scheme was a compromise, which runs on an experimental basis in 2005-2007. The collaboration and regular negotiations that had taken place between the National Association of Housing Companies and central government were brought to a near-standstill in connection with the change of government in 2001 and not resumed until 2006.

Recent years have been characterised by continuous worsening of social and ethnical segregation problems in the social housing sector and by increasing demand for owner-occupied dwellings in and around major cities. The prices of houses and flats have increased drastically, even though there has been a major upsurge in housing construction. The situation has been completely the opposite in the more removed areas of Denmark. There the population declines, the house prices goes down, many houses are empty – in some cases whole villages are virtually deserted.

Developments in recent years seem to suggest a phasing-out stage in Danish housing policy on government level. However, in reality it is probably a
transformation process in which the new larger municipalities formed at the beginning of 2007 will assume responsibility for local urban development and housing policies in coming years.

**Housing conditions in Denmark**

2) A first draft for parts of this section of the paper was written by Hans Skifter Andersen, SBi

For many years Danes have considered housing conditions in Denmark to be much better than housing conditions in most other countries. This perception can be held up against various indicators that make international comparisons possible. By and large, the Danish perception proves to be correct, although the differences are probably smaller than what most Danes think.

A very basic indicator for comparison is the size of the dwelling measured as the number of square metres per resident.

**Table 1. Size of dwelling per person in various European countries.**

<table>
<thead>
<tr>
<th>Country</th>
<th>m² per resident</th>
<th>Proportion of dwellings with WC and bath</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>51</td>
<td>95%</td>
</tr>
<tr>
<td>Sweden</td>
<td>44</td>
<td>100%</td>
</tr>
<tr>
<td>UK</td>
<td>44</td>
<td>99%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>41</td>
<td>100%</td>
</tr>
<tr>
<td>Germany</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td>Austria</td>
<td>38</td>
<td>98%</td>
</tr>
<tr>
<td>France</td>
<td>38</td>
<td>98%</td>
</tr>
<tr>
<td>Finland</td>
<td>36</td>
<td>99%</td>
</tr>
<tr>
<td>Ireland</td>
<td>35</td>
<td>94%</td>
</tr>
</tbody>
</table>

The first column in the table shows that Denmark has the highest average number of square metres per resident. However, the reason for this high average is that, in Denmark, housing area is calculated as the exterior gross floor area, which means that the thickness of exterior walls and, for flats, a portion of the staircase area is included. In order to obtain truly comparable figures, the Danish figure must be reduced by about 15%, which means that Denmark is on a par with Sweden and the United Kingdom.

The second column shows that, according to official statistics, 5% of Danish dwellings do not have their own toilet and bath. Although the actual percentage may be smaller because of unregistered installations, the percentage is relatively high compared with the percentages in the other EU member states, in which there is no similar shortage of these facilities or in which the percentage is only 1-2%.
Other indicators of housing conditions can also be used. A recent European survey conducted by the European Union makes it possible to compare housing conditions in Denmark and other European countries. In Denmark, 63% of the population are homeowners. This is only slightly above the average of the EU-15 member countries. The average number of rooms per person in Denmark is also a little higher than in the other countries.

Table 2. Comparison of housing conditions in Denmark with the average in the EU-15 member states (2004).

<table>
<thead>
<tr>
<th></th>
<th>All households</th>
<th>Lowest income quartile of households</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Denmark</td>
<td>EU15</td>
</tr>
<tr>
<td>Number of rooms per person</td>
<td>2.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Percentage of young people (18-24) who have left home</td>
<td>59</td>
<td>29</td>
</tr>
<tr>
<td>Percentage who cannot afford to pay for heating</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Percentage with more than minimum standards *)</td>
<td>70</td>
<td>66</td>
</tr>
<tr>
<td>Percentage who are owners</td>
<td>63</td>
<td>60</td>
</tr>
</tbody>
</table>

*) At least one room per person and perceiving none of the following deficits: (1) shortage of space; (2) rot in windows, doors or floors; (3) damp/leaks; (4) lack of indoor flushing toilet. Source: First European Quality of Life Survey: Social Dimensions of Housing. Luxembourg: European Foundation for the Improvement of Living and Working Conditions.

With regard to the age at which young people leave their parents’ home, there are considerable differences between countries in northern and southern Europe, one reason being differences in the availability of dwellings. In Denmark, young people move away from their parents at a relatively young age: almost 60% of young people aged 18-24 have left their parents’ home, which is more than twice as many as the EU-15 average.

Because of its location in the Nordic region, Denmark has cold winters and greater need of heating than many other countries in Europe. Heating is expensive, but very few people cannot afford to pay for it. This is partly because of a good welfare system, but may also to some extent be ascribed to high insulation standards and efficient heating systems in Danish housing.

Compared with the other EU-15 countries, Denmark has a somewhat better score on the percentage of dwellings that meet the minimum standards for dwellings defined in the EU survey.

Not only the affluent groups in society benefit from the relatively high housing standards in Denmark. A comparison of the housing conditions of the poorest part of the population (the lowest income quartile) in the 15 countries surveyed shows that, in Denmark, the above-average housing standards especially apply to low-income households. A larger proportion of people in this group are homeowners, and the housing units are generally
larger than in comparable groups in other countries. Moreover, they normally have no difficulty paying the heating bills.

Seen in this international perspective, Danish housing policy has been successful. It has ensured not only high general housing standards but also good housing conditions for the poorer part of the population. The following section gives a brief outline of Danish housing policy since the end of World War II in 1945.

**The Danes’ obsession with their house and home**

Danes love their homes. Danes talk a lot about their homes. And Danes spend a large proportion of their income on their homes. Consequently Danes have good, large, but also expensive homes. The average housing unit is 109 m², and it is occupied by two people.

The situation was different 50-60 years ago. In the post-war period there was a housing shortage in Denmark, and it was very difficult for young people to find a home of their own when they wanted to start a family and very close to impossible if they wanted a home without already having started a family. The cities were full of crowded flats accommodating two or three people per room. In addition, many of the housing units were without modern conveniences such as bathrooms or central heating. The housing problems were put on the political agenda before the war, but gained a more dominant position after the war as an important element in the development of the Danish welfare state. For example, a ministry of housing was established in 1947, but it was not until the late 1960s that the situation improved. This history of crowded, poor housing is probably one of the reasons why people who grew up in this period and who are now in their fifties and sixties prioritise good housing as much as they do.

Increased housing consumption has a self-fuelling effect. In the 1950s and 1960s the main concern was finding housing at all, but since then people have become more concerned with finding good – and increasingly better – housing. In the past few decades, the size of one’s home, its location, equipment and furnishings have become a stage upon which one’s personal life and family life are displayed. The home has become a yardstick for success and plays an important role in people's lives and minds. When people in Denmark have exhausted the standard topics of weather and work, they can always ask questions about where people live, what their home is like, where they lived before and where they want to live in the future.

Many other explanations for the Danish preoccupation with the home have been given – especially if the home is a detached house. One of them is the North Atlantic climate in Denmark, with winter temperatures around freezing, strong winds and a great deal of precipitation. In the five months from October/November to March/April, the weather forces Danes to spend most of their time indoors. The Danish climate does not provide the same
opportunities for winter sports as those enjoyed by Norwegians and Swedes, nor does it permit city and café life outdoors during the entire year as in southern Europe. Instead, Danes *hygge* (have a cosy time) indoors. Since World War 2, this national sport has required an increasingly larger floor area in each individual housing unit. If we compare interiors in a typical home in the 1950s with contemporary interiors, the old rooms seem overcrowded, both with people and furniture.

Another, more prosaic explanation of the increase in housing consumption over the past 50-60 years is that housing has been heavily subsidised as an important element in the creation of the welfare society. The reason was – and to some extent still is – that it fosters general welfare and provides good conditions, not least for children, if families live in healthy, contemporary housing facilities. Both rental housing and owner-occupied dwellings were subsidised. In the decades immediately after the war, owner-occupied dwellings were subsidised both directly and indirectly in the form of low-interest government loans, the right to deduct interest paid on housing loans from taxable income and relatively low taxation of owner-occupied homes. Tax deductions were cut considerably in 1987, and they are currently only about half of their original size. Direct subsidies are provided for rented housing in the form of housing benefits for old age pensioners and people with low incomes, just as the construction of social housing has generally been subsidised. All these subsidies – all of which are funded through taxation – may be seen as a kind of forced consumption, which most people consider a well-earned right, even a basic benefit of the Danish welfare society.

**General problems in the Danish housing market**

Trends in housing prices and social segregation in certain non-profit housing estates are regularly debated in the news media. It is, however, an open question whether there are problems of a more general nature in the Danish housing market.

On one hand, the average supply of housing for the population in general ranks among the best in Europe and is constantly improving. And although many young people find it difficult to find suitable housing when they want to leave home, most of them manage to solve this problem faster than young people in the rest of Europe. The same picture of a successful long-term housing policy can be seen if we look at the housing situation of the financially weakest part of the population. Also in this respect, Denmark ranks higher than the average of the other European countries.

On the other hand, it is considered problematic that young families have difficulty finding a sufficiently large home in the country’s growth areas. Several young families choose to live at commuting distances of an hour to 90 minutes from their workplaces, which means that families with two working parents are under great time pressure in their everyday lives. In
In general terms, it could be said to be a housing policy failure that most Danes – owners and tenants alike – obtain better and relatively less expensive housing conditions when they reach middle or old age and their children have left home than the conditions they had when their children were young. For most people, the quality, size, and cost of housing are spread suboptimally over their lifetime.

It is also a problem from a housing policy point of view that socially weak Danes and a large proportion of refugees and immigrants are concentrated in relatively few social housing estates. In those estates, there is a new kind of qualitative housing shortage, although the estates are technically well functioning. The result is that some of the residents will be socially excluded in generation after generation.

In recent years’ debate on the welfare society, these unresolved housing problems have been part of the reason people have questioned the universal or solidarity-based welfare policy that focuses on the importance of maintaining a high degree of reallocation across groups in society in order to prevent the exclusion of the weakest groups. According to the universal welfare model, the incentive to take part in and pay for such reallocation will be lost for those who do not benefit from it. The thesis that has been fundamental in Danish welfare policy over the past 50-60 years is that only a very broad welfare model where 'everyone pays to everyone' can ensure true reallocation for the benefit of the weakest groups. In Denmark, this discussion is complicated because it is necessary to decide to what extent and at what pace the housing subsidies granted over the past sixty years in the form of allowances, benefits, and tax deductions should be phased out.

Such a decision is hardly politically feasible, unless there is an acute need for austerity measures and cost-cutting in the public sector. However, it would be better to prevent such a situation, as an unexpected change of a long-standing housing policy may have inexpedient implications for the most vulnerable groups and may even make more people vulnerable. For example, major fluctuations in the price of owner-occupied housing may create uncertainty and have unfortunate consequences for the economy and employment.

Most economists specialising in the housing sector are of the opinion that preventive efforts should include a gradual introduction of greater market control so as to ensure better utilisation of existing housing stock, while at the same time concentrating public-sector funding on subsidies for the financially weakest groups, i.e. a housing policy that optimises the distribution of market forces and public-sector intervention. Such a housing policy has been proposed and recommended several times over the past 30-40 years, but has proved difficult to implement politically. One important reason for this is that the benefits are long-term only and that they will initially go to young people and others who will be buying their own home.
soon, whilst a majority consisting of affluent households will have to give up some of their privileges.

Although the general political climate is currently changing in the direction of a more market-driven approach, there is extensive scepticism in a broad segment of the population with regard to further reduction of housing subsidies. An important argument in favour of maintaining the subsidies is that the relatively low cost of housing and housing consumption resulting from the subsidies have generated high housing standards from which the vast majority of Danes benefit. If the subsidies are reduced, or even removed, housing and housing consumption will become more expensive, which almost inevitably would lead to a reduction in consumption in the long term. Young people would leave home later; families would choose smaller dwellings; more older people would be forced to move out of 'too large' dwellings; etc. All in all, there would be a number of changes that most Danes would consider a step backwards in terms of welfare.

**Housing and planning: changing roles for central and local government**

Housing policy is traditionally associated with central legislation and regulation of people's housing conditions and financial situation in connection with housing. In its widest sense, housing policy comprises building legislation that regulates the technical design and quality of buildings and dwellings as well as the allocation policies and social policies that relate to housing and having a home. In practice, issues of allocation policies and social policies have dominated the debate. As mentioned above, there is no immediate prospect of any radical initiatives in the government's policies in these general housing-related areas. The closing of the Ministry of Housing and Urban Affairs in 2001 actually made government housing policy invisible. In the long term, the consequent spreading of regulatory authority in the field of housing policy will probably mean that housing policy defined by the central government will by and large disappear.

However, people's homes are still very important to individual citizens. Very much so. Never before have people spent so much money on their homes; never before have we seen so many articles in the news media about homes; and never before have there been so many different home improvement programmes on TV. The market seizes on much of this interest and fuels it through targeted marketing. However, there is only so much the market can do. Paradoxically, after more than ten years of rising demand for dwellings in growth areas, the supply of new dwellings is still so low that prices continue to increase. The general explanation is that the market does not work well enough. Some of this malfunction is due to the fact that there are too few available building sites in the growth areas. There is thus an acute need to identify new areas for housing construction and to issue guidelines as to the location of various types of housing. It may also be necessary to reconsider allowable plot ratios, etc in existing housing areas,
just as it may be necessary to launch urban renewal and regeneration programmes. After the 2007 local government reform, the local authorities are clearly in charge of such planning and control. At times, local planners and politicians have been focused on business development, and areas have been zoned for the construction of industrial, commercial and service facilities, just as the focus has been on formulating various strategies to attract developers of such facilities and, more importantly, to create jobs in the local area. However, in recent years the interest in housing construction – for example by providing sites with an attractive location and by converting and improving existing urban areas – has (once again) become manifest among local planners and politicians.

Local housing policy that forms part of an overall urban policy is not yet a fully fledged phenomenon. We will not see one common local authority housing policy, as conditions differ too much from municipality to municipality. The two extremes are, at one end of the scale, the Greater Copenhagen area and the Aarhus area, which are characterised by rapid growth, an influx of citizens, housing shortage and increasing housing prices, and, at the other end of the scale, the peripheral areas of the country where there is no growth and which people are leaving, so that there is a surplus of dwellings as well as stagnating or falling housing prices. An urban planning and housing policy adapted to local housing markets is needed.

However, there are not only differences but also some shared features. No matter what the conditions are, an increasing number of local authorities are focusing on gaining better long-term control of demographic developments by providing housing for the most attractive citizens: working couples with children. Too narrow of a focus on this group may be problematic, as they constitute only a very small percentage (20%) of all households, and as all other local authorities seek to attract this group as well. Municipal housing policies should thus include considerations as to what housing types can be offered to couples without children living with them (32%) and single people (39%). Another shared feature of local housing policy is that the local authorities often focus narrowly on housing for the most affluent groups in society. Such a strategy overlooks the relatively trivial fact that affluent people very often start as 'poor' students who will not become affluent and thus attractive taxpayers until later in life. Considering the mobility patterns that are characteristic of the housing market, with many citizens choosing an area and a dwelling at an early stage in life which only few of them leave later in life, it is important to be able to retain young (and still 'poor') people, or to attract new ones. In terms of housing, this means that it is necessary to provide (rented) housing at affordable prices. The same type of housing must be provided for people who end up in an acute situation, for example following a divorce in which they need quickly to find housing in the local area in order to be able to remain in contact with their children. More or less the same applies to older people who lose their spouse or partner. A good local (municipal) housing market must offer
housing for people in all the situations in life when they commonly move from one home to another.

In growth areas with high housing prices, the local authorities – in their capacity as employers – must ensure that affordable dwellings are available to low- and medium-income groups, as much of the local authority service system consists of people from these groups: childminders, home helps, nurses, office workers, technical staff, etc. If no affordable housing is available in the municipality or a neighbouring municipality, these groups may choose to or be forced to live so far away that commuting distances compel them to look for work closer to home. The first signs of such recruitment problems are currently being seen in the relatively affluent municipalities in the northern Greater Copenhagen area, where housing prices are high.

In the years to come, most local authorities will probably develop housing policies that will initially focus on a thorough analysis of the current role of the housing stock and its current and future development. After consideration of the merits and shortcomings of the housing stock, it will be possible to prepare plans that set out what kind of new housing should be built and how existing housing areas should be renewed and regenerated. If we want urban planning and housing policies to be in harmony with the Danish ideals of equality and welfare, the housing stock and the new housing established will have to generate a varied housing market in terms of the size, location, price and ownership type of the dwellings, just as it must offer facilities for all age, income and social groups.

**Bibliography**

*Analyse af andelsboligsektorens rolle på boligmarkedet,*
Erhvervs og Byggestyrelsen, København 2006.

*Andersen, Hans Skifter: Private udlejningsboligers rolle på boligmarkedet. En registeranalyse,*
Statens Byggeforskningsinstitut, Hørsholm 2006.

*Boligprisstigningerne belyst ved en ydelsesmodel,*
Arbejderbevægelsens Erhvervsråd, København 5. juni 2006.

*De seneste fem års skattefri boliggevinster,*
Arbejderbevægelsens Erhvervsråd, København 29. september 2006.

*Den almene boligsektors fremtid.*
Socialministeriet, København 2006.

*Det danske boligmarked – udvikling i boligforsyning og boligønsker,*
Jensen, Jesper Bo: *Fra nutidens til fremtidens parcelhuse*,
Center for Bolig og Velfærd, Realdania Forskning, København 2006.

Kristensen, Hans (red.): *Den gode bolig – Hvordan skal vi bo i fremtiden?*
Akademiet for de tekniske videnskaber, Lyngby 2006.

Lind Olaf & Jonas Møller: *Bag hækken. Det danske parcelhus i lyst og nød*,
Arkitektens Forlag, København 1996.

Lind Olaf & Jonas Møller: *FolkeBolig BoligFolk. Politik og praksis i boligbevægelsens historie.*

Møller, Jonas: *Byernes forældelse og fornyelse*,
Byfornyelsesselskabet Danmark, København 1994.


Samfundsøkonomer nr. 4, djøf, København 2006.

Ærø, Thorkild, Valinka Suenson og Hans Skifter Andersen: *Bosætning i yderområder*,
Statens Byggeforskningsinstitut, Hørsholm 2005.