Housing policies affect well-being through a wide range of channels including access to decent shelter, environmental quality, efficient use of scarce resources, type and extent of commuting, as well as its contribution to strong and resilient economic growth. This snapshot provides a cross-country perspective on Netherlands’s housing-related indicators and policy settings. Households’ tenure choices depend on demographics and/or socio-economic factors, as well as policies related to public promotion of housing, housing taxation and rental regulations. There are large differences in tenure structure across OECD and key partner countries: homeownership in Netherlands is lower than the OECD average (Figure a) - noticed that for the Netherlands, social/subsidised rental housing and private market-rental housing are displayed together (in yellow in Figure a). Real house prices have risen strongly across the OECD since the 1990s, with increases reaching up to 100% in some countries (Figure b). In the Netherlands, after growing significantly from 1990s to 2000s, real house prices have slowed down after the Global Financial Crisis, increasing again in recent years. Housing investment rate in the Netherlands has been relatively stable and close to OECD average until 2008, it has then decreased during the Global Financial crisis and started to rise again in recent years (Figure c). Finally, mortgage markets play a crucial role in household finances since housing generally constitutes household’s single largest financial asset. The ratio of outstanding household mortgage claims to GDP in the Netherlands is among the highest in OECD countries (Figure d).
Efficiency measures the economy’s capacity to align housing supply with demand, thereby limiting excessive price and rent increases, contributing to macroeconomic stability and facilitating residential mobility. In Netherlands, housing costs, comprising actual and imputed rents as well as maintenance and repair of dwellings, make up a high share of overall household expenditure compared with the average OECD country. Conversely, house price volatility, which can be an indicator of vulnerability in the housing sector when elevated, has been relatively low in Netherlands. Residential mobility, as measured by the percentage of individuals who changed residence in the years 2008-2012, is close to the average of OECD countries. The country’s relatively small size combined with its polycentric urban structure provide a high accessibility to jobs even without the need to move residency. Furthermore, it is worth noticing that over the last years, house prices have diverged somewhat across regions, with pressures mounting in some cities, such as Amsterdam, Utrecht and Rotterdam.

Inclusiveness refers to the housing sector’s capacity to deliver adequate and affordable homes across the income distribution while limiting residential segregation. The Netherlands display relatively low overcrowding rate. On the other hand, 30 percent of low income tenants spend more than 40 percent of income in rent (housing cost overburden). This number is high but lower than the average OECD country, given the large stock of social housing available to the population - the highest among OECD countries. Finally, average commuting time is in line with OECD average, which suggests that relatively many people can afford living close enough to their workplace.

Sustainability assesses the housing sector’s readiness for the transition to a low-carbon economy and its capacity to attenuate pressures on the ecosystem by preserving biodiversity and residents’ health. Residential activities are responsible of 44 percent fine particulate matter (PM2.5) emissions on average across OECD countries, which is the air pollutant that poses the greatest risk to health globally. The Netherlands display low housing-related PM2.5 emissions; still, a large share of the population is exposed to harmful levels of PM 2.5 pollution due to high population density. The Netherlands shows housing-related energy intensity in line with OECD average. A high share of land in the country is in fact developed, contributing, in combination with a high population density, to the high energy intensity. In the Netherlands, the average access to green space in urban areas, which is linked to a variety of health and well-being benefits, is among the highest by international comparison. The country is indeed highly urbanized with many small and medium-sized towns allowing good access to green space.
Policy Profile

Housing policies shape the efficiency, inclusiveness and sustainability of the housing sector. The chart below shows the principal indicators capturing the policy profile for Netherlands.

**Definitions**

- **Housing tenure**: Arrangement under which the household occupies all or part of a housing unit. 2018 or latest year available. Source: OECD Affordable Housing database and Advicio (2017). Green Remuneration Intragenerational inequality (DANE, 2020) for Colombia. "Public housing options: Advicio’s Report to the Housing Crisis in Israel" (2017) for Israel. Notice that tenants renting at subsidised rent are lumped together with tenants renting at private rent in Australia, Canada, Chile, Denmark, Mexico, the Netherlands, and the United States, and are not capturing the full extent of coverage in Sweden due to data limitations. For Colombia, data on unsubsidized rents are missing, and the category "Others" includes unfractured, de facto occupancy and collective property. In the case of Israel, users outright and owners with mortgage are displayed together.

- **Real house price index**: Real house (inflation) price evolution (1990=100). Source: OECD Housing Price Analytical Database.


- **Housing investment**: Housing investment as share of GDP (%). Source: OECD National accounts data, and Cuenta Nacional Anuales (DANE for Colombia).

**Structural indicators**

- **Overcrowding rate**: Share of households that do not have at their disposal a minimum number of rooms relative to their household size and composition (in %). 2018 or latest year available. The minimum number of rooms is equal to: one room for the household; one room per adult couple in the household; one room for each single person aged 18 and over; one room per pair of single persons of the same sex between 12 and 17 years of age; one room for each single person between 13 and 17 years of age and not included in the previous category; one room per pair of children under 12 years of age. Source: OECD Affordable Housing database. Data for Colombia comes from Censo Nacional de Población y Vivienda 2018 - Metodología Deficit Habitacional 2020.

- **Housing cost overburdened, for low income tenants**: Share of tenants in the bottom quintile of the income distribution spending more than 40 percent of disposable income on private rent (in %). 2018 or latest year available. Source: OECD Affordable Housing Database and Gran Remuneración Intrageneracional de Hogares (DANE, 2019) for Colombia.

- **Commuting time (in minutes per day)**: Average time spent travelling to and from work or study for all 15-to-64-year-olds (in minutes per day). Latest available year, ranging from 1999 (Portugal) to 2019 (USA). Source: OECD Family Database; Census 2017 for Chile and DANE (Cuenta Nacional de Calidad de Vida) 2018 for Colombia.

- **Housing sector expenditure of (gas, electricity, and water, in % of GDP)**: Source: Preliminary illustrative estimates pending the publication of the final estimates of the forthcoming OECD Tax Policy Studies.

- **Housing sector energy intensity (in tons per capita)**: Source: IEA (2020) and World energy balance, IEA (2020) and Calculations based on OECD calculations.

- **Access to green space (in % in core FUA)**: Source: OpenStreetMap and OECD calculations using the weighted average by FUA population in 2015.

- **Housing tenure**: Arrangement under which the household occupies all or part of a housing unit. 2018 or latest year available. Source: OECD Affordable Housing database and Advicio (2017). Green Remuneration Intragenerational inequality (DANE, 2020) for Colombia. "Public housing options: Advicio’s Report to the Housing Crisis in Israel" (2017) for Israel. Notice that tenants renting at subsidised rent are lumped together with tenants renting at private rent in Australia, Canada, Chile, Denmark, Mexico, the Netherlands, and the United States, and are not capturing the full extent of coverage in Sweden due to data limitations. For Colombia, data on unsubsidized rents are missing, and the category "Others" includes unfractured, de facto occupancy and collective property. In the case of Israel, users outright and owners with mortgage are displayed together.


- **Housing investment**: Housing investment as share of GDP (%). Source: OECD National accounts data, and Cuenta Nacional Anuales (DANE for Colombia).

**Efficiency**

- **Rent control**: Indicator reflecting on the number of regulations that restrict rent levels and increase are lumped together with tenants renting at private rent in Australia, Canada, Chile, Denmark, Mexico, the Netherlands, and the United States, and are not capturing the full extent of coverage in Sweden due to data limitations. For Colombia, data on unsubsidized rents are missing, and the category "Others" includes unfractured, de facto occupancy and collective property. In the case of Israel, users outright and owners with mortgage are displayed together.


**Sustainability**

- **Mortgage capital req.**: Minimum regulatory Tier 1 ratio multiplied by unweighted average of risk weights for mortgage loans with an LTV ranging from 50 to 130. 2018 or latest year available. Source: ECB’s Macroprudential Policies Evaluation Database (MaPPED) complemented by OECD own research.

- **Rent control**: Indicator reflecting on the number of regulations that restrict rent levels and rent increases. The indicator ranges between 0 and 1, with a higher number indicating greater stringency. 2019. Source: OECD calculations based on OECD Questionnaire on Affordable and Social Housing (QuASH) 2019 for Colombia.

- **Land-use governance**: Indicator of restrictions on the land use regulation. It comprises two components: decentralization and overlap of government levels in land planning decisions. The indicator ranges between 2 and 3 with a higher number indicating greater stringency. 2019. Source: OECD calculations based on OECD Questionnaire on Affordable and Social Housing (QuASH) 2019.

- **Housing allowances**: Public spending on means- and/or income-tested housing allowances and transfers to households (in % of GDP). 2018 or latest year available. Source: OECD Affordable Housing database.

- **Rent control**: Indicator reflecting on the number of regulations that restrict rent levels and increase. The indicator ranges between 0 and 1, with a higher number indicating greater stringency. 2019. Source: OECD calculations based on OECD Questionnaire on Affordable and Social Housing (QuASH) 2019.


- **Housing sector expenditure of (gas, electricity, and water, in % of GDP)**: Source: Preliminary illustrative estimates pending the publication of the final estimates of the forthcoming OECD Tax Policy Studies.

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**The choice of indicators may vary by country depending on data availability.**

Requiring lenders to use more capital when funding risky mortgage loans has been found to result in lower crisis risk and stronger recoveries. More stringent rent control, which reduces the profitability of housing investment, is empirically associated with a weaker response of housing supply to changes in demand. Higher marginal effective tax rates (METR) on housing property help containing housing price dynamics, thereby contributing to housing affordability over the long run. Higher values of the land-use governance indicators reflect more decentralisation to the municipalities and/or more overlap across government levels; they have been empirically linked to housing supply that is less responsive to changes in demand. More spending on housing allowances typically facilitates residential mobility in some countries, which is often a condition for labour mobility. Higher rent subsidies can however inflate rents and prices where supply fails to respond flexibly to demand. Potential mobility gains from housing investments are reduced when restrictions on de facto occupancy and collective property prevent mobility, and tends to be lower when relaxing such restrictions. The limitation for Columbia is due to data limitations.
allowances are countered by price regulations and associated queuing for rentals. Tax subsidies on mortgages more than outweigh taxes on imputed rents, and in combination with strong rental regulations, skew the housing market towards home-ownership. Thus, housing options of households that do not qualify for social housing and at the same time have limited ability to buy are limited, as the unregulated part of the rental housing market is small.