



**Submission to the Cross-
party Homelessness Inquiry
August 2016**

Cross-party Homelessness Inquiry

PSA submission

Introduction

Who we are

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 62,000 members. We are a democratic organisation representing members in the public service, the wider state sector (the district health boards, crown research institutes and other crown entities), state owned enterprises, local government, tertiary education institutions and non-governmental organisations working in the health, social services and community sectors.

The PSA has been advocating for strong, innovative and effective public and community services since our establishment in 1913. People join the PSA to negotiate their terms of employment collectively, to have a voice within their workplace and to have an independent public voice on the quality of public and community services and how they're delivered.

We represent the interests of 6976 members who work in Housing New Zealand (HNZ) and the Ministry of Social Development. These members are at the front-line of government policies and bear the brunt of policies that fail to meet the community's needs. The staff who support these members in both HNZ and MSD report that they are experiencing high levels of stress arising from having to perform their duties in very difficult circumstances.

The PSA is an affiliate of the New Zealand Council of Trade Unions.

The PSA welcomes the opportunity to submit on this important inquiry into homelessness. The right to shelter is a fundamental human right. The crisis in housing affordability and availability in New Zealand requires a coherent public policy response that is absent from the current Government. We are very hopeful that this joint party initiative signals the beginning of a transformation in the way that housing needs are met in Aotearoa/NZ.

Right to Adequate Housing

The human right to adequate housing is enshrined in the Article 11 of the 1966 International Covenant on Economic, Social and Cultural Rights, which was been ratified by New Zealand in 1978. In 2012 the UN Committee called upon New Zealand to ensure that its enactments and policies guarantee the right to adequate housing for everyone, including for all those in need of social housing and especially those who are no longer eligible to it. It has also urged New Zealand to take appropriate measures to address the problem of the long waiting list in respect of social housing (UN Committee on Economic, Social and Cultural Rights, 2012, p5).¹ The Committee criticised the residual nature of social housing provision in New Zealand. By restricting eligibility to only those in “‘in the greatest need,’ which denies many people of their right to adequate housing” (ibid).

Government Policy

We agree with the increasing number of commentators and analysts who argue that the Government’s housing policy is in disarray and that it can’t meet the housing needs of a growing number of vulnerable and low income New Zealanders. Dykes (2016) concludes that the Government’s flagship housing policy – the Social Housing Reform Programme – “lacks internal consistency and is unlikely to achieve the purported benefits. Indeed there is a risk that some of those with the most serious housing needs will be worse off” (p.71).

The coincidence of rising housing costs, stagnant wage growth and inadequate government housing responses has resulted in an increasing number of New Zealanders who are homeless (Davison 2016) and increasing levels of after-housing costs poverty rates (OECD 2015). Overcrowding due to housing shortages is compounded by the low quality of much low-income housing.

The human cost of this policy failure is enormous. It includes, but is not limited to, high rates of infectious diseases, poor educational achievement, lost productivity, and poor mental health: “homelessness and poor housing multiply inequalities and have a long-term impact on physical and mental health. The health effects of poor housing disproportionately affect vulnerable people: older people living isolated lives, the young, those without a support network and adults with disabilities” (Eliot, 2014).

The Social Housing Reform Programme is underpinned by a neo-liberal commitment to shrinking the size of the state and by the belief that private sector can, through competition, deliver services better than the public. Thus, HNZ has been recalibrated to enable it to compete with other housing providers – both in the profit and not-for-profit sectors – and the government intends to complete large scale transfers of state housing to either community or private providers. In its 2015 Briefing to the Incoming Minister, Housing NZ described its strategic vision as being ‘the social housing provider of choice’.

Policy responses

The PSA supports the following policies to address the crisis of homelessness and housing affordability in New Zealand.

1. *Significantly Increased supply*

At the heart of the current housing crisis is the Government’s refusal to budge from its fundamental opposition to providing significant public investment in the supply of social housing. In its 2015 Economic Survey of NZ the OECD noted that the number of publicly funded social housing units in New Zealand accounts for only “5% of the total dwelling stock, which is low compared with double-digit shares in most European countries” (2015, p.41). It recommended that the Government should “increase public support so that a more significant increase in social housing can be achieved (ibid). Social housing “plays a vital role in alleviating poverty” and the advantage of increasing supply rather than relying on the Accommodation Supplement to subsidise private rents for low income households is that “none of the subsidy is passed through into higher rents and thus capitalised into higher land values” (ibid).

We believe there is significant public support for an increase in the public social housing support and that this would best be achieved through direct provision of housing by the state.

2. *One single government agency for social housing*

Many of our members in HNZ are uncomfortable with the way that their role has changed following the 2014 restructure of government housing services that saw housing needs assessment and the provision of housing advice shift to the Ministry of Social Development.

Our members feel frustrated by the reduction of their role to tenancy and property management; they argue that their front-line engagement with HNZ tenants gives them high levels of insight into tenants' needs and that this insight could make a valuable contribution to policy and service development. The closure of Housing NZ offices and their replacement with a call centre has further distanced government services from the people who use them.

This frustration is undoubtedly echoed by members of the community to try to access government housing services. A recent Auckland City Mission survey of 100 families who have been long-term users of its food bank reported on the impact on service delivery of HNZ office closures: "many people now feel less able to advocate for themselves because they can no longer engage with a single tenancy manager who they used to visit, in person at their local branch. Participants recount their frustrations when being asked to explain their issues over and over again by multiple phone operators" (Auckland City Mission, 2014, p.16).

Responsibility for housing policy and service delivery is now spread across four government agencies - Housing NZ, MSD, Treasury and MBIE. This fractured infrastructural arrangement is indicative of a lack of coherency in the government's response to addressing housing needs. This could be achieved through the bringing together of social policy needs assessment, housing provision and policy advice should be brought together into one agency. The competitive ethos which currently governs social policy housing policy and service delivery in New Zealand should be underpinned by the philosophy that the provision of quality social housing should be a core responsibility of the state.

For further information about this submission contact:

Sarah Martin

E: sarah.martin@psa.org.nz

T: 04 816 5040

www.psa.org.nz

References

Auckland City Mission (2014), *Speaking for Ourselves: the truth about what keeps people in poverty from those who live it* Family 100 Research Project 2014, Auckland City Mission.

Davison, Isaac (2016), "Homelessness rising in New Zealand", article in the *NZ Herald* online, retrieved 12 August 2016 from http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11650103.

Dykes, Peter (2016), "The Quasi-Market Approach: the answer for social housing in New Zealand?", 66-72 in *Policy Quarterly*, The Institute for Governance and Policy Studies, School of Government at Victoria University of Wellington.

Eliot, Jake (2014), "The three housing problems that most affect your health", article in the *Guardian* newspaper online retrieved 12 August 2016 from <https://www.theguardian.com/society-professionals/2014/aug/08/housing-problems-affect-health>

OECD (2015), "OECD Economic Surveys: New Zealand. Overview", retrieved 12 August from <https://www.oecd.org/eco/surveys/New-Zealand-2015-overview.pdf>.

UN Committee on Economic, Social and Cultural Rights, (2012), *Concluding observations of the Committee on Economic, Social and Cultural Rights: New Zealand*, retrieved 12 August from http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CRC%2fC%2fNZL%2fCO%2f3-4&Lang=en.