

# PEOPLE BEFORE PROFITS

**Housing** is a basic human need that is increasingly becoming a luxury item for many people. The recent decline in house prices doesn't mean that those on average or below average wages can afford to buy a home and rents continue to rise, with social housing practically non-existent.

**Rising house prices** have been a feature of the past 30 years. This has left the majority of people, in particular young people, with **huge mortgages or high rents**. Prices have got so far out of reach of most people that the current fall in prices doesn't mean first time buyers will be able to afford anything. Instead, those that have taken out large mortgages are seeing their **hard-earned savings** disappear as the value of their home declines. With many people unable to afford to buy, rents will continue to remain high and may increase. The end result is your average earner is **paying a large part of their salary on a place to live**.

## Making Money at our Expense

Many of the major new home builders have hit the headlines, making us think that these developers are really suffering. Profits may be down at the moment, but these companies have made **enormous profits** over the past decades and are certain to weather the storm. The top executives and shareholders will continue to pay themselves high salaries as they cut back by axing jobs. Meanwhile, they continue with major building projects, around the capital, with **East London a major target**. They are aiming to save their high profit margins by demanding that the government give them more subsidies, with the pretext that they need this to continue to build '**affordable homes**'. We all know what a **sham** this is. The definition of 'affordable' is well beyond the reach of your average London wage.

## Tower Blocks for the Rich

What is advertised as an affordable development is highly suspect. **Barratt's Homes** is currently promoting a major development on the site of **St. Andrews Hospital by Bromley-by-Bow station**. The glossy brochure that came through local residents letter boxes, made it seem that all the housing would be within the reach of locals and would provide a number of community services. A closer look reveals that the developer is hoping to build **two large tower blocks, one which is 27 stories**.

## Luxury Flats

The result of the worry over falling house prices as well as the general motivation to make as much money as possible has led to the proliferation of tower blocks. It is clear by looking at the adverts on property developers' websites that the target buyer for these is not your average wage-earner in the local community. The Olympics has made the East End a magnet for developers and is likely to remain so despite the fall in house prices. According to the Daily Telegraph (Sept 2007): '**The countdown has begun for the 2012 Olympic games and with less than five years to go, London's East End is already feeling the buzz, with investors flocking to locations around the Olympic Park and its huge regeneration area.**' They highlighted all of the new developments in the boroughs around the Olympic site and 'who is buying, who is renting'. In the section on Tower Hamlets, the St. Andrews development gets a mention. '**Buyers' and renters**', according to the Daily Telegraph, will be:

**'The highly-paid, transient workforce of Canary Wharf on the doorstep provides a ready rental market for both seasoned investors and newcomers in search of a bargain'**.

**TAKE ACTION**

## **HOUSING FOR THE COMMUNITY, NOT PROFITS FOR THE DEVELOPERS**

We need to **organise locally**, linking up with others in similar situations across London. We need to reject the logic that says that 'we can't control market forces' and start demanding that **communities are under the control of the people who live and work there**. We must not let ourselves be subject to the whims of property developers and investors who put profits ahead of people, despite their advertising gimmicks.



**Action East End**  *for community and solidarity*

### **WE DEMAND**

- **Affordable housing** whether to buy or rent
- Housing must suit the **living needs of a variety of local people**, which means both family homes and flats that are comfortable, safe and secure, with plenty of light and green spaces and access to local services
- Housing should be **attractive** and enhance the general look of the area
- Property and construction companies **must not be allowed to make huge profits** on the back of these developments
- Spaces set aside for **wildlife** and for **quiet recreation**
- **Leisure facilities** built to suit the interests of a variety of ages
- Land for **allotments** and **community gardens**
- **River side open to all** and be enhanced for use by a range of leisure pursuits as well as wildlife; it should not be where luxury housing is built but should be part of the common land for the community
- Not just become a place to live, but the development of **employment opportunities**
- **Reduction of traffic** with improved public transport, more cycle and walking tracks, and increased use of the river for transporting goods



We at Action East End want to see an alternative, one based on a genuine sense of community and solidarity.

Action East End is a local group based in East London that wants to contribute to the resistance, both defending ourselves in our communities and workplaces, but ultimately helping co-ordinate activities to improve our quality of life. This we believe can only be done through our own initiatives, outside the agenda of the local authorities or political groups, and by taking collective action for ourselves.