

WELCOME TO OUR HOUSE



HOUSE TO HOME

Presbyterian Church
of Aotearoa New Zealand



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'Welcome Home' by Dave Dobbyn used with permission.

PRAYER

Dear Lord our God, you have made your home amongst us and called us into a faithful relationship with you. Come as the living Spirit in the midst of our concerns. Help us to understand the needs of all people, to feel the pain of those without a home or who live in temporary or over-crowded conditions. May we learn, think, talk and act with insight, empathy and compassion in accordance with your leading and will. Amen.

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Introduction

So welcome home, I bid you welcome, I bid you welcome

Welcome home from the bottom of our hearts

Welcome home, see I made a space for you now

Welcome home from the bottom of our hearts

From the bottom of our hearts.

[Excerpt from 'Welcome Home' by Dave Dobbyn]

When asked, "what is the most important place in the world for you?" many of us would answer, "home". There's something very special about "home" and songs have expressed that yearning for a place to belong through the ages. But what makes a house a home?

The answer is different for each person. Some have a strong sense of relationship with their physical dwelling. It's the place where they grew up; a place where the family has lived for many generations; a dwelling they built themselves. Ties of kinship, history and family give meaning to geographical location. Others experience a profound sense of *dislocation*. They move frequently for economic reasons. They are unable to add their own touches to the house they live in. They feel lonely and isolated from their community. A house may represent little more than a roof over their heads.

Most of us want to connect with a home so we can be ourselves, nourished by familiarity and a sense that we have created something that reflects who we are. It can be hard to think of a house as home when there is uncertainty or insecurity, such as worries about meeting the cost of rent, or a sense of fear in the neighbourhood.

The dream of owning a home is still strong in Aotearoa, but it's not the only aspiration. People's needs differ according to a range of social and economic circumstances. However, the ease with which people can choose, maintain and enjoy their own homes is important to all of us, whatever our circumstances. We're all better off if there is a ready supply of sound homes that young and old, rich and poor can afford.

This booklet aims to explore some of the questions surrounding housing for all New Zealanders. It looks at the Biblical basis for our understanding of houses and homes; some issues that affect the fulfilment of our aspirations; and what we can do about it as individuals and congregations for the sake of our neighbourhoods and society as a whole.

House and Home: A theological comment

by Rev Dr Graham Redding

A Christian theology of the home begins with Jesus. We must not forget that Jesus aligned himself with the rootless and the homeless. Not only was he born in an outhouse (Luke 2:7) and became a refugee immediately after his birth (Matthew 2:14), but he went on to tell his followers that, "Foxes have holes, and birds of the air have nests, but the Son of Man has nowhere to lay his head" (Luke 9:58).

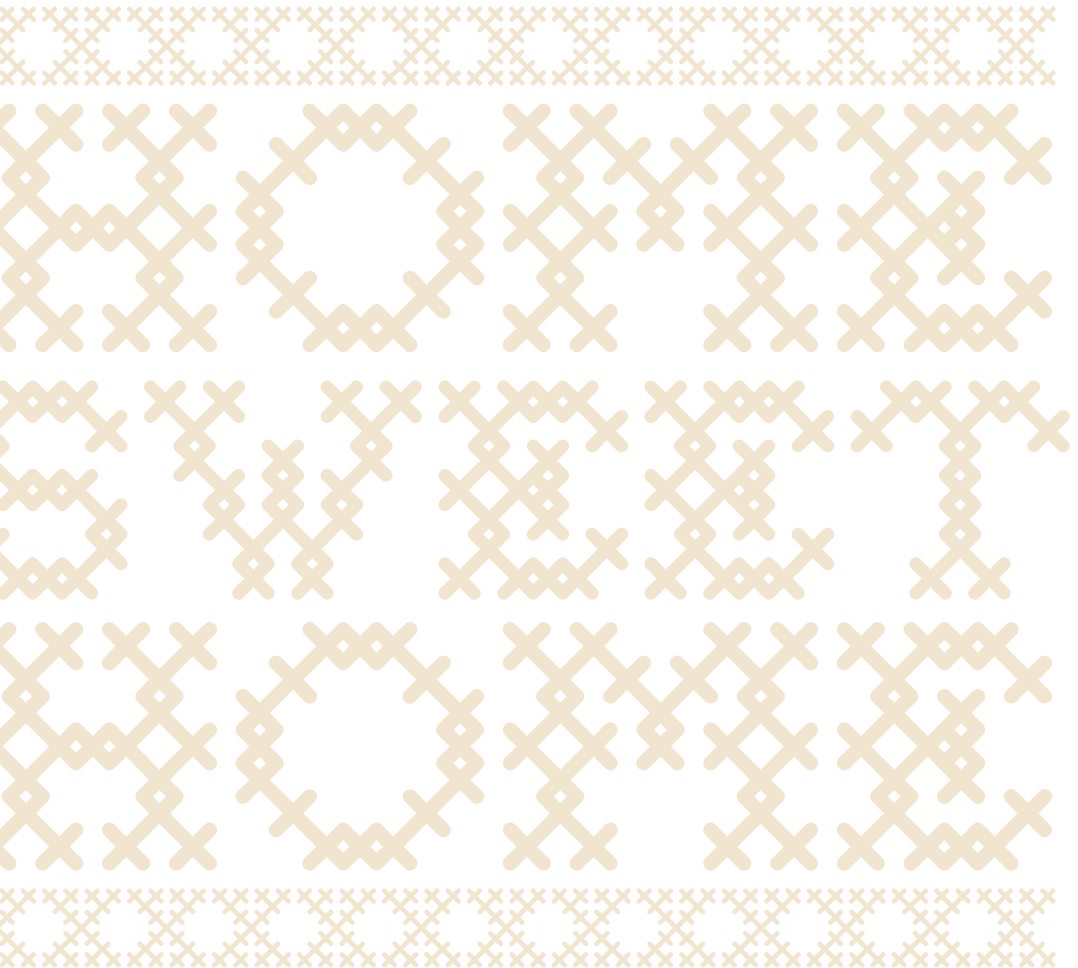
Because in Christ, God sets up camp amidst those who have no home, the Church is obliged to have special concern for the plight of the homeless. This theological affirmation does not render homes obsolete or unimportant. Indeed, the home provides a backdrop for much of Jesus' ministry. Time and again we read in the Gospels that it is in peoples' homes that Jesus dines with sinners, heals the sick and teaches his followers. It is instructive, too, to note that the house became the centre of early Christian worship following the resurrection.

House and home, then, are important from a biblical perspective. What is challenged is possession and exclusive use. In the story known as the "rich young ruler" we find a vision of a radical redistribution of property. That which provides us with comfort and security in life can so easily isolate us from the needs of others and deafen us to the radical call to love God with all our heart and soul and mind and to love our neighbours as ourselves.

From a faith perspective, the house exists not merely for the personal benefit of the owner or occupier but for the advancement of God's redemptive purposes in and for society as a whole. One of the most obvious ways in which this may be expressed is through the ministry of radical hospitality, radical because: it follows the pattern of Jesus in extending beyond our immediate circles of friends and family to welcome those who are most different to ourselves; and it carries no expectation of reciprocity. It is all about grace.

A faith-based perspective also leads us to critique those economic systems, actions and forms of housing that undermine the *shalom* or wellbeing of people, their neighbourhoods and their communities. The disturbing proliferation of exclusive suburbs and gated communities, the blandness and inefficiencies of suburban sprawl, and the imposed constrictions and uniformity of state housing areas and inner city housing estates highlight the need for good urban design and sound housing policy. Property developers, real estate agents and landlords must be encouraged to exercise social responsibility, not merely maximise profit. The Church has a key advocacy role to play here.

The Church can also affirm the importance of a sense of place for human identity and wellbeing. There are dangers in overstating this importance, of course, for it can generate a narrowly parochial outlook on life and a deep suspicion of those who are “not like us”, but when harnessed to the Biblical mandate to share in our Lord’s reconciling embrace of the “other”, then we come close to living as God would have us live – as persons-in-community.





Study One

Housing Aspirations



Standards of housing in the 1890s. Family in front of their Northland villa and Northwood Collection & James McAllister Collection, Alexander Turnbull Library, Wellington, New Zealand.

"It is important to state from the outset with the strongest possible emphasis that if a wealthy nation does leave any of its citizens in poor, unhealthy, substandard housing, the issue is one of choice, not necessity. It means that government and people alike have not given the provision of homes the attention and priority which in justice, in humanity, in dignity and in compassion they require."

Barbara Ward¹



the Reid family outside their slab hut home, Whangamomona.

What's a house for?

From earliest times, people have made their houses into more than mere shelters. Within the four walls of the places they call “home” many basic human needs and hopes are developed and met. Homes tell stories about the aspirations and personalities of the people who live in them. They also provide the basis of our health and well being.

For some, a house is an asset that provides emotional as well as financial security. They may have lived there a long time; every nook and cranny, ding and scrape holds precious family memories. For younger people, “going flatting” might represent their first big adventure as independent adults. Others look for a house to provide security for a growing family, or shift to the “right location” for the sake of their children’s education. Most people seek accommodation that fits their circumstances, or expresses a lifestyle they aspire to.

For personal reflection:

1. What does your home mean to you?

2. Think about some of the sayings about home e.g. "Home is where the heart is." Are they accurate? Try coming up with one of your own to define the difference between a house and a home.

To have somewhere we call home is a fundamental part of our human dignity. Home is the place where we build our families and find space to develop alongside friends and loved ones.

Cardinal Cormac Murphy-O'Connor, President, Housing Justice, UK

Housing – a human right

The United Nations recognises the importance of housing to human dignity and wellbeing in its Declaration of Human Rights, which includes the right to an adequate standard of living. This implies housing that is:

- >> secure, with legal protection from eviction
- >> provided with water, sanitation and emergency services
- >> affordable, with costs controlled in proportion to income
- >> habitable i.e. dry, sound in structure and not overcrowded
- >> accessible to all social, ethnic, racial, or minority groups
- >> located near employment and schools
- >> culturally appropriate

Adopted and proclaimed by United Nations General Assembly resolution 217 A (III) of 10 December 1948

Houses and homes

Buying a house or renting someone else's are the two main forms of residency in New Zealand.

Own your own

Two out of every three households live in a home they have bought or are paying off. A few inherit a family home or a substantial sum with which to buy one. Since home lending rules were relaxed in the 1980s, it has been possible to borrow up to 90 percent of a home's value from banks and 100 percent from other lenders. Unfortunately, this has helped contribute to increases in house prices. In 2006, one in three owner-occupied households owned their home outright with no mortgage. Just over a third had one or more mortgages.² Recently, first home buyers have found some financial relief thanks to the slowing of the housing market.

Declining home ownership

Home ownership in New Zealand is declining. In 1986, 73 percent of all households owned their own home, compared to 67 percent in 2006. By comparison, the percentage of renters in that period increased by nearly four times the increase in the number of homeowners.

The fall is most apparent for the 25-34 age group. In 1991, a 25-year-old had a 50 percent chance of owning a home. By 2006, they would have to be 32 years old to have the same chance.³

Our cities are changing as a result. Auckland once held ninth place out of 16 regions on a home ownership scale; now it is 15th. Suburbs that were once popular with families have been “yuppified”, forcing first time buyers further and further out of the cities. For example, an average three-bed-room house in inner city Ponsonby cost 9,500 pounds in the 1950s – affordable for the mainly working class Pacific Island families who lived in the suburb. The same house today could sell for \$700,000, unrenovated.

Case study: Home ownership Simon and Catherine

This couple returned from their OE with 15,000 pounds and a student debt of \$20,000. They have combined NZ salaries of \$97,000 with good work prospects. They rent a flat in Wellington but are looking for a low maintenance home with three – four bedrooms and a garage, within walking distance to transport or work so they will only need one car. They would like it to be well insulated, with enough land for a vegetable garden as they hope to start a family within five years. A friendly neighbourhood and a church with a community feel are also on their wish-list. So far, they've inspected 45 properties, some of them up to an hours commute from work. To be closer to work and public transport, they realise they will have to increase their price range by \$30,000 to about \$360,000. Once they have children, Catherine expects to return to work at least part time to manage the mortgage. They're told it's a buyers' market but they've lost out on four properties they've tendered for.

Talking point:

1. *What challenges did you face buying your first home?*
2. *Did you learn any lessons you would pass on to a first home buyer?*

Rental homes

Many people's first home is a rented flat, apartment or house. When borrowing is easy, a standard pattern is to buy an apartment, then a first house, followed by successive houses and finally a retirement flat or unit. When borrowing is more difficult the pattern changes. People stay much longer in rental accommodation before entering the housing market themselves. Downsizing in old age is more difficult. In New Zealand there are two types of rental housing – state-owned and private.



A Samoan family of five rented this sub-standard Petone flat in 1968. The rent was \$13 a week (one third of the father's weekly wage), for two rooms that were cold, leaking and rat infested.

Dominion Post Collection, Alexander Turnbull Library, Wellington, New Zealand.



In 1996 Housing NZ rentals were being undercut by the private sector. As a result state houses like these in Pomare, Lower Hutt were empty.

Dominion Post Collection, Alexander Turnbull Library, Wellington, New Zealand.

State housing – a 20th century icon?

State rental housing was the way governments kick-started the economy and housed returning soldiers and their burgeoning families after the Second World War. Some houses were built in suburbs now regarded as first choice addresses: Khandallah (Wellington), Fendalton (Christchurch) and parts of St Heliers (Auckland).

After World War II, 10,000 state houses a year were being built. A strong economy, affordable rents and full employment made renting a state house an attractive option for many families. Forty years later, the scene was very different. In the 1990s housing policies and assistance were retracted - the Government sold off state housing stock and introduced market-related rents.



One beneficiary of the first Labour government's housing policy was Nell Fleury (above) of Dunedin, who thought she had entered 'heaven' when she moved to her four-bedroom state house in Corstorphine in 1946. It was here that she and her husband raised their nine children.

Otago Daily Times, 1999.

Today, many of these solidly built homes are sought after by private owners who renovate and redesign them. Those still owned by the state are available for households with the greatest housing needs, which are unlikely to be met by the private market. Rents are related to the tenants' income, and houses are allocated by Housing New Zealand using set criteria. Most tenants receive an accommodation supplement that is paid along with their own share of the rent directly to HNZC.

Demand outstrips supply

The sale of state houses in the 1980s and 90s was good for the tenants who were able to buy their own homes. Sale of properties in high value areas often enabled two new homes to be built elsewhere, but those that remain in state ownership are often the wrong size, in the wrong place or just plain old and cold.

Changes to state housing policy have also resulted in a mismatch between supply and demand. People want to live and work in greater Auckland, but state house vacancies are more likely to occur in smaller towns. Most Housing New Zealand homes have three bedrooms but with a trend away from large families, most now require only one and two bedrooms.

Over the past eight years the landlord involvement of local bodies and Housing New Zealand has declined from 25 percent to 16.5 percent of the total rental market, contributing to the problem of lack of social housing.

Since 1999, Housing New Zealand has bought or built 7200 houses, more than 70 percent of them in Auckland. The total now stands at 68,745. The number of households still on Housing New Zealand waiting lists as “at risk” or “in serious need”, however, suggests that the supply of state housing should be increased even more.⁴

Case study: State rental Trevor and Sarah

Trevor is on the dole, having been made redundant several months ago from his factory job when the firm relocated the plant to China. He and his wife Sarah and their two pre-schoolers rent from Housing New Zealand. This afternoon, Trevor has to front up at Work and Income and explain why he can't take the job they've found for him at the airport. He'd like to take the job but he can't get there by 6 a.m. on public transport and he can't afford a car. He already has two dead cars in his front yard – owing loan sharks \$1800 for one of them and facing court fines for driving the other rust-bucket without a warrant. He could take the job if he shifted house, but there are no Housing New Zealand places available closer to the airport and he has not been able to find a private rental home they could afford. If he finds a private house, he might never get back on the HNZ list because he won't be considered to be in housing need – even if the rent is unaffordable.

Talking point:

1. *What would you do in Trevor's place?*
2. *Who is responsible for the situation Trevor and Sarah find themselves in? Why?*
3. *Who could the family turn to for help and advice?*

Private rent

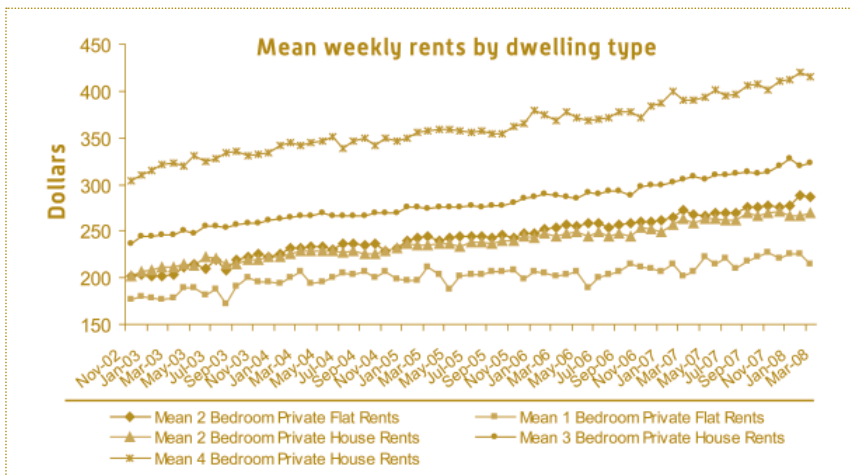
By far the highest proportion of tenants are in homes owned by private investors. There are more than 250,000 landlords in New Zealand, most of who own only one or two of the total 416,000 rental units.^{2,5} New Zealand generally has very few large providers of rental property in the private market. Surveys of landlords show that most see it as a personal investment rather than a business.⁵

Rents have risen sharply in recent years, and competition is fierce for good properties in good locations. Tenants put up with conditions and standards they would never have tolerated in the past simply because they can't afford better. Some renters who would prefer to live on their own are forced into sharing with others. Many more people are now renting into their late 30s and early 40s.

Rising rents

With house prices dropping and the economy slowing, rents are surprisingly still rising. This is because landlords face higher rates and mortgage costs so they are increasing rents. The median national weekly rental has risen 7.1 percent in the last year. The median rent for Wellington three-bedroom houses rose to \$440 a week by August 2008, taking Wellington rents above Auckland levels, where the three-bedroom house median rent has risen to NZ\$430 a week.⁶ A recent survey showed that in November 2007, the national median rental rose 3.4 percent to \$300 a week, from \$290. On Auckland's North Shore the median rent rose 11.1 percent in the last year, while rents in Invercargill rose 18.7 percent, in Lower Hutt 15.3 percent and in Napier 12 percent.⁷

Mean weekly rents by dwelling type January – March 2008



6

Nearly 30 percent of tenant households live below the recognised poverty line of 60 percent of median equalised household income. A significant number of tenants pay more than 30 percent of their income on housing costs.

Social Report, 2008 Ministry of Social Development

Lack of standards

Housing standards in the private rental market vary widely, as there are no regulations regarding minimum quality or qualifications for landlords, apart from the requirement to meet Building Code standards. Lax building inspection procedures have contributed to “leaky homes” problems. Renting or purchasing a home built in the 1990s can be a risky venture.

Talking point:

1. *What is your experience of looking for flats, either for yourself or with a member of your family?*
2. *What are the challenges you face as a landlord?*

Length of tenancy

In 2002, the average length of tenancy in NZ was 15 months, with half lasting less than 10 months,⁸ suggesting that many households who rent privately move often. Sometimes this is a choice driven by the hope that “things will be better if we move”, but it can have unforeseen consequences. Families that move often lose out on important long-term relationships with extended family, church, medical services, neighbours, friends and community. The first day at a new school is hard on a child; no one wants to be “the stranger” every six months. Many landlords now insist on a one year fixed-term lease, which can negatively affect tenants who want to move earlier because of factors outside their control, such as a noisy street or bad neighbours, but are unable to without the landlord’s consent.

Homelessness

There is no accepted definition of homelessness in New Zealand, which makes quantifying the issue difficult. Australia uses a “cultural” definition⁹ with three categories:

1. Primary homelessness includes people without conventional accommodation, such as those living on the streets, sleeping in parks, squatting in derelict buildings, or using cars for temporary shelter.
2. Secondary homelessness means people living in temporary accommodation, including hostels, night shelters, refuges or with other households.
3. Tertiary homelessness covers those who live in hostels or boarding houses on a medium to long-term basis.

There are probably only a few hundred New Zealanders in the “primary homeless” category. However, the total could be closer to 20,000 if the other categories are included.¹⁰ A recent survey in Auckland showed the number of people sleeping rough in the central city has jumped to 91, the highest since annual counts began four years ago. A further 604 people were in the night shelter, other hostels for the homeless and

boarding houses within 3km of the Sky Tower. Most of the rough sleepers were Maori or Pacific Island people.¹¹

Homeless people often face complex problems and may require social service assistance as well as a home. Studies amongst homeless people show that very, very few choose to be homeless – nearly everyone wants a place to call home.

Downsize or stay in your own home?

Those over the age of 65 are more likely to own their own home (mortgage free) than any other age group. Generally, their first home purchase occurred in the context of economic growth, full employment and state assistance. Mortgage interest rates were low and land was plentiful. As a result, this older generation is, by and large, relatively comfortable financially,¹² and their aspirations for housing are very different from those of younger generations.

Some want to live independently in the family home as long as possible, perhaps intending to bequeath it to their children. Others need to “cash up” their assets to fund the next phase of their life. Many older people have moved, or are considering moving, either to take up a new lifestyle challenge, be closer to family or health services or to downsize their homes.

Moving to a smaller home may sound like an attractive option, but apart from the affordability of the house, unit or retirement village apartment itself, other costs have to be considered as well. Healthcare often becomes increasingly expensive for older people; they may need to fund live-in support or assistance from caregivers if they become ill or disabled. Home and garden maintenance or transport may be increasingly difficult without outside help. Some of these services are provided free of charge by social agencies or community groups.

Case study: The retirement challenge Marj and Albert

Albert retired from a bank 15 years ago, disadvantaged because his superannuation fund had taken a huge hit in the late 1980s. He says, “I’m over it. We’re alright but most of our assets are now in a home we bought in the 1970s. We’ve had one big trip to Europe but can’t see ourselves affording more. Basically we’re now what you call “asset rich and cash poor”. There are these reverse mortgages now, but apparently we’re too young and could run through all our equity.”

Marj says, “It was my dream to have a nice home and some overseas travel and not have to worry about money in retirement. I had years and years of being careful and I don’t look forward to it now. I’ve started thinking about my next home – two bedrooms would be fine, and if it was on the flat I could walk back from the shops more easily. It all depends on what we can sell this place for. Some of the newer

units are very close in price to what we're told we might get for this house. We need a new bathroom and I'm told the perfectly good kitchen is 'dated. I'm told there's a lot of competition for smaller homes."

Talking point:

- 1. What are your aspirations for housing in the later part of your life?*
- 2. What is the biggest housing challenge your age group or community faces and how does this challenge affect you?*

Reflection

Isaiah 65:20-23 paints a picture of peaceful prosperity from one generation to the next. Spend a few minutes thinking about this passage in the light of your own housing aspirations.

1. How do you feel about this picture of community life?
2. How is it similar or different to your own experience?
3. How does this passage reflect the value God places on secure accommodation?
4. How could you help those of a different generation to yours fulfil their aspirations for housing?



During the 1950s housing boom houses were erected fast. This house was 'pegged-together' in just 11 days.

Evening Post Collection, Alexander Turnbull Library, Wellington, New Zealand.



Study Two

Housing Affordability

Affordability – what is it?

The most obvious factor in whether or not a house is “affordable” is how much you are able to pay for it in mortgage or rent. What one person can afford will be different from another’s ability to pay. But there are other factors involved too:

- Access – gaining entry to appropriate housing.
- Quality – accepted standards, especially for safety and health.
- Sustainability – being able to stay in appropriate accommodation. Getting on the housing ladder is one thing; staying there is another. Sustainability may be affected by: reduced incomes, rising or falling house prices, rising interest rates, levels of mortgage and rent payments.

Few people over the age of 65 have ever paid high housing costs (more than 30 percent of their income). When they first entered the housing market 50 years ago, interest rates and rents were low. State policies actively supported home ownership and secure, affordable rental housing for young families.

Since then, however, the economy and labour market have changed drastically. Home buyers in the later part of the 20th century faced fluctuating interest rates, land prices and house prices, not to mention the stock market crash. Incomes did not keep pace with house prices, and state assistance changed as the demand for it became unaffordable.

Younger first home seekers (those aged 15 to 37) now have to cope with high rents, high house and land prices and increasing mortgage interest rates, plus debt from student loans. All this means they are less likely to purchase a home than their parents and grandparents were at their age.¹³

Quality, access and sustainability issues also affect renters but in different ways and to different extents.

Talking point:

1. Share your experience with someone of a different generation. What different challenges do you face when it comes to housing affordability?
2. What percentage of your income goes on housing?
3. Is New Zealand turning into a nation of long term renters? Is this good or bad in your opinion?

Private renting – access, quality and affordability

Marina lives with her three children in an old, but well insulated home. She struggled to find it when she needed to move closer to her family after her marriage ended. “It was really hard. The only available houses were in really bad condition but the

good ones had gone by the time I could get to see them. Some of the old state houses looked good on the outside but were mouldy and damp – nothing much had been done to them for years. Other places weren't safe for the kids or were at a good rent, but miles away from the kids' school and would have cost a fortune in petrol. I learnt to identify a landlord with a few properties who knew how things worked with Work and Income. They also usually only charge two to three weeks bond plus the letting fee. Work and Income advanced the bond on my last house and it was easy to get it transferred."

Marina's story illustrates the problems renters face, especially those on lower incomes. Housing may be technically available but of poor quality or with hidden costs such as expensive transport or lack of schools nearby. Many problems with a house or suburb only become apparent after a family moves in.

There is no "warrant of fitness" for houses to protect renters from poor quality. A 20-minute inspection or later appeal to the Tenancy Tribunal is all they can expect if a landlord doesn't maintain essential services. Houses may be health hazards or downright dangerous with mould and dampness caused by leaky roofs or walls; lack of insulation, heating or curtains; faulty electrical appliances; rotten flooring; threadbare carpet; poor ventilation; or unsafe steps and stairs.¹⁴

Renters may also face discrimination when seeking accommodation. A recent study found that Maori were seven times more likely to experience housing related discrimination than Pakeha.¹⁵ Maori and Pacific families make up most of those living in overcrowded, substandard housing, while Pacific people are least likely to own their own homes and most likely to be paying significant proportions of their income in rent.¹⁶

The Accommodation Supplement

This is a non-taxable benefit that assists all low income households with accommodation costs. People need to meet certain income and asset criteria to be eligible, but they can be renting or paying a mortgage, in employment, on a benefit or receiving National Superannuation. Payment varies but usually ranges from \$45 to \$225 per week.

Talking point:

1. Why do you think Pacific Island and Maori families experience more housing problems than others?
2. Whose responsibility is it to make sure Pacific Island and Maori families have the same access to good quality housing as anyone else?

Home ownership – access, sustainability and affordability

Simon and Catherine have spent countless hours trying to make their sums work. Their budget for a first home purchase makes their parents go white, “number shock” they call it. A few months ago the banks would lend them almost any amount. Now they’re more cautious. For the \$350,000 homes they’ve been looking at, their mortgage payments for the next 30 years would be \$625-\$675 a week. Their combined net income is currently \$1400 a week but it will more than halve when Catherine takes time off to have children.

Historically, home ownership has been the most stable form of housing in New Zealand and successive governments have had policies to encourage it. For Simon and Catherine’s generation, however, home ownership is becoming less accessible, even for households on reasonable incomes. When prices rise faster than you can save, accumulating enough for a decent deposit becomes a moving hurdle. Even with a deposit, it can be difficult to afford weekly payments as mortgage interest rates increase. The graph below shows that wages and salaries have not been rising as quickly as house prices, making it harder to buy a house.

HOME OWNERSHIP RATES BY AGE GROUP 1991–2006				
Age Group	Adjusted Census Home Ownership Rates			
	1991#	1996#	2001#	2006
20-24	26.6	24.8	23.2	21.7
25-29	53.8	46.2	41.5	36.3
30-34	69.1	62.8	57.1	52.6
35-39	77.2	73.1	68.3	61.9
40-44	82.1	78.8	74.5	68.5
45-49	84.4	82.7	79.0	73.7
50-54	85.7	84.8	82.5	77.8
55-59	87.3	86.3	84.6	80.5
60-64	87.4	86.7	84.7	81.2
65 & over	84.4	83.8	83.7	79.5
Total	74.9	72.3	70.5	66.9

Source: Reproduced from DTZ New Zealand, 2007, p 17, referencing Briggs, 2006 and Statistics New Zealand.

Adjusted to take into account the level of ownership of private trusts.

Some analysts say the following factors also contribute to our declining rate of home ownership:

- » **We haven't built enough new homes.** There is a shortage of cheap sections in areas where people most want to live.
- » **Building is too expensive.** Lack of competition in the building supply industry means New Zealand costs are much higher than in Australia.
- » **It's been easy to borrow money.** The ready availability of housing finance has resulted in higher property prices. Interest on consumer debt now accounts for \$10 in every \$100 of household spending, making it difficult for many to keep up with mortgage payments.
- » **Capital gains and competition.** Under current policy, capital gains from housing investments are not taxed. Investment in housing is therefore relatively attractive, which pushes demand and prices up.
- » **Renting is more attractive** to some younger people who may not rate home ownership as highly as previous generations. They tend to travel and change jobs more often too.
- » **Student debt** appears to be delaying or inhibiting first home purchasing for some by making it harder to save for a deposit.
- » **Lack of Government assistance** in moving from renting to home ownership. In former years schemes such as rent-to-buy, subsidised mortgages and capitalisation of family benefit helped create a high level of home ownership.

Nothing new?

Sometimes we think that escalating house prices and high rents are a new problem, but the prophets of the Old Testament were concerned about these issues too. Isaiah's time (700 BC) was not unlike our own as far as housing was concerned. Developers were buying up all the real estate and selling it at prices far beyond the ability of local people to pay. Only royalty could afford land, so ordinary people could not enter into their inheritance. "Woe to you who join house to house, who add field to field, until there is room for no one but you and you are left to live alone..." (Isaiah 5:8ff).

Talking point:

The Bible often identifies greed and inflated expectations as contributing to shortages and injustice. How relevant is this for today?

Debt and Interest

The law of Moses outlined in the first five books of the Bible provided an economic model for ancient Israel that, at first glance, seems at odds with the one we are used to today. In contemporary society, debt is a way of life, free trade is the ideal, and money is made from money through interest-generating loans and investments. The State plays a major role in distributing welfare and regulating markets.

In contrast, the two main planks of the Biblical economy were a ban on interest and cancelling of all debts every seven years (Deuteronomy 15:1-2). Every 50 years, land returned to its original owners. Other laws framed the responsibilities of both lenders and borrowers (Deuteronomy 24, Psalm 37:21). There were deliberate restraints on the scope and power of the monarchy; individuals were encouraged to be self-reliant and productive; and families and communities were obliged to look after their own.

Taken as a whole, the economic institutions of Biblical law formed a coherent framework that promoted growth, efficiency, fairness and right relationships. A consistent theme is concern for 'the widow, the fatherless and the alien' i.e. those who had lost their primary relationships and were therefore vulnerable, unable to provide for themselves. God instructs his people how to act justly and fairly because God is just and merciful (Deuteronomy 24:18-21).¹⁷

Home ownership and affordability in older age

Thinking about the future, Marj says, "I do worry about what I'd do if anything happens to Albert. There are heaps of retirement villages near us. Some of my friends think they're great. I can see why but the monthly charges for the units scare me and anything we make on selling our family home won't last that long. We want to be in our own home until the end."

Albert and Marj's case shows that in spite of reaching retirement with a mortgage-free home, affordability can still be an issue for older people, especially if they want to move house. Some wish to be closer to family members, or need to be near health services. Others want smaller, low-maintenance accommodation, but this is not always available and sometimes costs more than the price of the older family home. Rates, insurance and maintenance costs can become a problem if an older person has little income and all their wealth is tied up in their house.

Shifting to a retirement villages requires capital to purchase a "right to occupy" as well as income to pay ongoing fees for services.

Home support services help older people stay in their own homes as they age but some services require payment. Work and Income New Zealand is pro-active in seeking out older people who qualify for an accommodation supplement.

Retirement and old age can be a costly business but statistics suggest that those who rent or still have a mortgage suffer the most significant financial pressure or hardship. A mortgage-free home provides some financial protection for older people.

Renting in retirement

Some church agencies offer rental units for dependent and independent elderly people. The rents are usually modest by market standards. Some state house tenants have been renting for more than 25 years, but most long term renters with limited means live in city council flats where security of tenure and maintenance are guaranteed. However, rents for these units have gone up recently too.

Home support – who pays?

Many older people wish to stay in their own home, rather than face the upheaval of shifting to a retirement village or rest home. However, they may need help with domestic tasks or healthcare.

Cleaning, food preparation, shopping and laundry costs \$12 to \$25 per hour for private providers. It is free for those who have a Community Services Card if they have been assessed as needing this care.

Personal and nursing care e.g. showering, dressing, meals, medications and treatments is also free to those whose needs have been assessed by local social or medical agencies.

Talking point:

1. What problems do you think could result from New Zealand's declining rate of home ownership?
2. What would make renting an attractive housing option for you?

Reflection

Read 2 Corinthians 6:16; Leviticus 26:12; Jeremiah 32:38; Ezekiel 37:27 and Ephesians 2:19-22.

1. What do you think would change if God "made his dwelling" among us?
2. How does this promise affect our relationships with each other?

In Leviticus 25:23 God says, "The land must not be sold permanently, because the land is mine and you are but ...my tenants."

1. What implications does this have for our own role as home-owners, landlords or tenants?



Study Three

Affirmative
action

Housing is an important aspect of everyone's life and makes a big difference to the communities we live in. People like Catherine and Simon, Trevor and Sarah, Marina, and Marj and Albert can be found in every city and town – they might even be your neighbours.

It's easy to feel overwhelmed by the size or complexity of housing issues. "What can I do?" is a big question. But you've already taken an important first step by becoming informed and studying this booklet. Together, as followers of Jesus and members of the Christian community, we can work towards solutions that reflect God's heart for all human beings.

It may be helpful to think of different levels of involvement, where we can each make a contribution according to our own skills and interests. At every level, it's more effective to team with others.

Individuals – what can I do?

- » Be a good neighbour. Find out about the housing worries of the people down the street. Act on their behalf with local authorities or social service agencies.
- » Be a good landlord. Next time you inspect your property ask yourself, "How long would I want to live here? Is this fair value for money?" There's a balance between upgrading properties and keeping rents affordable, but improving facilities can benefit both owner and occupiers. Consider joining a local property investors' association for its experience and guidance.
- » Find out about Presbyterian Support's 'Enliven' and 'Enliven Homeshare' positive ageing services for older people in your area and volunteer to help.

Communities – what can we do?

- » Offer to organise a working bee for someone who's struggling to maintain their property.
- » Consider contributing your skills to a community building project, such as Habitat for Humanity.
- » Join Rotary, Lions or a similar service club involved in projects to improve local neighbourhoods.
- » Organise a Neighbourhood Watch or graffiti-guard group in your street to help protect everyone's properties.
- » Celebrate your neighbourhood with a street party or annual Christmas get-together.

Habitat for Humanity is a not-for-profit organisation that partners with people of goodwill and families in need to eliminate inadequate housing. Partner families invest 500 hours of “sweat equity”, working alongside volunteers to build or renovate homes. Partner families purchase the homes from Habitat and this money is reinvested into expanding the programme. In NZ, Habitat builds about 20 homes a year and has helped more than 300 families into their own home since 1993.

Source: www.habitat.org.nz

Congregations – what can we do?

- Club together with other churches in your area to help sponsor and build a Habitat for Humanity house.
- Volunteer to clean up council or state housing gardens or parks nearby.
- Use contacts to help one family a month find a good rental property.
- Host mortgage brokers/ banks etc to an evening to debate the pros and cons of first home ownership. Invite your community.
- Invite the owners or managers of local retirement villages or rest homes to explain procedures for entry.
- Develop good working relationships with local agencies and associations that help with housing.
- Talk to local MPs and councillors about how housing policies affect people in your area.
- Advocate on behalf of disadvantaged groups e.g. migrants, refugees, single parents, older people, Maori or Polynesian tenants.
- Make submissions on housing to the New Zealand Council of Christian Social Services. NZCCSS interacts regularly with the Government on a number of social justice issues.

Governments – what can they do?

Good housing is fundamental to personal and social well-being, but it is costly to provide, and subject to fluctuations in the market like any other “product”. Who is ultimately responsible for affordable housing – individuals or the State – depends on your political viewpoint, but governments can do much by developing policies that are fair and just for all. It’s also important to remember that decisions about housing have long term consequences but may take time to prove their worth.

State housing. The State provides 68,745 houses for those in greatest need – representing about 66,000 families. In the past, the Government helped tenants buy their own state house. This policy has not been followed in recent years due to the high demand for state house rentals in some areas.¹⁸

Housing assistance. The Accommodation Supplement helps about 278,000 families as the main form of housing assistance apart from state housing. It is available to both renters and homeowners. While it helps meet immediate needs it doesn't help people move ahead. It may support high rents and work against people with home ownership aspirations.¹⁹

Social housing. The Housing Innovation Fund makes suspensory loans and deferred interest loans available to not-for-profit housing providers. In the four years from June 2003 to June 2007 it was used to purchase or build new dwellings and to modify existing buildings. A total of 729 units were approved to a value of \$73.9 million. Community based organisations built 210 units and local authorities built 145 and modified 374.²⁰

Getting into home ownership. Under rent-to-buy schemes, the Housing Corporation rented houses for five years to agreed purchasers. The price was fixed as an option to be taken up at the end of the five years. Any increase in value of the property could then count as a deposit for a loan application. This approach works in times of rising property values but runs into trouble when values are stagnant or in decline. Various loan schemes such as the Welcome Home Loan are designed to make it easier for people to borrow money for their first home purchase.

Shared equity. This scheme allows householders to purchase a percentage of their house with a mortgage and pay rent on the remainder of the equity, gradually progressing to 100 percent ownership. A recently announced pilot scheme limited this arrangement to areas where entry to the housing market is difficult, but strict qualifying criteria apply.

Sweat equity. Self-help building methods often require families to contribute a significant amount of their own labour toward the construction of their home. In many cases, this sweat equity replaces a deposit, and lowers construction costs, allowing self-help builders to quickly build equity in their homes. The Wellington City Council adopted a scheme like this in the 1980s but the only organisation currently doing it is Habitat for Humanity.

Incentivised savings. Schemes like KiwiSaver encourage savings for home ownership or retirement. They will assist future homebuyers but could also weaken government commitment to National Superannuation.

Reflection

Spend a few moments reflecting on Isaiah 58:6-12.

1. What are our responsibilities towards the homeless and others without adequate housing?
2. What promises does God make to those who act with justice and generosity?
3. What do you think about the suggestions for action in this study? Are there any you could you begin to act on? What further resources do you need to make it happen?

✚ theology of house and home

The Bible contains thousands of references to houses and homes. Many of them are attached to other words to form place names, e.g. Bethlehem, "house of bread". But the most important theme is the distinction between buildings and homes. "Home" is the place where the most important relationships are formed, renewed and celebrated. Our homes are places in which we can exercise a Christian ministry of hospitality to the stranger, and from which we venture forth to undertake a ministry of reconciliation.

Beyond these domestic associations, the Bible also emphasises the importance of our spiritual home. It is one thing to be homeless in a physical sense; another to have nowhere to belong and no one to depend on. Ultimately, we are at home in Christ. As believers we can look forward to an eternal home independent of our physical houses or bodies. *For we know that if the earthly tent we live in is destroyed, we have a building from God, an eternal house in heaven, not built by human hands* (2 Corinthians 5:1).

The Bible also talks about God making his home with humanity through the incarnation of Jesus Christ. In the Old Testament, the temple is spoken of as God's "house"; in the New Testament, Jesus takes this imagery to describe his own body and Paul describes believers as God's "dwelling". *In him you too are being built together to become a dwelling in which God lives by his Spirit* (Ephesians 2:22).

Home - a place to be "at home". The book of Deuteronomy reminds us that the major faith traditions of the world have a common ancestor in Abraham, a nomad who pitched tents and found waterholes in the desert. Every time the Israelites brought gifts to God in the temple they were to recite these words: *"A wandering Aramean was my ancestor... the Lord brought us into this land, a land flowing with milk and honey."* The temporary nature of their previous dwelling-places was contrasted with the permanence of God's faithfulness in providing a special place to be "at home" and worship him.

Home – a gift of God

God gives the desolate a home to dwell in; he leads out the prisoners to prosperity; but the rebellious dwell in a parched land (Psalm 68:6). This verse reminds us that God's provision is very personal. Those most in need have somewhere to call their own.

Home – a place of shelter

Send, therefore, and have your livestock and everything that you have in the open field brought to a secure place; every human or animal that is in the open field and is not brought under shelter will die when the hail comes down upon them (Exodus 9:19).

The need for shelter is a basic human right. Human beings are at risk from the occasional violence of nature. Shelter is essential and part of God's gracious provision in an imperfect world.

Home – a place for intimacy and love

When a man is newly married, he shall not go out with the army or be charged with any related duty. He shall be free at home for one year, to be happy with the wife whom he has married. (Deuteronomy 24:5).

Home is the place where we can express our highest aspirations, deepest needs and closest affections. It's also the place where we raise and nurture our children – providing continuity for future generations.

Home – a place of security and well-being

Naomi said to [Ruth], "The LORD grant that you may find security, each of you in the house of your husband." (Ruth 1:9)

In Ruth's time, to be without a husband was to be homeless. Fortunately, we live in different times now, but many of the people suffering greatest housing stress in Aotearoa New Zealand are single, or (usually female) solo parents.

Home – a place of peace and rest from war

The LORD SAYS, "You shall not go up or fight against your kindred the people of Israel. Let everyone go home, for this thing is from me." So they listened... and went home again (1 Kings 12:24).

Whenever peace was declared, men were sent home. The way to dispirit and defeat enemies was to destroy and violate their homes – leaving them little to live for.

Home – a place for true religion and justice to flourish

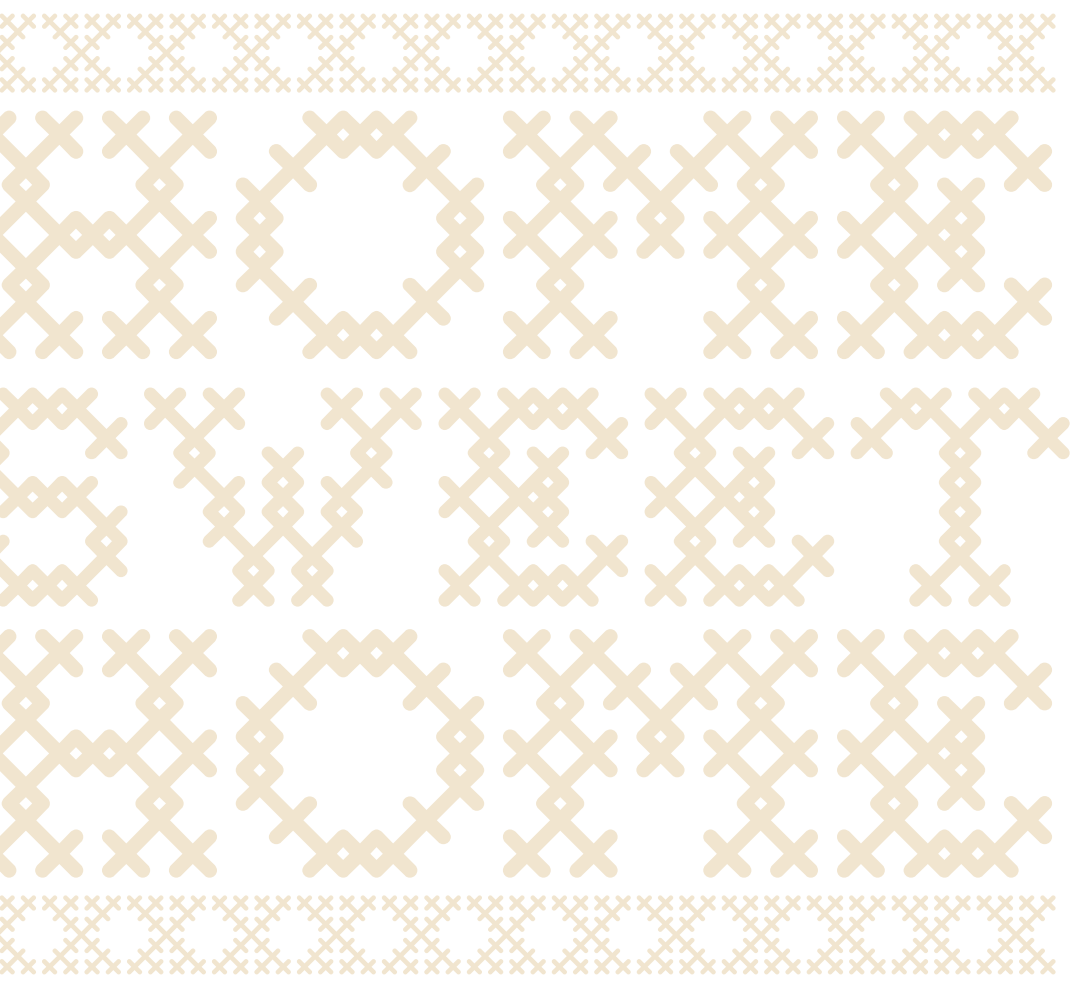
Is not this the fast that I choose: to loose the bonds of injustice, to undo the thongs of the yoke, to let the oppressed go free, and to break every yoke? Is it not to share your bread with the hungry, and bring the homeless poor into your house; when you see the naked, to cover them, and not to hide yourself from your own kin? (Isaiah 58.6–7)

To deny anyone hospitality or a home is to forget that God has blessed us and provided us with all things to enjoy and share with others.

Home – a place to gather and worship.

Day by day, as they spent much time together in the temple, they broke bread at home and ate their food with glad and generous hearts (Acts 2:46)

The first Christians found people's homes were necessary and suitable places for worship and to nurture and spread the gospel.



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Massey University Real Estate Analysis Unit publishes housing reports: <http://propertygroup.massey.ac.nz/index.php?id=1068>

Website Contacts

Habitat for Humanity: New Zealand: www.habitat.org.nz

Community Housing Aotearoa NZ: www.communityhousing.org.nz

Salvation Army: www.salvationarmy.org.nz

CHRANZ (Centre for Housing Research Aotearoa New Zealand): www.chranz.co.nz

Tenancy Services: www.tenancy.govt.nz

New Zealand Property Investors' Federation (NZPIF): www.nzpif.org.nz

Housing New Zealand Corporation www.hnzc.co.nz

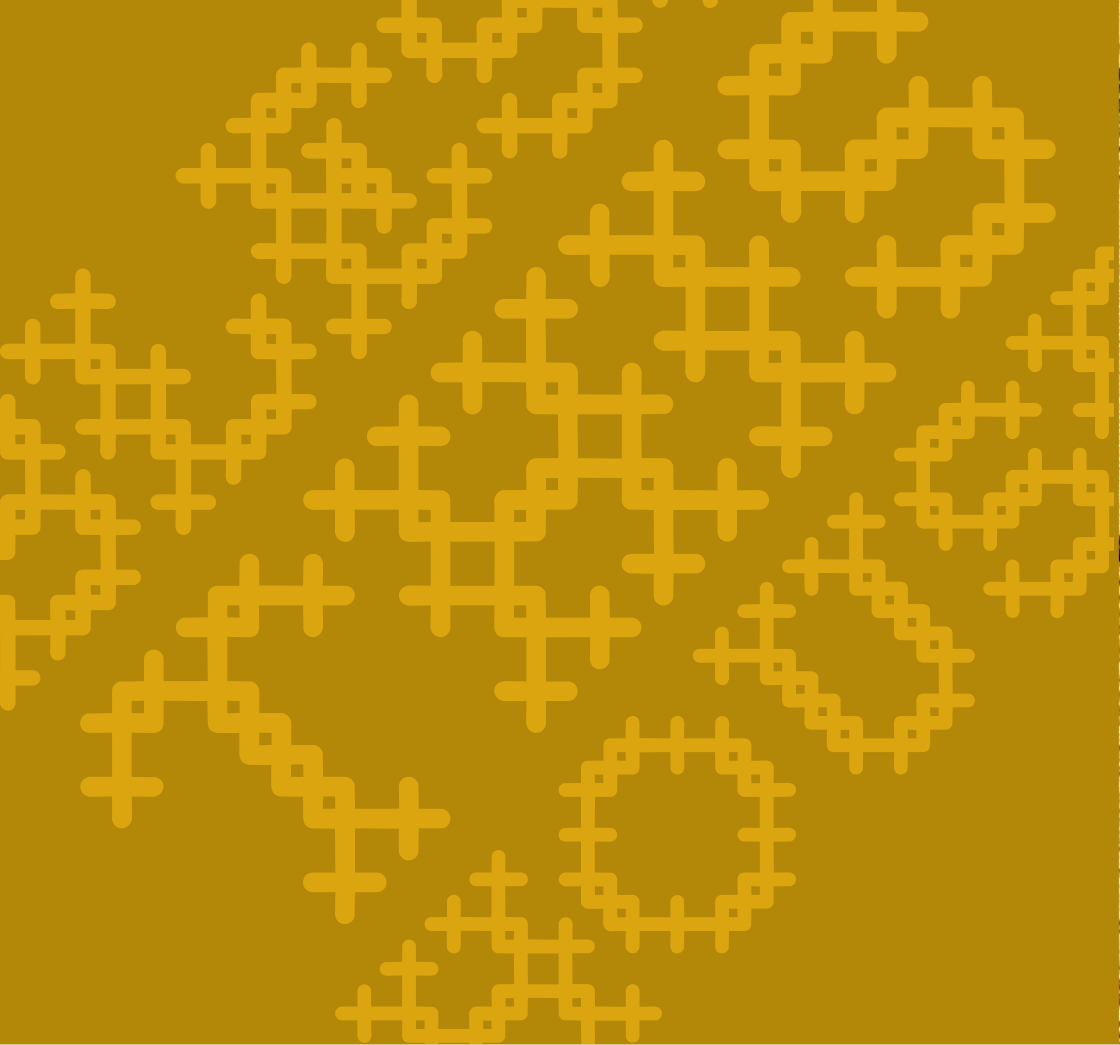
Tenants Protection Association, offices in main centres, email: tpa@ukland@xtra.co.nz

Citizens Advice Bureau: www.cab.org.nz

New Zealand Housing Foundation (NZHF): www.housingfoundation.co.nz

BRANZ (Building Research Association of New Zealand Inc): www.branz.co.nz

Housing Justice UK, housing justice issues and action: www.housingjustice.org.uk



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