

50 year to shift Portugal's housing paradigm?

50 years after the revolution that set the course of our nation, the day when carnations became a national symbol. 25th April 1974 went down in history also for housing policies, among other things, thereby allowing our nation to open up to its citizens the possibility to access decent housing.

In such a symbolic week one cannot escape some reflections on the alterations in Portugal's housing scenario. Before the Revolution, housing was characterised by significant deficiencies, with the majority of the population living in poor conditions, unable to afford decent houses, under huge energy poverty and (for most) the possibility to purchase a house to live was a farfetched dream. The conditions of the houses reflected social and economic gap, with many families living in makeshift houses, unsanitary and overcrowded, most of them without basic sanitation, then called "bairros de lata" (slums), specially in urban areas. The limited housing policies could not address the needs of the population.

During the period after the revolution, one of the major demands of the population focused in housing, thereby demanding decent houses for all. Demonstrations, occupations ensued, hundreds of residents' and tenants' associations were created demanding a solution for the problem. The environment was of strong contestation, but, also under this atmosphere, some of the major names in the Portuguese architecture developed, within the creation of the SAAL by the then Secretary of State for housing, Nuno Portas, some of the most outstanding affordable housing projects in our nation.

Today, in April of 2024, we observe a completely different landscape, challenging nonetheless, with the Portuguese citizens still living a housing crises and lack of affordable houses.

Let us look back, between 1974 and 2024 the national population grew from 8,611,115 to 10,340,285 inhabitants, according to the 2021 INE census. Even with despite this growth and the growing number of people needing a house to live, construction did not grow. In the past decade only 3.1% of the buildings were built, compared to a 24.8% construction rate in the 70's. How can we want houses for everybody at an affordable price?

After decades of socioeconomic development there were significant advances in housing. The average quality of each dwelling improved, today we do not discuss the need for basic sanitation or eradicating slums, as 50 years ago, but we face a **problem of access to housing**. The increasing price of houses, specially in metropolitan areas, rendered them unapproachable for many families, specially for youth and people with low income.

In the face of this scenario effective measures are required to tackle housing challenges in our nation. Among some measures put forward by APPII I would like to highlight the concept ***Built-to-rent***, in which investors build properties allocated to long-term renting. This model is capable of increasing the supply at affordable prices, thereby allowing the tenants more safety and stability. Only lowering taxes on assets and incentives to invest in affordable housing may contribute to balance the market and make housing more accessible for all. In this matter, the **tax burden relief** is also key to make both property building and acquisition viable.

After five decades we still have an unresolved housing problem, despite being a right recognised by the Constitution of the Portuguese Republic for every Portuguese citizen since 1976. Today's reality is quite different, just as the challenges! Then, one must not ask what was done in these past fifty years - the result is quite evident - but what we can do for the next fifty years for housing in Portugal?