



**Presbyterian Support**  
New Zealand

## Position on Housing

Whakataukī: *Ko te whare e hanga te tangata, ko te tangata e hangaia e te whare.*  
*The house builds the people and the people build the house.*

### Context

Housing is a social determinant of health and wellbeing because it is the basis of what all people understand as “home”. Having a safe, secure and affordable place to call home is a basic human right<sup>1</sup>, contributing to all the dimensions of one’s mana<sup>2</sup>. The home is a place where the foundational relationships of family life are lived out, so the kind of housing accessed by family members have an impact on these relationships. For children, this impact is both immediate and long term, on social outcomes such as where they go to school, whether their neighbourhood is a safe place or somewhere they live in fear, what access to playgrounds there might be, how far away medical services are, or how often they need to see a doctor.

Access to home ownership is not equal in Aotearoa New Zealand, which makes housing a social determinant of not only health and wellbeing inequalities, but wealth inequality. Home ownership is progressively less accessible to low-income families, distancing them from any opportunity to acquire an asset base: 2021 rates of home ownership are at record lows in New Zealand, particularly among Māori and Pasifika communities<sup>3</sup>.

Housing costs make health and wellbeing inequality and wealth inequality intricately related. Among homeowners and renters alike, the numbers of households spending more than 33% of their members’ income on housing costs (the level that is generally considered affordable) has trebled since the late 1980’s<sup>4</sup>. With housing costs increasingly constituting a greater portion of household incomes, this will mean necessities and opportunities which contribute to health and wellbeing are being sacrificed at a disproportionate rate depending on income.

Aotearoa New Zealand also has poor quality housing which impacts negatively on health outcomes, and does so disproportionately among families who rent compared to homeowners. Many preventable illnesses are

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<sup>1</sup> Hunt, P. **The Human Right to a decent Home**, speech at the Shift Aotearoa Conference, July 2019. <https://www.hrc.co.nz/news/paul-hunt-human-right-decent-home/>

<sup>2</sup> McMeeking, S. Kururangi, K. Kahi, H. **He Awa Wairoa: Background Paper on the development and content**, July 2019. <https://ir.canterbury.ac.nz/bitstream/handle/10092/17576/FNL%20%20He%20Ara%20Waiora%20Background%20Paper.pdf?sequence=2&isAllowed=y>

<sup>3</sup> Kia Piki Ake, Welfare Expert Advisory Group. **Whakamana Tāngata – Restoring Dignity to Social Security in New Zealand**, May 2019. <http://www.weag.govt.nz/weag-report/>

<sup>4</sup> Productivity Commission, **A fair chance for all: Breaking the disadvantage cycle: Scoping the Terms of Reference for an Inquiry**, July 2021. <https://www.productivity.govt.nz/assets/Inquiries/a-fair-start-for-all/Consultation-paper-A-fair-chance-for-all.pdf?vid=3>

associated with low quality housing, particularly in children, and can have lifelong consequences requiring additional resource to achieve mana āheinga.

Despite having a warm safe and affordable home being a fundamental human right, there are 41,644 New Zealanders currently “severely housing deprived”<sup>5</sup>. This group includes ‘rough sleepers’ or people without shelter (3,522), people in temporary accommodation as they look for a home (7,567), as well as people in severely crowded private dwellings (30,555).

## How did we get here?

We should learn from our past: housing insecurity is not new. There have been decades of housing insecurity in Aotearoa New Zealand for over a century, initially caused by social determinants of a different era. A post-World War 1 cross-Party agreement to develop a home-owning democracy, with significant investment and financing for the build of thousands of “state houses”, is heralded for overcoming housing insecurity in that time.

A stand-alone government agency designed, built, and tenanted these homes using Reserve Bank finance in the late 1930s and into the 1940s. The first Labour government built 3,500 state houses per year; an equivalent budget investment today would be 10,000 homes per year.

From the late 1980s and 1990s however, neo-liberalist policies began to remove or transform most housing investments. State Advances, Māori Affairs loans, and also the Family Benefit were taken away. This century, the fifth National government began selling off state houses. Currently the sixth Labour government has provided Reserve Bank finance to the private sector banks, which has helped fuel the dramatic rises in house prices, and deepen the plight of low-income, private-sector tenants. The resultant drop in home ownership and its collapsing pressure on other tenures can be traced from there.

This historical context highlights a unique precedent of New Zealand’s housing market and culture. Unlike older European and Western societies where renting is prevalent and long-term tenancies protected with policy, within Aotearoa New Zealand previous governments have first supported, then abandoned an approach to housing where every family was encouraged to aspire to owning their own home. This aspiration has not fallen away just because it is no longer supported with government policy; without supportive government policy the will of average New Zealanders to own is now preyed upon by lenders – banks and loan-sharks alike.

## Housing with relation to Te Tiriti o Waitangi

The Crown has an obligation to protect Māori as a Tiriti partner and has a direct role to play in delivering targeted and robust solutions to hauora Māori. This extends in our current pandemic context, to support Māori wellbeing at home in response to the Covid-19 pandemic<sup>6</sup>. The erosion of Māori concepts and values throughout New Zealand’s colonisation however, has significantly shaped contemporary Māori perceptions of what or where ‘home’ is<sup>7</sup>. A more holistic, culturally grounded approach to New Zealand housing policy remains an unmet obligation of the Crown. The recent new housing package announced by the Government

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<sup>5</sup> Statistics New Zealand, **Housing in Aotearoa: 2020**, 2020. <https://www.stats.govt.nz/infographics/the-state-of-housing-in-aotearoa-new-zealand>

<sup>6</sup> King P, Cormack D, McLeod M, Harris R, Gurney J. **COVID-19 and Māori Health – when equity is more than a word**. Public health expert. 2020 December. <https://blogs.otago.ac.nz/pubhealthexpert/?p=4012>

<sup>7</sup> Moewaka-Barnes H, McCreanor T. **Colonisation, Hauora and Whenua in Aotearoa**. Journal of the Royal Society of New Zealand. 2019. 49(Sup1):19–33.

aimed at accelerating housing supply and supporting first home buyers, for example, has included no Māori specific provisions, despite Māori continuing to be overrepresented in measures of housing deprivation<sup>8</sup>.

While most dwellings in New Zealand are designed for single unit families, for example, Māori dwellings prior to colonisation and to this day, more often tend to consist of multiple family units. In the current housing crisis context, the continued failure by government in housing policy and design to consider these traditional tendencies has continued to contribute to significant overcrowding amongst Māori households, with Māori being four times more likely to be living in crowded housing than people with European ethnicity<sup>9</sup>.

For Māori, land has significant spiritual value and is more than simply an economic asset, or a commodity to possess. In the modern economy, this point of view is marginalised while land faces increasing pressures for different and multiple uses (farming, housing, infrastructure). Underpinning Māori calls for the return of lands or simply access to them, is the desire on the part of Māori to preserve and maintain their genealogical and spiritual connection to their homelands. A challenge for policy into the future will be how to ensure that Māori who desire to live rurally and be close to their tūrangawaewae are able to do so through the provision of suitable and healthy housing.

## The impact of COVID-19

There were commendable efforts and many successful collaborations between government and the community sector to house people overnight during the first Alert Level 4 lockdown. It was a good example of radical action dealing with homelessness. Compared to most nations globally, New Zealand's Government acted decisively with

## Our services play a unique role in the housing matrix

Family Works is our national service helping people into homes as well as helping keep them there. All our varied social work, financial capability and youth services see the impact poor housing has on families. Often we find housing solutions for children and young people who no longer want to live with their families; for partners and family members fleeing violence in their homes; for parents separating and disputing custody of their children; situations that without our support would lead individuals and families towards - or keep them in - housing crisis.

For example, Family Works Youth Service is a wrap-around support service for young people who are eligible for the Youth Payment or Young Parent programme, providing them a Coach who helps them access the services and support they need. Recently one of our Youth Coaches helped a young person leave the streets where he was living rough, and find a home with extended family members. In another example, one of our Family Works social workers recently discovered that the log burner in his client's home was broken and emitting too much smoke, exacerbating his wife and child's asthma conditions and forcing them to go without this heat source. As Winter set in they were forced to use oil column heaters to stay warm and their power bill was impacted considerably. Our social worker brought in experts to help with a long-term solution, which was to install a heat pump in their home.

Last year alone Family Works staff across Aotearoa served 26,452 tamariki, rangatahi, parents and families in similar ways. Our wrap-around support is crucial in building peoples' capability not simply to find shelter but make a home that's safe for all family members inside. We are housing crisis experts at the grass roots level for every New Zealander, with experiential knowledge for how government systems, policy and our economy affect the homelife of vulnerable families.

Our Enliven Retirement Villages are part of New Zealand's mainstream housing options for older people. At July 2021 our 18 retirement villages providing 395 housing units (some of which are social housing) are part of 417 registered villages totalling up to 36,000 units, home to an estimated 46,800 older New Zealanders (RVA 2021). Retirement villages house approximately 14% of the population aged over 75.

Aged residential care comprises housing and care. Across Aotearoa there are 29 Enliven aged residential care facilities providing 177 of these care beds for older people. At last count there were almost 35,000 older New Zealanders within aged care facilities such as ours (NZACA 2021). For older people needing higher levels of care, due to Dementia and other disabling ageing conditions, there's no safer care option. But there is a gap in planning for adequate housing for our most vulnerable. It is an important part of the housing mix as our population ages.

If families can be supported to care for their ageing members at home, however, Enliven is there to ensure this choice is available. We work to ensure no aged person is left stranded without the care they need. We are older people's care experts, with systems knowledge for this population's demands and their unique in-home needs.

<sup>8</sup> Boulton, A. Allport, T. Kaiwai, H. Harker, R. Potaka Osborne, G. **Māori perceptions of 'home': Māori housing needs, wellbeing and policy** 2021. Kōtuitui: New Zealand Journal of Social Sciences Online, <https://doi.org/10.1080/1177083X.2021.1920984>

<sup>9</sup> Stats NZ. **Living in a crowded house: exploring the ethnicity and well-being of people in crowded households**. 2018. [www.stats.govt.nz](http://www.stats.govt.nz).

evidence and achieved outstanding outcomes. Having witnessed the rapid response during the initial lockdown period, there is hope that similar decisive action across the entire systemic housing crisis can be nuanced and planned as efficiently.

That noted, there were several problems that require addressing. The situation for example, of people already in overcrowded, insecure, transitional, or emergency housing during that time was often very difficult. These were not always healthy environments. Some households experienced an increase in stress, tension, and family harm<sup>10</sup>, so during lockdown some houses became unsafe places to be in with little recourse for outside help and support. Furthermore, there are numerous homeless families who simply moved in with relatives or were housed in temporary situations in motels. People are now staying longer in transitional and emergency housing, some for years, and the housing register's assessment and ranking of people's housing need is not working for many people we work with who have complex support needs. While they remain on the housing register indefinitely, many for years<sup>11</sup>, they fare worse in a competitive rental market due to the discrimination of private landlords.

Returning New Zealanders in search of a secure pandemic response often have higher incomes and more assets than home seekers already in the market. They are more accepting of the available private housing prices, and more able to pay them, pushing up demand. Alongside this, the cost of rental property has grown exponentially, increasing housing unaffordability generally. As a result a new trend has emerged since COVID-19 of an increasing number of people previously not homeless and filling up emergency and transitional housing, forcing those with multiple and complex needs into emergency housing. The housing register for demand for public housing rose from 6182 in December 2017 to 22,521 in December 2020<sup>12</sup>.

## Progress is welcomed, but it is slow and incremental, not systemic

Presbyterian Support NZ welcomes progress that has been made by the sixth labour Government:

- \$380 million over four years (Budget 2020) for partnerships with iwi to provide housing for Māori families.
- \$3.8 billion fund (Budget 2021) to develop 'build-ready land' for housing projects.
- Expansion of First Home Products to support first home buyers.
- Extending and tidying up the rules of the Bright-line test, to capture more speculative investment without discouraging more houses to be built.
- The removal of interest deductibility on all investment properties other than potentially new builds.
- The increase in public housing and land acquisition through the Kainga Ora building programme.
- The positive impacts on communities through the increased transitional housing and Housing First programmes.
- The release of the Homelessness Action Plan in February 2020 with the clear goal of preventing homelessness where possible, and 6 month reporting since.
- The announcements of funding for progressive home ownership schemes including shared equity and rent-to-buy.
- The healthy homes standards which have come into force and the changes to the Residential Tenancies Act

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<sup>10</sup> Colmar Brunton. **Southern Cross Healthy Futures Report 2020**. [www.southerncross.co.nz/healthy-futures](http://www.southerncross.co.nz/healthy-futures)

<sup>11</sup> <https://www.tvnz.co.nz/one-news/new-zealand/state-house-applicant-has-been-wait-list-18-years-new-data-shows>

<sup>12</sup> NZCCSS. **Broken landscape of housing hits vulnerable the hardest**. Kete Kupu, Issue 58. <https://nzccss.org.nz/library/kk/Housing-First-Aro-Mai.pdf>

The present Government's vision is for wellbeing to be at the heart of social and economic policy, and most Cabinet spokespeople are on record recognising housing's determining relationship. However many wellbeing sectors affected by the housing crisis expected more of a systemic, rather than departmental and incremental approach. An industrial-scale state house building programme, similar to the solution provided by a Labour-led government to New Zealand's housing crisis 100 years ago, would be a more complete approach.

There is still much work to do to embed the right to housing for all, along with other social rights, in legislation and housing policy in this country. For example, the latest budget announcement of \$380 million for partnerships with iwi will add little more than 250 houses per year, while at March 2021 Māori make up just under half of all applicants (11,700 out of 23,688 households) on the state house waiting list<sup>13</sup>.

In another example, in his evidence to the Waitangi Tribunal (Wai 2750) Kāinga Ora CEO Andrew McKenzie said the organisation has an "ambitious programme" over the next four years which will provide a net increase of 8,200 state houses. However, on current figures this will not even keep pace with the increase in housing need, let alone begin to tackle the enormous backlog. He also detailed that Kāinga Ora's current Long-Term Plan for expanding the stock of State Housing is to add 23,000 additional places over 30 years. Looking at total number of applicants currently on the housing register shows this increase is needed now, not decades into the future.

Through existing ownership of land, access to Reserve Bank finance (or the lowest-interest commercial finance available) and partnering effectively with those of us in the community sector, the government could build the warm, dry, quality homes needed to end this crisis for our most vulnerable citizens – cheaper and faster than anyone else. Positive social, educational and health outcomes come from delivering healthy, accessible, quality homes at speed for desperate tenants and families on low incomes. In this building programme the government should model all aspects of sustainable building, addressing the housing crisis and climate crisis side by side.

### The Community Sector addresses low-income housing needs

The Ministry of Housing and Urban Development's 2021 position statement prioritises community, but mentions our community sector only sporadically. We assert our sector plays a significant part in fulfilling its vision "that everyone in Aotearoa New Zealand lives in a healthy, secure and affordable home that meets their needs, within a thriving inclusive and sustainable community".

Many groups require innovative partnerships among community providers, government agencies, and whānau to wrap around them effectively and make a difference, often intergenerationally. There are migrant and refugee communities, Pacific Island communities, people with addictions and long-term health conditions, disabilities, people overcoming childhood trauma, or escaping situations of sexual violence and family violence.

Community providers can add substantial value and scale to the current house building programme by addressing the needs of low income and vulnerable families. Government investment is targeting private sector developers with little investment for community housing providers.

There is ample evidence of the success and large-scale housing development carried out by community providers throughout the world, not the least being the Housing Associations in the UK which their Government invests heavily in. The myth that community providers cannot build to scale has no basis. In a well-balanced housing policy, the investment needs to go into the private and the community housing sectors so that both can increase their capacity.

Some Presbyteries and regional Presbyterian Support organisations are willing to provide land and investment, and invest in services to address the social needs of residents.

The sector can also leverage investment finance as Community Finance is doing from private investors. For example, in Otago we currently need to raise \$16 million for a Mahana (social) housing development project that will provide housing to over 50 families and meet cultural and kinship needs of both Pacific and Māori communities, particularly their kaumatua and kuia in the region.

<sup>13</sup> Ministry of Social Development. **Housing Register March 2021**. <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html>

Presbyterian Support NZ asserts this is a social investment approach recognising quality housing as a basic human right. It would save billions through reducing massive government spending on motels (over \$300 million per year) and in accommodation supplements (over \$1.7 billion per year, effectively paid to private sector landlords for their higher rental prices).

Without such an approach, Presbyterian Support NZ remains concerned that in response to the affordable housing supply problem, the majority of the building response is being carried out almost entirely by Kāinga Ora and private developers and focuses primarily on one tenure type. It is not addressing the systemic problems across the housing continuum that include the homeless, renters, homeowners, and niche community providers such as ourselves with Enliven retirement villages.

A balanced portfolio of building must include us, community providers, and address the alarming reduction in homeownership and the growing inequalities resulting from it. It is our view that the Government's redevelopment agenda should have regeneration and community revitalisation as a primary focus, not simply building to scale. The six key recommendations relating to housing (Recommendations 29-34) in the Welfare Expert Advisory Group's report calls for this same balance. There is a need for a comprehensive home building strategy that includes public, community sector and private provision and a balanced range of affordable tenure types.

## We need home solutions that also reduce inequalities

In the current housing crisis, we need a national house building programme and to develop secure housing rental and ownership options. The only way people in the lower third of household incomes can build an asset is through equity in a house.

It is thus alarming that Māori homeownership has dropped below 30 percent and Pasifika below 20 percent, while Pākehā ownership sits above 50 percent<sup>14</sup>. This inequality becomes a social determinant working against progressive policies to create equality in education, health, employment and so on.

Post-WWII, New Zealand Governments, both Labour and National, provided large scale homeownership options alongside their development of state houses. These included capitalising the Family Benefit, State Advances and Māori Affairs low-rate fixed interest loans. The programme was initiated by the first Labour Government and recent research<sup>15</sup> shows that from 1960 to 1986 NZ Governments invested on average \$1.5 billion (2017 \$ value) per annum in these ownership options.

The Progressive Home Ownership scheme is welcome, but only a proportion (well under half) of the promised \$400 million has been spent. The amount set aside in the first place is way below the scale needed to address our current cultural inequities and too low to address the needs of younger cohorts needing shared equity, rent-to-buy, deposit help, low fixed rate loans, etc to gain a place on the ladder. Our superannuation rates were set at a time when it was assumed older people had been able to pay off their mortgages prior to retirement, or they had a state house for life. The stress on those renting today will grow exponentially if it is not addressed.

The Welfare Expert Advisory Group (WEAG) made a series of practical recommendations to change housing support assistance (including the Accommodation Supplement) and abatement rates in a way that makes sure lower income households are better off. A recent paper<sup>16</sup> addresses a responsible way of redirecting

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<sup>14</sup> Johnson, A., Howden-Chapman, P. and Eaquad, S. **A Stocktake of New Zealand's Housing**, (2018). Wellington: New Zealand Government

<sup>15</sup> Prepared by K Saville-Smith from successive annual reports and New Zealand Official Yearbooks in K. Saville-Smith (ed) **Revitalising the Production of Affordable Housing for Productive, Engaged & Healthy Lives: Integrated Report**, 2019.

<sup>16</sup> Saville-Smith, K and Mitchell, I (2020) **Accommodation Supplement: High Expenditure, Low Efficacy**. *Building Better Homes Towns and Cities National Science Challenge*.

[https://www.buildingbetter.nz/publications/homes\\_spaces/Saville-Smith\\_Mitchell\\_Dec2020\\_accommodation\\_supplement\\_high\\_expenditure\\_low\\_efficacy.pdf](https://www.buildingbetter.nz/publications/homes_spaces/Saville-Smith_Mitchell_Dec2020_accommodation_supplement_high_expenditure_low_efficacy.pdf)

Accommodation Supplements for higher income renting households into progressive home ownership. This is estimated to release over \$500 million per annum for expenditure on new, affordable homes.

Presbyterian Support NZ urges government to make rapid progress on all WEAG recommendations, particularly to improve the Accommodation Supplement, including associated abatement rates, and other housing-related income supports.

## In Conclusion

In focusing narrowly on the physical element of 'shelter', housing policy makers have missed the critical social element of connection and human contact that defines the home. Presbyterian Support NZ urges our policy thinking to be more influenced by concepts of home, some shared by all but some distinct and unique to particular populations. Under Te Tiriti o Waitangi, this is an obligation of the Crown to house Māori whānau in dwellings and buildings that allow for social connection and whakawhanaungatanga, as well as dwellings which are warm, dry, and secure.

Decision making and policy concerned with rebuilding the public housing stock must include Māori. Presbyterian Support commends the New Zealand Government in making commitments to resource Māori specific housing<sup>17</sup>, and using Māori specific principles<sup>18</sup>. Recent initiatives around creating 'homes' and 'home-places' have looked at Māori principles of design, community living and the natural environment to preserve and embed culture and identity. Central to these activities is the concept of hauora and moving from euro-centric to whānau-centric models<sup>19</sup>. Coupled with the Government's recent commitment to 'achieve tailored housing outcomes for Māori'<sup>20</sup>, Presbyterian Support sees promising resurgence of possibilities around creating 'home-spaces' that function in ways to better meet Māori – and all New Zealanders' - needs.

The problems at the poverty end of the housing continuum have been in large created by the pressure coming from the housing market and rapidly emerging housing investment sector, causing home ownership to reduce, and housing costs, renting costs and the associated housing crisis to increase. Presbyterian Support NZ calls for a long-term balanced policy approach from Government to the systemic housing crisis we face daily with our clients at Family Works, and for which we provide mana-enhancing solutions among many older New Zealanders through Enliven services. To stop the housing crisis from being exacerbated further by the market, we want to see government prioritising partnership also with non-profit driven agents such as ourselves in the community sector.

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<sup>17</sup> Mahuta N. **New partnership central to delivering more Māori housing**. December 10, 2020. <https://www.beehive.govt.nz/release/new-partnership-central-delivering-more-māori-housing>.

<sup>18</sup> Office of the Associate Minister of Housing. **Te Maihi o te Whare Māori – the Māori and Iwi housing innovation (MAIHI) framework for action** [Cabinet Paper 2020.]. <https://www.hud.govt.nz/assets/News-and-Resources/Proactive-Releases/Cabinet-Paper-Te-Maihi-o-te-Whare-Maori-the-Maori-and-Iwi-Housing-Innovation-MAIHI-Framework-for-Action.pdf>

<sup>19</sup> Paul J. **Exploring Te Aranga design principles in Tāmaki**. **National Science Challenges – building better homes, towns and cities**. 2017. [https://www.kotuitui.org.nz/publications/urban\\_wellbeing/Paul\\_2017\\_exploring\\_te\\_aranga\\_design\\_principles.pdf](https://www.kotuitui.org.nz/publications/urban_wellbeing/Paul_2017_exploring_te_aranga_design_principles.pdf)

<sup>20</sup> Mahuta N. **Māori – Government partnership gives Whānau a new housing deal**. 2020. <https://www.beehive.govt.nz/release/māori-government-partnership-gives-whānau-new-housing-deal>.

## Specifically, Presbyterian Support NZ will advocate for:

- Government to adopt an industrial-scale state house building programme, that addresses the growing number of low income whānau (for example refugee populations, Pasifika, people with addiction, disabilities, or escaping violence) who are priced out of the market and need tailored solutions for their needs.
- Housing support assistance, particularly the Accommodation Supplement and the associated abatement rates, to be reviewed and updated immediately to ensure lower income households are realistically better off and able to afford their essential housing costs.
- Address the policy settings for the growing number of older people who are unable to afford housing options.
- The housing register and its system of ranking housing need among applicants to be reviewed and updated immediately to ensure households with complex social needs are prioritised.
- Government to partner with Māori and other communities and have a multi-disciplinary approach, that includes public health, urban planning, mental health, environmental health, epidemiology, and sociology to determine what is needed from the built environment to achieve hauora - holistic wellbeing.
- Government to prioritise access for Māori and Pasifika families in their provision of a range of homeownership opportunities and remove barriers from access for all lower income households currently squeezed out of the market.
- A systemic, rather than departmental and incremental approach, with Government acknowledging and partnering with us and all community providers, sharing the housing development investment with us alongside Kainga Ora and the private sector.
- Government to commit to a balanced tenure policy of social housing, secure renting, and affordable homeownership options in all new housing developments.