How housing outcomes vary between the Belgian regions

Sien Winters & Kristof Heylen

Journal of Housing and the Built Environment

ISSN 1566-4910

J Hous and the Built Environ
DOI 10.1007/s10901-013-9364-3

Your article is protected by copyright and all rights are held exclusively by Springer Science +Business Media Dordrecht. This e-offprint is for personal use only and shall not be self-archived in electronic repositories. If you wish to self-archive your article, please use the accepted manuscript version for posting on your own website. You may further deposit the accepted manuscript version in any repository, provided it is only made publicly available 12 months after official publication or later and provided acknowledgement is given to the original source of publication and a link is inserted to the published article on Springer's website. The link must be accompanied by the following text: "The final publication is available at link.springer.com".

How housing outcomes vary between the Belgian regions

Sien Winters · Kristof Heylen

Received: 17 April 2012 / Accepted: 15 June 2013
© Springer Science+Business Media Dordrecht 2013

Abstract Belgium is a federal state with three regions: the Flemish Region, the Walloon Region, and the Brussels-Capital Region. In international housing literature, the picture of Belgium is mainly defined by that of Flanders. This study provides new information on the housing conditions in the three regions, information that until now has been rare. Apart from that, this study adds to the knowledge on the relationship between housing policy and housing outcomes. Although the three regions largely share the same policy, there prove to be varying housing outcomes. Differences in general income levels and poverty levels between the regions are reflected to a significant extent in housing outcomes. However, the results also show how housing policy can indeed make a difference.

Keywords Belgium · Housing affordability · Housing quality · Housing outcomes · Housing policy

1 Introduction

Housing research is more highly developed in Flanders than in the other two Belgian regions. In international literature, apart from the thematic issue of Journal of Housing and the Built Environment of 2008 on Belgium, information regarding Belgium is therefore mainly defined by the situation in Flanders (e.g., van Dam et al. 2003; De Decker and Pannecoucke 2004; Winters and Elsinga 2008; De Decker 2011; Vastmans and de Vries

S. Winters (✉) · K. Heylen
HIVA Research Institute for Work and Society, KU Leuven, Parkstraat 47, 3000 Leuven, Belgium
e-mail: sien.winters@hiva.kuleuven.be
URL: www.hiva.be

K. Heylen
e-mail: Kristof.heylen@hiva.kuleuven.be
URL: www.hiva.be

2012; Heylen 2013; Winters 2013). In this article, we complement this picture with information on housing in the other two Belgian regions.

The first question we aim to answer is how—in terms of housing outcomes—the housing situation differs between the Belgian regions. Next, we focus on the housing outcomes of poor people. Based on comparative research in six European Union (EU) countries, Stephens et al. (2010) found that housing outcomes among the poor are driven by housing conditions in the country as a whole and that housing policy can help to weaken but not eradicate the links between income poverty and poor housing outcomes. In this article, we test this relation for the three Belgian regions, taking advantage of the exceptional situation that the three regions largely share a common policy, but show very different socioeconomic features and a slightly different housing policy. With such a research concept, we also try to add to the literature on the relationship between housing systems and housing outcomes, as it has been introduced with the work of Kemeny (1995), Harloe (1995), and others.

After explaining the methodology, the article describes the three Belgian regions in terms of socioeconomic characteristics, housing market, and policy. In chapter 4 and 5, the housing outcomes for the population as a whole and for persons at risk of poverty are presented. Results are discussed within the different contexts. The article ends with some general conclusions concerning housing in the Belgian regions and concerning the relationship between housing outcomes, socioeconomic conditions, and policy.

2 Methodology

The first research question in this article is how—in terms of housing outcomes—the housing situation differs between the Belgian regions. As Mandic and Cirman (2012) point out, economic development proves to be the biggest factor in explaining variations in housing conditions across the EU. For this reason, we expect to see similar differences between the three Belgian regions, with the best housing outcomes in the Flemish Region and the worst housing outcomes in the Brussels-Capital Region. Analyses on the Belgian European Union Statistics on Income and Living Conditions (EU-SILC) data of 2004 and 2005 already revealed that houses in Wallonia and Brussels have significant more problems concerning damp and roof leakages than in Flanders. In addition, houses in Wallonia are more frequently reported as ‘too dark.’ Also concerning affordability, the outcome was better in Flanders than in the other two regions (Heylen and Winters 2008). In this study, more recent data will yet be analyzed.

The second research question is how more specifically the housing outcomes of the poor differ between the Belgian regions. Social policies and housing policies aim to improve the living conditions of European citizens and especially of people at risk of poverty. The three Belgian regions share a common social policy and their housing policies, which have been a regional competence since the 1980s, still display significant similarities. The regional housing policy in the three regions is largely targeted toward low-income groups. Therefore, we expect that differences in housing outcomes for the poor between the regions are less marked than the differences for the total group.

It is well known that housing outcomes differ largely between tenure types. In our search for explanations for differences in housing outcomes between regions and groups, we therefore break down figures by tenure. For the EU countries, Özdermir and Ward (2009) found better housing outcomes for homeowners than for tenants. For Flanders, a number of authors have confirmed this relationship in addition to the better outcomes for

social tenants than for private tenants (De Decker and Geurts 2000; Pannecoucke et al. 2003; Van Dam and Geurts 2005; Heylen et al. 2007). For Wallonia, one notable result from the Housing Survey 2006–2007 was that the private rental sector performs better in terms of housing quality than the social rental sector (Carlier et al. 2007). For Brussels, we have not located similar research.

To answer these research questions, we need a database with comparable figures for the three Belgian regions. The only recent source for this is the European Union Statistics on Income and Living Conditions (EU-SILC), an instrument of Eurostat¹ aiming at collecting timely and comparable cross-sectional and longitudinal multidimensional microdata on income, poverty, social exclusion, and living conditions. The sample size of the EU-SILC 2009 for Belgium is 14,721 persons, containing 7,855 persons for the Flemish Region, 4,984 for the Walloon Region, and 1,882 for the Brussels-Capital Region. The sample size allows a breakdown of the results for different groups in the regions. Although EU-SILC data are collected according to a uniform method in all European countries, results are never fully comparable and for some countries differ from that which one would expect. This hinders comparative research based on EU-SILC data. For comparison of the Belgian regions, this is not a problem, since data collection for the three regions is organized at the federal level following a uniform method. Note that the figures are presented at the level of persons and not of households, as continues to be the usual approach in housing literature. The choice of the individual level stems from the aim of EU-SILC to investigate the living conditions of European citizens.

In this paper, we have confined ourselves to three indicators that are of relevance for the Belgian regional housing policy (Winters et al. 2012) and are commonly used in international comparisons (see for instance Rybkowska and Schneider 2011): overcrowding, damp problems, and housing cost overburden. Eurostat defines the overcrowding rate as the percentage of the population living in an overcrowded household. A person is considered as living in an overcrowded household if the household does not have at its disposal a minimum number of rooms equal to: one room for the household; one room per couple in the household; one room per single person aged 18 and more; one room per pair of single people of the same sex between 12 and 17 years of age; one room for each single person between 12 and 17 years of age not included in the previous category; and one room per pair of children under 12 years of age.

The share of damp problems is defined as the share of total population living in a dwelling with a leaking roof, damp walls, floors or foundations, or rot in window frames or floor.

Affordability is assessed by the ‘housing cost burden.’ Eurostat defines this as total housing costs (net of housing allowances) expressed as a share of total disposable household income (net of housing allowances), where housing allowances include tax advantages and other housing benefits. We remark that in the Belgian EU-SILC dataset, tax advantages are not deducted from total housing costs, as is also the case for some other European countries. Housing costs are considered to include additional expenses such as heating, electricity, and maintenance of common areas. To assess whether housing costs are ‘affordable,’ Eurostat uses 40 % as a threshold. The ‘housing cost overburden’ is then defined as the proportion of the population whose costs are above that threshold.

The poverty threshold is defined as the equivalent disposable income of less than 60 % of the median income. Both the national and the regional poverty lines are used in the analysis. The poverty rate is the share of people living in a household with an income

¹ See http://epp.eurostat.ec.europa.eu/portal/page/portal/microdata/eu_silc.

below the poverty line. The sample sizes of the group in risk of poverty allow profiling this group.

3 The Belgian regions

Belgium is a federal state with three regions. The two largest regions are the Dutch-speaking Flemish Region (Flanders) in the north of the country (6,300,000 inhabitants) and the French-speaking Walloon Region (Wallonia) in the south of the country (3,500,000 inhabitants). The Brussels-Capital Region (Brussels), officially bilingual, is a mostly French-speaking enclave within the Flemish Region and has 1,100,000 inhabitants. The three regions also differ significantly in economic and cultural history, landscape, and spatial structure (Vanneste et al. 2008). The population of Belgium is expected to grow by 25 % by the year 2060, mainly as a result of immigration.

Brussels is both Belgium's largest city and its largest employment center. The Brussels-Capital Region, which is composed of the city of Brussels and its surrounding municipalities and which is highly urbanized, is difficult to compare with the other two regions. The population here is growing much faster. Brussels serves as a gateway for all kind of international immigrants. It receives more than one-third of the immigrants from abroad who move to Belgium. On January 1, 2010, 30 % of the population of Brussels did not have Belgian nationality (Observatorium voor Gezondheid en Welzijn Brussel 2012). The Brussels population is also very diverse as far as income is concerned. Not only do groups with very low incomes reside in Brussels (e.g., asylum seekers), groups with very high incomes also reside in Brussels, such as the employees of international institutions and headquarters of international companies (Bernard 2008a).

Belgium, like other Western European nations, enjoys a high standard of living and a high per capita income. However, the variations between the regions are large. Net taxable income per capita in the Flemish Region in 2008 was €16,199; in the Walloon Region €14,377; and in the Brussels-Capital Region €12,740 (ADSEI). But this high average income does not protect Belgian citizens from poverty. According to the European Union Statistics on Income and Living Conditions (EU-SILC) 2009 data, 14.6 % of Belgians have incomes below the national poverty threshold. Poverty is also distributed in an unequal manner across the regions. Based on the Belgian poverty threshold, the risk of poverty in the Flemish Region is 8.9 %, compared with 15.0 % in the Walloon Region and 25.1 % in the Brussels-Capital Region (FOD Sociale Zekerheid 2012). If separate poverty thresholds are calculated for the regions, the poverty percentages are closer together: 10.7 % in the Flemish Region, 11.8 % in the Walloon Region, and 19.9 % in the Brussels-Capital Region.

Compared with international data, the high share of persons at risk of poverty among the older population in Belgium (19.1 % in 2010) is worthy of note. As this high risk of poverty has frequently been ascribed to the rather low pensions, the minimum pension levels have been increased in the last few years. Sometimes, it is argued that in order to arrive at a correct evaluation of the welfare position of older persons, the possession of owned dwellings among that group has to be taken into account. If the imputed rent of owned dwellings is added to the income, the risk of poverty among older persons is at the same level as among the active population (FOD Sociale Zekerheid 2012).

Belgium has an extensive social welfare system, financed by contributions of employers and employees. The system covers social risks based on illness, invalidity, unemployment, and old age. These social benefits decrease the risk of poverty from 27 to 15 % (FOD

Sociale Zekerheid 2012). As social security is organized at federal level, it affects welfare in the regions in the same way. Apart from this, the regional and local authorities also have their own competencies that can affect welfare and the poverty situation, since there are policies on well-being, employment, migration, and social inclusion. However, the corresponding budgets are much lower.

For a very long time now (since the origin of the housing policy at the end of the nineteenth century), homeownership policy in Belgium has been seen as one of the cornerstones of the welfare state, protecting people against high housing costs in old age (De Decker and De Wilde 2010). In this light, it is interesting to compare the level of homeownership between the regions (see Table 1). In the Flemish and the Walloon Regions, the owner-occupied market is very dominant (resp. 77.4 and 72.8 %), while in the Brussels-Capital Region, the private rental market has a share equal to that of the owner-occupied market. Below-market renting in Belgium is not as extensive as in many other European countries. For the regions, the highest share is found in the Brussels-Capital Region and the lowest in the Flemish Region. More than half of the homeowners are paying off the mortgage.

Based on the 2001 Census data, Vanneste et al. (2008) describe the spatial differences in the Belgian housing stock. The housing stock is considerably older in the Walloon Region than in the Flemish Region and the Brussels-Capital Region. The main reason for this is the early industrialization of Wallonia. In the nineteenth century, it was the first region in continental Europe where wide industrialization and urbanization took place, due to the booming coal-mining and steel-making industry. In the 1960s, the economic development of Flanders surpassed that of Wallonia, leading to strong growth in the Flemish population and more residential building activities in the north of the country. While Flanders is characterized by higher building activity and more prevalent demolition, in Wallonia there is a stronger tendency toward renovation. Vanneste et al. (2008) conclude that spatial differences in the Belgian housing stock for these reasons largely reflect a north–south distinction, but that spatial differences go far beyond this and are mainly driven by two processes: the economic development in the nineteenth century and the beginning of the twentieth century, and the massive suburbanization after the Second World War.

In 2010, the average dwelling in the Flemish Region sold for €201,078, with equivalent prices of €143,590 in the Walloon Region and €348,891 in the Brussels-Capital Region (ADSEI²). According to Vanneste et al. (2008), the price level in Flanders is higher than in Wallonia because of the higher densities, the higher degree of urbanization, and the greater scarcity of building plots. We add to this the differences in income between the regions as a probable explaining factor. During the years leading up to the economic crisis, prices in the Belgian property market increased starkly. The rise was most pronounced during the period 2004–2007. In contrast to other countries, where prices fell or stabilized after the 2008 crisis, house prices continued to rise in Belgium. Of the three Belgian regions, prices increased most sharply in Brussels and the least in Wallonia (Winters and De Decker 2009).

Rents in the private market show the same ranking between the regions as dwelling prices. According to the data from the EU-SILC 2009, these were €476 in Brussels, €427 in Flanders, and €378 in Wallonia. Average rents for social housing in Wallonia are €216, which is €40 lower than in the other two regions. These averages hide large differences

² http://statbel.fgov.be/nl/statistieken/cijfers/economie/bouw_industrie/vastgoed/gemiddelde_prijs_woonhuis/.

Table 1 Housing tenure in the Belgian regions, in % of the population

	Flanders	Wallonia	Brussels	Belgium
Owner-occupied, without mortgage	34.6	29.9	19.4	31.6
Owner-occupied, with mortgage	42.8	42.9	25.4	41.1
Tenant, private rental market	14.8	17.7	42.0	18.4
Tenant, social rented market	6.5	7.7	10.5	7.3
Free of charge	1.2	1.8	2.7	1.6

Source EU-SILC 2009

between regions, dwelling types, etc. Probably, these differences are larger in the Brussels housing market than in the other two regions, reflecting the diverse composition of the population. Based on the 2001 Census data, Vanneste et al. (2008) found a spatial structure of rent prices that is highly dominated by Brussels, creating a gradient on the scale of the whole country. Vastmans and de Vries (2012) found that when corrected for quality improvements, rents in the Flemish Region increased by 3 % for the period 2000–2009, slightly more than inflation (2 %).

The city of Brussels is a specific case. The Brussels housing market has considerably tightened up over the last decades, showing a considerable increase in property values. The rapid internationalization of the city has been a major boost behind this trend, as landlords and real estate investors aim to make profits from the influx of middle-class expatriates. These households favor established ‘bourgeois’ neighborhoods in peri-central locations and the city’s southeastern inner greenbelt (Bernard 2008a). At the same time, there is evidence of gentrification in more central neighborhoods, where mostly educated young adults from middle-class backgrounds rent recently renovated old buildings. There, generally, high mobility rates act as a catalyst for rising rent levels, to the detriment of more socially vulnerable urban dwellers (Van Crielingen 2008).

Until the 1980s, the three regions shared a common housing policy. Since the reform of the Belgian state in the 1980s, housing policy has been a competence of the regions. Each of the three regions developed its own Housing Code. These codes define the housing policy goals, govern the quality control systems, the organization, and funding of social housing (both rented and owner-occupied) as well as housing-related benefits and grants to private individuals. It is worthy of note that after three decades, there remains a large degree of symmetry between the three regions in terms of the starting points and guiding principles of housing policy (Hubeau 2002), as well as in the policy instruments.

Social housing in terms of public expenses is the most important policy instrument in each region. All three systems are targeted toward low-income groups and apply income-dependent rents. In Flanders, the average social tenant in 2008 received a reduction on the hypothetical market price of about 48 % or 232 euro (Heylen 2013). Comparable figures for Brussels and Wallonia are not yet available. The income thresholds that define eligibility lie in a range between €20,000 and €26,000 for single persons and between €26,000 and €32,000 for families.³ At first sight, social housing is the least selective in the Walloon Region.

During recent decades, the Flemish Region and the Walloon Region have invested heavily in new building of social housing. This was not the case in the Brussels-Capital

³ The thresholds are increased by €1,700–€2,400 for dependent family members. The thresholds are in general highest in the Walloon Region. For single persons, the Flemish Region has the lowest thresholds and for families, it is the Brussels-Capital Region that has the lowest thresholds.

Region. The bulk of financial means was spent here on renovating the public rental supply (Bernard 2008b). In 2004, the Brussels government decided to build 5,000 new dwellings (3,500 low-income and 1,500 middle-income units) by the year 2009. However, things went much more slowly than planned. Bernard (2008b) searches the explanation in the rules inherent in public procurement, but mainly in the choices of public social housing companies to opt for more financially profitable operations with the vacant lots they own. For the Walloon Region, it is relevant that in the recent past, there was an exceptional program for renovation of the social dwelling stock (Rosenoer 2009).

A common feature in all three regions is that the private rented market is the sector that receives the least support from the Government. None of the three regions has introduced a substantial system of housing allowances in order to improve affordability for private tenants.⁴ It is noticeable too that in the Belgian National Reform Program 2012 submitted as part of the Europe 2020 Strategy, little attention is paid to the private rental market. The Flemish part of the Program includes the introduction of the 'Huurpremie' (Rental Premium). This is an allowance for households that have been on the waiting list for social housing for more than 5 years. Approximately 5,000 to 7,000 households would benefit from this new premium. The Brussels-Capital Region makes reference to additional support for persons on the private rental market and the introduction of a 'framework' for private rents, but does not make clear how this will be done in practice. The Walloon part of the Program does not mention the private rental market at all.

Although with the State Reform of 1980 full responsibility for housing policy was put at the regional level of government, two important policy instruments remained a federal competence: housing taxation and private rental legislation. The most important measure is the favorable treatment of homeownership in taxation, more precisely the mortgage tax relief (Valenduc 2008; Van Reybrouck and Valenduc 2011). Huygebaert (2012) estimated that the average fiscal benefit for acquisition of a new or existing dwelling amounted to €2,060 and €2,020 per year, respectively. The tax measures are applied in the same way in all three regions. Also, the private rental market is subject to the same rules in the three regions.

In October 2011, following very long negotiations, a political agreement was reached allowing for the next step in the reform of the Belgian state, including the transfer of the mortgage tax relief and private rental legislation instruments to the regions. It will be interesting to observe in the future which choices the Regions will make and whether this will result in a more divergent housing policy within Belgium.

4 Varying housing outcomes between regions

The level of overcrowding in Belgium was 4.2 % in 2009, which is one of the lowest rates in Europe (Eurostat). As Fig. 1 shows, the percentages for Flanders and Wallonia are even lower, at 2.5 and 2.6 %. In the Brussels-Capital Region, overcrowding is much more of an issue with a share of 15.4 %. This high figure is a first illustration of what non-governmental organizations have termed the 'Brussels housing crisis' (Bernard and Van Mieghem 2005). It is seen as one of the consequences of the shortage of good and affordable housing for a large and growing group of households at the bottom end of the housing market. EU-

⁴ In Flanders, there is an allowance for households with a very low income. It is subject to very strict conditions. In 2008, approximately 9,000 households received such a benefit of €100 per month on average (Heylen 2013).

SILC figures for 2009 show that in each region, overcrowding affects younger people significantly more than older people and households with lower incomes more than households with higher incomes.

In addition, dwellings with a leaking roof, damp walls, floors or foundations, or rot in window frames or floor (hereafter referred to in short as ‘damp problems’) are found more in the Brussels-Capital Region (21.7 %) than in the other two regions. In the Flemish Region, the level of damp problems is 12.8 % and in the Walloon Region 17.3 %. Reasons for the difference between Flanders and Wallonia can be found in the above-mentioned differing age structure of the housing stock in both regions. Wallonia has an older housing stock. The region also has a long tradition of granting renovation subsidies, but these have turned out to be insufficient to level out the difference with Flanders. With the average share of 15.2 %, the proportion of damp problems in Belgium remains just below the EU average of 16 % (Eurostat). According to EU-SILC 2009 in all three regions, the likelihood of damp problems is significantly ($p < 0.05$) higher for persons of 65 years and older than for younger than 65 years and for single parents with children than for other household types. Problems in each region decrease significantly with income.

The housing cost overburden figures for the Flemish Region and the Walloon Region are below the weighted average of 12 % for all EU countries (Eurostat). In the Flemish Region, 5.6 % live in a household for whom housing is considered to be unaffordable, which is significantly lower than in the Walloon Region (9.5 %) and much lower than in the Brussels-Capital Region (21.2 %), another sign of the ‘housing crisis’ in Brussels. EU-SILC data for 2009 show that affordability problems in each region decrease with income and that single persons and single parents with children have more affordability problems than other types of households.

A frequently used method for investigating housing outcomes (Lelkes and Zolyomi 2009) is looking at persons that combine problems with several indicators. Eurostat defines ‘severe housing deprivation’ as the percentage of the population living in a dwelling, which is considered to be overcrowded, and with at least one of the following three housing situations: (1) a leaking roof or damp walls, floors, foundations, or rot in window frames or floor (referred afterward as ‘leaking roof’), (2) neither a bath, nor a shower, nor an indoor flushing toilet, or (3) too dark. The share of severe housing deprivation for Belgium is <1 %. Also, the overlap between the three indicators presented in our analysis is very small for Belgium: 0.2 % of the total population combine overcrowding with damp

Fig. 1 Housing outcomes by region, in % of the population, Belgium, 2009. Source EU-SILC 2009

problems and affordability problems. For this reason, we do not make further use of such a combined indicator in what follows.

Overall, we can conclude that housing outcomes as measured by these three indicators are the best for the Flemish Region and the worst for the Brussels-Capital Region. This ranking reflects, as we expected, the socioeconomic differences between the two largest regions and the exceptional situation of Brussels.

When we break down the figures by tenure (see Fig. 2), the same picture of differences between the regions emerges for owner-occupation with mortgage and private renting, suggesting that policy toward owner-occupation and private renting does not differ much between the regions.⁵

We observe deviations from this general picture in the social rental sector. Here, diverging policy between the regions becomes visible. Firstly, the figures show a high level of damp problems in Walloon social housing. Secondly, affordability of social housing is less of a problem in the Walloon Region than in the other two regions. Together, this shows that the Walloon social housing policy gives higher priority to low rents than to housing quality, while the opposite is the case for the Flemish social housing. And although real estate prices in Brussels are much higher than in the two other regions, social housing remains here at the same level of affordability as in the other regions. Remarkable for Brussels is the high level of overcrowding in social housing.

These results confirm the picture of two large housing surveys in the Flemish Region and the Walloon Region. For Flanders, Heylen et al. (2007) found a significantly higher housing quality in social housing than in private rental. For Wallonia, Carlier et al. (2007) report that social housing shows an accumulation of shortcomings and performs less well than private rented dwellings. Finally, it becomes clear that the Brussels social housing applies less stringent occupation standards than the other regions.

Another important conclusion from Fig. 2 is that the owner-occupied sector is performing relatively well in each region, especially as far as affordability is concerned. Among the general public in Belgium, it is common wisdom that an own house is getting difficult to afford (De Decker 2011). The figures refute this: despite the strong increases in house prices during the latest decades, the housing cost overburden in owner-occupation remains limited. The level of repayments of mortgage loans is not excessive, as was the case in many other European countries prior to the financial crisis, and is due to prudent consumer behavior as well as strict mortgage legislation (Winters and Elsinga 2011). With regard to newcomers on the housing market, Flemish research points out that in more recent years, smaller dwellings and houses of lower quality are chosen as a starting point, compared to earlier. Homeownership is still affordable for Flemish ‘starters,’ but not at the same quantity and quality as before (Heylen and Winters 2011).

With regard to the homeowners without a mortgage, a group that consists of 66 % elderly, the housing outcomes differ the least between the regions. This is also a reflection of the socioeconomic difference between Flemish and Walloon people at older age. Partly due to the redistributive nature of a pension system at national level, the income differences between Flanders and Wallonia for people at active age do not exist for pensioners, according to the Belgian EU-SILC data.

In each of the three regions of all tenure types, the private rental sector shows the least favorable housing outcomes. As will be set out further in this article, low-income groups

⁵ With the exception of a relatively high figure for damp problems in Flanders, for which we do not have a clear explanation.

Fig. 2 Housing outcomes by region and by tenure, in % of the population, Belgium, 2009. *Source* EU-SILC 2009

are overrepresented here. And in contrast to owner-occupation, for private tenants, there are hardly any subsidies available.

Finally, Fig. 2 shows that even some owner-occupiers without a mortgage encounter affordability problems as a result of high additional cost in combination with a low income. We will come back to this later.

5 Varying housing outcomes for the poor

In the above paragraph, we investigated the differences in housing outcomes between the regions and according to tenure. We found that differences in housing outcomes largely reflect differences in the general income level of the region and that, apart from social housing, policy does not seem to be eradicating the socioeconomic differences. Now is this also the case for persons at risk of poverty?

In Fig. 3, we compare housing outcomes for poor and non-poor persons. For all indicators and in each region, housing conditions of the poor are significantly ($p < 0.05$) worse than for the non-poor. The differences between both groups are the highest for the housing cost overburden, which is no surprise given that disposable income appears in the definition of the indicator as well as in the definition of poverty. The differences are less for damp problems.

The next question is the extent to which the housing outcomes of the poor are determined by the general housing conditions in the region. For overcrowding, we find the same

Fig. 3 Housing outcomes of the poor and non-poor (measured by regional poverty lines) by region, in % of the population, Belgium, 2009. *Source* EU-SILC 2009

ranking between the regions for persons at risk of poverty as for the whole population. For damp problems, this is not the case. While the population as a whole has the most damp problems in the Brussels-Capital Region, the situation there is slightly better for people who are at risk of poverty than in the Walloon Region. An explanation for this may lie in social housing. We will check this further in this article.

Also for the affordability indicator, we find the same ranking between the regions for persons at risk of poverty as for the whole population. However, while there are relatively

large differences in affordability between the Flemish Region and the Walloon Region for the population as a whole (Fig. 1), the differences are smaller for poor people. From this, we conclude that policy makes a larger difference for the housing outcome of persons at risk of poverty than for the population as a whole. The largest group of people who live in poverty are in receipt of benefits (pensions, subsistence benefit, disability benefit), the level of which is determined at the federal level and the cost of which is divided between the regions according to the principle of solidarity. For the Brussels-Capital Region, however, it turns out that this redistribution (solidarity) between the regions does not completely compensate for the high cost of housing. With respect to this finding, we should remark that we used regional relative poverty lines in our analysis, leading to poorer poor people in Wallonia and Brussels than in Flanders. Therefore, the housing outcome is more likely to be worse for the Walloon and Brussels poor than for the poor people in Flanders. If we apply the national poverty line, the differences in housing outcomes of the poor between the regions become smaller. With regard to overcrowding and the housing cost overburden, the difference between Flanders and Wallonia then even disappears.

In search of further explanations for the housing outcomes of persons at risk of poverty, we look at the relationship between tenure and poverty. Throughout Europe, people who live in households that are at risk of poverty are less likely to own their own homes than others. Özdermir and Ward (2009) found this relationship for all EU member states with the exception of Poland. Table 2 confirms this relation for the three Belgian regions. The lowest rates of persons at risk of poverty are found among owner-occupiers with a mortgage. For each region and Belgium as a whole, the highest poverty rates are found in the rental market. The high share of poor persons in the social rental market reflects the selectivity of social housing. However, in the private rental market, the shares of persons at risk of poverty are almost as high as in social housing. The share of outright homeowners at risk of poverty—a group that in the literature is often labelled as asset-rich but cash-poor—reaches 11.8 % at a Belgian level and is, remarkably, higher in Flanders than in Wallonia. This result can be explained by the use of a regional poverty line, which is higher in Flanders, and by the fact that two-thirds of heads of households in this group are 65 or older. As discussed, the average income of pensioners does not differ between Flanders and Wallonia, according to the EU-SILC.

In Fig. 4, we compare housing outcomes for poor people between different tenure types. Firstly, it becomes clear that homeownership in and of itself does not protect poor people against housing problems. In the Walloon Region and the Brussels-Capital Region, even among (poor) homeowners with a mortgage (recent buyers), there is overcrowding. Probably, this is the result of a shortage of decent affordable housing for low-income

Table 2 Persons at risk of poverty (measured by regional poverty lines) by region and by tenure, in %, Belgium 2009

	Flanders	Wallonia	Brussels	Belgium
Owner-occupied, without mortgage	12.8	10.8	15.8	11.8
Owner-occupied, with mortgage	3.9	5.7	6.6	4.6
Tenant, private rental market	16.9	22.7	25.0	23.2
Tenant, social rented market	24.0	24.1	36.1	28.9
Total	10.7	11.8	19.9	12.5
N	7,855	4,984	1,882	14,721

Source SILC 2009

households, leading families to ‘enforced purchases’ of dwellings that are too small and lack the minimal comfort and facilities. Especially, migrant families, who on the private rental market are more likely to be discriminated (Heylen et al. 2007; Lahlali et al. 2012), try to find a way out of housing problems through homeownership and end up in overcrowded dwellings. The purchase of substandard dwellings can also explain damp problems among poor homeowners with a mortgage.

However, damp problems even appear more among poor homeowners without a mortgage. In addition, we see that this group also largely faces affordability problems, although the mortgage is paid off, reflecting that this group has high expenses for repairs, maintenance, heating, electricity, and other charges. This can point to the existence of ‘hidden’ housing problems among older homeowners. As mentioned, in the literature, this group is often assessed as ‘income-poor but asset-rich,’ pointing to the high level of consumption the group is able to maintain, even when pensions are low, as is the case for Belgium (De Decker and De Wilde 2010). Our findings show that ‘asset-rich’ in terms of housing outcomes can also be ‘housing-poor.’ Furthermore, the overcrowding rate is remarkably low among the poor outright homeowners, which is linked to the high number of older households—whose children left the house—in this group. Finally, the outright homeowners at risk of poverty are the only market segment where the housing outcome of Flemish people is worse than for people in Wallonia and Brussels. As Table 2 pointed out, this group is also bigger in relative terms in Flanders than in Wallonia.

The results confirm the poor housing conditions for persons at risk of poverty on the private rental market. Especially, affordability problems are widespread among the poor. For each region, the housing cost overburden is more than 70 %, a share that increases with

Fig. 4 Housing outcomes of the poor (measured by regional poverty lines) by region and by tenure, in % of the population, Belgium, 2009. *Source* EU-SILC 2009

age according to our calculations. This finding illustrates the precarious situation of older persons on the private rental market. In addition, also in each region, more than 1 in 3 poor persons are experiencing damp problems. These problems are found to be more frequent among younger age groups. Overcrowding is less frequent in Flanders and Wallonia, but very frequent in Brussels. As we have explained earlier in this article, there is no substantial housing allowance available in the regions that can make decent housing on the private rental market affordable and there is also no renovation policy for the private rental market. Poor families are therefore left up to social housing, for which waiting times are however very long.

Comparison of the housing outcomes for poor people between the private and the social rental market indeed shows that social housing can make a difference for poor people, in terms of overcrowding, damp problems, and affordability. For instance, the overcrowding rate in social housing in the three regions is lower than in the private rental market. This difference is bigger for the poor (Fig. 4) than in case all households are considered (Fig. 2). For Flanders, this outcome can be explained by the allocation system of social housing, in which the principle of 'rational occupation' is applied. This means that family size is matched to the number of bedrooms. The figures illustrate that such an allocation policy is less applied in the Brussels' social housing. Once again, we observe the relatively high prevalence of damp problems in Walloon social housing. In addition, it should be recognized that in social housing too, affordability problems are very common, pointing to a general income problem: even income-dependent rents that are on average as low as indicated above cannot prevent social tenants from housing expenses that are too high to guarantee a decent quality of life.

In a next step, in our analysis, we aimed to describe the socioeconomic profiles of persons at risk of poverty experiencing housing problems. However, this analysis did not reveal meaningful results. Probably, the group at risk of poverty is very diverse, including young singles or families with only one income, older persons on low pensions, large migrant families, and others. At this point, we can only suggest further research.

6 Conclusions

In international housing literature, the picture of Belgium is mainly defined by that of Flanders, the largest Belgian region. This article provided information on the housing conditions in the three Belgian regions. For comparing the regions, we used the EU-SILC data for 2009 and three Eurostat indicators (overcrowding, damp problems, and housing cost overburden). Housing outcomes as measured by these indicators turned out to be the best for the Flemish region and the worst for the Brussels-Capital Region.

Since the three regions share a common social policy, while there are important differences in socioeconomic circumstances and housing markets and to some extent in housing policy, Belgium is an interesting case for learning about the relationship between housing policy and housing outcomes.

A first finding is that housing outcomes for owner-occupiers with a mortgage and for private tenants show the same differences between the regions as the housing outcomes for the whole population, reflecting the different socioeconomic conditions on the one hand and a largely shared policy toward homeownership and private renting on the other hand. However, in social housing, the diverging policy between the regions becomes visible. In Wallonia, there is a high level of damp problems in social housing, but there are less affordability problems than in the two other regions. In Flanders, housing quality in social

housing is better, but there are slightly more affordability problems than in Wallonia. In Brussels social housing, affordability problems are at the same level as in Flanders, although real estate prices in Brussels are much higher. Remarkable for Brussels social housing is the high level of overcrowding.

A second finding is that persons at risk of poverty in each Belgian region have significantly less favorable housing outcomes than the population as a whole, which is in line with international research (Stephens et al. 2010; Özdermir and Ward 2009; Lelkes and Zolyomi 2009; Rybkowska and Schneider 2011; European Commission 2010). However, the differences in housing outcomes between the Belgian regions are less marked for poor people than for the whole population, indicating that social policy and housing policy in some way succeed in eliminating differences for the most needy groups.

As in most European countries (Özdermir and Ward 2009), in each Belgian region, homeowners on average are better off than tenants and this goes both for the population as a whole and for poor people. Of all tenures, the private rental sector shows the least favorable housing outcomes. Social housing is found to reduce the risk of overcrowding for poor people in all three regions and strongly reduces the risk on unaffordable housing.

Finally, the results illustrate that being a home owner does not protect everyone from housing problems. Problems with damp are observed among homeowners in all three regions. Of special concern is the group of poor outright owners, who importantly face damp and affordability problems. Moreover, in the Walloon and Brussels Regions, among poor homeowners with a mortgage (recent buyers), there is overcrowding. These findings illustrate the existence of a group of 'asset-rich but housing-poor' people in each Belgian region. Further research on the profile of this in housing research often neglected group is advised.

Acknowledgments The authors thank the anonymous reviewers for the very welcome suggestions included in the reviews of a former version of this article.

References

- Bernard, N. (2008a). De impact van de Europese unie op het vastgoed in Brussel, *Brussels Studies*. 21, 8 September 2008.
- Bernard, N. (2008b). Good and bad fortune of the plan for the Construction of 5,000 (low- and middle-income) housing units in Brussels. *Journal of Housing and the Built Environment*, 23, 231–239.
- Bernard, N., & Van Mieghem, W. (2005). *La crise du logement à Bruxelles: Problème d'accès et/ou de pénurie?*. Bruxelles: Bruylant.
- Carlier, P., Fontaine, S., & Monnier, B. (2007). La qualité de l'habitat wallon. Synthèse des résultats de l'enquête. *Les Echos du Logement*, 4, 1–15.
- Commission, European. (2010). *The social situation in the European Union 2009*. Luxembourg: Publication Office of the European Union.
- De Decker, P. (2011). Not for the homeless? Housing policy in Flanders: Between selectivity and legitimacy. *European Journal of Homelessness*, 5(2), 129–143.
- De Decker, P., & De Wilde, C. (2010). Home-ownership and asset-based welfare: The case of Belgium. *Journal of Housing and the Built Environment*, 25, 243–262.
- De Decker, P., & Geurts, V. (2000). Wonen. Residualiseert de huursector? In J. Vranken, D. Geldof, G. Van Menxel, & J. Van Ouytsel (Eds.), *Armoede en sociale uitsluiting. Jaarboek 2000*. Leuven: Acco.
- De Decker, P., & Pannecoucke, I. (2004). The creation of the incapable social tenant in Flanders, Belgium. *An appraisal, Journal of Housing and Built Environment*, 19, 293–309.
- FOD Sociale Zekerheid. (2012). *National social report Belgium 2012*. Brussel: FOD Sociale Zekerheid.
- Harloe, M. (1995). *The people's home? Social rented housing in Europe & America*. Oxford/Cambridge: Blackwell.
- Heylen, K. (2013). The distributional impact of housing subsidies in Flanders. *International Journal of Housing Policy*, 13(1), 45–65.

- Heylen, K., Le Roy, M., Vanden Broucke, S., Vandekerckhove, B., & Winters, S. (2007). *Wonen in Vlaanderen. De resultaten van de Woonsurvey 2005 en Uitwendige Woningschouwing 2005*. Brussels: Ministerie van de Vlaamse Gemeenschap, Departement Ruimtelijke Ordening, Woonbeleid en On-roerend Erfgoed.
- Heylen, K., & Winters, S. (2008). *Woonsituatie in Vlaanderen: gegevens en mogelijkheden van de EU-SILC*. Leuven: Steunpunt Ruimte en Wonen.
- Heylen, K., & Winters, S. (2011). Betaalbaarheid voor starters op de woningmarkt. In S. Winters (Ed.), *Is wonen in vlaanderen betaalbaar?* (pp. 115–137). Antwerpen-Apeldoorn: Garant.
- Hubeau, B. (2002). *De Vlaamse Wooncode en de sociale huisvesting. Het woonbeleid (nog) niet op kruissnelheid*. Bruges: Die Keure.
- Huygebaert, N. (2012). *Berekening woonbonus op kruissnelheid*. Leuven: KU Leuven.
- Kemeny, J. (1995). *From public housing to the social market. Rental policy strategies in comparative perspective*. London/New York: Routledge.
- Lahlali, M., Andino, W., & Spaas, N. (2012). *Praktijktest discriminatie Antwerpse en Gentse woninghuurmarkt*. Brussels: Minderhedenforum.
- Lelkes, O., & Zolyomi, E. (2009). *Quality of housing and the link to income. Research note no. 2*. Brussels: European Commission.
- Mandic, C., & Cirman, A. (2012). Housing conditions and their structural determinants: comparison within the enlarged EU. *Urban Studies*, 49(4), 777–793.
- Observatorium voor Gezondheid en Welzijn Brussel. (2012). *Welzijnsbarometer. Brussels armoederapport 2011*. Brussel: Gemeenschappelijke Gemeenschapscommissie.
- Özdemir, E., & Ward, T. (2009). *Housing and social inclusion. Research note no. 1*. Brussels: European Commission.
- Pannecoucke, I., De Decker, P., & Goossens, L. (2003). *Onderzoek naar de mogelijkheden voor de integratie van de particuliere huurmarkt in het Vlaamse woonbeleid. Onderzoeksrapport in opdracht van het Ministerie van de Vlaamse Gemeenschap*. Antwerp: Afdeling Woonbeleid, OASeS.
- Rosenoer, A. (2009). De evolutie van de sociale huisvesting in Wallonië van de jaren 1990 tot heden. *BGHM Info*, 59, 13–17.
- Rybkowska, A. & Schneider, M. (2011). Housing conditions in Europe in 2009. *Eurostat Statistics in Focus*, 4, 1–12.
- Stephens, M., Fitzpatrick S., Elsinga, M., van Steen, G. & Chzhen, Y. (2010). *Study on housing and exclusion: welfare policies, housing provision and labour markets*. (European Commission).
- Valenduc C. (2008). Les incitations fiscales en faveur du logement, *Les échos du Logement*, 2.
- Van Reybrouck, G., & Valenduc, C. (2011). *Taxation of housing in Belgium: Facts and reforms*. (Presentation at the Workshop 'Property taxation and enhanced tax administration in challenging times', Brussels: European Commission).
- Van Crielingen, M. (2008). *Journal of Housing and the Built Environment*, 23, 199–213.
- Van Dam, R., & Geurts, V. (2005). Wonen in Vlaanderen in perspectief: Evoluties 1976–1997. In P. De Decker, L. Goossens, & I. Pannecoucke (Eds.), *Wonen aan de onderkant* (pp. 37–59). Antwerp: Garant.
- Van Dam, R., Geurts, V., & Pannecoucke, I. (2003). Housing tenure, housing costs and poverty in Flanders (Belgium). *Journal of Housing and the Built Environment*, 18, 1–23.
- Vanneste, D., Thomas, I., & Vanderstraeten, L. (2008). The spatial structure(s) of the Belgian housing stock. *Journal of Housing and the Built Environment*, 23, 193–198.
- Vastmans, F., & de Vries, P. (2012). A rent index for the private rental market in Flanders. *Journal of Housing and the Built Environment*, doi:10.1007/s10901-012-9318-1.
- Winters, S. (2013). Belgian state reform as an opportunity to reorient Flemish housing policy. *International Journal of Housing Policy*, 13(1), 90–99.
- Winters, S., Buyst, E., Elsinga, M., Heylen, K., Le Roy, M., Tratsaert, K., Vandekerckhove, B., & Vastmans, F. (2012). *Voorstel tot indicatoren voor het Vlaamse woonbeleid*. Heverlee: Steunpunt Ruimte en Wonen.
- Winters, S., & De Decker, P. (2009). Wonen in Vlaanderen: over kwaliteit, betaalbaarheid en woonzekerheid. In L. Vanderleyden, M. Callens, & J. Noppe (Eds.), *De sociale staat van Vlaanderen 2009* (pp. 199–234). Brussels: Studiedienst Vlaamse Regering.
- Winters, S., & Elsinga, M. (2008). The future of Flemish social housing. *Journal of Housing and Built Environment*, 23, 215–230.
- Winters, S., & Elsinga, M. (2011). Wonen in Vlaanderen in internationaal perspectief. In L. Vanderleyden, M. Callens, & J. Noppe (Eds.), *De sociale staat van Vlaanderen 2011* (pp. 217–257). Brussels: Studiedienst Vlaamse Regering.