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INTERVIEW

Judith Casal

PRESIDENT OF THE SOCIAL DEMOCRATIC GROUP

"We do not want to intervene in the market, but controlling rent is our competence"

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Having reached the middle of the legislature, we speak with the president of the Social Democratic Parliamentary Group, Judith Casal, to take stock of these first years, to discuss the issue of housing and the Association Agreement.

—**First of all, can you take a general assessment, now that we have reached the middle of the legislature, of how things have been since the opposition?**

—Well, we lost, I would say, muscle mass in the last elections because we went from seven to three councilors. Therefore, this affects the dynamics of the day-to-day. From a political point of view, we are also happy because we introduced the proposed Law on the Reasoner and it was approved, and we have introduced the proposed Law on the Oblivion of Health which is now in committee despite, as I said, only three councilors.

—**What actions do you consider**

have been successful or that are on the right track, and what others have been proposed or are being worked on by the PS?

—So far it is clear that the attempts that have been made to modify foreign investment are not giving the result that the majority expected, and the opposition has already said that it would be insufficient, that it would not discourage it with such low tax rates. In this country we need workers to raise the shutters of businesses, and if they cannot live here, we have difficulties that radiate across the entire social spectrum. We should take measures. We lack a more global conception and to achieve it we need a series of tools that we do not have and that do not seem to be reaching.

—**Is the commission that has been created for sustainable growth falling short?**

—We will see how it develops. I think that what we are doing is what should have been done. In addition to proposing a reform of the General Law on Territorial Planning, it was necessary to make a

reflection that came from consensus and that at least everyone has access to the same information before making decisions. It is a bit of a replica of what happened with the reform of the pension system. I would not say that it is short, but it is completely illogical that we are talking about housing problems and that we did not know, everyone and with rigor, how much rents are worth depending on the place where they are. It doesn't mean that the market intervenes, don't get me wrong, but the tax system that we propose for rental income is completely our responsibility. Therefore, it would be good to have tools like a property registry that seems to be coming and never does; a reference price index that tells us what is conceived as affordable rent, and differentiates between large and small holders.

—**The Omnibus Law has been defined as a law that directly intervenes in the interventionist market. What do you think?**

—I would say that what has generated the most controversy has been the transfer of empty flats, which we share the mechanism not as a real intervention mechanism, but as a deterrent mechanism to try to get the flats to surface. It makes no sense that we have a housing tension problem and have 3,000 closed flats that no one knows who owns them. Therefore, we are talking about a 'win-win' that is good for all of us.

—**In this line of enforcing this 'win-win' to which you refer, what would the PS do if they had to bring it to light?**

—As it is designed, the circuit is quite guarantor. What will be done is to try, in any case, to identify which apartments are, with their names and surnames. Then, an approach must be made to these

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owners to offer them the alternative: you don't need to take care of them, we will take care of making them generate income for their property. If the owners are not identified or they do not want to be identified because what they are doing is defrauding, we do not have to take special care of these people. We have to take care of the people who make the country grow and who make the Andorran economy, for the good of the whole society, move.

—**Are these actions intended to control this foreign investment? Or how would it be regulated by the PS?**

—I believe that limiting the possibility of accessing and buying real estate in the country was an essential step. In other words, we could not continue to allow to come and speculate with an asset that we socially need for the people who live and make grow Andorra. The only way we have to avoid speculation is through levies that desist, that fail, that are not profitable.

—**Is the current levy insufficient?**

—Clearly, we have already seen it. The levy that we modified after the last foreign investment has not stopped speculation. And science is not hypothesis. To begin

with, now we have limited the possibility, although we were talking about a maximum of one home and now we are talking about two. There are things that are not understood. Four parking spaces for each home, what are we talking about?

—Regarding the public park, they asked that 20% of the land be allocated to public housing. Do you think the measure of generating apartments in the public park is sufficient?

—The issue of other percentages, when we tried to modify the General Law on Territorial Planning, the discussion was... let's wait for the reflection that is around the table of the study commission. In the end, it is a unilateral position, and for the sake of prudence it is appropriate that we listen to the other proposals. Regarding the public park, the difference between a social housing and an affordable place must be clear. What we are making possible is that only people who have no income, or do not have enough to maintain a decent life on average, can access the public park flats. Well, we are talking about social housing, let's stop calling it affordable housing, and the proof is that they have had to modify the requirements for people to register.

—In this sense, the comprehensive law to which you refer, what

should it include?

—How can we conceive of a comprehensive law without differentiating between a large holder and a small holder? How can we know if the housing is affordable if we don't have identification and we don't offer people a guide so that they know with the real estate product they have what is a reasonable price or what price is well above the market? If it were already well below, logically these people should have some benefits because they are contributing to society, which there are also these owners. It is not possible to put everyone in the same bag, but we have different cases and, therefore, the logical thing is that we regulate the law, that there is legal certainty and that we all decide what is affordable and what is not. It seems to me an absolute dysfunction to work without a property registry, it seems like a joke.

—Entering into one of the other pillars of the political and current panorama of the Principality, the Association Agreement is on the table. Do you maintain support for the text?

—Yes, absolutely. The European integration process is sustained in Andorra. Since the 1990 agreement that changed the economic landscape in this country and with other approaches that is a reality for legislators when we have

to innovate with a law. How do we do it? Looking beyond, what is the model, and we always take inspiration from the European environment.

—In this line, do you consider that Parliament would be prepared to deal with the volume of work that the agreement would become?

—and it is progressive, yes. Let's not make the mistake of analyzing it as if we suddenly had to say that we have a few years and we have transitional periods negotiated in the Association Agreement. For example, regarding all freedom of capital there is a 15-year transitional period. I mean that we can decide whether to print more speed to adapt or less, but we have a certain mass of immigration in the minimum transitional period of three years. Therefore, it is a considerable volume, this will certainly require more investment by the state, but in return for what? That is what we must consider, it is never good to raise alarm.

The agreement is an organism that until now we have not had direct dialogue with the European institutions that allow us to propose, to understand each other, a readjustment to what we had initially planned in order to be able to adjust to the reality of the country, and with priority I want to trust that we will be able to do it.

We must be aware of the international influx capacity we have so that the EU ends up finding it profitable to sit down with us again to renegotiate the agreement, according to the approach of some parliamentary groups. I think that the recurring complaint against Europe is the excess of regulation. There are many aspects that we do not have regulated in this country.

—To finish, do you consider that the referendum has been prolonged by will or is it simply due to the calendar?

—I think that the postponement of the referendum is something that, deep down, and I take responsibility for, we did not think would be so long. We have been waiting for more than a year for the EU's position and that there was a scenario where we were mistaken in thinking that everything would go as quickly as we wanted it to go. It may seem more or less legitimate, or we could say whether it should be before the ratification by Parliament, or after, but in any case we are talking about a time that is not significant for me and that has the logic, the political decision, absolutely political, of the head of Government.

—Will there be a vote this year?

—I do not know, but I want to trust that it will be during the legislature. ●

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