

State Housing in Aotearoa New Zealand: What future after National?

by Alan Johnson



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Article

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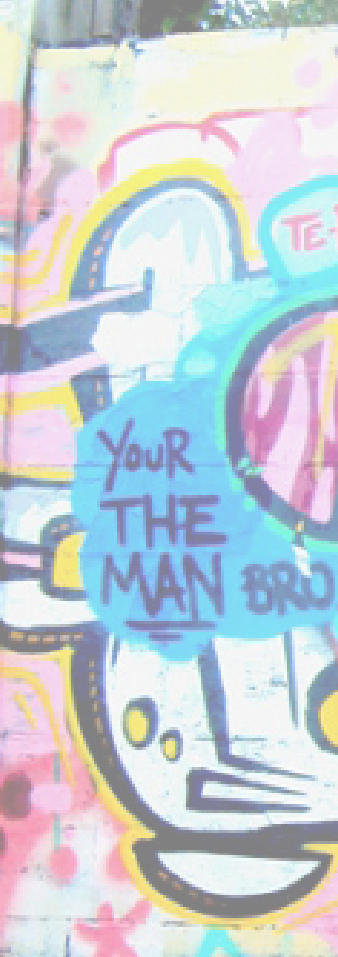
New Zealand's National-led government (2008 to 2017) made no secret of its plans to downsize the state's housing stock. This downsizing is being achieved through demolitions, transfers and sales. It all started quietly in 2011 when the number of state tenancies peaked at 69,700. By mid-2015 this number had diminished by almost 2,500 units and is set to fall even further with various transfers now underway.

The most notable of these transfers was on March 31st 2016 when 2800 state units in Auckland's inner eastern suburbs were given to the Tāmaki Redevelopment Company – a public-sector development agency jointly owned by the Government and Auckland Council. Further transfers of 1124 units in Tauranga and 348 units in Invercargill are underway at the time of writing, and it is expected that these will go to NGO- or iwi-based housing agencies backed by private capital interests. These private capital interests include John Laing Infrastructure Fund, Brookfields Global Integrated Solutions, Morrison & Co, and Trust House Ltd (New Zealand Treasury, 2016). Treasury suggests that by the end of 2017 the state will own just 60,000 rental units (New Zealand Treasury, 2015). This suggests that a further 3000 units are due to be transferred or otherwise disposed of over the next 18 months, and it appears most likely that these will be in Auckland, Wellington or Christchurch (New Zealand Treasury, 2015).

While the then government has presented its social housing reforms as providing “better services for tenants and fair and reasonable value for taxpayers” (p. 6), it is difficult to see these changes without imagining some level of privatisation. This subtle privatisation is occurring in at least two ways:

The redevelopment of Tāmaki is shrouded in commercial secrecy, so it is difficult to know what is actually going on. From the information available it appears that over the next 10 to 15 years around 2500 state rental units will be demolished and in their place 7500 new medium-density housing units will be constructed (Tāmaki Redevelopment Company, 2015). The promise here is that the number of social housing units will at least remain the same. In other words almost all the development potential lying in the relatively low-density state-owned properties in Tāmaki is likely to be developed by the private sector. There will no doubt be some profit to the state from this redevelopment process, and it is likely this profit will be used to build the replacement state units. But in a city where urban land for new housing is in short supply, no attempt is being made to increase the supply of social housing units through this redevelopment process. On any account these promises are vague, so the parameters for the redevelopment could change several times over the course of the project.

The second form of privatisation is in the use of private capital to bankroll so-called community housing initiatives. For example, one of the short-listed bidders for 1124 state houses in Tauranga is a consortium known as Hapori Connect Tauranga. Despite its local-sounding name, this consortium is made up of three international companies: a British investment fund, an Australian facilities-management company and a benignly-named organisation, Pinnacle Community Housing.



Pinnacle Community Housing is actually a British-owned firm, not a local community housing agency (Radio New Zealand, 2016).

But the writing was on the wall for the genuine community housing sector when in October 2015 the Social Housing Minister Paula Bennett told a national conference of community housing providers that they needed to build commercial models rather than expect capital grants from the state. Her offer to the sector was access to income-related rents and the use of private-sector credit to expand its housing stock (Bennett, 2016).

The economics of the former National Government's model simply don't add up, and the reason why is quite simple. The gross returns from market rents are mostly less than 4% and seldom over 5% unless the houses are in areas where people don't want to live (QV, 2017). By the time overhead costs are taken off these gross returns, the net returns are well below the financing costs which community-based housing providers would face if their additional housing stock was entirely debt-funded. The Social Housing Minister's comparison in her speech of a community housing provider with 'Mums and Dads' who pay off a mortgage and eventually own their home is somewhat fanciful, especially in housing markets where even those on average incomes are struggling to gain a foothold in the housing market.

To some extent the community housing sector brought this response onto itself both by being complicit with the Government's privatisation agenda and by failing to offer an alternative analysis which focuses on housing need. The sector's peak body, Community Housing Aotearoa, is essentially an agency of the state, as it receives the majority of its funding through government grants. Its most recently published accounts for 2013-14 report total revenue of \$291,000 of which 78%, or \$226,000, was from government grants (Community Housing Aotearoa, 2014a). As such it has tended to be narrowly focused on how it can persuade government to transfer public housing stock to its member organisations (Community Housing Aotearoa, 2014b) rather than on broader questions of housing policy and, in particular, housing supply and housing affordability.

Compare this performance against that of the Community Housing Federation of Australia, which took exception to the bias in Australia's federal tax laws, claiming that they exacerbate inequality and social exclusion (Australian Council of Social Services, 2015). This lack of independence of New Zealand's community housing sector, and its unwillingness to be an advocate for broader housing issues, tends to undermine its potential role in civil society as a legitimate and reliable alternative provider of social housing.

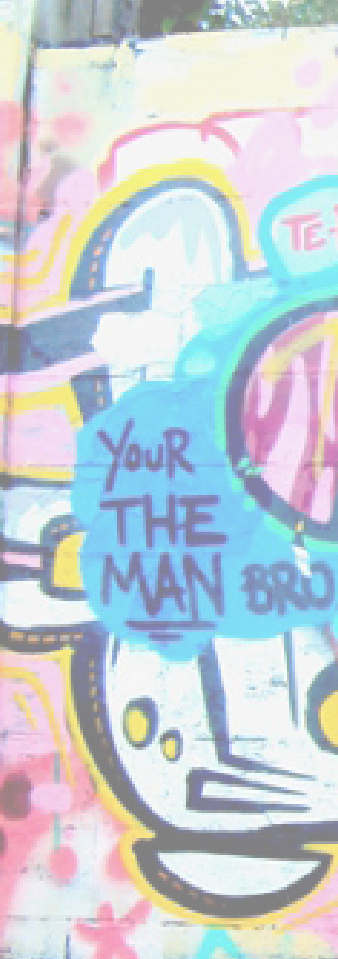
This initial discussion of the former Government's social housing reform agenda is relevant to any future direction for state housing for at least two reasons. Firstly, it is important to acknowledge that while this reform agenda is serving some definite ideological purpose, there was still a prior need for some reform. Secondly, these reforms, and in particular the admission of private sector interests into the ownership of social housing, potentially pose a number of legacy problems for any government keen to embark on a fundamentally different strategy.

State housing under the regime established and supported by the fifth Labour Government (1999–2008) was not as rosy and cosy as some on the left might have us believe. While the Labour Government did at least provide Housing New Zealand with some capital, and required few if any dividends, the organisation appeared to have a complicated mandate, was subject to political interference, and at times was poorly led. Over the six years between 2003-4 and 2008-9, Labour-led governments contributed \$716 million in new capital to Housing New Zealand and took \$219 million in dividends. Over the following six years (2009-10 to 2014-15) National-led governments contributed \$136 million in new capital and took out \$546 million in dividends (Housing New Zealand, 2010; 2011; 2012; 2013).

One result of this complexity was a stock of state houses which was not adequately maintained, poorly configured and not well located for the housing demand it should have catered for – emphasis was placed on building new stock instead of better maintaining and reconfiguring the existing stock (Johnson, 2014). As well, there was a political unwillingness to sell stock in regions of low demand and to use the funds provided to build additional housing in areas of high demand – such as Auckland.

Housing New Zealand was hopelessly compromised in its various roles as a social-development agency, a property manager and developer, a provider of policy advice and the administrator of funding to the community-housing sector. The community-housing sector is in many respects a competitor of a state housing provider. This tension was one of the reasons why the community-housing sector made slow progress between 2000 and 2009 under the weight of risk-adverse, burdensome policies which changed frequently and which were conceived of and administered by Housing New Zealand.

While the Labour-led Governments of this period showed some commitment to state



housing and Housing New Zealand, aside from the reintroduction of income-related rents in 2000, there was little other major increase in spending on housing. In comparison, spending on primary healthcare, early childhood education, subsidies for contributory superannuation (KiwiSaver) and family income support (Working for Families) increased significantly over this period. Many of these later programmes tended to benefit the middle class even at the expense of the poorest quartile of households, as in the case of the In-work Tax Credit component of the Working for Families (Child Poverty Action Group, 2017).

One reason state housing fared only averagely under these Labour-led Governments is because it is unimportant politically. State tenants and those who might need the assistance of the state to gain housing are not numerous enough to count as an electoral bloc, and on any account they either don't tend to vote or necessarily vote Labour, as witnessed by voting patterns in state-house suburbs. For the rest of New Zealand, and especially middle-class, middle-aged New Zealand who generally has comfortable housing, the politics of state or social housing are unimportant and not really considered relevant. As such, they are not really relevant to any political party which requires the support of middle New Zealand. This is the case for both the National and Labour Parties.

This unimportance is playing out today in the way in which the Labour Party was attempting to frame its opposition agenda. For example, in his pre-Budget speech in May 2016, the then Labour leader Andrew Little made frequent references to a housing crisis and children living in cars, but then went on repeatedly to offer expanded home-ownership opportunities as the answer, saying "We can restore the dream of home ownership" (Little, 2016).

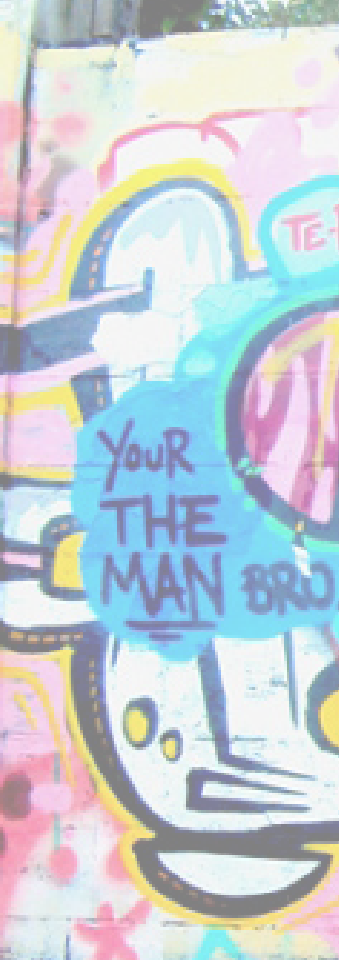
But the indifference and antipathy which most voters feel toward state housing is not just because of their preference for more aspirational rhetoric around home ownership and the Kiwi Dream, but because of the way in which state housing and state tenants are framed pathologically. This is in part because state housing has become welfare housing. It has become welfare housing because the criteria to gain entry into state housing is so stringent that households earning more than a basic benefit income are unlikely to become state tenants. In addition, the present government's policy of reviewable tenancies will flush out those state tenants who have done OK as state tenants and been able to build solid stable lives in employment. These are often the families who provide stability and leadership in state house neighbourhoods, and they are being displaced by families who are often in crisis and unable to contribute much to their wider community. Indeed, it is important that those families and households who are vulnerable and in crisis should gain priority access to state housing, but the reason that modest-income, working state tenants are being displaced is not because of their comfortable lifestyle or material success, but because the number of state and other social houses has not grown to meet demand.

The state-housing-equals-welfare-housing scenario wasn't always the case, however. When Michael Joseph Savage symbolically carried furniture into the first state house in Fife Avenue, Miramar, in 1938, this state house and the thousands being built at the time were for what might be called 'decent' working families. The indigent poor and unemployed were not housed in state housing and don't appear to have featured much in the housing plans of the First Labour Government (Schrader, 2006).

The role of the state as landlord changed radically following the election in 1949 of the First National Government led by Sidney Holland. In part, the 1949 General Election was fought on housing policy. Specifically, it was contested on the competing dreams of a social-democratic society, in which the state played a central role in providing decent housing to working class households, on one hand, and of a property-owning democracy on the other. Despite its merits, even given the privations of the Great Depression and Second World War, the rising prosperity of the times saw the social-democratic dream dead in the water (Trotter, 2007).

Things got worse for the image of state housing from then on. A moral panic around alleged teenage delinquency grew in Lower Hutt in the mid 1950s and led, in 1956, to the publication of the Mazengarb Report (Schrader, 2006). This report blamed such alleged delinquency in part on the physical and social environments created in state-housing neighbourhoods. The 1971 Commission of Inquiry into Housing brought sharp criticism of some aspects of state housing from such bodies as Plunket, the Public Service Association and the New Zealand Association of Social Workers (Schrader, 2006).

Beyond these accusations, state housing descended into a downward spiral where it increasingly became the housing option for people without choice, where the apparent behaviours of these people failed to match up the norms expected from middle-class New Zealand, where political support for spending on state-housing programmes diminished, and with this diminution the quality of the housing offered began to decline – all these factors entrenching the cycle further.



This decline was capped off when in 2007 the soon-to-be-elected Prime Minister John Key labelled McGehan Close, a state-housing neighbourhood in Auckland's Owairaka, "the street of shame" (Key, 2007). In a similar vein, while Social Housing Minister Paula Bennett was unable to report on how many homeless families are being housed, she was able and keen to tell the public how many state houses have been contaminated by methamphetamine manufacture and use (NZ Herald, 2016). The framing here is obvious, but the value of such information to a debate around social housing is more difficult to grasp.

This history of a deeply derogatory narrative perhaps points to the biggest challenge faced by those who still believe in state housing as an idea.

To achieve any worthwhile change for state housing we need large, sustained budgets – billions of dollars over ten years or more. To assemble such budgets you need political support. To gain such support you need to convince the voting public that state housing is not only worth doing, but that it can be done well. To do all of this we need to not only challenge this dominant and mainly dismissive and denigrating narrative but replace it with one which inspires and offers hope.

These aims require us to think beyond just reintroducing the old model of state housing. Instead we need to start by reimagining what state housing could be, and then based on this reimagining we need to reframe the narrative around state housing, as well as reposition state housing and the broader proposition of social housing in the political sphere.

REIMAGINING

The problem for state housing has been it has been viewed since the late 1980s through the lenses of neoliberal thinking. Its tenets, that small government is best, individualism is morally superior and that markets and materialism define progress, are pervasive in political and public discourse. Those who reject such ideas struggle to find the means to build an alternative analysis that is coherent and compelling.

Perhaps this failure is at the level of essential ideas – that we lack the imagination collectively and individually to contemplate a different order of things. Consequently, we use neoliberal tools and tactics to argue for alternatives. Any alternatives thus offered are limited and fragile, in part because they have been signed off merely as concessions to the prevailing order of things. This was the case with state housing under the last Labour-led administration – these governments were essentially neoliberal, as was every other since 1984.

Any reimagination within the realm of social housing needs to begin with a re-examination of the respective roles of the state and civil society. Within such a re-examination come the complex questions of the nature of citizenship and the moral limits to the market. Such questions have been considered before, and they can be again.

For example, in the 1938 Budget speech in the lead-up to the passing of the Social Security Act on September 13th 1938, Prime Minister Michael Joseph Savage asked:

I want to know why people should not have decent wages, why they should not have decent pensions in the evening of their years, or when they are invalidated. What is there more valuable in Christianity than to be our brother's keepers in reality?

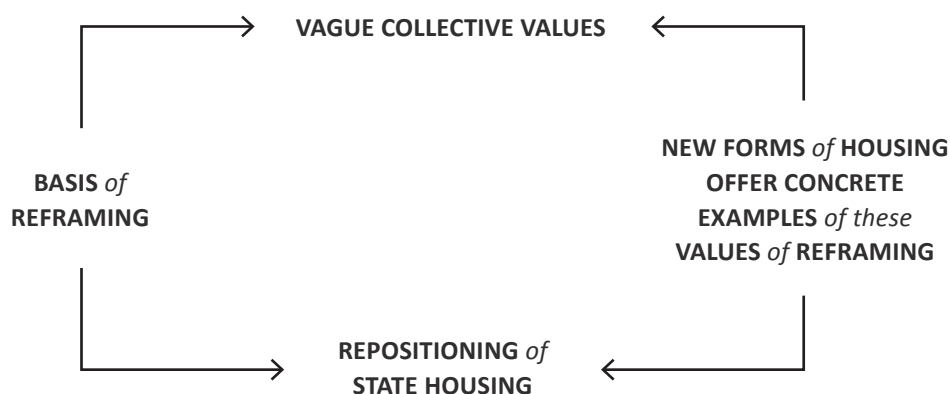
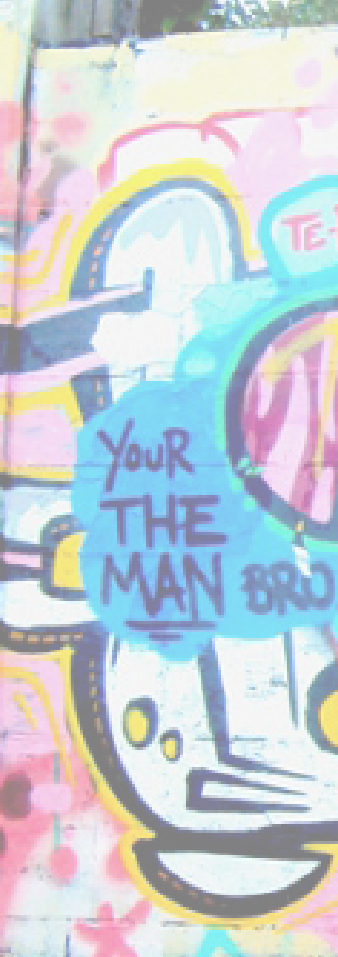
He then went on to say:

I want to see humanity secure against poverty, secure in illness or old age (Gustafson, 1986, p. 223-4).

Here Savage makes it clear that he sees it as the role of the state to secure people against poverty, and that we should as citizens see ourselves as our brother's keeper, to coin an old Christian metaphor from the Cain and Abel story.

Given the secular character of the New Zealand state, and our increasing lack of interest as a national community in organised religion and perhaps in any religious faith, it seems unlikely that an appeal to Christian moral positions will be very compelling as the basis for a reimagined state housing system. We still nevertheless need to find some moral cornerstone on which to base such a reimagination.

Such a moral cornerstone could be found in broad ideas of nationhood and 'Kiwi-ness' – an



appeal to some broadly shared but perhaps loosely conceived set of values. Such a set could be built on some essential ideas such as inclusion, togetherness, hopefulness and care. In a less racist New Zealand society, such essential ideas could even be expressed as Māori concepts like *maanakitanga*, *kotahitanga* and *whakawhanaungatanga*.

There is of course a potential dynamic being offered here. This dynamic might work in at least two ways, as illustrated in the above diagram. Firstly, a loosely-conceived set of values finds some concreteness or expression in a lived example – in the way in which part of our national identity finds expression in the All Blacks. For example, what we as a nation mean with such ideas as togetherness, hopefulness and care is expressed in the way we house our most vulnerable citizens. To some extent there is a reverse expression of these ideas in the way we as a society are allowing homelessness and inadequate housing to grow as problems. The second way in which this dynamic works is through the way policies are reframed, and programmes and projects are repositioned. These potentials are discussed later.

But simply introducing vague but appealing concepts as the basis for a new political narrative is at best naïve and at worst cynical. This has been well illustrated by Barack Obama and his ‘audacity of hope’ rhetoric (Obama, 2006), despite going on to bail out Wall Street (Roubini, 2010) and the continuation of extra-judicial killings of terrorist leaders in other countries in the so-called war on terror (eg. Osama bin Laden’s killing on May 2nd 2011).

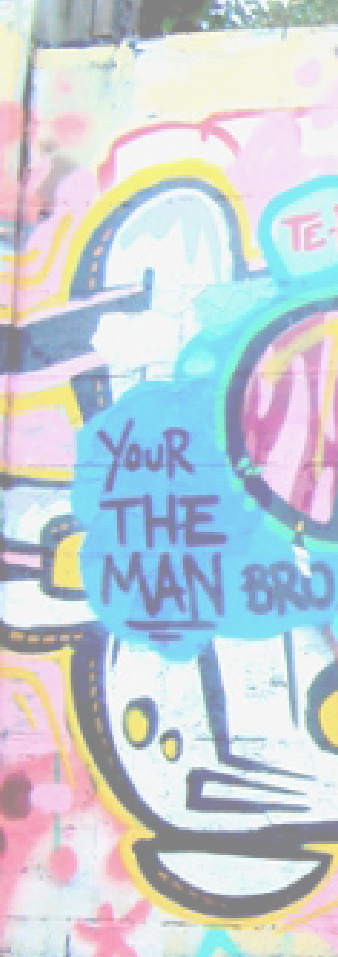
The challenge in this reimagining process is to reimagine some commonplace understandings of how the world is. These commonplace understandings include those around the role of the market, the nature of citizenship, and the relationship between civil society and the state.

The understandings, or at least the presumptions, the recent National-led Government would have had us believe is that markets can do almost anything, from owning social housing, to running prisons, to protecting abused and neglected children. The idea that the state, on behalf of citizens, fundamentally has such responsibilities is being lost, and part of any reimagining process is to find this understanding again.

In New Zealand, civil society has sat uneasily alongside the state in the provision of social services and welfare programmes. This is especially so in the area of social housing, and my ideas on this particular relationship are incomplete to say the least. There are a number of competing ideas on the subject in circulation, some of which have deep ideological underpinnings, and some of which are little more than misty-eyed liberal sentiment. I tend to occupy the liberal end of this spectrum myself.

Many housing activists resent the use of the term social housing and insist instead that we should stay with the idea of state housing. Some of these people might claim that the idea of social housing is a neoliberal fraud, and to some extent this is being proven by the sell-off of state housing as part of what the Government was calling its ‘social housing reform programme’.

Civil society, of course, includes both private-sector businesses and voluntary, mutual and charitable organisations. It is difficult in practice to distinguish precisely where some boundary is crossed between, say, a corporate charity, as many NGO housing providers are, and a charitable corporate, as some emerging providers claim to be. There is always the question of how any surplus is distributed, but even this is not as simple as it seems. Surpluses will be paid to the owners in most private for-profit businesses, but in not-for-profits they can as easily be captured by staff in the form of higher wages and better conditions, or by members or users in the form of lower prices for services such as rents.



I don't have the answers to these complex questions, but I suggest that in any reimagining of state/social housing we need to identify the shortcomings in any ideological position being offered so that we can avoid arguing for the inarguable. The state is not always the best deliverer of services such as housing. The private sector, left to its own devices with unfettered subsidies, such as Work and Income New Zealand's Accommodation Supplement, has been unable to deliver affordable, decent-quality housing. The community/NGO housing sector is not necessarily accountable either to the public or the people it claims it serves. On any account this sector in New Zealand has, to date, tended to work with those who might be called the 'deserving poor', and especially people with disabilities or older people, rather than with struggling families with children. I think there is, however, a legitimate and valuable role for the community/NGO sector in providing social housing, and that this activity should be seen as competing with both public- and private-sector housing providers.

Perhaps one of the biggest weaknesses in a state-provider model is that it tends to be bureaucratic and disconnected from the public who effectively own it, and who are meant to be served by it in some way or another. This means, of course, that the public have no sense of ownership, and that communities are not attached to state or other social housing in their area as they are to facilities such as hospitals and schools. One part of reimagining state housing is to address this deficit – perhaps through the idea of active citizenship.

Mother Teresa once said that "we think sometimes that poverty is only being hungry, naked and homeless. The poverty of being unwanted, unloved and uncared for is the greatest poverty." In other words, the source of most poverty is a poverty of love. As a way of thinking about poverty this is quite a powerful idea – that poverty arises and persists because we don't care about the poor. In other words, if we did care about them we wouldn't let them live in poverty.

Perhaps the challenge for us in reimagining state housing is to have regard for the poor and vulnerable, and by doing so collectively find the purpose and resources to respond.

REFRAMING

The idea of framing and reframing has been popularised by the American cognitive linguist and political philosopher George Lakoff. In his book *Don't Think of an Elephant*, Lakoff explains the success of the neoliberal agenda through the way in which it has framed political discourse. He claims that "[F]raming is about getting language that fits your world view. It is not just language. Ideas are primary – and the language carries these ideas, evokes these ideas" (Lakoff, 2004, p. 4).

Central to the idea of framing are metaphors. In an earlier book Lakoff and his colleague Mark Johnson argue "that metaphor is pervasive in everyday life, not just in language but in thought and action. Our ordinary conceptual system, in terms of which we think and act, is fundamentally metaphorical in nature" (Lakoff and Johnson, 2003, p. 8).

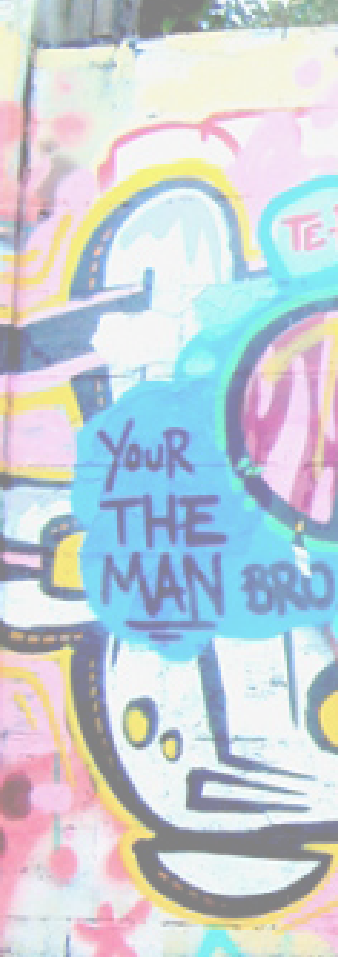
If the ideas of framing and the use of metaphor are relevant to the way we construct a persuasive political discourse, we should surely be able to identify it in the present government's discourse around state housing. I believe that it is possible to do so. Here are three examples:

The Prime Minister, John Key's march down McGehan Close, a state-house street in Auckland, in 2008 led to it being labelled "the street of shame" (Key, 2007). This can be interpreted in several ways – that it was shameful how public policy had resulted in such poor social conditions, that it was shameful that people lived in such conditions, or more simply that the residents of McGehan Close were shameful. Whatever the interpretation, state housing was equated with shame, and the framing was neat and complete.

In a similar vein, when the then Social Housing Minister was quickly able to report how many state houses were contaminated with methamphetamine and how much it would cost taxpayers to repair this contamination, and she was unwilling or unable to tell us how many homeless people were being housed in state houses or what the cost of deferred maintenance on the state house stock was, her implication was clear – state house tenants are busy using and manufacturing drugs.

A third example is the way the recent National Government's social-housing reform agenda was framed. For instance, Housing New Zealand's most recent mission statement, as stated on its website is that:

We provide high quality, subsidised rental homes to people in the greatest need for the duration of their need. (Housing New Zealand, 2017)



While this mission statement is fairly un-compelling, the afterthought attached to it, “for the duration of their need” is a little too detailed for something like a mission statement, but is at least consistent with the previous Government’s social-housing reform agenda. This agenda has introduced reviewable tenancies for state tenants, because apparently they had formed the expectation that a state house was a “house for life” (New Zealand Treasury, 2015).

In its 2014 advice to Cabinet, Treasury suggested that it would be too costly to comb through tenancy lists every three years in order to identify the people who could be evicted from a state house because they no longer needed it. Instead it suggested that the Ministry of Social Development undertake a targeted campaign of 800 tenure reviews during 2014/15 (Ministry of Social Development, 2014). In its 2014/15 annual report, Housing New Zealand reported that MSD had during that year undertaken just 186 reviews and that 150 tenants had been moved on (Housing New Zealand, 2015). Furthermore, in this annual report Housing New Zealand reported that 95% of the 67,000 tenancies they were running were receiving an income-related rent subsidy. In other words only 5% of state tenants (around 3400) may be liable to be shifted out because they no longer qualify for assistance.

While it can seem perfectly reasonable to evict people from state houses once their circumstances improve enough that they can afford housing in the market, the political importance placed on such a policy given its actual scale and impact appears odd. There is of course an impression created by this political focus on reviewable tenancies with such rhetoric as “duration of their need”; and a “house for life”. This impression is that state tenants typically have only a temporary need for housing assistance, but that they have an expectation that the State will care for them for the remainder of their lives.

In order to gain public support for state and other forms of social housing, considerable effort needs to be given to reframing the idea of such housing. As Lakeoff says “Reframing is changing the way the public sees the world. It is changing what counts for common sense. Because language activates frames, new language is required for new frames. Thinking differently requires speaking differently” (2004, p. xv).

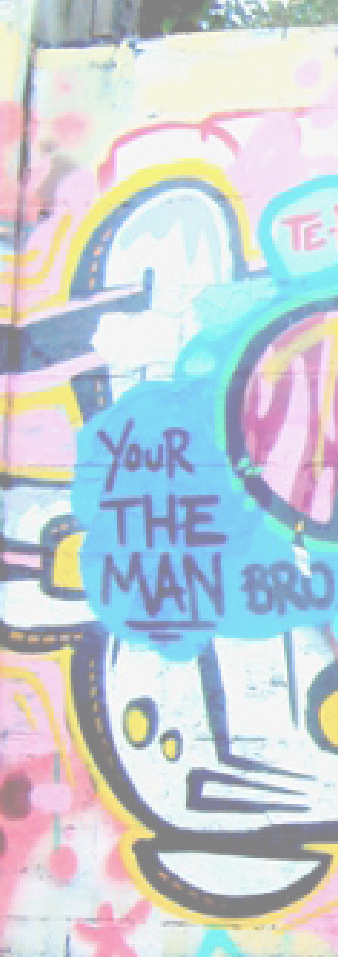
Some thought needs to be given to how such reframing is done, but it is important to directly challenge the framing of neoliberals without actually using their language. So, for example, the framing around dependency might be challenged by an alternative framing around vulnerability – that many people have had unfortunate lives and they will need the support of the public with their housing so that they can live with dignity.

In challenging the shame framing state and other social housing, this could be projected as offering opportunity – especially for children – to both secure people’s material wellbeing and to help them reach their potential. Such an idea could be illustrated with success stories of state tenants and former state tenants. (There is some evidence of this in a publication of good-news stories known as *Rise* which is published internally on a quarterly basis by the Ministry of Social Development.) Such a framing would also project a sense of hope to a wider community which most likely has little or no understanding of the lives of state tenants.

Beyond framing around such ideas as vulnerability, potential and hope, there remains an essential challenge of shifting the public’s sense of who state housing is for. The previous government’s Social Housing Minister’s keenness to cite problems with methamphetamine contamination of state houses effectively positions state house tenants as being on the margins of society. While this positioning does not claim that all state tenants are drug dealers or drug users it associates the two groups of people and allows us to see state tenants as being outsiders or ‘the other’. This means that state housing can be framed as being ‘housing for the other’. Any reframing needs to try to present state housing as being ‘ours’ in the ‘public ownership’ or ‘expression of who we are as a community’ sense. Such a reframing will be difficult but can be achieved through the use of appropriate language and by focusing more on some issues than on others. Certainly, the antisocial behaviour of some state tenants corrodes public support for state and social housing, and such behaviour needs to be addressed effectively and explicitly as part of repositioning exercise.

REPOSITIONING

Lofty ideas of reimagining and the worthy rhetoric of reframing will only carry you so far without practical application. And any practical application has to be illustrative and legitimate. It needs to offer a clear example of the reimagined ideas in action and of the feasibility of the framing. It cannot be a tag-on example which could equally be applied to other philosophies or reinterpreted to suit other arguments.



For practical purposes this repositioning could serve at least two important philosophical functions: Firstly, it might be used to illustrate how philosophical questions raised in the reimagination phase might be resolved in practice. The role of the state and of civil society in the provision of social housing offers a good example for this. The example of civil society and active citizenship providing social housing for vulnerable people is a tangible and hopeful example of what can be achieved in practical terms. The previous government's social housing reform agenda could have achieved such outcomes if its stated intent of getting the not-for-profit housing sector more active in providing social houses was more than just a guise. As we have seen, this reform agenda is little more than extracting some financial value from Housing New Zealand's balance sheet and shifting risk to other parties. This is an example of the same policy idea being tagged onto competing ideologies.

Secondly, the value of any alternative philosophy or framing is best illustrated by its usefulness in responding to crises or entrenched problems. Crises offer us a good opportunity to effect change and the current status of unmet housing needs and homelessness offers considerable potential in this regard.

In my opinion, the burgeoning housing crisis has at least three components:

- A shortage of affordable housing (< \$400K) in high-growth areas such as Auckland and Queenstown, and perhaps increasingly so in Western Bay of Plenty and Northern Waikato.
- A shortage of social housing of the right size, similarly in these high-growth areas.
- Growing demand for housing assistance from retiring baby boomers who were not able to achieve debt-free home ownership before they retired (Johnson, 2015).

The expansion of state housing and other social housing is an obvious but perhaps not an automatic response to these growing problems. This discrepancy is on account of a possible preference by the new Labour-led Government for home ownership programmes ahead of state-house building and other social housing programmes. This preference and the electoral expectations which are set up by it are likely to be some of the major blocks to achieving a new and worthwhile future both for state housing and for other forms of social housing (New Zealand Labour Party, 2017).

THE FIRST STEPS

There is a real danger that, with the change in government – a Labour-led coalition recently deposing National in the September elections – the Government will face a housing crisis or at least a big list of entrenched housing problems. The danger here is in knee-jerk responses, perhaps, as a reaction to the crisis narrative being run, or as a result of wishing to appear effective and empathetic, or simply as being subject to the bidding of policy bureaucrats who fear losing the policy agenda.

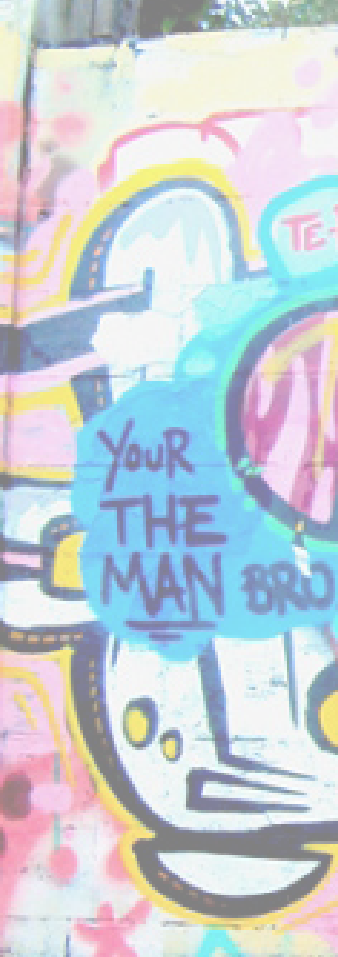
One way of avoiding knee-jerk responses is to spend time talking. This has been a common ploy of new governments especially in big gab-fests which can appear very inclusive and diplomatic but which are fundamentally dishonest (Watkins, 2009). They are dishonest in that they raise false expectations and waste the time of people and groups who will soon be excluded and ignored. In the past those being excluded and ignored have been from the community sector and those serving the marginalised.

Another version of the gab-fest tactic is to suggest a strategy. The previous Labour Government was great at this, and it wasted years of its term on such endeavours as the New Zealand Housing Strategy and the Māori Housing Strategy. This of course distracted their critics and was much cheaper than actually building homes. Furthermore, it neatly fitted the skill sets of the bureaucrats who advised them, and it helped them avoid taking risks.

It seems unlikely that any radical change in the way social and state housing is delivered will be achieved without the cooperation and buy-in of those who have to date been marginalised politically and economically. To work with any other groups seriously risks the recreation of the status quo, albeit in reformist language and dress.

While the post-election landscape for any new government is unclear, a number of circumstances seem likely. These circumstances will fashion the short-term responses of the new government, and they may even cast the die for longer-term responses. These circumstances will include:

- Prior commitments, perhaps to private-sector developers and investors that will be expensive to renege on and time-wasting to unravel.



- A budget round which will postpone any big spending decisions by at least six months.
- Organisational rigidity and resistance, perhaps masquerading as briefing papers to the incoming government – these will attempt to set the agenda in a very public way.
- A lack of capacity to effect change immediately – this paucity is in both budgets and institutions.
- Unrealistic expectations from the constituency which supported the new government.

The challenge of institutional capacity cannot be understated if it is the intention of any future government to play a more hands-on role in the development and financing of housing – be this for social renting or modest-income home ownership. The land development and house construction required to execute a programme on the scale the Labour Party's KiwiBuild programme is beyond anything attempted by the state for more than a generation. Such a programme, at such a scale, requires a broad base of empowering legislation. It also requires institutions with a variety of technical skills in design, development, construction and project management as well as a financial capacity for the allocation and administration of funding. It would be foolish to simply believe that it is possible to recreate a bureaucratic behemoth like Housing New Zealand into such an institution – its organisational culture, unhelpful and often punitive attitude of staff, and its dismal reputation suggest otherwise.

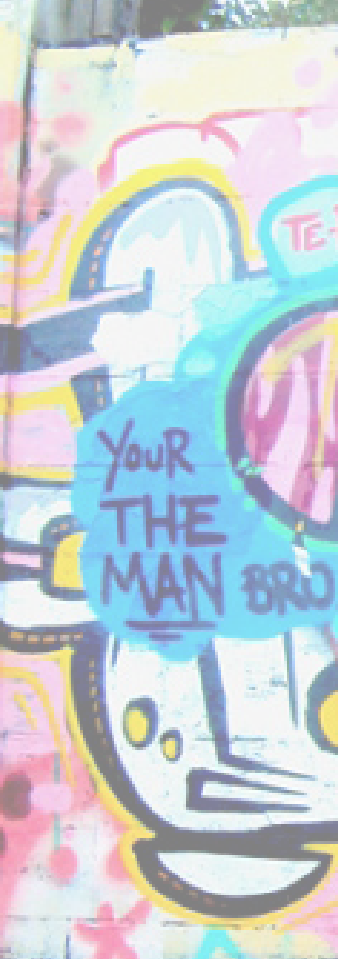
These constraints or circumstances suggest at least three tactical responses by an incoming government. These are as follows:

1. Choose your friends according to their commitment to providing more and better social housing.
2. Set expectations honestly and clearly and set them at a level where they have a good chance of success before subsequent elections.
3. Start building capacity immediately, based on what budgets might be gained and on the potential within existing partner organisations.

CONCLUSIONS

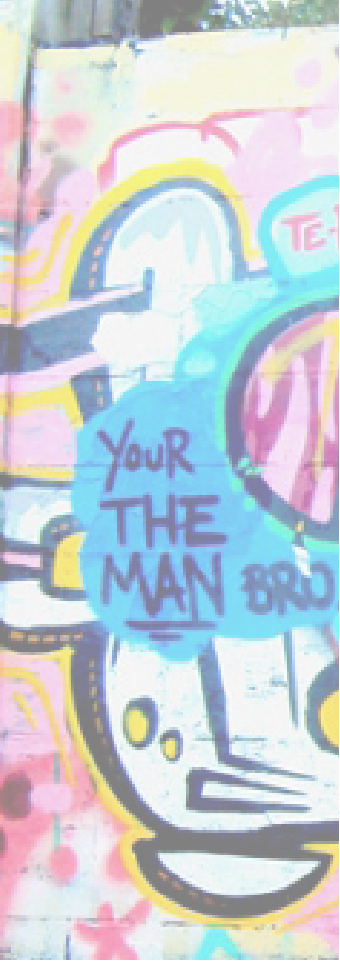
The idea of state housing was 80 years old at the time of the recent election (September 23rd 2017). It seems clear that what state housing has become is a long way from the original vision. In particular, the 1930s recipients of state housing – 'decent working families' – have been replaced in the twenty-first century with a supposedly reckless-feckless welfare class. State housing, even under a centre-left government, will only have a future if we can change the dominant narrative around the poor and poverty in New Zealand. The Labour Party's current narrative around housing and 'the Kiwi dream' suggests that it is not giving adequate priority to state and other social housing – at the time of the election promising to build an additional 1000 state rental units each year. Without a greater priority it seems unlikely that any future government will have sufficient interest or energy to begin to reimagine what state housing is and could be – not only for the poorest New Zealanders, but for our sense of nationhood.

Alan Johnson currently works as a social policy analyst for The Salvation Army's Social Policy and Parliamentary Unit in Auckland. He is the author of *Off The Track*, *The Salvation Army's 2017 State of the Nation Report*, and *Taking Stock: The demand for social housing in New Zealand (2017)*. Alan also wrote *Child Poverty Action Group's* recent report *Priorities for Family Housing (2017)*. He has an academic background in town planning and economics, and has been involved in Auckland local government for over 20 years both as a politician and bureaucrat. In his spare time he is a community activist in South Auckland, where he is active in local sports clubs and as a school trustee. He is currently a trustee of the Auckland Community Housing Trust and is chairman of the Wiri Licensing Trust. Alan has been recently appointed one of a panel of three by the Housing and Urban Development Minister to provide an independent review of the housing crisis by Christmas 2017.



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