

In contemporary debates about solutions to the housing crisis in Aotearoa New Zealand, state housing is side-lined. But there have been renewed calls internationally for expanding state provision of housing. Some of these calls have been to expand the criteria of access to state housing to make it more universal, ensuring everyone has a home and challenging housing as an investment. This article presents a case for universal state housing in Aotearoa New Zealand. It explores nine main benefits that a universal state-housing policy could bring to Aotearoa New Zealand, including creating more affordable housing, towns, and cities, more secure housing, combating gentrification, displacement, and stigma, and making housing more democratic, environmentally sustainable, and accessible. This article is an act of imagining—the seeding of an idea to start conversations—not a blueprint for how things should be.

A Case for Universal State Housing in Aotearoa New Zealand

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The housing crisis is visible everywhere we look in Aotearoa New Zealand. Many people have come up with solutions to this ongoing crisis, and a lot of money has been thrown at it, yet things seem to be getting worse, not better. The Great Depression of the 1930s led the first Labour government to embark on a state-led building programme that provided housing for workers and challenged the speculative private-housing market.¹ This programme was far from perfect and was built on ongoing colonisation practices and exclusions.² State housing has, however, also been a secure and affordable tenure that many people have called home. Successive governments have disinvested in this model, which has led to state housing being side-lined as a solution to the ongoing housing crisis today. Internationally, state-provided or public housing has started to gain momentum as a solution to the ongoing crisis in our economic system.³ Not only are people advocating for the expansion of the public-housing stock by building and acquiring more, but also for expanding the

1 Ben Schrader, *We Call It Home: A History of State Housing in New Zealand* (Auckland: Reed Publishing, 2015).

2 Schrader, *We Call It Home*.

3 For example, Labour Party UK, 'Housing for the Many: A Labour Party Green Paper,' London, Labour Party UK, 2018; Peter Gowan and Ryan Cooper, 'Social Housing in the United States,' Washington DC, People's Policy Project, 2018.

criteria so more people can access it.⁴ This article proposes a universal state-housing policy for Aotearoa New Zealand, a proposal to build and acquire beautiful, secure, environmentally sustainable state rental housing that people are proud of, and that is available to anyone who wants it.⁵

Leilani Farha, the UN special rapporteur for housing, on a recent visit to Aotearoa New Zealand made it clear that the housing crisis in this country is a human-rights crisis rooted in a speculative housing market that transforms homes for living into commodities.⁶ To challenge housing as a commodity, we must look at alternative models of ownership that actively decommodify housing. One way of doing this is to invest massively in state housing to create a viable non-market housing alternative for people. State housing already exists, but the model needs to be transformed for the 21st century to become universally accessible and secure, and to be one in which tenants and their communities have self-determination.⁷

This article establishes why universal state housing could be a solution to the housing crisis for many people, including those currently homeless and those who desire home-ownership but cannot afford it. It starts with a discussion of current housing problems, then discusses the main benefits of a universal state-housing policy, and concludes with a set of radical reforms.

4 Hayley Halpin, 'Public housing campaign launched that will take "water charges-style" approach,' *thejournal.ie*, 26 October 2017.

5 Language is important. I decided to use 'universal state housing' when discussing the possibilities for Aotearoa New Zealand for three reasons: it is historically significant and means something for tenants; the current Labour-led government is using 'public housing' to refer to state and NGO housing which is not public; and there are different implications for local councils or other providers in building and managing housing as they do not have an obligation to uphold te Tiriti o Waitangi, as the state does. The hope is that this can change in the future and local councils can build and manage public housing; for now, however, it is important to name the 'state' in these discussions. I do use 'public housing' when talking about specific policies that use the term.

6 Leilani Farha, 'End of Mission Statement Visit of the Special Rapporteur on the Right to Adequate Housing to New Zealand,' New York, UN Human Rights Special Procedures, 2020.

7 David Madden and Peter Marcuse, *In Defense of Housing: The Politics of Crisis* (London: Verso, 2016)

This article is focused on the demand for, and potential effects of, universal state housing, rather than the strategies and organisation needed to make it happen. This demand for universal state housing will require a broad-based movement from below and a strong campaign to build power, shift the public imagination, and force the political will of those in parliament who hold the power to make long-term changes. This starts with seeding an idea and dreaming of where it could go.

This proposal is directed at the Kāwanatanga sphere of influence and is built on the foundation that Māori should have tino rangatiratanga over their land and housing, and that the state has the obligation to redistribute wealth for this to be realised. This proposal intends to complement, rather than undermine, already existing struggles for solutions to the housing crisis such as rental reforms and controls, a capital gains tax, and other alternative ownership models such as community land trusts. While Leilani Farha suggested some of these solutions for Aotearoa New Zealand, and some are necessary steps towards decommodification, universal state housing is about building a longer-term alternative model for housing beyond the market, one which everyone can access.

The state of housing

As of March 2020, there were 16,309 households on the public-housing register.⁸ The majority of these are categorised as ‘Priority A’, meaning that they are homeless or at high risk of becoming homeless. These figures only scratch the surface of those who are experiencing housing poverty and stress but are ineligible for state housing.⁹ By September 2016, 140,000 people were living in severe housing stress, with many others requiring subsidies to

8 Ministry of Housing and Urban Development, ‘Housing Quarterly Report March 2020,’ Wellington, Ministry of Housing and Urban Development, 2020. ‘Household’ is used in policy because applicants can be families or single persons.

9 Allison Tindale, ‘Just How Big is the Housing Problem,’ Auckland, New Zealand Planning Institute, 2019.

pay for private rentals or mortgages.¹⁰

At the same time as many suffer from a lack of access to affordable and secure housing, others are accumulating massive amounts of wealth. Over 50 percent (\$850 billion) of all wealth in Aotearoa New Zealand is tied up in land and housing.¹¹ Housing has surpassed all other forms of investment and makes up a significant part of gross domestic product.¹² This is why governments, while acknowledging that there is a problem, have done very little to challenge the private-housing market, which continues to fail to address the affordable-housing problem. Real estate has become a major part not only of the economic system, but also of politics. Landowners, developers, and investors have come to wield a lot of political power when economic growth is tied to the value of housing and land.¹³ This is reflected in the current Labour-led government backing down from policies such as the capital gains tax. This focus on the private-housing market, and those who benefit from it, prevents the delivery of truly affordable housing.

State housing has been attacked by successive governments since the neoliberal turn in the 1980s. In more recent years, the National-led government (2008–2017) implemented a social-housing-reform programme, which significantly altered the direction for state housing.¹⁴ This came in the form of chipping away at those who can access state housing through reviewable tenancies, which limit access to those in the ‘most need’ and push more tenants into the private-rental market. The reforms involved the sale of housing stock and also more subtle forms of privatisation by stealth through policies such as transferring the housing

10 David Rea and Evan Thompson, ‘The Impact of Rising Housing Costs on Accommodation Supplement Recipients,’ Wellington, Ministry of Social Development, 2017.

11 Leilani Farha, ‘End of Mission Statement,’ 5.

12 Statistics New Zealand, ‘National accounts (income and expenditure): Year ended March 2019,’ 21 November 2019.

13 Samuel Stein, *Capital City: Gentrification and the Real Estate State* (London: Verso, 2019).

14 Laurence Murphy, ‘Neoliberal Social Housing Policies, Market Logics and Social Rented Housing Reforms in New Zealand,’ *International Journal of Housing Policy* 20, no. 2 (2019): 229–251.

stock to charities and companies.¹⁵ The government also started to implement urban-regeneration projects of state-housing areas at this time, aiming both to free up land supply for private housing development and to deconcentrate low-income communities. This model, which is being continued by the current Labour-led government, drives up land values in many of these communities and leads to gentrification.¹⁶ The formation of Kāinga Ora, which is the umbrella organisation for Housing New Zealand, its subsidiary Housing Land Community, and Kiwibuild, and the proposed Urban Development Bill, which outlines its new powers, legitimates and extends these processes of privatisation.

The Labour-led government's state housing plan prior to the latest budget was to build 6,400 public houses over four years, starting in 2018. This plan would only have brought housing-stock numbers back to the number that they were in 1993, when the population was 1.2 million people lower.¹⁷ The additional 6,000 houses pledged in *Budget 2020* will not even house the waitlist, let alone account for those who do not fit the criteria. Successive governments have relied on the private market to address the housing crisis, which has included subsidising private landlords through the accommodation supplement, transferring money to motel owners to house the increasing homeless population, and selling state-

15 Alan Johnson, 'Taking Stock: The Demand for Social Housing in New Zealand,' Wellington, The Salvation Army Social Policy & Parliamentary Unit, 2017.

16 See Jessica Terruhn, 'Whose Dividend? Diversity as a Selling Point in Urban Development Projects in Auckland, New Zealand,' *New Zealand Population Review* 45 (2019): 160–184; Renee Gordon, Francis Collins and Robin Kearns, "'It is the People that Have Made Glen Innes": State-led Gentrification and the Reconfiguration of Urban Life in Auckland,' *International Journal of Urban and Regional Research* 41, no. 5 (2017): 767–785; Emma Furgeson, *Re/generative Diffractions: Theorising Planning Discourse About Deprivation in Aotearoa/New Zealand* (PhD thesis, University of Auckland, 2018); Vanessa Cole, *'We Shall Not Be Moved': Community Displacement and Dissensus in Glen Innes, Tāmaki Makaurau* (Masters thesis, University of Auckland, 2015).

17 Ben Schrader, 'Housing and Government – State Loans and State Houses,' *Te Ara – The Encyclopaedia of New Zealand*, 20 June 2012; Ti Lamusse and Vanessa Cole, 'The biggest housing investment in the "wellbeing budget"? Prison cells,' *The Spinoff*, 5 June 2019.

housing land to developers. A better solution to the crisis is to improve, expand, and democratise state-housing provision and redistribute resources to hapū, marae, and Māori housing organisations to build solutions for Māori by Māori.

What is universal state housing?

A renewed call for state-provided housing has started to build momentum globally as a response to the housing crises many countries face. Some of these calls have been for universal housing, which is the idea that local or central government build enough public rental housing to provide for everyone who wants it. This is sometimes referred to as the ‘cost rental model’ because it pays for its own construction and maintenance through many people renting high-quality public housing.¹⁸ State housing has a proven history in Aotearoa New Zealand and internationally of ensuring housing affordability for tenants and communities.¹⁹ Some of the most cited examples of successful public-housing policies are in cities such as Vienna and countries such as Sweden and Denmark.

In Vienna, 60 percent of the population lives in public-housing rentals because the income threshold to apply for public housing is set high, at €45,510 (just over NZ\$80,000), with the average amount of rent charged at 21 percent of an average income.²⁰ This means that welfare recipients, celebrities, and public servants live next to each other. While this model is always under threat from neoliberal market forces, it does the job of regulating the private market and ensuring that the stock is maintained, making Vienna one of the most affordable and liveable cities in the world.²¹

18 Uplift, ‘The People’s Housing Plan,’ Dublin, Uplift, 2019.

19 Schrader, *We Call It Home*; David Clapham, *Remaking Housing Policy: An International Study* (Abingdon: Routledge, 2019).

20 Jonny Ball, “‘Housing as a basic human right’: The Vienna model of social housing,” *New Statesmen*, 3 September 2019.

21 Justin Kadi, ‘Recommodifying Housing in Formerly “Red” Vienna?’ *Housing, Theory and Society* 32, no. 3 (2015): 247–265.

In 1965, Sweden embarked on a one-million-homes programme, to be built over the course of 10 years. These were to be well-built municipal houses, aimed for universal provision, seeking to curb market prices through forcing market rents to a similar level to those set for the municipal housing.²² Neoliberal market forces have curbed the growth of universal municipal housing in Sweden; nevertheless, around 15 percent of the population currently lives in public housing and is supported by a 500,000-member-strong renters' union.²³ Despite being compromised in its implementation, municipal-housing construction is a valuable component of Sweden's welfare system and provides proof of what is possible.

The Labour Party in the UK has adopted the policy platform of universal basic services, and progressive Democrats in the United States have put forward proposals for the expansion of public-housing provision.²⁴ The Queensland Greens have taken it a step further, proposing a policy for universal public-housing provision that involves building 100,000 public-rental homes to address the waitlist and a further 100,000 public-rental homes for anyone to access regardless of their income. They argue that universality will create security, democracy, and equity in housing, as well as increasing government revenue to produce and maintain more housing.²⁵

Aotearoa New Zealand has never had universal state housing. When state housing was first built in the 1930s and 1940s, it was intended for low- and middle-income workers to live in 'for life', and it was built to address

22 Eva Hedman, 'A History of the Swedish System of Non-profit Municipal Housing,' Sweden, Swedish Board of Housing and Planning, 2008.

23 Martin Grander, 'New Public Housing: A Selective Model Disguised as Universal? Implications of the Market Adaptation of Swedish Public Housing,' *International Journal of Housing Policy* 17, no. 3 (2017): 335–352; Phoebe Carr, 'Good housing is considered a privilege in New Zealand. In Sweden it's a human right,' *The Spinoff*, 20 December 2019.

24 Labour Party UK, 'Universal Basic Services: The Right to a Good Life,' London, Labour Party UK. UBS would provide universal free public transport, health, housing, communications, and food.

25 Queensland Greens, 'Homes for all,' *Queensland Greens*, <https://greens.org.au/qld/platform/home-for-all>

the housing crisis and combat speculative real estate.²⁶ We must be wary of romanticising these examples, which are often based on the exclusion of some, and understand that they exist in a particular context. None of these models has had a perfect history, and any social policy must recognise the history of the land on which it rests. In Aotearoa New Zealand, the state has engaged in continual colonial dispossession of Māori from their land, the ongoing displacement of people from their communities, and the institutional mistreatment of those who use public services. All of this has contributed to people's complex relationship to state housing.

What is 'public' on colonised land?

Our economic and political systems benefit from displacement and dispossession—the removal of people from their land, communities, ways of being and knowing—as a source of profit. In this country, the displacement of people from their homes and communities as a consequence of processes such as gentrification occurs on land that was stolen from Māori, continuing a history of ongoing dispossession. To advocate for state housing in Aotearoa New Zealand is to carry its history of theft, land confiscation, violence, layers of displacement, and ongoing colonisation on Māori land where all housing rests. It is also to seriously interrogate what 'public' means on stolen land. Housing cannot be separated from land and therefore cannot be separated from te Tiriti and tino rangatiratanga struggles. While it is important to have a 'right' to public space and resources, in settler-colonial societies these rights tend to be determined by the state and not by Indigenous peoples.²⁷

The proposal for universal state housing offered in this article is directed at the Kāwanatanga sphere of influence, as hapū and iwi should have self-determination over their land, housing, and futures. Hapū and iwi are already engaging in papakāinga projects on ancestral land to enhance the

26 Schrader, *We Call It Home*.

27 Matt Hern, *What is a City For? Remaking the Politics of Displacement* (Massachusetts: MIT Press, 2016).

wellbeing of whānau.²⁸ Urban marae have aspirations to provide housing for people and whānau, particularly those experiencing multiple forms of dispossession.²⁹ The government has a responsibility to enable self-determination of Māori housing organisations, hapū, iwi, and marae to develop and deliver papakāinga, for Māori by Māori.

The Crown is currently involved in dispossession through participating in gentrification processes that push Māori, Pasifika, migrant, beneficiary, and low-income whānau from their homes and communities. State-led gentrification processes occurring in some urban-regeneration initiatives sell Crown land to private developers, leading to large land parcels being carved up into individual private-property titles.³⁰ Once land is privatised and subdivided, it is harder to assemble and return it to Māori or transition to a different system based on the principles of te Tiriti o Waitangi.

Universal state housing, alongside papakāinga and other Māori housing initiatives, could make a significant difference to the lives of Māori who are houseless, on the waitlist, or struggling in the private-rental market. Universal state housing will only work in relationship with mana whenua. Conversations around the fight for public services and resources (state housing, welfare, etc) on Māori land should be had as we walk towards constitutional transformation.³¹ The state must radically transform so that te Tiriti can be upheld, land returned, healing take place, power shared, and resources redistributed.

28 Jade Kake, *Rebuilding the Kāinga: Lessons from Te Ao Hurihuri*, (Wellington: BWB, 2019); see also, Kake, 'Spatial Justice—Decolonising Our Cities and Settlements,' this issue.

29 Ngā Wai a Te Tūi, 'Tackling Homelessness Through Marae-led Care,' *Advance* (Winter 2018): 19–21.

30 Housing New Zealand, official information request, 20 June 2019.

31 Matike Mai, 'He Whakaaro Here Whakaamu Mō Aotearoa: The Report of Matike Mai Aotearoa – The Independent Working Group on Constitutional Transformation,' Auckland, Matike Mai, 2016.

The benefits of universal state housing

Farha argues that housing should be a human right not a commodity, but what does it actually mean to materialise this right?³² Universal state housing is one way of doing this and could be a solution to the housing crisis for many people, from those who are currently homeless, to those of us who are renting in unaffordable private rentals, to first-home buyers. Universal state housing, if it is designed to be accessible, provides secure ‘for-life’ tenancies and, if this is just as desirable as homeownership, it can be a step towards the decommodification of housing. Below, I outline nine main benefits that a universal state-housing policy could bring to Aotearoa New Zealand.

Truly affordable housing and communities

Currently, 80 percent of those living in state housing pay income-related rents, meaning they pay 25 percent of their income on rent. Many people on benefits or low incomes simply cannot afford to live in private rentals or to pay their mortgages, but many people do not currently fit the criteria for state housing or income-related rent. One of the international measures of affordability is whether you spend over 30 percent of your income on rent or mortgage repayments. If we look at the average income of beneficiaries, low-income, and even medium-income workers, average private rents, particularly for urban centres, are unaffordable according to this measure.³³ Universal state housing with income-related rent could change this by providing quantities of genuine, secure, and affordable housing outside the whims of the private market.

State housing also makes neighbourhoods, towns, and cities more affordable. If there was enough state housing built or acquired all over Aotearoa New Zealand, the criteria were opened to everyone, and it became the more desired alternative for renters, private landlords would be forced

32 Patrick Butler, ‘Housing should be seen as a human right. Not a commodity,’ *The Guardian*, 28 February 2017.

33 Tindale, *Just How Big is the Housing Problem*, 20.

to lower their rents and improve the conditions of their houses in order to compete with the state. This could genuinely challenge private landlords to disinvest from housing, opening more housing up to be bought by the state for the purposes of state housing. The main reason why house prices are so high is not based solely on supply issues as many politicians espouse; it is because housing is a speculative commodity in the first place. State housing, which removes housing from the private market, helps to regulate the housing market more broadly. As shown in the international examples discussed earlier, land values and rents are also regulated in neighbourhoods and cities where a large proportion of the overall housing stock is state or council housing.

Recent government intervention to create affordable housing has largely been focused on state-sponsored homeownership, which has proven to be unaffordable for many people. Kiwibuild houses may sell for below-market rates but for many people and whānau the price is still completely out of reach.³⁴ Further, many Kiwibuild homes are being built on Crown land in communities such as Māngere; in doing so Kiwibuild risks contributing to speculation by investors in these areas, increasing land values and displacing low-income people.³⁵ When these state-led redevelopments happen, effectively reducing the percentage of state housing in communities, not only are state tenants impacted but also private renters whose landlords capitalise on these up-and-coming areas by putting up rents or selling their properties.

Research on affordable housing schemes, such as the previous National-led government's Special Housing Areas policy, which incentivised developers to build a certain percentage of affordable housing, showed that land values in some areas actually increased.³⁶ Even if you build a certain percentage of housing below the market rate, and build more housing at

34 Vanessa Cole, 'Kiwibuild Should Have Always Been Public Housing,' *Economic and Social Research Aotearoa*, 30 October 2019.

35 Alan Johnson, 'The trickledown farce of Kiwibuild obscures a much more urgent housing crisis,' *The Spinoff*, 15 November 2018.

36 Santiago Bucaram, Mario Fernandez, and Gonzalo Sanchez, 'Price Effects of the Special Housing Areas in Auckland,' *New Zealand Economic Papers Online* (2019).

pace and scale, it can still increase house prices in areas where land values were previously low.³⁷ Politicians talk about building affordable housing but, at the same time, they are reassuring property owners and investors that they will not make policies that drive down house prices.³⁸

State housing is one of the only truly affordable housing tenures: it houses people who cannot afford private rents. If we build greater quantities of state housing in lots of different areas, including wealthy suburbs, and opened up the criteria to many more people, it would not only provide truly affordable housing to those who live in it, but could also make communities and cities more affordable and liveable. If we build well-dispersed state housing in communities and make it universal, then workers would be able to afford housing that is in close proximity to their places of employment. For example, one of the reasons teachers were striking for higher pay last year was because of the high costs of housing causing teacher shortages.³⁹ We should have a housing system in which essential workers have access to secure state-rental housing. There are different ways in which rent could be calculated: it could be based on income, or maintenance, or even be free.⁴⁰

Security for life

For many people, renting is incredibly insecure. Almost one in five people in Aotearoa New Zealand move once a year.⁴¹ This is not just because landlords have the power to evict; people are being priced out of their neighbourhoods.⁴² This results in people moving away from their schools,

37 Samuel Stein, 'The Zone Defence,' *Jacobin*, 4 June 2019.

38 Shamubeel Eaqub, 'Research finds that having an affordable home next door provides wider community benefits with no negative effects,' *Community Housing Aotearoa*, 3 April 2017.

39 Ross Webb, 'New Zealand Teachers on Strike,' *Jacobin*, 6 November 2019.

40 Poppy Noor, 'Utopian thinking: Free housing should be a universal right,' *Guardian*, 10 April 2017.

41 Human Rights Commission, 'Briefing to the Incoming Minister of Justice,' 17 November 2017.

42 Renters United and Action Station, 'The People's Review of Renting,' New Zealand, Renters United and Action Station, 2017.

their service providers, and their family and community networks, which has negative impacts on their wellbeing.⁴³ Legislating against no-cause evictions is a step in the right direction, but this does not guarantee tenure security as tenants can still be evicted because the house is to be sold on the market. In a 2015 survey by BRANZ, 36 percent of tenants in Auckland who had moved in the past two years had done so because the house had been sold.⁴⁴ Quantities of state housing could mean people have security to stay in their communities, but also security in being able to move around the country and always have access to a secure home.

State housing is more secure than private rental housing, as rent is not determined by the market. State housing once had a ‘for-life’ approach, which meant tenancies were long-term and secure. As an option, however, state housing has not always been secure, with successive governments waging attacks on the security of tenure as a strategy to undermine the policy and make it a short-term solution for those most in need.⁴⁵ As previously mentioned, in 2013 the National-led government started a policy of reviewable tenancies in an attempt to move people into the private-rental market, and then to sell state housing stock.⁴⁶ Electoral cycles have a major impact on the way we invest in public services and infrastructure, which has resulted in a history of selling state housing and buying it back.

Universal state housing could change this. If more people had access to state housing, then more people would have a stake in the policy and, therefore, more people would defend its longevity as a policy. If politicians, teachers, and nurses all lived in state rental housing, there would be greater political will to maintain and protect it through electoral cycles. If state housing was universal, there would be a political will to secure and guarantee maintenance. If we look at superannuation, another universal policy, we see that politicians are very wary of making cuts to it because all people, rich and poor, have a stake in it.

43 Alan Johnson, Phillipa Howden-Chapman, and Shamubeel Eaqub, ‘A Stocktake of New Zealand’s Housing,’ Wellington, New Zealand Government, 2018.

44 Karen Witten et al, ‘The New Zealand Rental Sector,’ Auckland, BRANZ, 2017.

45 Schrader, *We Call It Home*.

46 Johnson, *Taking Stock*.

Protection of communities from gentrification and displacement

Gentrification is a process where capital—in the form of business, landowners, developers and investors—moves into low-income areas, driving up land values and displacing low-income residents and their amenities from the area.⁴⁷ This occurs because property developers and investors often speculate on low-income neighbourhoods where they see a gap between current land values and potential land values, and therefore where profit can be made from redevelopment.⁴⁸ With state-led gentrification, the state facilitates this process through urban regeneration, freeing up land supply, changing zoning policy, and upgrading amenities, which attracts developers, investors, and wealthier homebuyers to the area.⁴⁹ While many communities need investment from the state to upgrade infrastructure, facilities, and town centres, when this happens alongside private investment and real-estate speculation, existing low-income residents are pushed into other disinvested communities.

Gentrification plagues cities all over the world. In state-housing neighbourhoods throughout Aotearoa New Zealand, regeneration projects demolish and remove state-housing stock and replace it with public and private mixed-tenure housing development. This results in parcels of Crown land moving from public ownership to individual private-property titles to make way for expensive housing.⁵⁰ In most cases, one third of the land remains public and two thirds is sold to developers to build private housing. While in most cases the state-housing stock is replaced or slightly increased, the massive increase in expensive private housing, coupled with property speculation, causes land values to increase. This leads to the sale

47 Neil Smith, 'Gentrification and Uneven Development,' *Economic Geography* 58, no. 2 (1982): 139–155.

48 Neil Smith, 'Gentrification and the Rent Gap,' *Annals of the Association of American Geographers* 77, no. 3 (1987): 462–465.

49 Stein, *Capital City*.

50 Dileepa Fonseka, 'Borrow, build, hold says Green co-leader,' *Newsroom*, 17 January 2020.

of the private rental stock or increases in rent as landlords capitalise on the regeneration, which then leads to the displacement of low-income households from the area. In cases where displaced state-housing tenants are able to return, it is to a community that they no longer recognise and to which they may not feel they belong, with local businesses now catering to people in higher income brackets and social services moved to other areas. Where tenants do not have the right to return, people wind up in private rentals or in emergency housing elsewhere.

While urban regeneration is often described as social investment in communities, the large number of expensive private houses planned for many of the large-scale developments led by Kāinga Ora on state-housing land risks the same profit-driven gentrification that is occurring in many low-income and public-housing neighbourhoods globally.⁵¹ The Tāmaki regeneration was the experiment, and now these projects are popping up everywhere: in Māngere, Northcote, and Mt Roskill in Tāmaki Makaurau Auckland, and Porirua in Pōneke Wellington.⁵² While it is argued that selling Crown land offsets the costs of rebuilding state housing, once that land is privatised it can no longer be used to build more state housing or be returned to mana whenua.

Universal state housing could challenge gentrification. As argued by housing researchers Peter Marcuse and David Madden, ‘The strengthening of existing publicly owned housing stock, and its expansion in new developments, is the only way to simultaneously combat the connected problems of shelter poverty and gentrification’.⁵³ If all new developments built 100 percent state or papakāinga housing, as opposed to expensive private-market housing, then low-income people would not be pushed out

51 Paul Watt, ‘Housing Stock Transfers, Regeneration and State-Led Gentrification in London,’ *Journal Urban Policy and Research* 27, no. 3 (2009): 229–242; Alan Morris, *Gentrification and Displacement: The Forced Relocation of Public Housing Tenants in Inner-Sydney* (Singapore: Springer, 2019).

52 For discussion of the current project to ‘regenerate’ Porirua, see Taankink and Robinson, ‘Dispossession and Gentrification in the Porirua Redevelopment,’ this issue, and Roach, ‘Driving Through the East,’ this issue.

53 Madden and Marcuse, *In Defense of Housing*, 203.

due to land values increasing, and more housing will be made available to anyone who wants it. Investment in communities should not come as a consequence of gentrification.

People should have a right to remain in their homes for the duration of their lives if that is what they want; and if they want to move, they should have a right to a suitable home in their community. It is possible to have development in communities, including increasing or upgrading the stock, without demolition and displacement. Organisations such as Architects for Social Housing in the UK have demonstrated this by working with tenants to find effective ways of developing more council housing while also preventing displacement.⁵⁴ Regeneration should be driven by the people who live in communities instead of developers and investors wanting to profit from these areas. Universal state housing could ensure that we have development without displacement, prevent evictions, and build community self-determination.

Diverse communities without displacement

Mixed-tenure housing policies used in urban regeneration resemble racist pepper-potting policies used in Aotearoa New Zealand to assimilate Māori into colonial Pākehā ways of life and to prevent Māori from living collectively in urban spaces.⁵⁵ Today, local and central government argue that by building housing for homeowners next to state housing, wealthier residents will bring economic diversity and social mobility to poorer residents. What actually happens is further social isolation, eviction, and displacement, with diverse communities eventually becoming homogenous and segregated.⁵⁶ Rather than addressing poverty in low-income areas through increasing income levels, or urban segregation through redistributing resources, poverty is hidden by ‘tenure-blind’ housing or

54 See Architects for Social Housing, ‘The Good Practice Guide to Resisting Estate Demolition: ASH Response to the GLA,’ *ASH*, 8 March 2017.

55 Bradford Haami, *Urban Māori: The Second Great Migration* (Auckland: Oratia Books, 2018); Melissa Matutina Williams, *Panguru and the City Kāinga Taui Kāinga Rua: An Urban Migration History* (Wellington: BWB, 2015).

56 Terruhn, ‘Whose Dividend?’

displaced to other disinvested neighbourhoods. This policy is predicated on deeply flawed ‘neighbourhood-effects’ research, which suggests that it is poor people living with other poor people that causes poverty and anti-social behaviour.⁵⁷ There is little evidence to support this claim. People living in low-income neighbourhoods and public housing actually pay cheaper rent, which helps to alleviate poverty, and communities that have lived together for a long time have strong networks and diversity, which enhance social wellbeing.⁵⁸ In other words, tenure does not determine economic outcomes, but uprooting communities actively harms social wellbeing and cohesion.⁵⁹

Research in Australia shows that ‘it is poverty and lack of material resources on estates that undermines or determines a lack of inclusion of residents in activities of mainstream society, more so than not living next to middle-income homeowners’.⁶⁰ Consequently, it is argued that ‘An alternative approach to creating social mix through tenure change in regeneration is to generate a broader socio-economic mix of tenants within the public housing tenure through implementing less stringent access criteria’.⁶¹ State-housing communities are already diverse spaces; gentrification threatens to destroy this. One way to address socio-economic segregation, and to deal with the stigma of state housing without the negative impacts of gentrification, is to build lots of state housing, allow people more choices about where they live, and open up the criteria to everyone.

57 David Manley, Maarten van Ham, and Joe Doherty, ‘Social Mixing as the Cure for Negative Neighbourhood Effects: Evidence-based Policy or Urban Myth?’ in *Mixed Communities: Gentrification by Stealth?* eds. G. Bridge et al (Bristol: Polity Press, 2012); Furgeson, *Regenerative Diffractions*.

58 Kathy Arthurson, ‘Creating Inclusive Communities through Balancing Social Mix: A Critical Relationship or Tenuous Link?’ *Urban Policy and Research* 20, no. 3 (2013): 245–261.

59 Manley et al, ‘Social Mixing.’

60 Arthurson, ‘Creating Inclusive Communities,’ 256.

61 Arthurson, ‘Creating Inclusive Communities,’ 257.

Creating revenue for building and maintaining housing

The way governments have dealt with the housing crisis so far is to transfer massive amounts of public wealth to the private sector. The government is currently lining the pockets of landlords and motel owners in a bid to ease housing stress. The Accommodation Supplement (AS) supports 535,123 people and whānau with low incomes to pay for private rentals and mortgages.⁶² Research suggests that when the government increases the AS, landlords put up the rents.⁶³ The AS is effectively a transfer of wealth from the state to landlords. Special-needs grants for emergency housing have increased significantly. Many of these grants go directly to motels, which have put their prices up because of this guaranteed income from the state.⁶⁴ People are stuck in an emergency-housing trap in which they must prove to Work and Income that they are looking for housing so they are not accused of creating their own homelessness. Through this process, they are being shifted into unaffordable private rentals and off the waitlist for public housing.⁶⁵

Community Housing Providers (CHP) are being subsidised to manage and build social housing to ease the burden of the state. While communities should have more determination over housing, and many of these CHPs are trying to achieve this with the best intentions, some are also large corporations. CHPs get access to the income-related rent subsidy for providing housing, which in some cases is leased by the government from private landlords and sub-leased to these CHPs. Investors and landlords have admitted that they are getting into the social-housing market because

62 Janet McAllister, Susan St John, and Alan Johnson, 'The Accommodation Supplement: The Wrong Tool to Fix the Housing Crisis,' Auckland, Child Poverty Action Group, 2019.

63 Motu, 'Rise in accommodation supplements cause modest rent rise,' *Scoop*, 19 July 2018.

64 Auckland Action Against Poverty, 'Government continues to enable motels to profit from crisis,' *Scoop*, 19 February 2019.

65 Lisa Owen, 'Working poor: The long, excruciating wait for a state house,' *Radio New Zealand*, 5 June 2019.

of the guaranteed income from the government.⁶⁶ This creates a competitive social-housing market, with landowners and investors profiting from housing poverty and under-funded and under-resourced CHPs competing with each other for contracts. At the same time that the government is selling Crown land for private development, they are leasing *private* land from *private* landlords to house people on the waitlist.⁶⁷

Universal state housing could ensure that we have collective and democratic ownership of housing and that the rent paid can be reinvested into building more state rentals and maintaining the stock. The government should own more state housing as opposed to leasing private housing. When housing is in public ownership there is more democratic accountability than when ownership is divided among many non-government stakeholders. The more people who live in state housing, the less money will be transferred to the private market to house people.

Warm, energy-efficient, and sustainable housing

Currently, the housing stock in Aotearoa New Zealand is making people sick because it is cold and damp. Housing is also contributing to the degradation of the environment, with the sprawl of housing, lack of free and accessible public transport infrastructure, and the way we build housing all contributing. Further, the construction industry accounts for a significant amount of carbon emissions.⁶⁸ We need to ensure that we are building for the future and building with the environment. Universal state housing could be a part of that strategy. When landscape architect Billy Fleming came to Aotearoa New Zealand, he argued that state housing with good design is a part of climate-change strategy.⁶⁹ As a part of the Green New

66 Issac Davidson, “South Auckland is where all the action is”: Investors target public and emergency housing,’ *New Zealand Herald*, 7 October 2019.

67 Issac Davison, ‘Only one in four of Government’s new public housing places in Auckland are new builds,’ *New Zealand Herald*, 12 March 2019.

68 New Zealand Green Building Council, ‘Constructing new buildings could pump out climate pollution equivalent to one million cars,’ *NZGBC*, 19 August 2019.

69 Sophie Bateman and Sam Harvey, ‘How socialist urban design will save New Zealand from climate change,’ *Newshub*, 26 September 2019.

Deal pushed by progressive Democrats in the US, all public housing will be upgraded to being zero carbon as a way of combatting economic inequality and climate change at the same time. Universal state housing, supported by sustainable design and construction policy, provides the opportunity for housing to be built in a way that combats climate change. This needs to happen alongside wider planning that provides everyone with universal free access to renewable energy and public transport.

Indigenous and low-income communities are disproportionately impacted by climate change, yet are also disproportionately burdened by strategies to combat it. Climate-justice strategies must also combat gentrification. Implementing regressive policies such as the fuel tax disproportionately affects those who have been pushed further and further from the city centre and public-infrastructure and transport hubs. Density is necessary as a strategy to combat sprawl, but we must also make sure that sustainable growth does not come in the form of eco-cities for the wealthy while displacing the poor to the margins. The government should build mixed-density state housing to suit different needs, abilities, and demographics in many suburbs all over major urban centres, as well as in regions where increased investment has pushed up land values.

A democratic and collective resource

We have become increasingly isolated from each other and from participation in our communities. The way in which housing and communities are currently planned and designed strips people of their relationship to one another, the history of the land around them, and determination over their lives. Universal state housing could be one way in which this isolation is combatted. If many people have the same type of tenancy, and a collective sense of ownership over their housing and communities, it could create a sense of solidarity which individual homeownership actively prevents.

Any 21st century re-imagining of state housing must involve a shift in the power imbalances that renting currently entails. People must have more self-determination over their housing, their communities, and the planning process. This could come in the form of the state building and maintaining

the housing, but with tenants having collective management of it in the form of tenant unions or assemblies, as many co-housing models have.⁷⁰ Universal state housing could challenge isolation and build solidarity and connection. It would mean that there would be enough stock so that people have freedom of movement and will always be able to access another home, and that the newly vacated home will be transferred to another person or whānau who needs it. Universal state housing could contribute to building values of love and solidarity into how we live with one another on the basis of widely shared tenure. This could involve people participating in the design and planning of their housing and communities through new, innovative forms of planning.⁷¹

Security in employment or unemployment

Mass construction and upgrading of state housing and infrastructure can help create secure and well-paid employment and apprenticeship programmes. If the government were to build housing itself, then it could create well-paid and unionised employment across the construction-industry sector. This could involve the government setting up a ministry in charge of building projects including housing, rather than contracting to corporate construction companies and developers which extract profits and have no obligation to uphold te Tiriti. In the previously mentioned Green New Deal for public housing in the US, the idea is not only to create secure employment through the construction, upgrading, and maintenance of public housing, but to address poverty more broadly by building infrastructure and services that will reduce the costs of living—for example, food gardens and childcare services on the site of state housing.⁷²

In Aotearoa New Zealand, beneficiaries who live in private rentals are

70 For a discussion of co-housing models, see Southcombe, ‘Re-socialising Aotearoa New Zealand Housing,’ this issue.

71 Marie Kennedy, ‘Transformative Planning for Community Development,’ in *Transformative Planning: Radical Alternatives to Neoliberal Urbanism*, ed. T. Agnotti (Montreal: Black Rose Books, 2020).

72 Meagan Day, ‘The Green New Deal for Public Housing Has Arrived,’ *Jacobin*, 14 November 2019.

likely to be experiencing housing stress because income levels do not match the costs of living.⁷³ Private landlords discriminate against those receiving benefits, making it difficult for them even to access private rentals, and the current public-housing criteria block those in employment from accessing it. Work is precarious, and the future of work is changing, particularly with the impacts of Covid-19. Alongside benefit levels being lifted to a liveable income, universal state housing would help create security whether or not someone is in paid employment; the ability to pay rent or have access to housing would no longer be determined by employment status.

Accessible housing designed for different communities

Universal design is about building inclusive housing that is accessible to whānau of all kinds of sizes, ages, and abilities. It is about ensuring that differently abled people and our elderly population can live in freely accessible housing. As part of the construction and upgrading of state housing, all housing should implement universal design to ensure the houses are accessible to people and their families and networks. Kāinga Ora has created a new policy which guarantees 15 percent of new construction of state housing meets universal design standards; this policy should be extended to all state housing.⁷⁴

Having universal state housing in communities could also ensure that whānau and friends are able to live together in a co-located situation, meaning people could care for their family members or live with friends young and old in the same housing or near each other. This requires ensuring that there are different sizes and densities in housing to reflect the communities and different family structures for which they are being built. At the same time as having a universal design policy for access, universal state housing should be built in a way that can be changed and modified. When renting, people should have autonomy to change the colour of the walls, even to move walls around. People should feel like they have control over their living environment when living in state housing. If communities

73 Tindale, *Just How Big is the Housing Problem*.

74 Kāinga Ora, 'Kāinga Ora's Accessibility Policy,' *Kāinga Ora*, 7 January 2020.

participated in the design of the housing, universal state housing could reflect the communities for which it is being built and the histories of the areas where it is built. Universal design for access does not mean housing and communities will be designed monotonously. State housing must be designed in a way that allows for different ways of being and knowing, as opposed to the Pākehā, nuclear-family design of the old housing.

State housing design should reflect the historical, cultural, and environmental elements of a place. Relationships with mana whenua will be integral to ensure that state housing not only reflects the place in which it exists or is built but also does not contribute to further injustice. Te Aranga Māori design principles are an example of the ways in which te Ao Māori can be integrated into urban design. As Jade Kake and Jacqueline Paul argue, this cannot be done as a tick-box exercise; relationships with mana whenua and communities must be a part of the whole process.⁷⁵

Affordability

One of the inevitable questions that will come up when discussing a mass build and acquisition of state housing, and the universalising of its criteria, is how can we afford it? While it may be easy to say that we cannot afford not to do it, economics is a significant factor in housing construction. As previously mentioned, universal state housing could save money in the long term by moving us away from the current model of the government subsidising private landlords and emergency housing providers; further, selling large parcels of Crown land to private developers, only to then lease private land for state housing, is fiscally irresponsible. Beyond universal state housing's potential for rectifying the government's current failings in addressing the crisis, which in the long term is incredibly expensive, there are two main ways universal state housing could be funded: tax and borrowing.

75 Jade Kake and Jacqueline Paul, 'Evaluating the Application of Māori Design Principles to Urban Neighbourhood Development Projects to Develop a Kaupapa Māori Design Framework and Assessment Tools,' Urbanism New Zealand Conference, 2018.

The current tax model is unfair and regressive. If we are going to address the housing crisis, we must allow for those who are accumulating wealth from the crisis to be taxed. A capital-gains tax, a financial-transactions tax, and a wealth tax are all important ways to address inequality, to redistribute wealth, and to challenge speculative practices in the economy.⁷⁶ This would produce revenue for the government to redistribute wealth to the very communities that have produced it. This would provide enough money to build massive amounts of state housing and to fund papakāinga.

Alongside tax, the government can borrow a lot more money than it did in Budget 2020 as part of the recovery from Covid-19. In *Budget 2020*, the government pledged to increase the amount Kāinga Ora can borrow by \$5 billion to increase the state-housing stock.⁷⁷ For years, Treasury has been warning that the government itself needs to borrow money to finance the building of state housing instead of making Housing New Zealand (now Kāinga Ora) borrow money. This is because the government has a small debt burden and low borrowing costs.⁷⁸ The government's unwillingness to borrow to build is a major factor behind the privatisation of Crown land and the lack of state housing being built in new developments as the government offsets costs to the private market.

Investing in universal state housing would have a number of social benefits for the future, including better health outcomes for occupants (saving on health expenditure in the process). Providing people with basic services such as state housing will help build a more just economy and over time will pay for itself.

76 New Zealand Council of Trade Unions Te Kauae Kaimahi, 'Submission of the New Zealand Council of Trade Unions Te Kauae Kaimahi to the Tax Working Group on its Future of Tax: Submissions Background Paper,' New Zealand Council of Trade Unions, 30 April 2018.

77 Vanessa Cole et al, 'Budget 2020 Report,' *Economic and Social Research Aotearoa*, 21 May 2020.

78 Thomas Coughlan, 'Treasury: "significant risk" in Housing NZ debt,' *Newsroom*, 12 April 2019.

Conclusion

To imagine the end of the housing crisis is to imagine a different way of living together. While we desperately need state housing in the short term to house the increasing homeless population and those suffering from paying too much rent, this must also be part of a long-term vision built on the foundations of te Tiriti o Waitangi. This means, among many other things, the return of all stolen land to mana whenua and a redistribution of wealth to hapū, iwi, and marae to rebuild papakāinga and provide housing for Māori by Māori. While most state housing currently rests on stolen land, the privatisation of this land is contributing to the acceleration of the housing crisis and the displacement of low-income people, and placing obstacles to returning this land to mana whenua. Struggles to stop resources and services such as state housing from being enclosed through privatisation must ask questions about what the notion of ‘public’ means in relation to colonised land.

Speaking to the Kāwanatanga sphere, the government has a responsibility to end the dispossession of people from their communities, which is happening at scale and pace in regeneration projects of state-housing communities. State housing is a proven and effective alternative to the private market, one which challenges the idea of housing as investment. While state housing has not had a perfect history, to demand universal state housing today is to demand a transformation of 20th-century state-housing policies to something new and better. We can have beautiful, secure, well-designed, accessible, environmentally sustainable, democratic state housing for all.

While this article does not intend to offer a blueprint for the future—which would need to be built collectively—it has provided some ideas as to what a universal state-housing policy might look like. Below, I recapitulate four key points:

- 1 The government should build and acquire at least 500,000 state-rental houses by 2040 in communities all over Aotearoa New Zealand.

The current waitlist should be given priority over the first houses, after which the criteria for state housing can be universalised and opened to anyone. As more people move from private rental housing to state housing as the desirable tenure (because it is so beautiful, and the rent is cheap), landlords will disinvest from housing, driving down house prices and opening up more housing for the government to buy for state rentals.

2 Secure tenancies for state housing ‘for life’ should be legislated, and the ability to pass on your state house to your whānau should be enabled. If a household no longer needs the home, or if it wishes to transfer to elsewhere, the home should then be opened up for another household to move in. Tenants should have a right to remain in their homes and communities, and a right to move around. If development or renovation is necessary, then tenants should have a choice to remain or about where and when they move.

3 State rental housing should be close to amenities and transport networks and be a part of wider community design, including food forests, childcare, and other free and accessible services. All new builds and all upgrades of state-rental housing should be pegged to a universal-design policy, but also have options for tenants to change the design. They should be built with high-quality materials that are environmentally sustainable and be zero-carbon with renewable-energy sources. All new state housing builds and upgrades should have varying densities and designs to suit people of all ages, cultures, and abilities, and to suit different whānau and living situations, including multi-family and friends co-located together.

4 Universal state housing is economically possible. Instead of transferring massive amounts of wealth into the private market, the government should tax wealth and borrow more money for the building of state housing.

State housing is often sidelined in government policy and public discussion about solutions to the housing crisis, yet it has been successful in protecting people from the relentless private-housing market in the past. This article is aimed at provoking people's imaginations and furthering discussions around the question of how we want to live together. It will take political organising on the ground—the building of connections and relationships—to make new ideas about housing concrete.