

State Houses: People over profit

THE ISSUE

State housing is meant to provide good quality housing to Kiwi families in need. The current government has used it as a revenue stream - siphoning off dividends and selling state houses, despite a huge waiting list and a shocking rise in homelessness.

National has taken \$523m of profits out of Housing New Zealand, including a \$118m dividend for 2015/16. That's enough to have built over 1,500 state houses. At the same time, they have sold off 2,500 houses (net) since 2011, and are moving to sell thousands more to merchant bankers, property developers and overseas companies.

While National extracts a profit from its housing stock, 95% of those homes failed Housing New Zealand's Warrant of Fitness trial. This is a scandal when children are getting sick and even dying in state houses.

Housing NZ in its current form has become little more than a glorified property management company, with frontline staff losing their jobs and tenants forced to use an 0800 number.

HOW THE PLAN WORKS

Labour will:

- **Immediately stop National's state house sell off and commit to substantially increasing the number of state houses.**
- **Make Housing New Zealand a public service with one job - a focus on housing people in need, rather than paying a dividend. This will leave Housing New Zealand more money to invest in housing families and fixing up cold, damp state homes.**
- **Restore Housing New Zealand's focus on the needs of tenants, rather than just being a glorified property manager.**

Labour will make Housing New Zealand a public service with a focus on housing people in need. We will end the current government's programme of state house sales. Instead, we will build more state houses with money that is currently being taken from Housing New Zealand in dividends.

The extra funds Housing New Zealand will retain by not paying a dividend will also allow it to invest in making sure all state houses are warm and dry.

Housing New Zealand's social mandate will be restored to ensure that its tenants have access to the support and services they need. This will include bringing back the frontline staff cut by the current government. The eligibility assessment and wait list functions within MSD will be moved into the new ministry, as will policy functions that are currently within MBIE.

This Housing NZ policy is part of Labour's comprehensive housing plan, which includes:

- Building more state houses and maintaining them properly, rather than selling them off.
- Requiring all rentals to be warm, dry, and healthy to live in.
- Building thousands of affordable homes for first home buyers.

