

Submission to the Local Government and Environment Committee on the Affordable Housing: Enabling Territorial Authorities Bill

NCWNZ is an umbrella organisation representing 47 Nationally Organised Societies and National Members. It has 28 Branches throughout the country attended by representatives of those societies and some 150 other societies. It also has three satellite groups and three regional consultation groups. NCWNZ is representative of approximately 350,000 women, via its affiliated bodies. The function of NCWNZ is to work for the well-being of women, the family and the community at local, national and international levels through research, study, discussion and action.

Members from both NCWNZ Social Issues and Economics Standing Committees have studied this Bill and the submission has been reviewed by the NCWNZ Board and the Parliamentary Watch Committee. Because the Bill was introduced close to the end of 2007 it has not been possible to consult the wider membership. This submission therefore relies on Resolutions passed by NCWNZ Conferences from 1945 -1991, previous submissions, and individual study. NZWNZ has a long history of concern for affordable housing. In 1945 a resolution was passed *“that in all housing schemes the lower income groups should be catered for.”*

While we support moves to encourage territorial authorities to investigate options for low-cost building we are concerned that the costs involved in the preparation of the proposed housing needs scheme would be considerable and might dissuade the authorities from using the provisions of this Bill. We should not like to see increased costs falling on ratepayers. It seems possible that some of the required information might be held by Government Departments and we would support a collaborative approach to obtaining the information and sharing the cost.

A major problem that NCWNZ envisages is where house and apartment prices ‘sky-rocketed’ in places such as Queenstown. Key-workers such as cleaners, shop workers, school teachers can only afford property out of town, which makes transport a major cost. There are concerns that if developers face too many limitations they may be unwilling to go through the costs of resource consent for an inadequate profit.

Although the Bill is primarily related to new developments we would suggest that when territorial authorities are developing their housing needs plans they should give consideration to:

- Group housing schemes.
- Sweat equity schemes.
- Refurbishing & repairing existing houses.
- Establishing new eco villages.

An article in the ‘Guardian Political Review’ issue 52, 2007 has a comparison to today’s shortage of reasonable housing with that of the 1930s and 1940s when the Government stepped in and funded houses from Reserve Bank minimum interest credits. It quotes from a publication ‘State Housing In New Zealand’ (1949):

“To finance its proposals the Government adopted the somewhat unusual course of using Reserve Bank credit, thus recognizing that the most important factor in housing costs is the price of money – interest is the heaviest portion in the composition of ordinary rent.” Some of the Committee members have suggested that this approach might deal more effectively with the housing problems we are experiencing today.

Part 1 Cl 6 sections 1 - 3

(1) **This section of Clause 6 requires territorial bodies to make a housing needs assessment before using the provisions of the Bill.** As indicated above, where there is information held by Government bodies there should be no duplication of effort in drawing up housing needs assessments.

(2) **This section discusses the housing needs assessment policy.**

Some members felt that this issue was of such importance that it should be a requirement for all territorial authorities to make a housing needs assessment, but there was also considerable support for the position of the Bill which makes this option available but not compulsory.

(3) **The steps territorial authorities must take in making affordable housing policies** are acceptable to members.

The question of affordable housing is one of considerable concern to members who have consistently supported the view that governments should encourage the provision of low-cost housing for first home buyers. (Resolutions 8.6ff). We appreciate that this Bill gives territorial authorities the opportunity to move in this area, but would be disappointed if they were discouraged from action due to the financial cost of surveying the housing needs of regions and creating an affordable housing policy. We also feel that it would be valuable for the government to keep the matter under consideration to see whether the provisions of this Bill prove effective. We would like to see more action on solving the big problem of housing affordability.

Thank you for the opportunity to make this submission on a subject that has been at the forefront of NCWNZ policy since its beginnings.

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