

**AHI Breakfast
12 March 2009**

Good morning and thank you for inviting me here today. As Minister of Housing and I'm very pleased to be addressing you.

Obviously your organisation and your members have a keen interest in what I've been up to since becoming Housing Minister.

The briefing I was given as incoming Minister highlighted the pressure on the housing market, the ability of New Zealanders to access appropriate housing, and the work needed to improve the state housing stock.

In fact the briefing estimated that \$2 billion is needed to address deferred maintenance and upgrade state houses to an appropriate standard.

Many current state house tenants have been living in substandard conditions for a very long time.

Well, after just over 100 days in office, I am happy to report that the Government has already made some significant steps in ensuring secure, healthy and affordable housing for all New Zealanders.

As many of you will know, housing played a major part in the first tranche of the Government's Jobs and Growth platform designed to stimulate the economy and encourage economic growth.

The package provided \$104.5 million to be spent on upgrading existing state homes, and \$20 million to be spent on building new homes. This is over and above the 475 new houses we had planned that Housing New Zealand would provide by the end of this financial year.

Almost every region in the country will benefit as a result of the package, as building and renovating state homes will provide much-needed work for local tradespeople and local businesses.

It will also ease pressure on Housing New Zealand's waiting list and ensure that tenants live in homes which are warm, dry and fit for modern day life.

The investment in upgrades has almost doubled the pace of Housing New Zealand's existing programme. By the end of June 2010 more than 18,000 homes will be much improved.

I don't know about you but I think it's a pretty impressive feat that by June 2010 a quarter of the housing stock will have been upgraded.

Work is also underway on some major policy initiatives and legislative changes which will be introduced later this year.

The Government is conscious that land supply, zoning, and building laws are all a barrier to developing affordable housing, which is why

we are reforming the Resource Management Act, the Local Government Act and the Building Act.

We are determined to better meet residential land needs by addressing the regulation and compliance costs faced by builders, developers and councils, and improving the ability to provide infrastructure. In doing so we will be streamlining the planning and consenting processes.

Housing New Zealand will soon be offering Gateway Housing – an alternative shared ownership scheme with supporting financing arrangements. The Gateway Housing initiative will allow first-home buyers to build houses on Housing New Zealand or Crown-owned land. They will then have the option to buy the land after 10 years.

On top of that we will be introducing a scheme to enable state house tenants to buy their home, with the proceeds reinvested in state housing.

We will also ensure sustainable funding for the non-Government housing sector through Housing New Zealand's Housing Innovation Fund.

I'm also looking forward to the implementation of Housing New Zealand's Options and Advice Service which will help people to find housing which best matches their needs – whether it is home ownership, private rental or a state home. This service will help

manage demand at Housing New Zealand's front door by assisting people to recognise and access a whole suite of housing options, beyond just state housing.

In terms of legislation, I have asked for a review of the Residential Tenancies Amendment Bill to encourage the future provision of private rental housing. I also intend to take a close look at the Affordable Housing: Enabling Territorial Authorities Act to ensure it will meet the Government's desire to create affordable housing as simply and effectively as possible.

Meanwhile, Housing New Zealand is currently working on better ways of managing the state housing waiting list, as well as dealing more effectively and efficiently with tenants who are upsetting local neighbourhoods and communities with serious anti-social behaviour.

I am concerned about the 10,000 strong waiting list handed to me as a new Minister last year – a waiting list that represents many families in desperate need; which may grow in significant numbers during this time of economic pressure; and certainly will grow if significant and sensible policy steps are not taken.

Clearly, there is a lot going on, most of which will impact on most of you, if not all of you here today.

I'm sure though that the impact will be a positive one and I look forward to working with you and your organisation to create a more

affordable housing market and social housing which we can all be proud of.

Again thank you for inviting me this morning, it really is a pleasure to be here.