

History of state housing

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O Early state housing

In 1905 Prime Minister Richard Seddon passed the Workers Dwellings Act and the first state houses were built for inner-city workers to rent. Seddon thought New Zealanders could enjoy a higher standard of living if the state took over from 'greedy' city landlords. Several hundred homes were built but the rents were too high for many and the programme folded in 1919.

O New suburbs

Growing demand for housing after World War I led the Railways Department to set up a factory at Frankton, Hamilton, building pre-cut houses from local timber. Whole suburbs were built of railway cottages at Frankton and at Moera, Lower Hutt. The scheme stopped when the government decided private companies could build the houses at less expense.

Lenient state lending in the 1920s - workers could borrow 95 percent of the cost of a house - caused a suburban building boom. This receded with the Great Depression of the 1930s.

O 1935

The first Labour government wanted to provide homes and stability for people left jobless after the Depression. They loaned money for private house purchases and built houses for the public to rent. The 5,000th state house was built in 1939. Architects provided 400 different designs, and no two homes were exactly alike.

O Post war

After World War II, 10,000 state houses a year were being built. Whole suburbs were laid out, shops and amenities erected and open space landscaped.

Materials shortages led the government to import 500 pre-cut houses from Austria. They also launched a 'group building' scheme, underwriting new houses built to government designs. The result was multi-units made of cheaper materials like fibrolite, which lacked privacy.

In the early 1950s, the National government let state tenants buy their homes, offered state loans, and subsidised the building industry to bring house prices down. New housing was built in higher densities, with mass state housing areas emerging in south Auckland and Porirua, north of Wellington.

O 1970s - today

The Housing Corporation was formed in 1974 following an inquiry into state housing. The Corporation built in inner-city areas and developed different housing types, such as cluster housing.

The National government sold state houses in the 1990s but kept a reduced state house building programme. Only people on welfare could rent a state home, at full market rent,

with accommodation subsidies through the welfare system. Labour reinstated income-related rents in 1999, whereby eligible tenants paid no more than 25 percent of their income in rent.

The latest in New Zealand's social housing lineage is Housing New Zealand Corporation, formed in 2001.

More information

In 2005 we supported the production of a book to mark the centenary of state housing in New Zealand, *We Call It Home - A History of State Housing in New Zealand*, by Ben Schrader. Author Gael Ferguson has also written a book on state housing, *Building the New Zealand Dream*.

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