
Summary

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When the international labour market meets the national housing market

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The influx of people from the new EU countries in Central and Eastern Europe since 2004 in search of work prompts one to ask whether the Norwegian housing market had adapted to the new situation. Migrants who settle here permanently and those with a more transient outlook may well make it harder for the authorities to achieve their political goal: “Everyone should have an adequate, secure place to live” (“alle skal bo trygt og godt”).

We examine in this preliminary study two principal issues:

- What determines the housing conditions of migrant workers from Eastern Europe?
- What do we know about the housing conditions of migrants from Eastern Europe?

There has been little research in this area, and we have little systematic knowledge of how migrants live and under what conditions.

This report builds on a wide selection of secondary sources that can help us shed light on the housing situation of migrants from Eastern Europe (estate agents; municipal offices; Norwegian United Federation of Trade Unions; Norwegian Labour Inspection Authority; Norwegian Fire Service; Agency for Planning and Building Services; Tenants’ Organisation; Caritas, etc.).

A study conducted by Statistics Norway (Pettersen 2009) found Polish migrants in 381 of the country’s 430 municipalities. In other

words, there is a highly dispersed pattern of settlement among labour migrants. Poles account for the largest group of migrants seeking work in Norway.

In 2006 and 2010, the Fafo Institute for Applied Social Science conducted surveys of the working and living conditions of Poles living in the Oslo area. In that connection, migrants were asked about their housing conditions. The surveys showed that the great majority lived in rented accommodation. Many Poles were planning to stay on in Norway for an extended period, though whether they did or not would depend to a large degree on access to satisfactory housing.

Migrants from Eastern Europe can be divided roughly into two groups:

- People who intend to stay permanently, and bring their families over later
- People who intend to stay for shorter periods, and travel back and forth between jobs or between periods on and off work

Many transient workers revise their plans after a spell in the country, and settle down in Norway.

Workers from European Economic Area (EEA) countries are normally expected to manage on their own in the housing market. Housing for EEA citizens is not subject to any special requirements, unless, that is, it is accommodation provided by the employer. The gateway to regulating and overseeing housing conditions for temporary migrant workers goes, in other words, through the employer.

Norway's policy on housing rests on two pillars, the housing market and home ownership. The private market dominates almost entirely, with only about 5 per cent of the population living in council houses. In consequence, most of the population and all immigrant groups have to go to the private housing market to find a place to live.

The rental market is more important for migrant workers than for the population in general, and rental market surveys show that rents have risen year on year over the past five years. Migrant

workers today face, in other words, a completely different rental market than when migrants started looking for work in Norway in the 1970s.

In this study we looked more closely at four case municipalities to establish differences and challenges with regard to housing and labour migration (Oslo, Bergen, Sarpsborg, Haram). The starting point is that these four displayed very different labour and housing markets, though they were similar in that registered migrants account for an increasing proportion of the workforce, which has changed the state of the rental market in these municipalities. There is mounting pressure on housing in the urban areas, while Haram, for example, has seen the emergence of a rental market where there was none before. It is also common practice in Haram to house shipyard workers in barracks, huts and if needed in hotels. In Oslo, these accommodations are mainly used in connection with the construction industry. The huts are erected on brownfield sites, mainly in the Grorud district, and on the building sites themselves. In Bergen and Sarpsborg, migrant workers are more likely to be integrated in the ordinary housing market. Migrant workers who choose to settle in Norway usually want to buy their own home. A common feature in both rural and urban area is that labour migrants often buy a house in need of renovation or repair, one that is located in a less attractive neighbourhood, or in the surrounding country. They are generally less concerned with quality than ethnic Norwegians when they purchase a home.

A typical migrant worker's housing career starts with temporary and not very satisfactory accommodation before progressing to a more stable situation. Progression in terms of housing, and the speed at which it takes place, depends nevertheless on the individual's status in the labour market and how long they envisage staying in the country. In the beginning, many live in accommodation provided by an employer; they live with friends; share accommodation with others; live in bedsits; or even caravans and tents. As time passes, standards improve when they move into rental accommodation in the private rental market, alone or with others. Home purchase often occurs in conjunction with family reunification. In reality, this picture varies. Many continue for several years to combine periods at work with periods back in their

home country. Some settle down quickly, others move from place to place, based on their work and private considerations.

The different housing options present different types of challenges and obstacles. Living in accommodation provided by an employer can make employees particularly vulnerable. They are unlikely to complain about working conditions if it means risking being turned out. And in the search for rental accommodation, migrant workers may be handicapped by language problems and ignorance of Norwegian laws. Their financial situation decides what they can get in the rental market. Migrant workers who buy a home of their own also have to understand Norwegian (to read valuations and purchase contracts). There can be additional problems accessing a mortgage from the bank: the applicant may not have a permanent job; the family may earn too little; or they can't afford the deposit. Inability to pay a deposit is not offset by satisfactory repayment ability.

Acceptable housing for labour migrants is about having:

- enough housing units
- a decent standard in what is available
- what is needed to get a foothold in the market and to retain possession of the dwelling

There is much to indicate that Norway will continue to need an influx of labour from abroad. Satisfactory housing may be a condition for the integration of labour migrants in society and for them to become a dependable resource.

What we need to learn in this area is particularly concerned with acquiring more representative data on how different categories of labour migrants (employment status, duration) and of different country origins are housed. Using bullet points, it means to establish:

- Prevalence of and challenges arising from paired work and housing contracts
- Housing situation for temporary migrants (without plans of settling permanently), and the scale of unacceptable housing

- Housing careers and settlement patterns among those who have settled in the country
- The impact of labour migration on local housing markets
- Prevalence and use of facilities like the start-up loan and housing allowance