

The Role of 1% Logement System in French Housing Policy

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[SYNOPSIS]

This study was conducted to review the housing policy in Japan, from viewpoints to understand current status of the operation of *1% Logement* system in France, and highlight its purposes and issues. The subject system was developed with the objectives to enhance social investment for housing supply by private sector, requiring the respective employers of private company which has more than 20 employees to contribute funding a percentage of their gross pay by law. The name of the system has been changed from *1% Logement* to *Action Logement* in 2007. In this study, I conducted analysis of the statistical data and reports issued by the related organizations and interviews with them, in order to clarify respective program development process based on the system and review transition of its position in the housing policy. Additionally, focusing on the guarantee system for rented housing that has been more emphasized recently, I assessed its current status of operation and utilization.

- *1% Logement* system has played important roles in providing financial resources, affordable houses and housing support services. Its administration and program development are strictly regulated by the central government;
- Diversification of its programs and beneficiary of assistance are being promoted on the background of employment anxiety, poverty among immigrants, rising house prices and rent money along with lack of its supply. The expected business lineup covers a broad range of topics including housing construction lending, social housing supply, urban regeneration projects, housing allowance for individuals and guarantee of rented housing. The beneficiaries for the subject system extensively cover not only the employees of funding companies, but seasonal workers or job seekers, retired employees and others;
- Guarantee system for rented housing includes the interest-free loan for initial expenditure, the guarantee or insurance against outstanding housing rent. Recently, we take measures to scale down the *Loca-Pass* but promote the *Garantie des Risques Locatifs* (GRL) due to its financial challenges or operational issues. Many users of such guarantee system for housing rent play a critical role to secure houses for the unstable residents.

The challenges associated with the *Action Logement* system offers meaningful suggestions to review Japanese housing policy for which more public-private partnership should be enhanced.