



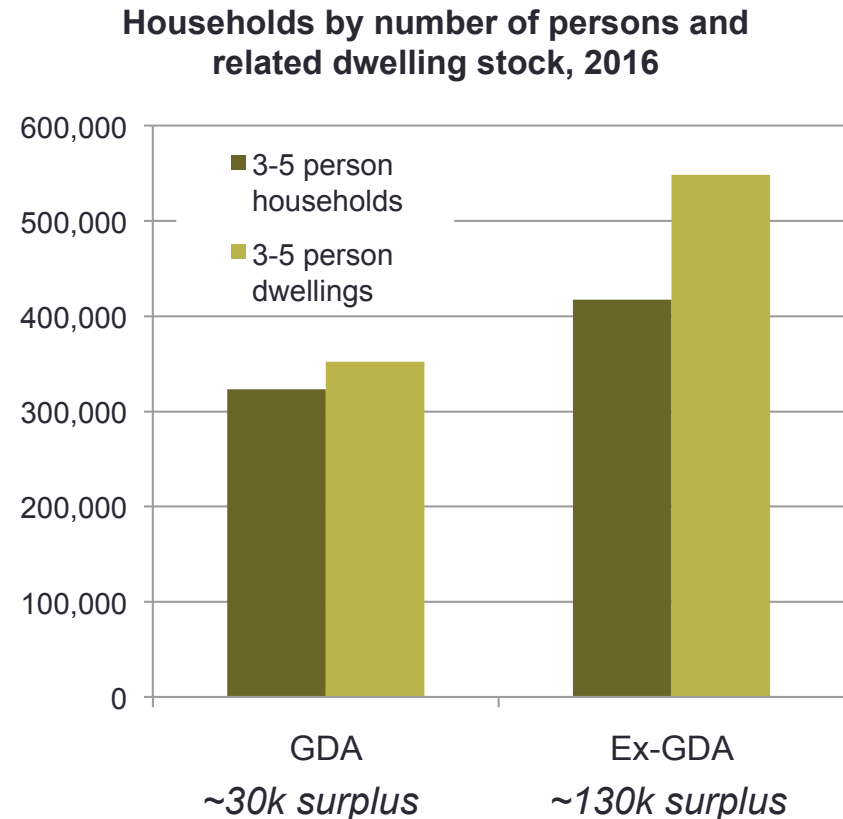
IS IRELAND 25 YEARS INTO A 100-YEAR HOUSING CRISIS?

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Ireland has no shortage of houses!

- Comparing its households with its dwellings, Ireland has too many houses
 - This is true both for Dublin (~10% surplus) and elsewhere (~30%)
- By “house”, I mean “family home” – a dwelling with 5-7 principal rooms
 - E.g. the classic three-bed semi-d
- This house surplus means that 200,000 households (of 1.7m) comprise unrelated persons



Ireland is missing about 500,000 apartments, though

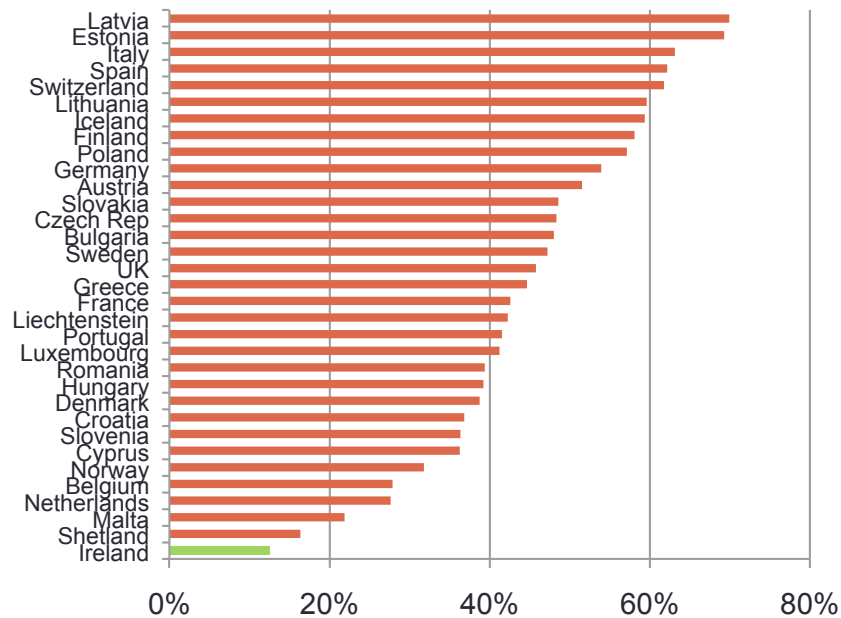
- Ireland does have too few apartments, though
 - In Dublin, there are 120% more 1-2 person households than dwellings
 - Elsewhere, there are 180% more
- Ireland has 10 single young people for every studio apartment
- Of 0.6m households added since 1996, ~2/3s comprise 1-2 persons
- This should not have been a surprise – HH size declining since the 1960s
 - And will continue to converge to the EU average of 2.3 (currently 2.75)



Compared to other EU countries, and to its own population structure, there is a shortfall of ~450,000 apartments in Ireland currently

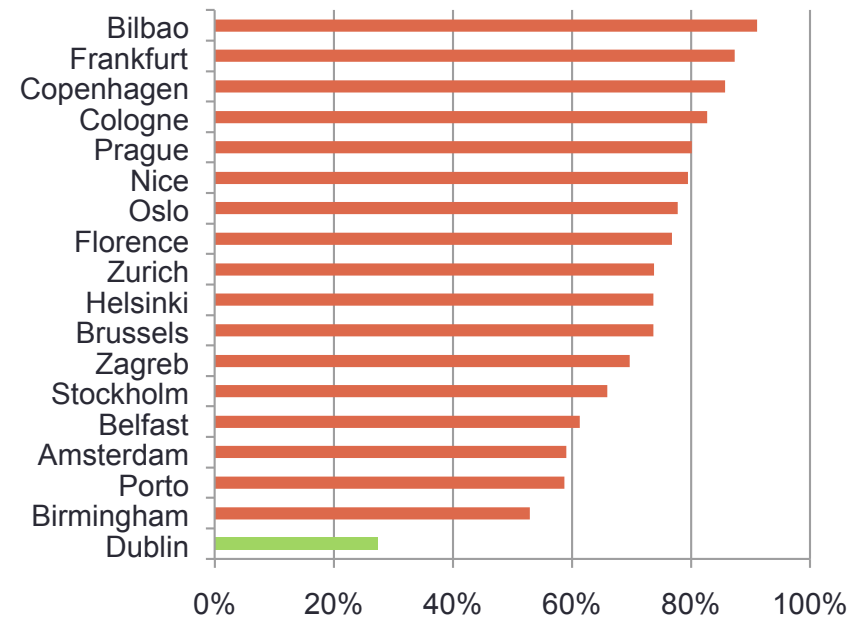
Ireland has just 12% of its dwellings in apartments – a quarter the EU average

Fraction of dwellings in apartments



Dublin's apartment rate is one third the rate seen in many of its peer cities

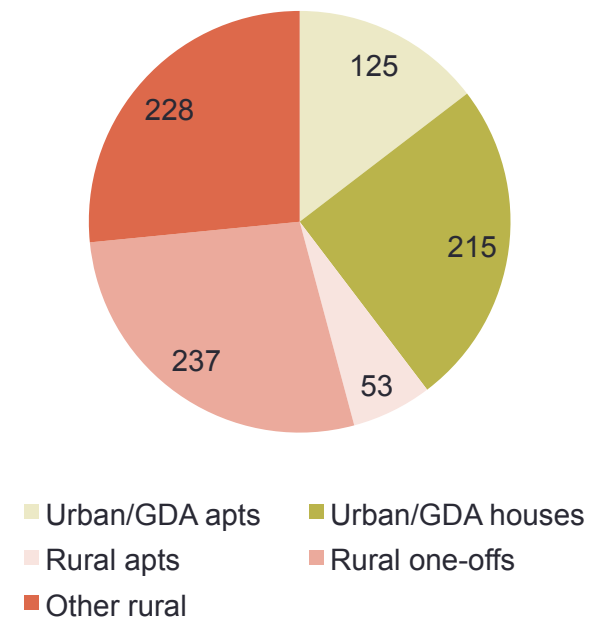
Fraction of dwellings in apartments



Ireland never built “enough” apartments – not even in the Celtic Tiger

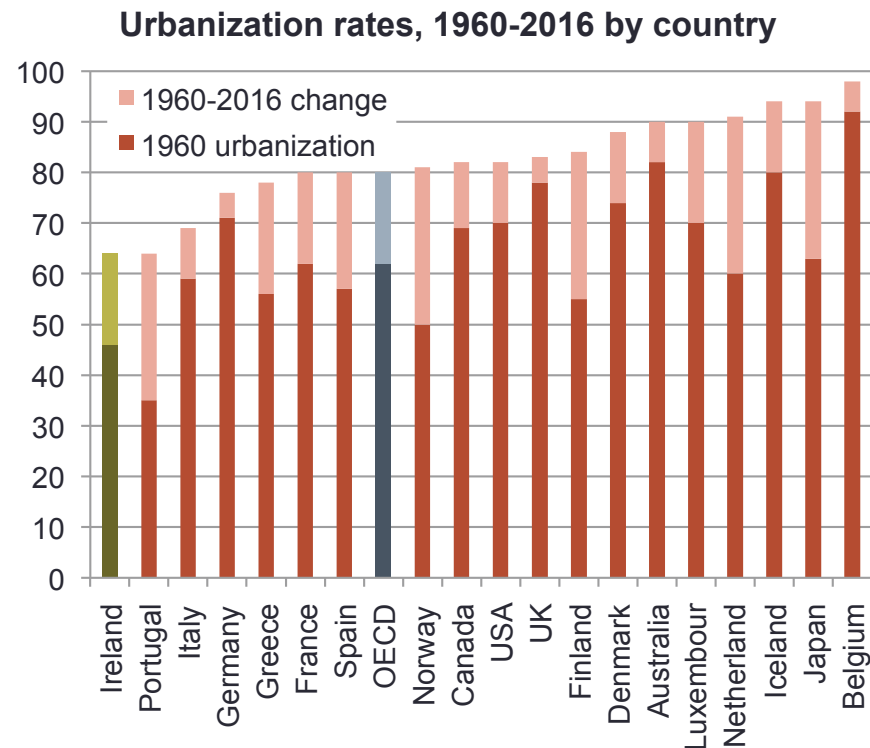
- If Ireland were in line with the EU, it would have 0.8m apartments [vs. 0.2m]
 - Dublin: ~375k, rather than the ~125k
- Persistent underbuilding of apartments, *especially* during the Celtic Tiger
 - Just 15% of new dwellings 1996-2015 were urban apartments
 - Twice as many rural one-offs were built during the same period
- If Ireland is to fall to EU household size (2.3), even with fixed population, it needs 300k extra dwellings
 - These are almost entirely apartments

New dwellings completed in Ireland, 1996-2015 (thousands)



Ireland's mismatched housing and labour markets are creating unsustainable commuting patterns

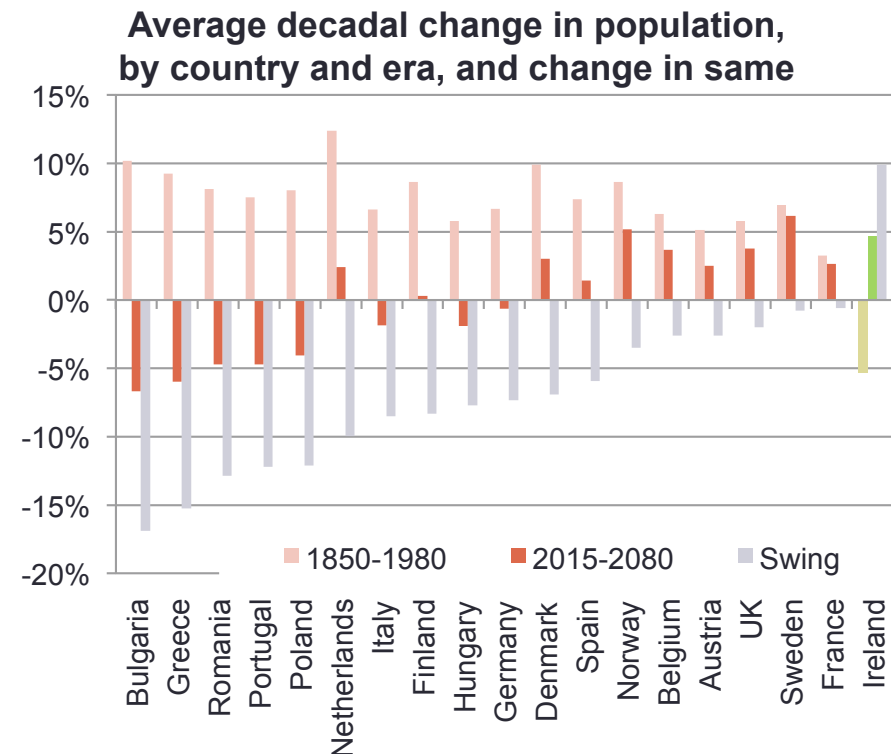
- Ireland remains one of world's least urbanised high-income countries
- Ireland's lack of urbanization is due to its housing, not labour, market
 - Half the daytime population of Ireland's three largest cities travel from outside
 - One quarter of Leinster's working pop'n (ex-Dublin) travels to Dublin each day
- In 2016, >230,000 people commuted at least an hour each way
 - This represents a 30% increase in long commutes in just five years



Source: World Urbanization Prospects, 2016

Ireland's inability to built apartments is likely a result of its unique demographics

- The lack of apartment building in Ireland before the 1990s is likely to be driven by demographics
 - Ireland was the only European country to experience persistent population decline in the 19th and 20th centuries
- Over coming decades, it will experience one of the fastest rates of population growth in Europe
 - Growth of ~5% a decade 2010-2020 will represent a 10% swing compared to the period 1850-1980
 - All other European countries will experience slower population growth

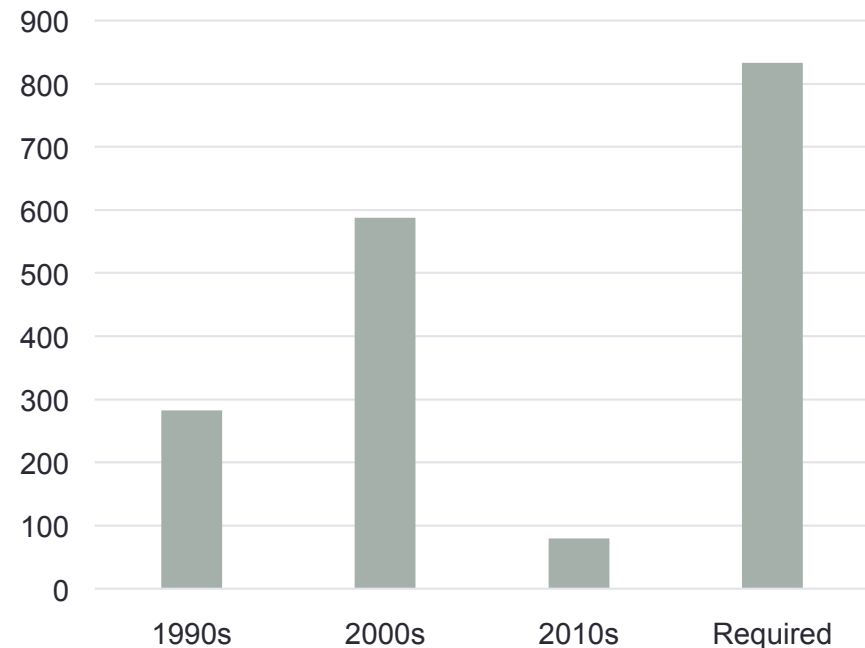


Source: Eurostat Population Projections (2013); Maddison dataset

It is not just a backlog – population growth, demographic change and urbanization mean the need for new apartments persists until the 2080s

- Addressing the current backlog of apartments (~500k nationwide) means 25,000 p/yr until 2040
- If...
 - Eurostat is right and Ireland's population reaches 6.2m by 2080 (*modest?*)
 - By then, Ireland is 80% urban and its average household size is 2.2 (*modest?*)
- Then...
 - Ireland's five largest cities will house 5m people, mostly in 1-2 person households
 - The country will need 1.9m apartments
- i.e. 25,000 per year until we're dead!

Number of apartments built/required in Dublin per month, by period



Enough with the bad news, give us some role models!

Toronto



Brisbane



But how could we do that in Dublin?

400ha (~1000 acres; 30,000 dwellings)
inside the M50 to get you started...



But also: Dublin Industrial Estate

And another 250ha (>20,000 dwellings) if
you fancy a fight!



Thank you for your time! To summarize...

**Dublin needs a block of 200
apartments to open EVERY WEEK
from now until the 2080s**