A New Hope or the Market Strikes Back; Neoliberal Housing Policy Under the Sixth Labour Government

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Abstract

Housing problems have been a widespread and recurring international phenomenon. Neoliberalism is dominant in the housing policy formation process of anglophone countries. Neoliberal housing policy has subjected countries to a set of processes: privatisation, marketisation, commodification, individualisation, and financialisation. However, neoliberal housing policy and these processes have been heavily criticised within literature as being inherently flawed, exacerbating housing problems. This thesis demonstrates that these dominant neoliberal policies are not merely enacted, but instead moulded around the cultural and political context of a state's policy development process. The thesis uses two of the Sixth Labour Government's key housing policies in New Zealand; the creation of Kāinga Ora, and the Urban Growth Agenda, in order to demonstrate this. It uses the historical housing policy context of the Labour Party and New Zealand to examine how dominant neoliberal policies are enacted and moulded within a particular context. The thesis uses critical discourse analysis to examine a broad set of policy documents surrounding the creation of Kāinga Ora, and the housing affordability policies in the Urban Growth Agenda. It examines a mix of legislation, Hansard debates, and policy advice surrounding the policies. It is argued that the Sixth Labour Government accepts and endorses neoliberal logics and assumptions in regard to housing policy, but that these are situated within broader government goals derived from the historical party political and cultural context of The New Zealand Labour Party and New Zealand housing policy. This creates a unique hybrid policy, which demonstrates the conflictual and contradictory nature of neoliberal housing policy and the historical social mandate that the Labour Party has adopted. It is argued that this hybridity has ramifications for these policies in dealing with housing problems in New Zealand. This expands understanding of the policy development process and how hegemonic ideas are implemented in local contexts.

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Chapter 1 - Introduction

Internationally there has been a recurrence of housing problems, in which people are unable to achieve the housing outcome they desire or wish for. This inability to access housing, either because of affordability issues, or a lack of supply of the right houses in the right places has meant this is a significant political issue globally (Clapham 2018). Particularly affected by these problems are countries in the anglophone sphere; such as the U.K, U.S.A, Australia, and New Zealand (Clapham 2018; Jacobs 2019; Wetzstein 2017). Governments in the anglosphere have adopted a set of policy responses designed to address issues regarding housing affordability and access. These have resulted in a series of policy developments focused around; planning reforms (Gurran & Phibbs 2015; Austin et al. 2014) and social housing reform (Blessing 2016; Jacobs 2019, Murphy 2020). However, it is argued that the set of processes that are built into these responses; privatisation, commodification, marketisation, individualisation, and financialisation, have resulted in the intensification of these housing problems (Clapham 2018). Clapham (2018) argues that these five processes underpin neoliberal housing policy and that this is increasingly the dominant form of housing policy internationally. Given that these policies have not solved enduring housing crises, it is argued that the logic and assumptions that serve as the foundation of neoliberal housing policy are inherently flawed (Clapham 2018; Jacobs 2019; Ryan-Collins & Macfarlane 2017). However, the dominance of neoliberal housing policy in the urban policy production process has effectively constrained the range of ‘acceptable’ or ‘valid’ policy options available to governments seeking to address these housing problems (Clapham 2018; Peck & Theodore 2012). In this context, emergent housing policy is increasingly framed within a dominant logic of market primacy (the idea that the market is the ideal solution to any housing problem) (Clapham 2018). It is also argued that the ‘ideal’ theoretical market is not merely implemented under neoliberal policies, but instead produced in hybrid forms based on the political process of a place (Berndt et al., 2020). This means governments of different political hues, are implementing housing policies involving privatisation, marketisation, individualization, and financialisation, in which the contextual factors will influence the development of these housing policies.

1.1 - Contemporary Housing Policy in New Zealand

New Zealand has been subject to recurring housing problems. Most significantly these involve affordability issues, due to rising costs of housing, resulting in people being unable to access housing. This has resulted in a political acceptance of a housing crisis. (White & Nandecker 2021). New Zealand has also been subject to significant influence from neoliberal housing policy, which from the 1990's has played an important role in the construction of housing policy (Murphy 2000; 2003; 2014; 2016; McLeay 2020; White & Nandedkar 2021). In this thesis it will be argued that the most recent phase of policy responses (post-2017) that have been developed and implemented to solve housing problems serves as an entry point to understand how urban policy in New Zealand has become saturated by neoliberal policy solutions. Yet, while acknowledging the overarching significance of neoliberal policy implementation, it will be argued that specific policies bear the influence of the enduring political and cultural historical context of New Zealand. Housing policy formation and enactment may be framed within the logic and assumptions of market primacy, but they also reflect distinct path dependencies and political commitments to housing tenures and forms of housing intervention. It is argued this produces unique forms of hybrid policies, which reflect both dominant neoliberal logics, but also the contextual goals and values of a political party.

In 2017 the incoming Labour led government (The Sixth Labour Government) embarked on delivering its election campaign promises of transformational change. Initially, their key housing policy was the flagship Kiwibuild Programme, which aimed to construct 100,000 affordable homes over 10 years. This scale of direct state intervention in the housing market indicated a level of involvement in housing that was not seen in previous decades. However, this programme did not achieve the desired results (McLeay 2020). Significantly, while the rollout of Kiwibuild was problematic, the government maintained wider housing ambitions and demonstrated an appetite for direct intervention in the housing market. This resulted in the construction of two key policy areas; the development of Kāinga Ora - Homes and Communities (or Kāinga Ora), and the Urban Growth Agenda. The creation of Kāinga Ora - Homes and Communities represented a significant reconfiguration of the state's primary agency for housing delivery. Kāinga Ora was constructed as both the urban development arm (and an urban development authority) of the government, and was also responsible for managing social housing in New Zealand. Additionally, Kiwibuild was absorbed into this entity. The Urban Growth Agenda is part of a wider government programme that was designed to address broader issues around housing unaffordability. In combination, these

two policy initiatives represent a significant government intervention in addressing housing issues.

While the political direction Labour promised was directed towards fundamental change in the housing system, it has been argued by McLeay (2020; 2022) that this was not the case. McLeay (2022) argues that the Sixth Labour Government has instead accepted the central role of the market (market primacy) in housing provision. McLeay uses a post-political framework to develop this, arguing that Labour has not challenged the status quo. Instead, it has accepted the logics and assumptions implemented under the previous National Government, which accepted and endorsed neoliberal housing policy as the ideal. The previous National Government introduced the Housing Accords and Special Housing Areas Act 2013, which created fast track planning areas that overridden local planning restrictions. This was done to allow the private sector to produce more housing. McLeay found that in debate around this legislation, opposing Labour MP's did not focus on substantive discussions of the neoliberal foundation of this policy, and instead debate revolved around political point scoring. Additionally, McLeay maintains that when the Labour Party came to power the policies of Kiwibuild and Kāinga Ora continued this policy direction as Kāinga Ora was granted the power to override local planning policies through the designation of specified development areas. Moreover, he notes that the Kiwibuild programme aimed to produce 'affordable' market housing, as opposed to social housing.

In terms of the policy formation process, Barret & Garret-Walker (2021) analysed how housing problems were represented in briefings to ministers. Under the previous Fifth National Government they found that these briefings involved an acceptance of market fundamentals and emphasised how market practices could be used to produce affordable housing. Post 2017 and the election of the Sixth Labour Government, they found that the same market fundamentals remained, however, that there was an expanded scope of analysis. When information about Kāinga Ora was included in 2020, this expanded the advice to include topics such as social housing. This indicates the Labour Party was interested in the wider housing sector, yet accepted the market framing that was present during the National Government's time in power. The analysis undertaken by Barret & Garret-Walker (2021) implies as McLeay (2022) argues that the market has been accepted as having a central role in housing policy. This differs from Labour's historical engagement with housing. The Labour Party was responsible for the establishment of state housing and the welfare state (Ferguson 1994). The establishment of state housing in the 1930's was undertaken in order to provide an alternative to unaffordable and low quality market housing in the private rental sector (Ferguson 1994). While highlighting the continued reliance on

neoliberal solutions, Barret & Garret-Walker (2021) do indicate that there was an expansion in what was presented in policy advice after the election of the Sixth Labour Government in 2017. This expansion in scope raises questions regarding how much influence hegemonic neoliberal ideas have had on Labour's housing policy.

1.2 - Methods and Aims of the Thesis

From this contemporary context, this thesis will explore how hegemonic neoliberal housing policies are implemented and changed by the Sixth Labour Government. Through critical discourse analysis, this thesis will seek to understand how the two key policies of Kāinga Ora - Homes and Communities, and the Urban Growth Agenda have been influenced by neoliberal housing policy logics. It examines these policies in the political and cultural context of the Labour Party, which has developed within a specific historical context in New Zealand. The thesis aims to understand how the global hegemony of neoliberal housing policy has influenced the production of housing policy responses by the Sixth Labour Government, and how enacted policies are mediated and modified by the Labour Party's political and cultural historical context. It will examine legislation, Hansard debates, and secondary policy documents surrounding the key policy areas to demonstrate how hegemonic neoliberal ideas have been developed under the Sixth Labour Government. It will draw from this whether the Sixth Labour Government represents a continuation of these globalised neoliberal policies, or if instead it has produced a contextually unique form of policy, that represents a hybrid of traditional New Zealand Labour Party policy and neoliberal housing policy. This thesis aims to expand the understanding of how hegemonic neoliberal housing policy affects and is affected by contextual factors.

1.3 - Thesis Structure

The current chapter, or Chapter 1, has outlined the broader contemporary contextual situation regarding housing problems, and dominance of neoliberal housing policies. It then developed the modern contextual policy responses to housing problems in New Zealand. From this it explained the key policy areas of the Sixth Labour Government. It then explained the aims of the thesis, as well as how it intends to answer these aims. Lastly it outlines the structure of the thesis summarising the various sections.

Chapter 2 explores the literature regarding neoliberal housing policy. It is split into three sections. First, it examines what neoliberal housing policy is, and how key processes have changed the nature of housing policy. Second, it examines the dominance of neoliberal

housing policy and how global policy production transfer reinforces this. Third, it explores how neoliberal policies act in three housing areas related to the Sixth Labour Governments policies; housing affordability, urban development authorities, and social housing. This provides a framework in order to analyse how housing policies have been developed, implemented and justified in the New Zealand Context.

Chapter 3 consists of a contextual chapter examining the history of New Zealand Housing policy. It provides historical and political context on the different phases of housing policy in New Zealand, including the introduction of neoliberal policy. This explores the evolution of housing policy that has developed until the start of the Sixth Labour Governments term in 2017. This will provide the historical and political context of the Labour Party and New Zealand housing policy development, in order to address how the Sixth Labour Governments housing policies affects and is affected by hegemonic neoliberal housing policy.

Chapter 4 sets out the methodology that was used during this thesis. It begins with identifying the broader legislative agenda that occurred under the Sixth Labour Government between October 2017 to July 2022. From there it narrows this down into housing related legislation, until the key policy areas were selected. It then explains what specific data is examined, along with the methodology that was used to analyse the data, in order to address the aims of the thesis.

Chapter 5 is split into two sections. These examine the key policies, specifically the development of Kāinga Ora, and the housing affordability section of the Urban Growth Agenda. Each section begins by explaining what each policy entails. Next the section uses critical discourse analysis to analyse a variety of documents (legislation, Hansard debates, and secondary policy documents) from these key policies in relation to neoliberal housing policy and the political and historical context of the New Zealand Labour Party.

Chapter 6 provides a conclusion chapter, in which the findings of the thesis are examined in relation to the aims of the thesis. Additionally, it comments on where future research could be targeted towards.

Chapter 2 - Literature Review

The development of housing policy in New Zealand is subject to global policy trends and international policy transfer (Murphy 2014). In order to analyse contemporary housing policies in New Zealand it is important to situate specific policies within more global processes. In particular, it is necessary to understand the nature of neoliberal housing policies and how these have been implemented elsewhere. This chapter reviews three broad sets of literatures that in combination offer a framework for examining specific elements of the Sixth Labour Government's housing policies. First, drawing on the work of Clapham (2018), four of the key elements of neoliberal housing policies will be reviewed: financialisation, marketisation, privatisation, and individualisation. These processes underpin housing policy formation in a variety of national contexts and have been mobilised in the development of policies in New Zealand. Second, having set out the nature of key neoliberal processes, the chapter shifts to a review of the rise of neoliberal housing policies as a dominant response to housing issues globally. This section indicates that neoliberal policies are not just dominant, but they are increasingly deemed the only possible response to housing issues. The final section of the chapter offers a review of literature on three specific policy areas in which neoliberal housing policies have been implemented: housing affordability policies, urban development authorities and housing supply and social housing reforms. These policy areas have been chosen as they are significant components of the Sixth Labour Government's housing programme. In total, the chapter offers a context for understanding the nature and evolution of neoliberal housing policy and how these policies are enacted in key policy areas. Significantly, the chapter offers a framework for examining the extent to which the Sixth Labour Government's housing reforms conform to, and deviate from, neoliberal housing policies.

2.1 - Neoliberal Housing Policy

Neoliberalism is generally seen as an ideology or set of policies which emphasises market primacy, a more limited role of governments and emphasis on individual actors in society (Clapham 2018). From this definition, Clapham (2018) provides a framework for understanding neoliberal housing policy, through five key processes; privatisation, marketisation, commodification, financialisation, and individualisation. These key processes are foundational components of neoliberal housing policy and can be used to identify how neoliberalism affects housing policy formation. It is also argued (Clapham 2018; Fields & Hodkinson 2018) that the application of neoliberalism to housing, is based on a set of flawed

logics and assumptions. Thus, housing problems are viewed as a systematic feature of neoliberal housing systems rather than as an anomaly (Fields & Hodkinson 2018). Clapham (2018) uses these five key processes to explore how neoliberal housing policy is operationalised in different national contexts. With this in mind, this section will discuss these processes and the different forms they can take. For the purpose of this thesis only four of the processes are examined in detail as it is argued that commodification is closely related to the others (Clapham 2018). Thus, while the other processes will be discussed separately, commodification will be discussed when relevant to the other processes. Additionally, this section will examine various logics and assumptions that make up these processes and how these can be flawed.

The implementation of neoliberalism into housing policy has changed the purpose of housing and altered its value. Financialization is a key part of this transformation. Historically under the Keynesian welfare era housing had a special social role attached to it (Forrest & Hurayama 2015). Homeownership was viewed as a social project which was seen as a way to give citizens the feeling of ontological security, as well as a driver of social stability. This led many governments such as Australia, the U.S., the U.K. and New Zealand to support and encourage their populace to become homeowners (Forrest & Hurayama 2015; Ferguson 1994). In the Keynesian welfare era, various financial incentives and policies were introduced to increase access to homeownership. However, the process of financialisation involves the growing influence of financial structures into housing that shift the purpose of homeownership towards the accumulation of wealth rather than just access to a house (Aalbers 2016; Clapham 2018). The financialisation of housing under neoliberal housing policy has resulted in a transition away from supporting access to homeownership as a social project and a shift towards constructing homeownership as a method of wealth generation (Forrest & Hurayama 2015). This is what the commodification of housing is, the process in which housing moves from being valued for its use value to it being viewed primarily as a financial asset, with a focus on its exchange value (Clapham 2018). As governments applied neoliberal housing policy, the result was the increasing financialisation of housing. This meant governments abandoned the politically managed markets of the Keynesian era and opted to create the deregulated and reregulated markets of neoliberalism (Forrest & Hurayama 2015). Governments shifted their housing role from modifying existing markets to creating new markets which favoured certain groups. The main purpose of these new markets was to facilitate the production of wealth, and specific groups (existing homeowners and investors) benefited from these policies (Aalbers 2016). As housing was subject to commodification, it moved from a socially special role towards being subjected to the ‘moral project’ of markets (Forrest & Hurayama 2015). Financialisation has

fundamentally changed the nature of housing and ushered in an era of ‘residential capitalism’ (Smith et al 2010) in which homeownership is viewed as a wealth accumulation strategy. The process of financialisation in this regard, is closely related to the commodification and marketisation of housing, as these work to shift housing towards a method of financial accumulation.

Marketisation under neoliberalism is developed because of the belief that markets are the ideal solution to housing issues. This is often stated as the idea of ‘market primacy’ and has significant effects on a government's ability to intervene to solve housing problems. The idea of markets being the ideal solution to solve housing problems, is built upon the assumption and logic that housing operates as a perfect market ‘commodity’ (Clapham 2018). However, the neoliberal assumption that housing acts as any other good in a market system is fundamentally flawed. Neoliberal discourse builds upon neoclassical economics, implying that the housing market consists of rational actors with perfect information. These rational actors are believed to exist within a market in which the supply of goods will increase in order to match demand, and that will produce the equilibrium price of a good. It is assumed that if demand increases, supply will then increase to match this (Clapham 2018). Market primacy assumes that market mechanics will produce the required amount of new housing construction in order to match demand and this will result in affordable housing. It is also assumed that any problems in housing supply are caused by government intervention affecting the operation of the market. However, Meen & Whitehead (2020), in an econometric analysis of the UK housing market, demonstrate that the scale of new housing supply required to produce affordable prices, does not occur without additional government interventions. Clapham (2018) argues that housing is unique from other commodities due to its long-lasting nature and sluggish transaction process creating an inelastic supply curve, meaning it is unresponsive to supply and demand changes. Additionally, any new housing supply is only a small part of the total housing stock, which means that for supply to have a significant impact on the market it must continue at a substantial rate and over a long period of time (Meen & Whitehead 2020). Housing is also deeply connected to land and land supply is extremely inelastic. Moreover, its value does not depreciate in the same way as other assets and it cannot be moved. A rapid increase in demand for land, cannot result in increases of new land supply in the short run, which means that its price will rise and new house prices will be affected (Clapham 2018). Next the process of purchasing housing is complex, with large amounts of information asymmetry, in which the value of housing as a commodity is difficult to ascertain accurately and is always subject to changing conditions (Clapham 2018). Lastly, governments are integrally involved in housing, due to their regulatory role in forming the market and enforcing regulations and rights, which means that

it is not possible for governments to recede from influencing housing (Clapham 2018). This would mean as Madden & Marcuse (2016) argue that housing is inherently political, and changes in government policy directly affects housing markets. Comparing the assumptions under ‘market primacy’, and how housing actually operates as a commodity within a market, the contradictions within these assumptions are revealed. As housing does not operate as a proper market commodity, due to its inelastic nature, relation to land, and lack of a ‘rational’ market actor, it will not obey the neoclassical assumptions that neoliberal markets are built upon. Additionally, housing is inherently political, and governments must take a role in the market in order to build enough supply to address affordability issues. This means that governments cannot withdraw from the market as a notion of ‘market primacy’ suggests. Therefore, when neoliberal logics and assumptions are applied to housing policy, they do not produce the outcomes that are supposed to occur. This means that neoliberal housing policy is inherently flawed, as the idea of market primacy and marketisation of housing means that the desired outcomes of affordable housing does not occur. This raises issues with how neoliberal policies are implemented, as the nature of the housing market means government intervention is required in order to address housing supply issues. When identifying neoliberal influences on housing policy in this case, market primacy represents a key signifier of neoliberalism, as well as the flawed logics and assumptions that underpin the marketisation process.

Another of Clapham’s (2018) key processes of neoliberal housing policy is privatisation. Neoliberal policy is built on the assumption that minimising government involvement will produce better outcomes. This has led to significant privatisation efforts both during initial neoliberal reforms, and over the course of its application to housing. This is exemplified by the Thatcher government in the U.K. This government started a programme called ‘Right to Buy’. Under this programme state housing was sold at often heavily discounted prices in order to increase homeownership and dismantle the welfare state. The UK is a significant example of state housing privatisation. The proportion of households living in state or municipal housing fell from a third in the 1980’s to 12% at the start of the 2000’s (Forrest & Hirayama 2009). With the application of privatisation, social housing became a more residual component of the UK's housing system. However, the process of privatisation is not exclusive to the UK and has occurred in other countries with similar housing pathways such as New Zealand (Ferguson 1994), or Ireland (Byrne & Norris 2022). Although many governments have withdrawn from direct provision of publicly owned housing, many people are still unable to access private market housing. Other forms of government support have had to be developed. For example, direct government subsidies that make up the difference between rent a tenant can pays and the market rent charged. These ‘rent supplement’

subsidies support the private rental market. As public provision is reduced, and these policies are implemented, it means more government resources go towards supporting private forms of housing rather than public (Blessing 2016; Byrne & Norris 2022). These methods entrench government support into subsidising private markets, thus cementing private housing tenures as the ideal form of tenure. This will be further expanded in the discussion about the development of social housing under neoliberalism. However, in general the process of privatisation means private forms of tenure are increasingly supported, while public forms of tenure are made less significant and are increasingly constructed as a residual part of the country's housing system.

Individualisation is another key process underpinning neoliberal housing policies (Clapham 2018). It involves an application of ideals that prioritise individual choice and responsibility. This expresses itself in various ways, but significantly in its focus on homeownership and individual choice. As previously stated, homeownership has shifted under neoliberal housing policy through a process of commodification from a social project towards a method to produce and accumulate wealth. However, this also has had another purpose which was to reduce the state's burden in regard to social welfare. This is often termed as ‘asset-based welfare’. The individualisation of welfare occurs in countries such as the UK (O’Mahoney & Overton 2015) or New Zealand (Murphy & Rehm 2016) as various factors have increased the welfare burdens of the state such as ageing population demographics. This has meant governments have shifted towards solutions that aim to lower these burdens on the state. Homeownership has increasingly been viewed as a mechanism to allow people the individual ability to save for retirement and have a financial asset capable of supporting them in their old age. This shifts the responsibility for people's welfare in their old age on the individual rather than the state. However, the capacity of housing to act as a form of social welfare has been criticised (Malpass 2008; O’Mahoney & Overton 2015; Murphy & Rehm 2016) for its inequitable, inconsistent, and geographically diverse outcomes. Firstly, it is inequitable as the financial growth of housing as an asset is often reliant on geographical location, and this growth (or decline) may be out of the control of the homeowner. Secondly, it is often during a period in which there is significant welfare need, that the value of housing is at its lowest. This means the homeowner would have less access to housing wealth to support their welfare needs. Additionally, as the gains in value are geographically diverse, the values that some gain may far exceed others resulting in inequitable gain (Malpass 2008). The result of the process of individualisation, private choice, and individual responsibility, is significant in understanding how neoliberal housing policy privileges certain tenures. Homeownership in this regard is idealised and therefore privileged as a tenure over all else. This can result in significantly favouring this tenure far above others. Yet, it has been

argued by Meen & Whitehead (2020) that tenure neutrality and having a mix of housing options (private renting, public housing, and owner-occupiers) creates a better housing mix, and housing outcomes. However, with the focus on the individual under neoliberal housing policies other tenures beyond homeownership may be ignored or have less resources allocated towards them. By understanding the underlying assumptions driving this process, it is then possible to identify when individualisation is occurring, and thus identify processes of neoliberal housing policy.

The application of neoliberal thought has changed the nature of housing, and housing policy. This change is expressed through five key processes: privatisation, marketisation, financialisation, individualisation and commodification. This section of the thesis explored the literature around these key processes in order to demonstrate what these processes are, and how these can be flawed. Understanding the logics and assumptions that underlie the key processes of neoliberal housing policy allows the construction of a framework in order to identify where neoliberal housing policy is occurring. This framework of these key policies will be used to examine the Sixth Labour Governments housing policies and if they are aligning or diverging from, global neoliberal housing policy.

2.2 - The Hegemony of Neoliberal Housing Policy and Policy Production.

It is important to understand how these policies have become dominant, and how they are perpetuated. The dominance of neoliberal housing policy has occurred with the rise of interconnected policy systems, which facilitate the diffusion of policies internationally (Peck 2011). This has led neoliberal market-oriented policies to be considered ‘best practice’. Additionally, this also embeds neoliberalism in the political landscape making it difficult to deviate from the ideas associated with it (Prince 2012). This is also reinforced in how policy options that fall outside of the neoliberal paradigm are sidelined and those that do align with neoliberalism are quickly transferred through interconnected organisations and structures, creating a ‘fast policy circuit’ (Prince 2012; Baker & Temenos 2015). This means policy is shifted across national boundaries at a rapid rate and policymakers are now deeply interconnected in search of ‘best’ practice policies (Peck & Theodore 2015). Additionally, new problems and crises are often sought in order to promote new forms of neoliberal policy creating this ‘fast’ policy’ circuit in which these problems, even if as a result of previous neoliberal policy, need to be solved (Peck & Theodore 2015; Prince 2012). In regard to urban policy, this transfer has contributed to the implementation of privatisation,

marketisation and a more liberalised financial market (financialisation). Organisations such as the International Monetary Fund (IMF) and the World Bank have promoted policies that have drastically shifted housing policy. For example, Rolnik (2013) argues that the World Bank 1993 report, “Housing: Enabling Markets to Work", had a significant impact on the financialisation of housing. Other supranational organisations, such as the OECD, transfer policy not through mandates, but instead through ‘soft power’ in which these policies are promoted as ‘best practice’ and inevitably constructed within the dominant neoliberal framework (Peck & Theodore 2012).

However, policy transfer doesn’t just occur through larger organisations but additionally occurs through consultancies, think tanks, NGOs and other forms of policy makers which creates an interconnected network selling ‘best practice’ policies (Peck 2011). For example, Murphy (2014) examined how an affordability metric was adopted in New Zealand as it aligned with a set of policy proscriptions proposed by the Fifth National Government. This metric was developed by the think tank Demographia, with a model based on Houston in the U.S. The model indicated that housing affordability issues were the result of restrictive planning causing the market to not produce enough housing supply to match demand. This aligned with the Fifth National Governments proscriptions, and so it was adopted in their policies. This metric aligns with ideas of market primacy. This represents an example of how neoliberal influenced policy metrics can be transferred from international think tanks to governments in a different place. The adoption of these policies affects how housing is dealt with. Nicholls (2014) discusses how the dominance of neoliberal policies can reconceptualise how housing is viewed, and therefore limit the response of governments. They argued that in Australia's case the continuing housing problems, and inadequacy of governments to deal with them, show both the flaws of neoliberal policies while also indicating broader problems in the political sphere. Housing in this example is only being examined through neoliberal economics by successive governments. To start, Nicholls (2014) argues that the deregulation of the financial sector in the 1980’s in Australia, or financialisation of this system referring to Clapham’s (2018) key processes, is at least partially responsible for house price increases. Later under the Howard government from 1996-2007 capital gains taxes were removed from housing. Additionally, there was a shift away from direct provision of public housing, and towards demand-side subsidies. Nicholls (2014) argued that these all represented an application of neoliberal policies due to a reduction in government involvement, and the market-based nature of these solutions. This meant that housing problems were addressed through neoliberal policies that instead contribute to affordability issues which in turn reveal the flaws of neoliberal housing policies.

This example illustrates how neoliberal policies can be applied by reconceptualising housing under a specific lens, and constraining policy responses.

Due to the dominance of neoliberal ideas in these policy circuits, it means that neoliberal 'solutions' are reinforced thus the policy options that are presented to governments are limited to those fitting under the neoliberal paradigm. This therefore constrains the options that governments may seek to solve issues to ones that follow neoliberal principles, which in the example of housing policy has meant neoliberal housing policy has become dominant. As these policies are transferred and applied they do not solve the problems they are claimed to be able to address. Instead, they can exacerbate these problems. This context, where neoliberal housing policy is dominant, indicates that global policy circuits will present neoliberal housing policy as the default option. It means evidentiary bases that governments draw from may only present housing policy responses under a certain lens, without considering alternatives. This is an important factor when examining the policy production process.

2.3 - Neoliberal Housing Policy in Action

Having set out the broad trajectory of neoliberal housing policies, it is important to examine how these policies have been applied to key housing issues. In particular, three housing areas are examined that have specific resonance for understanding the most recent housing reforms in New Zealand. This section examines neoliberal policies that have been implemented to address housing affordability, promote urban development (through urban development authorities) and reform social housing. The review offers insights to the logics that inform these policies and the criticisms that have been levelled at these policies.

Housing Affordability

Affordability issues remain a large problem in New Zealand. The two key housing policies of the Sixth Labour Government that will be examined in this thesis, seek to address these housing affordability issues. Due to this it is important to understand how housing affordability policies have formed under the dominant neoliberal housing policy hegemony. This section examines the characteristics and processes that form neoliberal housing policies that address housing affordability issues. Additionally, it also examines how these policies are flawed, and why they will not resolve affordability problems.

Under neoliberal housing policy, housing affordability problems are framed under the idea that the market is broken. The assumptions and logics that underpin neoliberalism portray

housing affordability issues as caused by government and regulatory involvement in markets preventing proper market mechanisms from working. It is placing housing as something that sits within demand and supply mechanics, holding assumptions that the housing market operates under neoclassical economic conditions (Clapham 2018). As discussed previously, housing as a commodity has unique properties (e.g. immobile, heterogeneous, spatial monopoly), and thus the empirical realities of housing markets differs from the theoretical assumptions of 'perfect markets' under neoclassical economics. Notwithstanding these inherent characteristics, when housing affordability issues occur it is from this 'market equilibrium' baseline that solutions are proposed. If, under the neoliberal worldview, the market is the best solution and problems are occurring, this implies that there are issues in the market that are preventing appropriate supply being produced to match demand. For Wetzstein (2022) this worldview is built not from an evidence-based position, but instead an ideological one. Given this, government involvement in housing through planning regulations has presented itself as a natural scapegoat for housing affordability issues. This is seen broadly across different countries, particularly anglophone nations, which are influenced by neoliberal housing policy (Austin et al. 2014; Gurran & Phibbs 2015; 2016; Murphy 2016; Wetzstein 2022). However, Meen & Whitehead (2020) demonstrate empirically that supply will not be produced in sufficient quantities by market actors. They show that although planning restrictions can be removed, increasing land supply, market actors in market conditions are responsible for building. They use the U.K. to show how an imperfect market means market actors will not produce sufficient building. Referring back to Clapham (2018) it is argued that markets in relation to housing can never be 'perfect'. This implies, as Meen & Whitehead (2020) concluded, that in order for sufficient housing to be built to lower prices, government involvement must occur. However, as Wetzstein (2022) argues neoliberal housing policies are produced through an ideological position, not an evidence-based one. This means they may be implemented regardless of the evidentiary basis against them. Therefore, it is still important to understand how neoliberal housing policy is manifested in order to address affordability issues.

In order to understand how neoliberalism constraints housing policies, the example of Australia will be used. Beer et al. (2007) and Gurran & Phibbs (2013; 2015; 2016) have examined the effect of this form of policy development in Australia. A consistent theme throughout these papers was how planning was situated as the problem in causing housing affordability issues. Beer et al. (2007) found that although planning was found not to be significantly contributing to affordability issues (evidence found by the government's own Productivity Commission) it was still used as the scapegoat for housing woes. This was reiterated by Gurran & Phibbs (2015; 2016) who demonstrated how a multitude of factors

were found to be contributing to affordability issues, such as infrastructure costs, increased access to finance resulting in more demand, and expectations of capital gains. Yet government inquiries focused on planning as the core issue. They also found in some cases good planning systems actually produced higher prices, not because of a constrained supply but instead the production of a quality and desirable place to live. Additionally, things like resistance from local communities to new housing can also contribute to a lack of new supply. This represented how constrained the neoliberal worldview was, and that the focus on only one aspect that was causing affordability issues prevented wider issues from being addressed. The multitude of factors that affect housing supply is something that was previously discussed by Gurran & Phibbs (2013) who argue that planning is just one part of a complex supply chain of labour, materials, finance, industry trends and market decisions of developers. This focus on planning is situated in a context where public debate is driven around politics, ideology, and vested interests, while ignoring empirical evidence to the contrary (Gurran & Phibbs 2016). The policy development in the Australian example has been driven by both local interests through property developers and the dominant form of tenure through homeowners (Gurran & Phibbs 2015), while additionally being influenced by the broader dominance of neoliberalism internationally (Beer et al. 2007). This suggests that the broader policy production mechanisms are constrained by the dominance of neoliberalism. This has constrained the focus of housing issues in Australia towards a neoliberal framing, which in turn has meant the perpetuation of the flawed logic and assumptions that underpin neoliberal housing policy, while ignoring other issues that contribute to the housing affordability issues in Australia. This is a pattern that is repeated across other countries internationally, in which planning is focused on to the detriment of other causes of affordability issues (Wetzstein 2017). Australia serves as one example of this, but under neoliberal housing policy this framing occurs even though the contextual nature of a country may differ. This pattern results in Adam's (2011) statement that:

> ...although no government may ever be able to solve the problem of planning for housing development, each will be likely to re-frame that problem to serve the particular interests then in the ascendancy. (p 958)

In that regard powerful interests will push housing policies influenced by neoliberalism which frame issues around planning, constraining policy responses in this direction. The role of these vested interests underpins how policy responses are constrained. Referring back to Gurran & Phibbs (2015; 2016), they also examined how certain actors in society with a vested interest in this, such as; developers, think tanks and real estate agents, will push this framing. In this regard the policy responses that are produced reflect these interests, rather than actually addressing affordability issues. This furthers the perpetuation of the dominance of neoliberal housing policy, as these vested interests are not incentivised to promote

alternative policy. When governments, such as the example of Australia, adopt housing policies reflecting the framing by these interests rather than those which would solve the targeted problem, it both results in the continuation of neoliberal policies, but also it does not solve the issues presented. This results in the constrained environment that reflects the dominance of neoliberalism in the housing policy production process.

Another factor which contributes to affordability problems under neoliberal housing regimes, but is not taken into account by neoliberal housing policy, is the calculative logics and practices which market actors operate under. For this the U.K. will be used as an example. Christophers (2014) discusses how a property development feasibility model has been incorporated into planning processes and is shaping the urban environment. This model was produced by the company Three Dragons, with the intention of determining the financial viability of affordable housing. The model determined that two variables were determined to indicate how financially viable affordable housing would be in London. In this case it was density and house prices. However, it was also assumed that a profit was needed to be gained by a developer in order to be viable (in this case 15%), which therefore was taken into consideration with the model. Already, this cements the market within the model. Christopher points out that making profit a necessary element would in turn make profit a necessary element in the production of the model, in this case the urban environment. This is indicating the idealisation of market principles (in this case profit), is being cemented into the planning process. As the model was applied, the assumptions and logic built into the model were then expressed in the physical urban environment. Additionally, this also changed the outcomes that were produced. Considering how calculative practices cement and change the housing landscape is an important part of understanding neoliberal housing policy. Criticism of how calculative models operate was brought by Bradley (2021). Bradley examined how calculative practices intersected with planning. This cemented ideas of marketistion and financialisation in how land is valued, and as calculative practices were embedded in planning it shifted planning to be just another tool of the market, highlighting the market primacy that is seen under neoliberal housing policy. Bradley's exploration in the U.K. looked at how 5 year land supply was produced for private development, through mandating that planning authorities take into consideration the supply responsiveness of private developers. In this there needed to be a buffer of 5-20%, depending on how many houses were built, to what land was available for development in order to maintain market conditions that result in choice and competition. However, as planning permission unlocks land value through the ability to utilise the land, as a result of this landowners and developers were incentivized to indicate that a lack of supply of land was occurring, and that whatever land they were interested in was viable for development. This led to the most

frequently cited reason for allowing planning permission was this lack of land supply. This meant that actors (councils, developers, and landowners) were situated around calculating the feasibility of land development, and the local land market, operationalising calculative practices within the planning process. However, this did not have the desired result of producing more development of housing, especially affordable housing. Planning authorities' only power in this situation was ensuring land was available for development, they did not actually have the power to ensure that these developments actually occurred. This policy created another form of market, in which non-developers would use land that had planning permission as a tradeable asset, an example being London in which 25% of developable sites were held by non-developers. Additionally, developers would stagger building and selling in order to maintain pricing. This meant even if they acquired permissioned land it did not mean they would actually build at a rate in order to produce affordable housing. In this regard it was more apparent that land was what was being held in competition between building companies rather than the actual production of houses. In 2018 this was furthered through the introduction of the Housing Delivery Test in which targeted house delivery was compared to actual delivery. Given planning authorities had no control, this was just another tool in which landowners and developers had to force planning authorities to produce more land supply through more land permission. The increase in land supply with development permission did not result in increased housing supply. Bradley (2021) argues that this serves to show that the assumption that planning permission was only the issue was flawed, and did not take account of the multitude of problems preventing housing production. This is further demonstrated by Murphy (2021) who examines the logic that underpins residential developer calculative practices. He argues that the operation of these feasibility models mean that the market by itself will not produce affordable housing. Developers expect a certain profit return from development. They also must take into account construction costs. This means the expected selling price of a house, when applied with an expected profit and construction costs, will determine the land value that developers will pay. However, this means that when developers purchase land they are locked into that calculated house price, as selling for less will result in a loss of profitability. This means if house prices drop, developers would not be incentivised to build as their financial viability depends on obtaining a certain price that is set at the time that they purchase the land. This indicates that developers are not actually building in relation to supply and demand, but instead relating to what the expected house price is. Additionally, drawing upon Ryan-Collins & Macfarlane (2017) Murphy also argues that developers expecting lower costs or higher house prices, will offer more money for land. This means as housing prices boom, land prices will increase and developers will produce more expensive housing. This is as Murphy argues, antithetical to producing affordable housing. The application of these calculative practices implement

certain logics and practices which do not produce affordable housing. As these are implemented in the context of markets, leaving the markets to their own operation as would be ideal under neoliberal influenced policy regimes would mean housing affordability would not be incentivised or produced. As these practices are flawed, an application of them indicates that affordability will not be produced. Therefore, understanding these practices is important to understand why neoliberal housing policies do not produce affordable housing. If these are applied in housing policies, it would indicate both an acceptance of neoliberal housing policy, but also indicate that these policies are flawed in alleviating housing affordability issues.

Government policy interventions regarding housing affordability issues do not only involve supply-side based interventions. While market-based supply focus is prevalent internationally and dominates policy prescriptions (Wetzstein 2022), demand-side interventions are also relevant. This is reflected in examples such as the U.K. (Meen & Whitehead 2020), and Australia (Phibbs & Gurran 2016), which reinforce Wetzstein's (2022) conclusions that this is a pattern under neoliberal influenced housing regimes. This focus on supply-side measures through planning reform has meant housing affordability problems have remained. Demand-side factors are often ignored yet often represent more significant factors in causing housing affordability issues (Gurran & Phibbs 2016; Phibbs & Gurran 2021; Meen & Whitehead 2020). However, the interventions that are implemented, and those that are ignored, are determined by how much they can reinforce or match neoliberal housing policy logics and assumptions. Additionally, Meen & Whitehead (2020) found that while supply-side measures were necessary, they were not sufficient to produce affordable housing. In order to have meaningful effects on pricing the number of housing produced needed to be both large in number as well as sustained over a long period of time. Referring back to Bradley (2021), often private developers are not incentivized to produce houses to this extent. Under neoliberal housing policy, when demand-side measures are undertaken these often are produced with the intention of maintaining the market (Clapham 2018). There are several examples of these. Firstly, rent supplement measures, which subsidise housing costs for those unable to afford market housing. However, these do not address core issues of affordability, and instead maintain the market as opposed to supporting a public sector of housing (Meen & Whitehead 2020). Secondly, another example is methods of supporting first home buyers (e.g. tax breaks, grants). This promotes the idealised form of tenure under neoliberalism (homeownership), however it again represents a measure which supports the market rather than a public sector of housing. These demand-side measures may also be eaten up by an increase in rent (in terms of demand-side rental subsidies) or land costs (in terms of first home buyer support) (Clapham 2018). These income or demand-side subsidies

represent how market primacy is maintained through the support of private markets and support for market prices. Other demand-side policies, such as limiting investor demand, changing the types of mortgage products available, taxation or interest rates that affect housing affordability are not considered (Meen & Whitehead 2020). This allows governments to maintain the functioning of market primacy, while not addressing what may actually be causing affordability issues on the demand-side. Under neoliberal housing policy, demand-side measures are usually undertaken when they continue to promote markets, without challenging the key processes promoting housing affordability issues.

The interventions employed to address housing affordability issues under neoliberal housing policy are implemented when they align with key elements of neoliberal policy. When supply-side interventions are used, the issue is framed as a planning issue in which a reduction in planning regulation is believed to free up land supply. This is done in order to increase housing construction and alleviate affordability issues. When demand-side interventions are used, these are only implemented when they support the market as a whole, and allow people access to markets, rather than addressing this demand through public sector housing. While supply-side issues are emphasised under neoliberal regimes, and therefore the dominant form of intervention, both areas are implemented when they align with principles of market primacy, and do not directly challenge the market. However, by having this focus on the market, it constrains the policy options that could be mobilised to address the wider array of causes of affordability issues. It ignores the flawed logics and assumptions that underpin neoliberal market-based housing policy. Additionally, when calculative practices are applied to construct an economic model of housing, these can often produce perverse incentives towards market actors (Bradley 2021; Murphy 2021). This means conditions in markets will incentivise behaviour that will not produce affordable housing. The market focused interventions that are dominant in neoliberal influenced housing regimes are therefore flawed, as they are constraining policy responses, and adopting flawed practices, logics and assumptions. Due to the constrained nature of policy production under neoliberalism, it also means that policy responses will incorporate market focused interventions. These responses can be used to identify and critique the influence of neoliberalism on housing policy. They also represent the standard form of neoliberal policy response towards affordability issues.

Urban Development Authorities

As governments seek to address housing problems (such as affordability issues), urban policy responses are produced. Due to the constraints of market-based policies under

hegemonic neoliberal housing policy these solutions revolve around reforming urban planning and supporting housing supply. In New Zealand these responses have often involved the alteration of urban planning processes, in order to free up more land supply (Murphy 2014; 2016). The Sixth Labour Government in this regard, has incorporated the idea of an urban development authority (UDA). This allows the state to take a more direct role in regard to urban development. Therefore, in this section, UDAs are examined in terms of how they have been produced and used in the past, as well as how they relate to the processes that have resulted in the production of these policies.

Governments have an integral role in the construction of the urban environment, expressed through various tools such as planning, policy, and regulation. However, governments also can take more direct and spatially specific roles through a variety of means. Specifically relevant to this thesis are the roles governments take in regard to urban development. With the advent of neoliberalism and a reduction in state resourcing, governments have begun to promote the intensification of urban development (Robinson & Attuyer 2021). Governments are taking a more direct involvement in the urban development process, with Robinson & Attuyer (2021) showing through their example of London, that states are using the property development practices of developers, such as their calculative and extractive activities, in order to maximise the usage of state assets. They do this in order to gain direct value from development themselves, rather than rely entirely on the coat tails of private developer profit. Additionally, they also undertake development where there is market failure occurring. This can be either because the activity is too risky, or because the private sector is restricted in some form (Deas & Ward 1999; Spiller & Khong 2014). However, the balancing of this extraction of value and the additional public priorities for governments mean that ambivalent and contractionary policies can be produced. This is contextually specific to different locations. This means specific policies and actions from Robinson & Attuyer's (2021) example of London may not be specifically relevant to this thesis. However, the core concept in which government involvement in development can result in a set of differing and conflictual goals and priorities is relevant. This is because this conflict underpins wider social responsibilities governments may have and the market-based calculative and extractive activities of developers. Additionally, Weaver (2018) examines how neoliberal urban development (and urban policy) occurs. Weaver argues that neoliberal urban development can occur through two different ways; by design or by default. By design is when actors harness the power of government institutions to impose a neoliberal blueprint. Differing from this, 'by default' is when the political, institutional, or ideological constraints push political actors to accept and adopt urban policies that align with neoliberal ideology. In the case of neoliberalism by default the political actors may have a variety of different ideological

positions. As the New Zealand state has responded to a lack of housing supply by assuming property development roles and creating an UDA this section will examine these specifically. UDAs are designed in order to produce or manage urban development. UDAs are often used to implement transformations of specific spatial areas (e.g. waterfronts) for an intended goal (Dodman 2008). Therefore, through UDAs, governments can influence the construction of the urban environment in order to produce the desired goal(s).

UDAs are entities created by governments in order to produce development, either in a specific area or more broadly. In the UK development of UDAs was formed from what were called urban development corporations (UDC) in Thatcherite Britain. Launched in 1981 UDCs implemented core principles of the neoliberal Thatcher Britain. They were designed to bypass the local governments (primarily Labour leaning), and shift development focus from social regeneration to land market regeneration and supporting the private sector (Deas & Ward 1999). Their principal aims were to correct perceived supply-side market failures and were focused in urban development areas. They did this with a range of powers including; compulsory purchasing, assisting with environmental improvements, infrastructure development, restoration of buildings and general statutory development control. Additionally, they could promote and publicise opportunities for private actors to invest. The purpose of these UDCs was to enable and facilitate the private sector to develop these areas (Deas et al. 2000). This was in essence what Weaver (2018) calls neoliberal by design, in which neoliberal ideas are mandated from political actors using institutional power.

With the replacement of the long-standing Conservative government with a Labour one in 1997, it was expected that the ideals and logic of UDCs would be left behind (Deas & Ward 1999). However, the Labour government implemented what were called Regional Development Agencies (RDA). RDAs were created to oversee regional development, as opposed to the specific areas that UDCs operated in. These operated under similar principles to UDCs in which they were made to promote the private sector, rather than the public, rejecting a rigid bureaucracy in favour of commercial flexibility (Dea & Ward 1999). In this regard their primary purpose was economic development, and represented a shift in the U.K's regional policy; instead of targeting less favoured areas, the innate competitiveness capabilities would be improved (Pearce & Aryes 2009). However, they also had additional social remits under what was called sustainable development. As the measurements of RDA's success fell under economic outcomes, the social and non-economic outcomes of the RDA's responsibilities were left vague. Additionally, as they were implemented by avoiding local governments, much like UDCs, the ability to resolve conflicts between the economic and non-economic outcomes were not easily addressed (Pearce & Aryes 2009). The

conflicting nature of parts of RDA's goals is in essence what Robinson & Attuyer (2021) refer to as how the focus on the economic extractive value of urban development, may conflict with the wider public or social goals that governments take responsibility for. In this regard it is important to understand how governments involve themselves in urban development interventions, to see if they do or do not take into account these conflicts.

Urban development authorities have also been used in other countries. Particularly relevant to this thesis is the general design and justifications of these. To use as an example, Spiller & Khong (2014) compared and contrasted these entities that are seen in Australia and the U.S.. Broadly, Australian entities consisted of Government Owned Development Corporations (GODC) which were implemented by governments of Australian states and territories in order to achieve urban planning objectives, either for general purpose or specific areas. In this regard they are justified along three lines; increasing market competition, encouraging innovation, and overcoming barriers to land projects. They were often structured as a commercial entity, in that they needed to provide a return on the investment. However, the essence of the justification is under neoliberal logics which was evident when Spiller and Khong were comparing the GODCs with the U.S. models they stated regarding the commercialised nature:

> The public policy thinking behind this approach is that all government entities should be incentivized to use their land, financial capital and human resources as efficiently as possible and that this can only be achieved if they are exposed to competition and market benchmarked financial performance standards. (p 15)

Underpinning the design of GODCs is how they need to operate as market actors. This also included commercial feasibility indicators needing to be used, drawing back to calculative practices. Also, further designs such as implementing tax equivalents (i.e. what a normal developer would pay in tax) and dividends to the government owners in order to maintain competitive neutrality, as the cheaper debt available to governments would put them at an advantage to private developers. Referring back to the justifications of why GODCs are implemented, and in how GODCs are designed, directly reinforces markets, and is built upon the idea that the government is there to facilitate and maintain markets. The reasoning for implementation involves promoting the market through maintaining competitiveness or producing new market solutions through innovation. Even the justification regarding overcoming barriers, although looking to address market failures, is still looking at how to make the market better and is underpinned by how GODCs operate as a commercial entity. Spiller & Khong (2014) also extrapolated common elements that were in entities that were developed by the New York State and City governments to refer to broader patterns among

the wide variety of development entities in the U.S.. In this regard they argued that the development entities operated as neither in the private or public sector and were involved in specific areas to implement a development plan. They used a variety of tax and subsidisation incentives in order to gain stakeholder buy-in and develop the desired plan. Additionally, they also needed to capture part of the value uplift from the implemented plan to invest in community social goals, such as affordable housing. This indicated there is more of a direct push for social goals in common elements of the U.S development entities than in Australia. They did note how UDAs were established separately from the government. Using the example of the Economic Development Corporation (EDC) in New York City, they examined how it was formed as an entity separated from the government involved that facilitated projects through the implementation of tax incentives. It was constructed as a public benefit corporation, yet has significant monetary return through service fees, and rental returns. The EDC's operation, by comparing this to the principles underlying neoliberal policies, isn't a government alternative but instead acts as a facilitator for actors in a market. It also maintains a commercialised aspect and while developed as a non-profit, is still designed with business principles in mind (Spiller & Khong 2014). The point of these examples is to illustrate how differing development authority models can both be designed with neoliberal principles in mind (i.e. their design leads them to be another market actor, or additionally in order to facilitate and support the market). In this sense GODCs and the EDC operate under these principles, in that they support neoliberalism and neoliberal markets rather than challenge them.

The main themes of UDA type entities are to involve the government more directly in urban development. This covers a wide range of areas, and directly affects specific spatial areas. However, with the adoption of calculative and economic focused practices, conflict arises in how UDAs operate in relation to broader social responsibilities of the state. In this manner UDAs can serve as methods in which to reinforce or accept neoliberal principles (i.e. they can constitute 'designed neoliberalism', or 'default neoliberalism' per Weaver's (2018) argument). In this sense how they have been used as tools by governments, for involvement in urban development, reflects an implementation of the logics and assumptions of neoliberalism. They have served to support markets and direct private investment, rather than as tools in which to challenge market structures in regard to property development. Additionally, they can be designed as another actor in a market system, and designed with the assumptions that market forces will produce a better entity as opposed to a government run entity. These entities have been designed with the principles and logic that underpin neoliberal housing policy. They facilitate markets rather than operate as a government

alternative therefore reinforcing market primacy. In addressing housing problems, they have not then represented an alternative to neoliberal housing policy, but instead reinforced it.

Social Housing

The third and final area of housing policy that is examined is social housing. Internationally social housing (or public owned housing) has been fundamentally changed by the introduction of neoliberal housing policy. As discussed earlier in the chapter (see chapter 2.1), privatisation undertaken under neoliberal housing policy has had a significant impact on the makeup of housing tenure in a number of countries. This is perhaps the most visible change that has occurred, with wide scale selling of public housing occurring through large privatisation initiatives, significantly changing the ratio of housing tenure within countries, exemplified by the example of right to buy in the U.K. (Forrest & Hirayama 2009). As has been previously discussed, one of the core principles of neoliberalism is the idea of market supremacy. The application of this principle towards social housing has been justified as introducing market efficiency into bloated bureaucracy (Jacobs 2019). This has expressed itself in different ways. Firstly, policy interventions to deal with inequities in housing have changed, from the direct provision of social housing to income support and demand-side subsidies that often involve supporting the private rental sector (Byrne & Norris 2022; Jacobs 2019). Secondly, there has been a transformation of those involved in the management and production of social housing. Commercial interests are increasingly involved, leading those who need to access social forms of housing to be considered as financial opportunities, blurring the lines between the private and social sector (Blessing 2016). Additionally, more subtle forms of privatisation can occur, such as the implementation of mixed-tenure developments, which have been argued as a form of privatisation by stealth (Hodkinson & Robbins 2013). These represent the various ways in which the logic and assumptions of neoliberalism can influence and change the policy interventions undertaken by governments in regard to social housing.

As neoliberal policies are implemented there is a change in how publically owned housing is used. This is explained as ‘residualiation’ by Fitzpatrick & Pawson (2014) and involves social housing being moved from a permanent tenure, towards a safety net, or an ambulance service for those in need who are unable to access the private market. This has resulted in a significant reduction in the stock of social housing. Using the U.K. as an example Jacobs (2019) explored how residualisation involved a gradual process of the introduction of neoliberal policies resulting in the progressive withdrawal from state provision which lowered the amount of resources put into the production and maintenance of social housing. This in

conjunction with how social housing was targeted toward more specific groups, meant that there was a shift from a more generalised form of state housing, towards one that was significantly smaller, or residual. Blessing (2016) argues that this pattern of change has appeared in other countries, such as the U.S and Australia. They show how social housing has shifted towards being for only a specific group of those most in need. As options for long term financial viability were not implemented, and appropriate maintenance did not occur, it degraded the quality of social housing. With the advent of social housing being only targeted towards groups most in need, this shifted what was once available to broader parts of the population to only specific demographics. As users of social housing who had higher economic standing, and who were net payers into the economy moved away from social housing as a tenure, the gap between those who use social housing and those who pay for it widened (Blessing 2016). Additionally, this increased the stigma associated with using social housing as it was further associated with economically disadvantaged groups (Fitzpatrick & Pawson 2014). This, in conjunction with broader neoliberal influenced efforts of privatisation, has lowered the proportion of social housing and residualised it, leading to it being a smaller part of the overall housing tenure.

As governments influenced by neoliberalism withdrew from direct provision of social housing, the policies used to address inequitable housing access changed. With markets being the idealised way of constructing both the solutions and the environment for housing under neoliberalism, these have been applied to social housing as well. This has changed both the policy interventions for those who are unable to afford market housing, as well as interventions used in order to manage social housing. Broader policy interventions have shifted from direct provision of social housing, instead favouring demand-side interventions (Jacobs 2019; Byrne & Norris 2022). A common and exemplary example of this is the implementation of rent subsidy programmes through a rental supplement. This is where a portion of the cost for renters is subsidised by the government. While this can occur with subsidisation of publicly owned housing, in neoliberal housing regimes this is also applied to private rentals. Byrne & Norris (2022) argue that this is applying a market solution to a social problem caused by housing affordability issues. This embeds the private rental sector into the social sector, as these programs are relying on what is occurring in the private market (in terms of rental cost changes). From this, social housing measures are subject to financialization, as welfare programs are integrated into the financial cycles of the private rental sector (Byrne & Norris 2022). These measures are rarely argued for in terms of neoliberalism, they are instead justified through technocratic reports indicating its ‘efficiency’. Additionally, the idea of rental supplements was initially seen as a progressive form of intervention and unrelated to neoliberalism (Byrne & Norris 2022). However, this type of

program demonstrates several things. The type of interventions used under neoliberal regimes can be adopted from programs that initially had another purpose, yet match the underlying logic and assumptions of neoliberal policy (i.e. market primacy). While these justifications may not be readily apparent, in examining the broader context of neoliberalism (and its dominance, Clapham 2018) in housing policy these linkages can be inferred. When reports indicate ‘efficiency’, assumptions under neoliberal housing policy would indicate that markets and financial instruments provide the optimal solution. However, while solutions to housing problems that follow neoliberal assumptions are promoted, it ignores other solutions that are far more effective such as the direct provision of social housing (Meen & Whitehead 2022). So, under the logic and assumptions of neoliberal policy, interventions have shifted towards demand-side measures for social housing. In terms of the changes in how social housing is managed, Blessing (2016) examines the ‘repackaging’ of the poor through affordable rental schemes. In this process commercial interests are integrated in what were historically separate social activities, bundling those priced out of the market into packages, producing opportunities for profit and implementing incentives such as tax credits. This represents a blurring of lines between the social section of housing and the private sector. This process is representative of neoliberal ideals of applying an idealisation of the market and commercial interests into areas of housing policy. All of these examples represent the various ways in which neoliberalism has changed both the type, and the characteristics of government policy regarding social housing and addressing those who are unable to afford market housing. While the exact policies may differ depending on the context, the logics and assumptions remain important in identifying and understanding neoliberal housing policy.

While privatisation has been discussed more generally earlier in the chapter, the direct and explicit forms of privatisation such as what has occurred during Thatcher era Britain are not the only form of privatisation that can occur. Using the development of U.K. social housing policy history, Jacobs (2019) discusses the implementation of mixed-tenure housing developments. The purported reasoning for implementing mixed-tenure developments is to reduce the stigma associated with social housing, as produced during the residualisation of the sector. However, he builds upon this by drawing upon Hodkinson & Robbins (2013) argument. Hodkinson & Robbins (2013) argue that these represent a way to deflect against criticisms of government housing policy being another form of neoliberalism. Instead, the policies are actually a way to both increase homeownership and displace low-income groups, as well as producing another market for the private sector to profit from. In this sense these policies, although they appear to promote other forms of tenure, instead act as a mechanism for reinforcing the market. These same arguments have been levied by McLeay (2022) towards Kāinga Oras development policies, in which land is bought by the

public entity and sold to developers with the intention of developing a mix of market, affordable and social housing. The insinuation for mixed-tenure developments is that they are products of neoliberalism i.e. that they do not directly represent a challenge to markets and instead are seeking to address housing problems which were often caused by the past implementation of neoliberal housing policy. In a sense this reflects on what underpins 'fast policy' in that problems are to be constructed in a manner which reinforces neoliberalism, even if the problems themselves are the result of past policy (see chapter 2.2). So, in the case of social housing, residualisation and therefore stigmatisation, have meant governments have implemented a solution (mixed-tenure developments) that, as is argued by Hoskinson & Robbins (2013), reinforces neoliberalism.

Overall, social housing has been subject to significant changes which have changed the nature of how it is produced and operated. With the residualisation of the sector, through the change of its target tenant and privatisation of social housing stock, what once represented an alternative tenure is instead addressing only those in need who are shut out of the market. Additionally, as neoliberal policies are increasingly applied, the sector is subject to commercial interests in the management and production of social housing, furthering the financialization of the sector. It is also used as a tool in which to facilitate the market through involvement of mixed-tenure developments, in which homeownership is being idealised as compared to other tenures, while social housing only retains a small portion of the new housing development. In this sense social housing represents how the application of neoliberal assumptions can transform a sector, instead resulting in something which represents and reproduces neoliberal ideals.

2.4 - Conclusion of Literature Review

This chapter has examined the international literature on neoliberal housing policy. Firstly, it examined four underlying processes of neoliberal housing policy; financialisation, marketisation, privatisation, and individualisation. It examined how these processes changed housing and created a framework in which to analyse housing policy through these processes. Secondly, it explored how neoliberal housing policy became dominant, and how this is perpetuated through the policy production system. This has resulted in neoliberal solutions being applied to a range of housing issues in different countries. Next, taking into consideration specific policy areas that will be analysed in this thesis, it explored three different areas of housing policy where neoliberal solutions have been applied (measures to address housing affordability, urban development authorities, and social housing). In terms of housing affordability this examined how policy responses to affordability issues focused on

the belief that planning restrictions caused housing supply issues. It critiqued these policies, both on their merit but additionally in how various factors have constrained governments available policy responses to ones which align with this focus. Urban Development Authorities were examined in how they have been constructed, as well as how they represent policies that continue processes that reinforce neoliberalism. Lastly, this chapter examined how social housing has been fundamentally changed under neoliberalism, and how policies have been implemented that reinforce and align with the dominant neoliberal policies. It was argued that these areas have been subject to neoliberal reforms, resulting in neoliberal housing policy increasingly being presented as the default response to housing issues. Drawing on these ideas, the remainder of the thesis will examine how housing policies have been developed, implemented, and justified in the New Zealand context.

Chapter 3 - Historical Context of New Zealand Housing Policy

The New Zealand Labour Party has been part of a rich history of housing policy over the last century since the election of the First Labour Government in 1935. Over this time there have been significant changes in housing policy, leading to contemporary policy responses. Understanding the historical evolution of housing policy is important to understand the political and cultural context that the modern Labour Party occupies. This context shapes the housing policy responses of Labour led governments, meaning it is important to understand in order to examine how global neoliberal policies are affected by local contexts. This chapter will explore how housing policy has evolved in New Zealand from the election of the First Labour Government in 1935. It examines key periods during the development of housing policy. Firstly, it will examine how the First Labour Government created state housing. Secondly, it will examine how homeownership became the dominant form of tenure between 1950-1980's. Next it will examine how neoliberal policies were introduced in the 1980's, and then applied to housing policy in the 1990's. Then it will examine housing policies post 2000's beginning with the Fifth Labour Government reversing parts of the neoliberal reforms. Finally, it will examine the previous Fifth National Governments return to neoliberal housing policy, which formed the most recent policy direction pre-Sixth Labour Government. This will provide the historical and political context in which the Sixth Labour Government is developing and implementing its housing policy responses.

3.1 - 1935-1950: The First Labour Government and the Establishment of State Housing.

The election of the First Labour Government in 1935 resulted in the introduction of significant and radical government intervention into the housing market. This intervention differed from past policies as the Labour government saw the need for a significant and constant state presence in what was seen as an inherently flawed market (Ferguson 1994). The creation of the State Advances Corporation in 1936 began this process. It had both a lending role, in providing an alternative loan for mortgages, but was also responsible for the administration of state-owned housing (Ferguson 1994; Schrader & Birkinshaw 2005). In the context of the great depression, the government sought to both promote economic activity through increased building, while also addressing the housing problems of the previous years, especially in regards to both a shortage of, and the quality of housing (Ferguson 1994). It

was proposed in the 1936 budget that 5,000 state houses would be built, costing the government £3 million (New Zealand Pounds) (Schrader & Birkinshaw 2005). However, the government at the time did not have the capacity or expertise to build these houses directly, and it eventuated that the construction would be completed by private industry, albeit under strict controls (Ferguson 1994). These controls over materials and resources, lasted until the 1950's when they were removed by the National Government. This control had an effect of directing these materials towards public building instead of private, especially during World War 2 when resources were scarce (Ferguson 1994). The state housing that was constructed however, was targeted towards specific groups. The Labour Government produced it in order to provide an alternative to private renting, while also putting it on par with homeownership. It did this by providing 'security of tenure' in which tenants could stay indefinitely provided they did not break the conditions on their lease (Ferguson 1994; Schrader & Birkinshaw 2005). The houses were built for married two parent worker families, with those working deemed to be worthy of state assistance (Ferguson 1994; Schrader & Birkinshaw 2005). However, these were also developed with the intention of 'cost recovery' in that they would pay themselves off, so rents were initially in line with the cost of construction, maintenance, and insurance. Exceptions to this were those who were considered outside of the mainstream and not 'able bodied' and thus were allowed to have subsidised cost, specifically Maori and Elderly (Ferguson 1994). Additionally, they implemented rent controls on private rentals (Schrader & Birkinshaw 2005). Over time, the idea of a house for life and the security of tenure that ideal provided meant that rents were not increased in line with increasing costs and so subsidisation occurred, which meant by 1945 the state's housing account went into the red (Ferguson 1994; Schrader & Birkinshaw 2005). As state housing was not promoted as welfare, the subsidisation of what were supposed to be 'cost recovery rents' as compared to increasing market rents created what was argued as a 'privileged' class of workers. This meant this 'privileged' class of workers had lower housing costs than those in private rentals even if they could afford more. As housing problems continued and demand for the more 'ideal state housing' increased (as opposed to private renting) this led to the election of a National government in 1949 (Ferguson 1994; Schrader & Birkinshaw 2005). The First Labour Government's housing policies deeply embedded the state in the housing system and established it as the most important player in housing. It created housing of a high standard that was an alternative to the other tenures at the time (Ferguson 1994). Labour's housing policies established a core principle that housing was a right of citizenship, in line with other rights such as education, healthcare or sanitation (Schrader & Birkinshaw 2005). Significantly, state housing was not targeted for the 'poor', or groups unable to pay, but instead was constructed as an alternative to the private housing market (Ferguson 1994).

3.2 - 1950-1980's: Building of the New Zealand Dream

The direction of housing policy changed in the 1950's with the First National Government. This government promoted homeownership as the ideal form of tenure, and desired to create a 'property owning democracy' (Ferguson 1994). Through the Group Building Scheme, which guaranteed that the government would purchase housing built for the private sector, it promoted the construction industry. It also removed much of the controls of the previous government (Ferguson 1994). The National government viewed homeownership as the way for people to get out of private renting and this differed from the previous Labour Government's view that state housing was an alternative form of tenure (Ferguson 1994). National began to sell state housing to tenants under favourable loans through the State Advances Corporation. Additionally, it directed state housing to be another form of welfare for groups in 'need' and shifted the ideal state tenant from the 'respectable worker' towards those locked out of homeownership (Ferguson 1994; Schrader & Birkinshaw 2005). This meant the government was shifting its housing policy focus from competing with the private sector. Its focus moved from the middle-income bracket, which was contested with the private sector, and towards the uncontested lower-income bracket. (Schrader & Birkinshaw 2005). This established homeownership as the ideal form of tenure of New Zealanders, whereas state housing was developed as a form of welfare.

With the election of the next Labour Government an established pattern began to emerge in which state housing would be sold under National led governments, while Labour Governments would restrict state housing sales (Schrader & Birkinshaw 2005). From the mid 1950's state housing rents were also slowly increased, however there was also the introduction of income related rents which were designed to avoid the 'privileged' state housing tenants of the past. The implementation of these rent raises was staggered over time. Therefore, by the 1990's the richer tenants were paying more than the poorer ones (Ferguson 1994). While the National Government of the 1950's shifted towards homeownership it still accepted that state housing was a necessary element of government involvement. Over the next few decades up until the 1970's homeownership grew and state housing was not seen as needed in order to compete with the private sector. Additionally, National accepted the state needed to provide immediate housing relief and income support to lower-income people. This meant there was an acceptance of both parties that neither indirect housing policy nor income policy would solve housing problems of lower-income people. Therefore, state housing was maintained and the government still provided mortgage loans (Ferguson 1994). By the 1970's homeownership had grown from 50.5% in 1936 to 68% in 1971 (Ferguson 1994). Due to this, the National Government at the time

shifted the operation of its mortgage lending. Before, mortgage lending was a policy tool that governments had used to manage the private loan market. However, this shift meant government mortgage loans were more tailored towards supplementing the private loan market rather than directly managing it. The Third Labour Government elected in 1974 still operated under traditional Labour principles, with government involvement in the market, and the maintaining of state housing (Ferguson 1994). However, during this decade state housing was increasingly targeted towards specific groups in housing need, and was distinguished as a form of welfare rather than the alternative tenure as it was originally conceived (Ferguson 1994). The housing policies pursued in these decades, while differing under National and Labour led governments, still maintained the importance of government intervention in housing as well as the importance, albeit now targeted nature, of state housing. However, the 1970's began the process of reduced and eventual removal of direct delivery of housing in general to New Zealanders, and instead towards targeted delivery (Ferguson 1994).

3.3 - 1984-1990: The Neoliberal Market Arrives

In 1984 the Fourth Labour Government was elected. They began one of the most significant economic reforms in the OECD, going from one of the most highly regulated economies to one of the most deregulated (Murphy 2000). This presented a radical restructuring of the New Zealand economy, which unlike other examples of neoliberal reforms that occurred during more conservative governments such as Thatcher's term in Britain, the reforms in New Zealand occurred under a party which was more traditionally aligned with the welfare state and occurred in a regulated internalised economy (Murphy & Kearns 1994). The reforms involved significant corporatisation of government agencies, with the focus shifting towards a profit making motive like companies in the private sector. This was seen as a prelude to the eventual implementation of a significant privatisation programme raising almost NZ$10 billion between 1980-1991 and accounting for 14.4% of the average annual GDP over that period. Comparatively, the reforms in Britain amounted to 11.9% of GDP (Murphy 2000). This was significant in changing the economic landscape of New Zealand and was a radical step undertaken by what would traditionally be a left leaning Labour government. However, these reforms were focused on parts of the government involved in manufacturing and services, whereas the welfare sector was not touched until a change of government in the 1990's (Murphy 2000). This meant the Fourth Labour Government still maintained that the welfare sector and housing were socially important, and the role of government needed to be retained, rather than applying market-based neoliberal reforms. However, one thing to note is during this time the way governments measured housing need

changed. It shifted from using the total number of applicants for state housing, towards using a set of measures to judge need (Ferguson 1994). This led state housing to be increasingly restricted to those who are in severe housing need, rather than its original purpose as an alternative tenure under the First Labour Government. This meant the Fourth Labour Government, while not subjecting housing to neoliberal reforms as compared to their policies for the wider economy, still formalised the idea that state-owned housing was a form of welfare that was developed post 1950. This highlights the shift of the Labour Party since its first formed government.

3.4 - 1990-1999: Neoliberal Housing Policy is Implemented

In 1990 the Fourth National Government was elected. From 1991 the housing sector, and housing welfare became a target for the neoliberal reforms that had been implemented in the previous decade (Murphy 2000). The government's goal was to shift from social welfare programmes to neoliberal market-oriented policies (Murphy 2004). This was underpinned by the idea that the existing housing system failed to produce fairness, self reliance, efficiency, and personal choice (Murphy & Kearns 1994). These ideas resonate with the core processes of neoliberalism expressed by Clapham (2018). Specifically in terms of self-reliance and personal choice relating to the process of individualisation, as well as efficiency by markets rather than government which relies on the neoliberal ideal of market primacy. These reforms meant the government shifted from using housing policy as a method of economic and social management, towards housing policy that operated under market-based ideological reasoning (Ferguson 1994). Using the logics and assumptions of neoliberalism National implemented a significant shift in housing policy. The Housing Corporation of New Zealand (HCNZ), which in 1991 had 69,928 rental units, revenue of NZ$710 million and gross assets of NZ$8581 million was targeted by these reforms (Murphy & Kearns 1994). HCNZ became a state-owned enterprise, Housing New Zealand Ltd (HNZ), and was tasked with commercial and profit making goals (Murphy 2004; Murphy & Kearns 1994). Significantly, market rents were introduced into the social rented sector. State housing rents increased by 106% compared to the private sector increase of 23% between 1992 and 1999 (Murphy 2003). This pressured tenants in higher rent areas to move, in an attempt to find appropriate accommodation that matched their economic situation (Murphy 2003). Market rents were justified on the basis that it would lead to better use of assets (state housing) and more efficient operations, while also addressing the growing disparity of low-income access to assistance in private and public contexts (Schrader & Birkinshaw 2005). This policy clearly implemented market ideals into HNZ and was justified using the assumptions of market efficiency under neoliberalism. Additionally, there was a shift towards

more demand-side subsidy measures, with the government taking less of an interest in supply-side ‘bricks and mortar’ subsidies (Thorns 2006; Murphy & Kearns 1994). Most notably this involved the implementation of an accommodation supplement for use in rental housing (Thorns 2006; Murphy & Kearns 1994). While this ‘cash subsidy’ assisted those who could not afford their rent it also contained a ‘shopping’ incentive in that a portion of the rent was to be paid by the recipient, who would therefore be encouraged to minimise their rental costs (by moving if rents were too expensive) (Murphy 2004). This was in line with the idea of personal choice, and additionally the idea that the private market would produce the best outcomes in terms of housing. However, it was subject to criticism at the time as the cost of the accommodation supplement had the potential for ‘fiscal blowout’ (Murphy & Kearns 1994). During this period social housing was subject to increased residualisation. In policy discourses state tenants were classified as ‘privileged’ and the reforms were constructed as a means of shifting the welfare system towards assisting those in ‘genuine need’ (Murphy 2004). Additionally, HCNZ moved away from its mortgage assistance, so this was taken up by private banks. However, HCNZ ended up taking more riskier loans that the private banks did not accept, such as mortgages for lower-income people. This meant that while its share of the mortgage market moved from 39% to 16% in 1990, it held only 8-9% of the total value of mortgages (Murphy 2000). This represented the privatisation and financialisation of mortgage provision and produced difficulties for lower-income people attempting to access the mortgage market (Murphy 2000). These reforms clearly aligned with the key processes of neoliberal housing policies as set out by Clapham (2018). Privatisation occurred under the assumption that market provision was optimal. Murphy (2004) argued that the reforms around housing were set in an ideologically neoliberal framework that ignored the contextual complexities of housing. As these reforms were implemented it resulted in increased housing poverty and poorer housing outcomes (Thorns 2006). This period represented the first implementations of neoliberal policy on housing and housing welfare in New Zealand.

3.5 - 1999-2008: The Social Returns, the Market Recedes?

With the election of a new Labour government in 1999, there was another shift in housing policy. Specifically, regarding the reforms around social housing as the profitability requirements of HNZ were removed and income related rents were restored. This represented a shift back to adding the ‘social’ element into social housing (Murphy 2003). This reduced the implementation of a market logic into social housing. However, social housing remained residualised with social housing allocations targeted towards those in greatest need and while HNZ remained the largest landlord it only held 5% of housing stock (Murphy 2003). While this represented a return to principles consistent with traditional

Labour, regarding government involvement and support for social housing, this also represented a more hybrid approach (Murphy 2003). Although income related rents were restored, and additionally the accommodation supplement was removed for those under income related rents, there was a continuation of the ‘shopping’ incentive to not allow tenants to keep low rents as their income rose. Additionally, the accommodation supplement was maintained, even given the criticism previously directed towards it by Labour, meaning it remained as a part of the government's housing intervention (Murphy 2003). As HNZ was created with a profit making goal, it was also reintegrated into the Housing New Zealand Corporation (HNZC) in order to shift back towards its social goals and reverse the market oriented reforms implemented by the previous government (Murphy 2003). This returned the Housing Corporation, which provided mortgages, as well as Community Housing, which provided services for those with disabilities, back into one entity (Murphy 2004). Yet, throughout this period homeownership still remained a key goal of the government and supports were implemented, such as the extension of low-income mortgage support, in order to expand this tenure (Murphy 2004). While this does represent a return of state intervention into the housing market, as well as an acceptance of the importance of government involvement, it still maintained social housing as a residual part of the sector (Murphy 2004). To add to this conclusion Thorns (2006), who examined broader housing policy direction, argued that this did not represent a return to the government's pre-1984 role as the major provider and instead it operated in a hybrid role with the private sector. This was due to the aforementioned implementation and continuance of demand-side interventions such as the accommodation supplement, indicating a reliance on the private sector, rather than significant direct provision of public housing. During this time, there was also a shift around how housing policy was constructed (Thorns 2006). The preference was that the state should not operate by itself and instead move towards a facilitator role. Under this role it would provide assistance to other actors, creating new forms of public-private partnerships. This policy shift was predicated under a broad shift towards adopting ‘evidence-based’ policies, to implement ‘what works’ (Thorns 2006). Although the government convened major policy and evaluation conferences, there was no debate on what constitutes evidence-based policies (Thorns 2006). Referring back to the section (see chapter 2.2) around the dominance of neoliberal policies and policy transfer, during this time global policy circuits promoted the use of ‘best practices’ (Peck & Theodore 2012). These best practices would constitute the ‘what works’ policies regarding this shift in the New Zealand policy production process. In that regard, with moves towards public-private partnerships and the government operating as a facilitator of the private market this indicated the adoption of neoliberal logics in its policies (Thorn 2006). To conclude, although there was a reversal of many of the policies instituted under neoliberal ideology, there was also an acceptance of parts of the

logic and ideals of this, such as the continuation of the ‘shopping’ incentive or the residualisation of social housing as for just those in greatest housing need. This meant core elements of neoliberal housing policy remained. So, while this time period represented a shift back to the importance of government involvement and social housing, it also did not constitute a broader shift back towards the government's role pre-1984.

3.6 - 2008-2016: The Fifth National Government: Entrenchment of Neoliberal Housing Policy

The election of the Fifth National Government in 2008 saw the return of a National led government. This saw the return to the neoliberal policy reforms that began in the 1990’s (King 2019). While the exact policy reforms differed in specifics, they still fundamentally relied on the same logics as the 1990’s reforms. There were two key areas that policy measures were implemented: social housing, and housing affordability. In terms of social housing, the National Government drew upon a specific reading of a report by The Housing Shareholders’ Advisory Group. They used this to produce policy reforms through the Social Housing Reform (Housing Restructuring and Tenancy Matters Amendment) Act 2013 (SHRA). This incorporated two things. First, the implementation of neoliberal principles such as market making by producing a third sector that would be open for investment. Second, the continued residualisation of social housing through removing the security of tenure of social housing and making it for only the duration of need (Murphy 2020). Additionally, during this time period affordability problems with housing in New Zealand were addressed through a neoliberal framework. Through this framework government restrictions through planning were presented to be the cause of affordability problems as they were restricting land supply. This framework implied freeing land supply from restrictions would allow the housing market to function properly and increase the production of housing by the private sector (Murphy 2014; McLeay 2020). These two areas of housing policy formed the direct context that was precursor to the election of the Sixth Labour Government and so will be explored in some detail below.

Social Housing

The social housing reforms that the National led government implemented had three important changes. Firstly, reviewable tenancies were implemented with the intent to shift public housing from ‘a house for life’ towards a temporary service which is only for the duration of need (Murphy 2020; King 2019). In addition, the political discourse at the time presented social housing as being undesirable (King 2019). This represents a continuation

of residualisation of the sector, in how social housing is presented as a temporary undesirable form of housing. Rather than being viewed as an alternative to market housing, social housing is instead constructed in policy discourses as a temporary transition that will end with a tenant being placed into the private sector (Murphy 2020). The push for the residualisation of social housing is built upon the idea of market primacy and the belief that the private sector is the desired way to produce housing. In addition to the introduction of reviewable tenancies, the government also moved towards creating and supporting third party providers in the social housing space. This was so the government could reduce its role in social housing, while also producing housing choices. Additionally, it would also present an opportunity for 'market making' in which a new community rental sector could attract private investment and produce returns (Murphy 2020). This 'market making' was facilitated through two different changes which form the second and third key changes that National implemented into social housing.

In the second key change, the National Government changed the regulatory framework which governed social housing providers, specifically community housing providers. It allowed community housing providers to access funding through the Income Related Rent Subsidy (IRRS), which previously had only been accessible to tenants of HNZ. The government would pay the difference between income related rents and the market rent. However, no capital grants were provided therefore requiring community housing providers to get other forms of funding through the private market (Murphy 2020; King 2019). This was argued as a form of market making, in which new corporate involvement could occur (Murphy 2020). Additionally, to be eligible for the IRRS community housing providers would need to follow government guidelines, changing the types of tenants they would be able to support (Murphy 2020). This meant the social housing system was subject to marketisation and financialisation (King 2019). In addition, the idea that HNZC was now one of many providers introduced a form of competition in the social housing space, which under neoliberal logic of market primacy it was assumed this would produce better outcomes for social housing (King 2019).

In the third key change a programme of stock transfers would be implemented. Blocks of social housing were to be sold to community housing providers at a discounted rate through a competitive bidding process. However, without capital funding community housing providers would have to be funded with private equity this would have implications as to what providers could bid for the stock (Murphy 2020). Stock transfers were made available in regional centres in line with the idea of growing the third sector of housing providers. However, this had conditions attached. This stock must be used for the purpose of social

housing. In the example of the Tamaki Regeneration Company, Murphy (2020) explains the possible contradictory nature of these reforms. The Tamaki Regeneration Company was responsible for redeveloping housing stock and creating new private housing. However, it was also charged with creating socially mixed neighbourhoods, reflecting overseas examples of social housing regeneration. Therefore, the transfer of HNZ stock to the Tamaki Regeneration Company, was justified under this goal. Since this stock would be required to be used as social housing it received access to the IRRS; however, it would be subject under social housing regulations to implement measures under the government guidelines, such as reviewable tenancies. As the purpose of social mixing was to create social cohesion Murphy (2020) argues that these aims were contradictory. In order to promote social cohesion, tenants would need to be in those locations for long periods of time. However, if tenants earned enough to not be eligible for the IRRS, they could then be removed. This does not mean they would be able to find market housing in the area. This means that as Murphy (2020) explained, as social housing is treated as something only for the duration of need, it is inherently contradictory to promoting social cohesion through social mixing.

Due to the logics and framing that these reforms took, King (2019) argued that these constituted a new phase of neoliberalism. One which the reforms were innovative in the New Zealand context, but continued a broader neoliberal housing policy trend and subjected social housing to marketisation and financialisation. This was in line with Murphy's (2020) argument, that these reforms produced market making, and contradictory aims that resulted in social housing remaining residualised rather than an alternative to the private market. Additionally, the third key changes logics and principles contradicted the social goals of community housing providers. The reforms undertaken therefore show an acceptance of neoliberal logics by the Fifth National Government in terms of social housing, even when these are contradictory with social aims.

Housing Affordability

The second area that the Fifth National Government implemented policies was in dealing with housing affordability. With growing problems with housing unaffordability in New Zealand the government sought to address these. Heavily influenced by neoliberal thought, National framed the issue as one of an overbearing planning system that restricted land supply, which therefore would not be able to match demand and so prices would rise (White & Nandedkar 2021). This meant that the policies that were developed relied on the logics found in this framing. They were heavily influenced in the early 2010's by a report developed by Demographia. This report set out that housing affordability could be measured through a

simple median price:income ratio and portrayed more unaffordable locations as having more restrictive planning regulation (Murphy 2014). This allowed the National government to improperly portray New Zealand housing unaffordability issues, as a problem of ‘red tape’ in the planning system, in which the solution was to therefore reduce said restrictions to free up more land for building. This portrayed planning as both the problem but also the solution (Murphy 2014). Therefore, it allowed the solution to free up the market while reducing government involvement (reduce planning restrictions), which is in line with neoliberal logics of market primacy. The same framing was seen in government briefings to ministers over the time period that the Fifth National Government was in power. Barrett & Garrett-Walker (2021) found that the representation of housing problems was seen as a result of poorly performing markets. This indicated neoliberal influence on the briefings, which represented the naturalisation of markets, as the government's role was not seen as significant and instead just another player in the market (Barrett & Garrett-Walker 2021).

As these issues were constructed in a particular way, it influenced the policy decisions that were taken. This led to the development of the Housing Accords and Special Housing Areas Act 2013 (HASHAA) (Murphy 2016; McLeay 2020). As the city of Auckland was experiencing housing affordability issues, it was seen as having too restrictive planning rules by the central National led government which therefore needed to be lessened in order to free up more land supply for building. This Act, drawing upon the assumptions under neoliberalism that this was a market failure caused by the government not freeing up enough supply through restrictive planning, created areas of fast tracked planning in the city (Murphy 2016; McLeay 2020). Additionally, a portion of the houses constructed in these areas were to be made ‘affordable’ however, this was based on 75% of the market rate rather than an income based rate, which did not mean they were necessarily affordable (McLeay 2020; Murphy 2021). The HASHAA was seen by the local Auckland Government as a way to fast track existing planning changes under the Auckland Unitary plan, but the central government saw this as a way to bypass local planning in order to quickly free up land supply for housing construction, which would therefore increase supply to match demand and lower house prices (Murphy 2016; McLeay 2020). However, it failed to have any meaningful effect on lowering house prices and improving affordability (McLeay 2020). The Special Housing Areas that were developed were subject to a calculative lock in effect of prices, which hindered their ability to create lower priced housing. As these areas had guaranteed development, they were seen as less risky and therefore more valuable to developers. This in turn led to an increase in the land value for areas that were changed under the HASHAA. This meant that the end result for housing built had to be sold at a certain price to recoup costs and make a profit, which therefore meant that the end house price increased, working

to create the inverse of the desired result (Murphy 2021). With the central focus on planning there was a broader ignoring of other factors that had contributed to housing affordability issues, which indicated more of a political desire to change planning legislation rather than fix housing affordability (Murphy 2016). While the HASHAA was later removed under the following government (McLeay 2020), the continuance of this line of policies, as mentioned previously, is subject to some debate. McLeay (2020) argued that this process represented post-politics, in which neoliberalism and the market are accepted as a given and any solution is to be oriented around them, which in the case of the Fifth National Government has arguably occurred.

This phase of reforms under the Fifth National Government represented a clear adoption of neoliberal housing policy. This means these reforms, continued the initial adoption of neoliberal housing policy in the 1990's, and further subjected the housing sector to the key processes of neoliberal housing policy. This meant that directly preceding the Sixth Labour Governments election in 2017, there was a significant period of neoliberal housing policy. This sets the direction that housing policy was taking directly before the Sixth Labour Government.

3.7 - Implications of the Historical Context

The initial adoption of state involvement by the First Labour Government in 1935 represented the most significant engagement of the New Zealand Government into influencing housing in New Zealand. This has evolved in a variety of ways until the present. From the growth of homeownership over the following decades, and the shifting of state housing towards targeted welfare rather than the initial conception of an alternative to ownership and private renting, to the creation and embedding of neoliberalism into the mechanisms of the state and housing policy. This has produced a rich history, in which many different forms of interventions (and non-intervention) have occurred. As mentioned in Chapter 1, the Sixth Labour Government was elected promising transformational change. As demonstrated in this chapter, New Zealand has a rich history of housing policy. Therefore, this places New Zealand, and also the Labour Party, in a specific historical and political context affecting how policy is framed and produced. So, taking into account that neoliberal housing policy is dominant internationally and by understanding the political and cultural context of the Labour Party in New Zealand housing policy, this allows an examination of how the Sixth Labour Government has formed its policies. This specific party political and cultural context will be used in order to address the aims of the thesis to expand the

understanding of how hegemonic neoliberal housing policy affects and is affected by specific contextual factors.

Chapter 4 - Research Process and Methodology

This chapter explains the research process and the methodology used in the analysis of the Sixth Labour Governments housing policies. It begins with a development of the legislative history between October 2017 and July 2022. Specific housing bills and acts were identified, from which key policies were identified for analysis. Critical discourse analysis (see Jacobs 2006; Cope 2010; Fairclough 2012) was then used in order to understand the ideals, logics, and assumptions that were present within the development process.

4.1 - Legislative History and Housing Agenda

First, a legislative history was developed for the time period between October 2017 and July 2022, in which any Bill considered, or Act passed in regards to housing was taken into account in order to see what the government had enacted during this time period. This included any bill or act produced by any party to determine what was rejected or accepted.

Table 4.1 - Legislative History of the Sixth Labour Government (October 2017 - July 2022)

	2017	2018	2019	2020	2021	2022
Total Acts	15	16	22	15	11	20
Housing Related Acts	0	0	1	2	0	1
Total Bills	15	91	96	77	83	44
Housing Related Bills	1	3	4	4	2	1

From this, each housing related Bill was examined (N=15) and noted whether it was passed (N=13). Next, each Bill was analysed in terms of its significance. The significance of these chosen Bills was in relation to how substantially the change of the legislation was, as well as its potential longevity. Bills were examined rather than Acts, as if a Bill proposing substantial change was rejected, this could have provided insight into the legislative focus (or in that case what it was rejecting) of the government. Additionally, the key areas that the Bills covered were identified, to examine how these areas have related to neoliberal housing

policy and the political and cultural history of the Labour Party. These attributes were then used to identify key housing policies of the Sixth Labour Government.

Resulting from this initial analysis, two key policies were identified that would then be subject to further analysis to determine the influence of neoliberalism on these policies. This initial analysis to determine the type and significance of the considered legislation is set out in the table below.

Table 4.2 - Housing Legislative Agenda of the Sixth Labour Government (October 2017 - July 2022)

Year	Bill	Passed	Comments	Significance
2017	Healthy Homes Guarantee Bill	Yes	Amends Residential Tenancy Act (1986). Focus on improving rights and conditions of renters through heating and insulation. Improves quality of private rentals. Key topic: Rental Sector.	Medium - draws upon traditional Labour values of improving housing standards. Has only minimal relevance to key topics.
2018	Regulatory Systems (Housing) Amendment Bill	No	Minor amendments to regulatory systems regarding community housing providers and retirement villages. Bill withdrawn.	Minor - Bill withdrawn and is a minor amendment.
	Residential Tenancies (Prohibiting Letting Fees) Amendment Bill	Yes	Amends Residential Tenancy Act (1986) to prohibit letting fees for rental housing. Minor legislation. Key topic: Rental Sector.	Minor - draws on traditional Labour values, but is a minor amendment and minimal relevance to key topics.
	Overseas Investment Amendment Bill	Yes	Related to housing in terms of ensuring overseas investment into residential land has ‘genuine benefits’ for New Zealand. Key topic: Finance.	Medium - while drawing on anti financialisation sentiments, is only a minor amendment in this regard.
2019	Regulatory Systems (Housing) Amendment Bill (No 2)	Yes	Minor amendments to regulatory systems regarding community housing providers and retirement villages to improve regulatory processes.	Minor - minor amendment bill and lack of relevance to key topics.

	Kāinga Ora—Homes and Communities Bill	Yes	Creation of Kāinga Ora - Crown entity to build and manage public housing. Additionally, this will contribute to urban development both related and unrelated to housing. Kiwibuild was also moved under the purview of Kāinga Ora. The act also requires the government to provide a national policy statement on housing and urban development. Significant piece of legislation. Key topics: Social Housing, Construction, Urban Development.	Major - Significant reform of joining of different government entities. High relation to key topics of Social Housing and Urban Development. Probable long term nature in terms of the implementation of the National Policy Statement, as well as the entity reforms.
	Residential Tenancies Amendment Bill (No 2)	Yes	Addresses landlord liability issues for property damage for various aspects of tenancy. Minor legislation. Key Topic: Rental Sector.	Minor - minor amendment bill.
	Building Amendment Bill	Yes	Adjusts the Building Act 2004 in regards to managing buildings after an emergency and investigating building failures after an emergency. Minor legislation. Key Topic: Construction.	Minor - minor amendment bill.
2020	Residential Tenancies Amendment Bill	Yes	Amends the Residential Tenancies Act 1986 to provide stronger rights for renters. This improvement encompasses various aspects of renting, such as security of tenure, rent increases and regulation of the act. Relatively significant. Key Topic: Rental Sector.	Medium - significant amendments regarding tenant rights, however minimal relevance to key topics regarding Social Housing, Urban Development or Housing Affordability.
	Resource Management Amendment Bill	Yes	Relevant to housing is the improvement in the consent process. Minor legislation. Key Topics: Construction/regulation.	Minor - small amendment.
	Urban Development	Yes	Significant legislation regarding Kāinga Ora in regards to its function and the	Major - Partner bill of Kāinga Ora—Homes and Communities, involving

	Bill		power to implement these functions. Key Topics: Construction, Social Housing, Urban Development.	completion of the creation of the new entity. Therefore, it is integral to understand what Kāinga Ora is.
	Infrastructure Funding and Financing Bill	Yes	Provides funding and financing tools regarding the construction of infrastructure for housing and urban development. Facilitating legislation for housing rather than direct impact. Key Topic: Construction.	Minor - Facilitating bill rather than direct involvement.
2021	Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill	Yes	Amendment of the Resource Management Act 1991. Relating to the National Policy Statement on Urban Development and its implementation. Allows councils quicker implementation of this, additionally it would apply densification standards to cities in order to produce more supply of housing. Significant legislation regarding supply and construction. Key Topics: Supply, Construction, Urban Development, Housing Affordability.	Major - Directly related to Housing Affordability and Urban Development, and draws upon planning reform which is something that has been heavily impacted under neoliberal housing policy. Additionally this was developed under bipartisanship, which indicates it will be long lasting.
	Insurance (Prompt Settlement of Claims for Uninhabitable Residential Property) Bill	No	Members Bill from a National MP to improve insurance processes. Withdrawn after second reading. Minimal relevance.	None - Members bill from a National MP, was withdrawn.
2022	Unit Titles (Strengthening Body Corporate Governance and Other Matters) Amendment Bill	Yes	Members Bill from a National MP however was passed. The Amendment improves aspects of body corporates regarding buyers of apartments, as well as management and governance that body corporates engage in. Key Topics: Ownership.	Minor - While a members bill from a National MP, it was passed however it is only a minor operational amendment.

Of the Bills that were analysed, no rejected Bill was found to be significant, and so only passed legislation was used. This resulted in the identification of three significant items of legislation: Kāinga Ora Homes and Communities Act 2019, Urban Development Act 2020, and Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021.

4.2 - The Key Housing Policies of Labour

These represent key elements of Labours housing programme for a variety of reasons. Kāinga Ora Homes and Communities Act 2019 and the Urban Development Act 2020 need to be considered together. They are partner pieces of legislation, and they represent the substantial reforming of government entities that directly address both urban development and social housing. It has been argued by McLeay (2022) that parts of the design of Kāinga Ora's operations accept and reinforce neoliberal market primacy. After its formation Kāinga Ora still covers dual areas of housing (social housing and urban development). Social (and state) housing has been a significant part of the cultural and political historical context of the New Zealand Labour Party (Ferguson 1994; Schrader & Birkinshaw 2005). This meant it was determined to be relevant in examining how hegemonic neoliberal housing policy interacts with the policy development process of the Sixth Labour Government in New Zealand.

The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 represents Labour's attempt at addressing housing affordability through planning reform, and it is connected to the government wide programme called the Urban Growth Agenda. The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 was also passed under bipartisan support of the other major party in New Zealand; the National Party. Referring back to Chapter 3 (see 3.6), recent National Governments have adopted significant neoliberal reforms (King 2019; Murphy 2014, 2016, 2020, McLeay 2020). The involvement of the National Party in support for this Act would indicate it aligns with these reforms. Additionally, under neoliberal housing policy planning reform is often framed as the solution for solving affordability problems (Wetzstein 2022). This indicates that this policy was highly likely to have accepted some form of neoliberal housing policy. Therefore, it was identified as a significant policy to analyse to examine how hegemonic neoliberal housing policy interacts with the policy development process of the Sixth Labour Government in New Zealand.

In order to determine how neoliberalism has affected or been affected in the New Zealand policy production process, key policy documents about the selected Acts were gathered. These included policy documents, policy advice, cabinet papers and briefings, and legislation. These documents provide insights into the policy development process, as well as indicate how these policies are justified (whether through the sources of policy ideas or the logics and assumptions that underpin them). Documents were sourced from the New Zealand parliament websites, as well as the Ministry of Housing and Urban Developments website. Additionally, the Hansard debates of both the reading and select committee process for the legislation was downloaded and examined in order to understand the political justifications that were used regarding the Acts that were passed. The number of documents examined for each piece of legislation is set out in the table below.

Table 4.3 - Types of Documents Examined in this Thesis

Policy Document Type	Kāinga Ora & Urban Development Act 2020	The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021
Legislation	2	1
Hansard	10	7
Surrounding Documents	74	32
Total	86	40

4.3 - Methodology

In order to understand what the influence neoliberalism has had on the policy development process, critical discourse analysis was used to analyse the documents to see the logics and assumptions that went into their production. General discourse analysis involves the coding of particular concepts and themes present throughout a text (Cope 2010). Critical discourse analysis also considers the broader context within which a document is developed. This has had wide uses in urban policy analysis with it being used to connect ideology, practice, and policy production (Jacobs 2006). It has been used in analysing the framing of housing problems (Heslop & Ormerod 2020), which is useful in understanding what is both influencing the politics around an issue, as well as how an issue is framed by various actors

in society. It has also been used in the New Zealand context to analyse urban policy (Murphy 2016; McLeay 2020; White & Nandecker 2021) and how ideology has connected with policy practice and production, covering various policy documents including Hansard Debates. This provides a justification for the usage of this method in this thesis.

Drawing upon Cope (2010), the documents were coded by identifying key concepts and themes that were present in the text. In particular, the Hansard debates were analysed with a focus on Labour MPs to understand what the political justifications were behind the legislation. However, intuitive coding was used to develop codes, as the exact nature of what logics and assumptions had gone into the development of these policies was unknown before beginning, therefore adaptability in the coding process was required. The literature was drawn upon to identify particular processes of neoliberal influence (or lack thereof). In particular, Clapham's (2018) framework of the key processes of neoliberalism (financialisation, individualisation, marketisation, commodification, and privatisation) was used for the analysis. These formed the basis of intuitive coding. Additionally, the political and cultural historical context of the Labour Party was taken into account to identify any characteristics or focuses of the policies that aligned with this contextual history. I used these to identify how broader neoliberal housing policy interacted with this political and historical context. This produced three overarching themes; acceptance of neoliberal housing policy (categorised under Clapham's (2018) key processes), traditional Labour justifications, and an additional theme about the conflict between these. From these the specific elements of each broader theme, and the examples within, were used to understand the logics and assumptions that were used to develop the two key policy areas. This allowed insights to be drawn of the policy development process of these two key policy areas. Therefore, it allowed the thesis to address the aims in how hegemonic neoliberal housing policy affects and is affected by contextual factors.

Chapter 5 - Results and Discussion

This chapter examines and discusses the results of the analysis undertaken for this thesis. It is split into two sections, covering both key policy areas of the Sixth Labour Government; the creation of Kāinga Ora and the Urban Growth Agenda. Each section will begin with a description of the policy areas. Then, using key examples from the analysed documents, it will highlight representative examples of the broader themes developed during the critical discourse analysis. These broader themes will consist of; acceptance of neoliberal policy, traditional Labour Party ideas and values, and the conflict between these. This chapter will use these examples to develop an argument that the key policy areas have exhibited an acceptance of neoliberal logics, processes, and assumptions, but that these have been shaped in the cultural and political context of the New Zealand Labour party. It will end with a summarising paragraph of the results.

5.1 - Kāinga Ora - Homes and Communities

The Development of Kāinga Ora

The process of developing Kāinga Ora was initiated in 2017 with an in principle decision by the Cabinet Business Committee for the establishment of a national urban development authority (Cabinet Economic Development Committee, 2018). The specifics of the authority were developed over the next few years. This culminated in the passing of the Kāinga Ora Homes and Communities Act 2019, and the Urban Development Act 2020. The creation of this agency was prompted by the desire by the Labour government to apply a stronger government role in housing, specifically as a result of issues with the Kiwibuild programme (Ministry of Housing and Urban Development, 2018a). The Kiwibuild programme used government support to fund the creation of ‘affordable housing’ for first home buyers. It planned to deliver 100,000 affordable homes over 10 years, however, several problems (specifically construction costs and planning constraints) were blamed as preventing this (Ministry of Housing and Urban Development, 2018a). This led to discussions around the structure of the new agency. This involved the integration of the different Government housing arms; Housing New Zealand, which by 2019 owned and managed 64,000 properties with more than 184,000 tenants and was responsible for further building public housing; its subsidiary Homes, Land, Community (HLC) which was responsible for various development projects; and additionally, the Kiwibuild programme which ran under the Ministry of Housing and Urban Development. (Ministry of Housing and Urban Development, 2018a). While

alternative structures were proposed, such as separating Housing New Zealand from HLC and combining HLC with Kiwibuild, a full consolidation was adopted in order to fully integrate all of the government's housing capacity. Due to the complexity of the integration and formation of an Urban Development Agency, this legislation was split into two parts.

The Kāinga Ora Homes and Communities Act 2019 established its role as the government's social housing landlord. This entity inherited Housing New Zealand's responsibilities, as well as being responsible for government assistance into access to home ownership and community housing programmes. Additionally, it also sets its role as the urban development arm of the New Zealand government. This involved responsibility for the facilitation and initiation of development projects and improvement of the urban development and construction sectors. This aimed to produce a variety of housing types, such as; market housing, affordable housing, build to rent, and social housing (Kāinga Ora Homes and Communities 2019). The act also provided the long term government policy direction on housing through the Government Policy Statement on Housing and Urban Development (Ministry of Housing and Urban Development 2019b).

After Kāinga Ora was established, plans to expand its development powers into those of an Urban Development Authority were initiated. The difficulties in the Kiwibuild programme pre-2020 also influenced the direction of this policy development process. Planning constraints and construction costs were blamed as the government failed to achieve a sufficient building rate to accomplish the desired goals of Kiwibuild in building 100,000 affordable homes in 10 years (Ministry of Housing and Urban Development 2019c). This meant that the Urban Development Act 2020 was developed with two goals. First, to fix issues regarding planning constraints with the implementation of streamlined planning processes for development projects. Second, for Kāinga Ora to promote more efficient and cost effective construction in order to address the problems regarding construction costs. The Act was produced with the intention to have significant government involvement in the residential development process, in order to initiate and complete complex development projects that the private market otherwise would not be able to achieve. It did this by expanding Kāinga Ora's development powers with two major components. Firstly, through giving it the ability to override local planning instruments and streamline consent and planning processes in order to undertake urban development projects, specifically the creation of a specified development process for complex urban projects. Secondly, it gives Kāinga Ora rights in regards to compulsory land acquisition and transfer regarding its urban development projects. This was done under the assumption of possible further changes in

the planning processes, and wider reforms to New Zealand planning law, the (Environment Committee, 2020).

The Hansard Debates of Kāinga Ora

During the Hansard debates regarding Kāinga Ora Homes and Communities 2019 and The Urban Development Act 2020 Labour MPs argued for the twin pieces of legislation. This involved both what the legislation would accomplish and the reasons behind their formation. These parliamentary statements, in conjunction with documents from Cabinet and the policy production process, offer insights into the logic and reasoning behind the formation of Kāinga Ora.

Labour MPs had a multitude of reasons behind their support for Kāinga Ora. Arguments in Hansard on Kāinga Ora Homes and Communities Act (2019) often built upon what would be considered traditional Labour arguments and traditions. Strong support for public housing and government involvement were common, such as when the Hon Phil Twyford (Minister of housing and urban development at the time) in the First Reading of the Bill stated that:

> The first is that it will be the home of public housing, so it is the new organisation that will inherit this great 100-year legacy in New Zealand of public housing; of the Government acting—when the market fails—to build and own and rent quality housing for people who would otherwise struggle to in the market. (Twyford, P. 2019, May 30)

This was a common sentiment expressed among Labour MPs and stressed the important role public housing played in the New Zealand housing system. It also drew upon another common sentiment; that is how the market was unable to provide housing to all people. This was also set out clearly in the first statement by Nanai Mahuta (Associate Minister of Housing and Urban Development (Māori Housing)) on behalf of the Minister of Housing and Urban Development) when she stated that:

> Kāinga Ora reflects our Government's commitment to take a hands-on approach to tackling homelessness and unaffordable housing. Kāinga Ora will be our housing delivery arm right across the housing continuum. (Mahuta, N. 2019, May 30)

This is additionally reflected in statements made during the readings of the Urban Development Act (2020) in which the Hon Phil Twyford states:

> It recognises that central government should have a much stronger role to play in the urban planning system. Central government should be an enabler

> of urban development that creates communities where people want to live, work, and play. (Twyford, P. 2019, Dec 10)

This clearly states part of the intention of the Labour party for the two pieces of legislation involved in the formation of Kāinga Ora; both that social housing has an important role in the mix of housing, as well as the need for the government to play a significant role in the development of housing.

While these statements build upon what would be considered traditional Labour party values, centred on strong government involvement, they do not represent the entirety of the discussion regarding the formation of Kāinga Ora. During the Hansard debates of both pieces of legislation there were strong statements made regarding the role of the government in urban development. While there was a consistent theme of stating the importance of strong government involvement, Labour MPs often also made sure to be clear about another factor, in that the government was not seeking to replace or ‘crowd out’ the private sector. This is encapsulated by Nanai Mahuta's statement in the first reading of Kāinga Ora Bill:

> We believe Government should be an enabler of urban development to partner with the private sector, local government, and iwi to build vibrant communities rather than crowding out or replacing the private sector. Our message to developers is: we want to help you grow. We understand your constraints. (Mahuta, N. 2019, May 30)

This was often made very clear when discussing how the government's role was to change with the creation of Kāinga Ora. Additionally, it draws upon the role different actors have in influencing housing policy, and how policy responses support their goals and interests (see Gurran & Phibbs 2015, 2016; Adams 2011), specifically regarding the statement ‘We understand your constraints’ which indicates that their interests are being incorporated into the policies. So, while Kāinga Ora represents a large change in the role of government, the implication by Labour is that it does not necessarily challenge the dominance of the private market in New Zealand housing. This can be further seen in Phil Twyford’s statements later in the same reading in which he is describing what Kāinga Ora is:

> These entities, often described as urban development authorities, are very common in North America and Europe, and their purpose is, essentially, to de-risk for private investors what otherwise would be developments in our cities that are too complex for the private sector to do on their own. We need public agencies who can do the master planning, handle the resource consenting, invest in the infrastructure and the public realm—the parks for the neighbourhoods, civic amenities—and then provide the opportunities for

> private sector investors to come in and do what they do well, which is to build great places for people to live, play, and work. (Twyford, P. 2019, May 30)

From this he both clearly indicates Labour's understanding that the market is flawed, and the government needs to take a role, but at the same time is supporting the private sector's position in New Zealand housing. In this Labour is not necessarily providing an alternative to the private sector and is instead augmenting the status quo of development through government involvement. This draws back to the facilitation role of earlier UDA models overseas (see Dea & Ward, 1999 and Spiller & Khong 2014), where the intention is promoting the private sector rather than the public sector.

The Role and Powers of Kāinga Ora as a Developer

Of particular relevance to this idea of promoting the private sector, rather than the public sector is the role and powers which Kāinga Ora has in its operation. While the Kāinga Ora Homes and Communities Act 2019 established Kāinga Ora as a crown agency, the Urban Development Act 2020 greatly expanded its abilities to operate as an urban development authority. Kāinga Ora is granted several key powers in its role as a developer.

Firstly, it has been granted the ability to compulsorily acquire land in order to complete complex developments. This is a significant power that private developers do not have access to. However, in terms of the operation of Kāinga Ora the organisation will partner with others, including private developers, regarding the development of projects. This means that compulsory acquisition can be used to purchase, and then in turn used by private actors that may profit off it. This is itself acknowledged in the document Regulatory Impact Statement - Supporting Complex Urban Development Projects with Dedicated Legislation (Ministry of Housing and Urban Development 2018b) in which two concerns were examined: issues around how to deal with fair compensation for compulsory acquisition, and the effect compulsory acquisition may have on public confidence in property rights. Regarding concerns around fair compensation for compulsory acquisitions four different options were presented; extra compensation to encourage early uptake, extra compensation based on expected profits from development work, compensation paid in money or land based on market value of land at time of acquisition, and compensation based on the market value of land at the time of acquisition (as opposed to the expected profits) to be paid in money, land or equity share in the development project (or a combination thereof). From these, the recommended option was the fourth, in which only the market value at the time of acquisition is to be considered, therefore excluding the landowner from any possible profit (Ministry of Housing and Urban Development 2018b). What was eventually legislated into the Urban

Development Act 2020 in section 259, was the ability to provide compensation. In this section compensation can be granted based on the current open market value of the land as according to the Public Works Act 1981 Part 5. However, additional powers were given to Kāinga Ora in section 260 of the Urban Development Act 2020, which alternative compensation may be agreed to instead of the standard based on the Public Works Act 1981. This means that the preferred recommendation was accepted. This cements the market into this process, as market costs must be judged. It also provides a minimum cost, which in turn 'locks in' the minimum selling point of any development to be related to the market land price (see Murphy 2021). This means that the minimum price of any 'affordable' housing (as under its adoption of Kiwibuild and support of first home buyers) is limited without subsidisation. This also has ramifications of any goals of mixed developments as if there is a lock in of a minimum price for private housing, in order to have this subsidise social forms of housing as intended it must be sold at a higher price. It ties in incentives for building social housing, to calculative practices of developers in which higher market prices would subside more social housing. This produces marketisation into actions of producing social housing, and represents the broader conflictual theme where acceptance of neoliberal ideals conflicts with social goals of the Labour Party.

Additionally, this power is likely to increase the rate of compulsory acquisition. This raised concerns in policy advice documents, as compulsory acquisition in conjunction with private actors making profit from this power could lower confidence in property rights (Ministry of Housing and Urban Development 2018b). The state technically has rights to all freehold land in terms of compulsory acquisitions under the Public Works Act 1981. However, compulsory acquisition is intended to produce public works for the public good. The application of these for private actor profits implies that the government considers these actions at least in part to be for a public good. However, discussion in secondary documents around this issue was not around whether these powers could contribute to private actors profiting, but instead was around public confidence of private property rights (Ministry of Housing and Urban Development 2018b). This reflects an acceptance in the sanctity of private property rights and the negative perception of government involvement in them. This indicates an acceptance of private property, especially in relation to the compensation regarding market value. This follows the definition of neoliberalism used, which indicates market primacy, and desires limited government involvement. So even when strong government powers are used, as following historical Labour Party values, they are both concerned with the existing market structure, and can produce profit for private actors. The lack of discussion in policy formation around these underlying ideas that government powers can produce private profit highlights an acceptance of these neoliberal principles in the policy formation process. Additionally, the

partnership structure used encourages Kāinga Ora to partner with and facilitate private developers. This is reflecting other urban development authority models such as in UDCs in Britain (Deas and Ward 1999) or in Australia (Spiller & Khong 2014) in which the goal is to use state powers in order to create opportunities for private actors to profit. This creates a privatisation of the benefits of these powers, in conjunction with the partnership model, as it means that this power is used to the benefit of private actors. It creates a hybrid of other UDA type structures with acceptance of the neoliberal foundation in which private actors have a key role (and are accepted to be necessary), but at the same time accepts traditional Labour ideas that strong government involvement is needed for urban development. In many ways this represents an evolution of historical interventions that occurred under the First Labour Government (Ferguson 1994), which found that private builders had a necessary role to play due to a lack of capacity by the government. These eras were distinguished though, as during the time of the First Labour Government there was discussion around the state taking an active role in construction, such as purchasing the privately owned Fletcher Building (Ferguson 1994). This differs, as in this policy production process the Sixth Labour Government had no such discussion, indicating a complete acceptance of this private role. In that regard, this represents an application of neoliberal housing policy, through the contextual political history of the New Zealand Labour Party, as strong government powers (compulsory acquisition) are used to facilitate and augment the private market.

The second power is the ability of Kāinga Ora to override existing planning instruments in order to produce specified development projects. When a specified development project is identified and enacted, Kāinga Ora has the ability to override existing local plans. This was justified in the policy formation documents as a way to streamline planning rules in order to produce desired outcomes. It was also indicated that this was something that private developers highly supported while local councils did not, which raises questions regarding the influence these actors have on this policy (see 2.3; Gurran & Phibbs 2015, 2016; Adams 2011). In Hansard debates of the Kāinga Ora Homes and Communities Act 2019 and Urban Development Act 2020, Labour members often stated the need for Kāinga Ora to override restrictive planning rules in order to promote urban growth. Phil Twyford, in the Third Reading of the Urban Development Act 2020, stated:

> We recognise that the housing crisis is a failure in public policy. It has many causes, but the two chief amongst them are a broken system for funding and financing infrastructure and a highly restrictive planning system that stops our cities from growing. It recognises that the housing crisis is a failure to ground urban planning in economics and a failure to insert central government into a

> space which has been left to local authorities on their own for too long. (Twyford, P. 2020, Jul 22)

This statement highlights two things in regards to the acceptance of neoliberal logics and assumptions. Firstly, there is a clear blame placed on restrictive planning as preventing housing supply from growing. Secondly, it situates the planning issues, as a failure to ground them in 'economics', implying they need to be subject to market logics. This indicates a clear acceptance of the logics and assumptions of neoliberal housing policy, as the idea of market primacy is clear and restrictive planning causing housing supply issues is outlined clearly. Additionally, it also directs blame at local authorities and their planning instruments as a cause for this lack of urban growth and therefore housing affordability problems. This mirrors sentiments expressed by National politicians during the implementation of Special Housing Areas during the previous government, which produced areas of streamlined planning permissions in order to promote increased production of housing supply by the private sector (Murphy 2016; McLeay 2020). However, Kāinga Ora differs as its solution involves direct government involvement as its role as an urban development authority, which means it produces and manages the specified development projects. This represents the hybrid logic by Labour, in which there is an acceptance of the neoliberal based assumption of restrictive planning instruments that cause supply issues, while in turn their solution involves a stronger government involvement. This contrasts with National, who had previously taken a largely private sector approach, wherein the government reduced its role in order to allow opportunities for the private sector to produce more housing (see Murphy 2016; McLeay 2020). Therefore, it indicates that in order to address the goal of less restrictive planning systems Labour adopted and imposed neoliberal ideals, but the historical party political and cultural context shaped this policy into a form of strong government involvement

Kāinga Ora and Mixed Housing Developments

A common theme throughout the documentation surrounding the creation of Kāinga Ora was the promotion of mixed housing developments. This involves projects that contain, market, affordable, and social housing. While the logic behind it is to produce more housing supply it does this in a particular way. In the document Resetting the Government Build Programme (Ministry of Housing and Urban Development 2019c) the goals of future development were discussed. This focused on what development could occur, one such example being:

> In future, the advantages the Crown can bring in getting sites build ready will be one way of extracting a social dividend from developers in the form of requirements for more public housing, more affordable homes and greater

> presence of progressive homeownership schemes and options such as build to rent. (Ministry of Housing and Urban Development 2019c, point 84)".

This was also discussed by Phil Twyford in the first reading of Kāinga Ora Homes and Communities Act 2019 where he stated:

> The first reason is that we want State housing to be at the heart of all of our urban development work. We want public housing, affordable housing, to be in the mix whenever we do these largescale developments—big, medium, or small. (Twyford, P. 2019, May 30)

This shows that Labour does retain that social housing is valuable and needed, and built it into the operation of Kāinga Ora. However, while the aim of the discussions is to produce better social outcomes that follow traditional Labour values, it also keeps in line with the hybrid approach taken throughout the construction of Kāinga Ora. By that, public housing is not provided as an alternative option to the private market, but instead as a part of what is produced. The aim of development agreements by Kāinga Ora overall is for 20% social and 40% affordable (McLeay 2022; Ministry of Housing and Urban Development 2023a), but can also involve higher percentages of social and affordable housing (see Kāinga Ora - Homes and Communities 2022). This also reflects the individualised nature of housing in New Zealand, in which homeownership is the dominant form of tenure (see Chapter 3). Therefore, the mixed housing development goals have ramifications for the types of processes that are reinforced or applied to New Zealand housing. Additionally, when gaining land for developments Kāinga Ora can either acquire it from other crown agencies, acquire publicly owned land or purchase it from private owners. For land that was acquired that was owned publicly, redevelopment can occur such as the redevelopment of social housing areas. The production of mixed-income developments means parts of that land is then privatised, while only some remains as social housing. Even in this form of development, the outcomes can produce a minority of social housing (see Kāinga Ora - Homes and Communities 2022), and the end result is more affordable and market housing than social housing. Therefore, the mixed housing development goals have ramifications for the types of neoliberal processes that are reinforced or applied to New Zealand housing.

Additionally, the way social housing is situated within mixed housing developments has ramifications in reinforcing its residualisation. The function in 13 -1 (a) of the Kāinga Ora Homes and Communities Act 2019 states Kāinga Ora's purpose in regards to housing as "to provide rental housing, principally for those who need it most:". This reiterates the accepted role of social housing as something for those who need it most, or a form of welfare as established in the 1970's in New Zealand, rather than an alternative to market housing as it was conceived to be under the First Labour Government between 1935-1949 (Ferguson

1994). Moreover, its new roles in terms of urban development involve the “development of housing, including public housing and community housing, affordable housing, homes for first-home buyers, and market housing:” (Kāinga Ora Homes and Communities Act 2019, f - i). In this there is a differentiation between multiple types of housing, but only two, public and community, are not directly linked to the private market. It further states that Kāinga Ora's developments need to be appropriately mixed. This is building upon the principle that non-market forms of housing are important, but they are not necessarily an alternative that is accessible and for anyone, instead, they are rather for those in direct need. This means that while there is a promotion of social housing, and it has an important place in the housing development by Kāinga Ora, it has not divorced itself from the idea that social housing is just for those in need rather than being a broader alternative to market housing. This reinforces social housing's residual role in New Zealand's overall housing tenure,

The Conflict of Kāinga Ora’s Roles: Development and Social Housing

During the development of Kāinga Ora, discussions occurred about what type of organisation it would be. These examined what parts of the government's housing arm would be consolidated into this organisation, specifically Housing New Zealand, HLC and Kiwibuild. While multiple approaches were explored, the final outcome was a fully integrated approach, consolidating all three entities into Kāinga Ora. It was also acknowledged throughout the policy documents that integrating all the different units of housing meant that Kāinga Ora would have dual roles, that of a social housing landlord and that as a developer, and these could have issues. While these concerns were noted, they were not considered a significant concern. In the policy development process, it was felt that potential conflicts could be alleviated by good design. This argument was expressed in the statement in the Cabinet Paper Establishing the National Urban Development Authority which stated:

> Overall, I consider that ensuring we consolidate our capability across the full housing spectrum and maximise the benefits of scale outweighs any risks associated with the fully-integrated approach, which can be mitigated through good design and processes.
>
> (Ministry of Housing and Urban Development, 2018a, p.5)

However, while it is argued that good design can solve the conflicts of its two roles, it is legislated that Kāinga Ora should give equal responsibility to its two roles (Kāinga Ora Homes and Communities Act 2019). The ratio of housing in its development aims indicates that this is not the case. A higher ratio of market and affordable housing, both private tenures, is implemented into the developments, over a smaller ratio of social housing (see McLeay 2022; Ministry of Housing and Urban Development 2023a). This indicates that

private housing, and therefore ownership, is taking a priority over public housing. The results of this conflict were formed when Kāinga Ora was developed. From the start Kāinga Ora was intended to be an Urban Development Authority (Ministry of Housing and Urban Development, 2018a). This was a consistent theme throughout the documents discussing and deciding on its structure. While within the legislation Kāinga Ora Homes and Communities Act 2019 the weight given to each part of Kāinga Ora's responsibilities is equal it was noted throughout that the two roles it operates will not always be complementary and instead will conflict (e.g the exposing of financial risk from urban development to social housing assets). Two more things are of note in how this conflict is managed. Firstly, due to the dominance of neoliberal thought in housing policy production (Clapham 2018), what is reflected in most policies would reflect a neoliberal based ideological outlook. This would highlight certain aspects over others and constrain policy responses. Secondly, this represents a kind of residualisation of the government in social housing. While its technical or resource capacity may not have changed, and may in fact have improved, its conceptual and literal vulnerability has increased. What is meant by this, is that while previously different entities were responsible for different aspects of the New Zealand government's housing responsibilities, the roles of urban development and social housing are both now under Kāinga Ora. This was done to maximise the capacity of the organisation. However, as it is now under the same entity, the focus is now split between the two roles. To start, the literal risk is reflected with how engagement in property development introduces financial risks that expose the whole organisation, including social housing, to material risks. This also exposes social housing to attack politically, as it can easily be argued to use social housing to cover any developmental risks (i.e. by selling or reducing the ratio of social housing in mixed development). The conceptual risk for social housing is due to the dual nature role of Kāinga Ora. This duel role was stated in the Cabinet Paper - Housing and urban development legislation: Outstanding policy matters relating to the Housing and Urban Development Authority which stated: "It is important that no particular role dominates to the detriment of others, synergies between the roles are optimised, and that the Authority delivers effectively." (Ministry of Housing and Urban Development, 2019a, pg7). The practical benefits of the integration were found to outweigh the issues that may arise. While it may be possible to alleviate these risks, it does increase the vulnerability to be politically attacked in that social housing is now only a part of Kāinga Ora's mandate. If political change were to occur, residualisation would be less visible, as social housing is now only a part of an entity rather than the sole focus of one. This means if a National Government were to come to power and implement more direct neoliberal housing policy, social housing is exposed to a larger risk. The embedding of social housing as a second role in Kāinga Ora in this way, results in an exposure of risk to the concept of social housing. These two factors result in

social housing being at greater risk. The global dominance of neoliberal policies in housing may mean that conflict resolution occurs in the favour of the development arm of Kāinga Ora, or a change of government could shift this balance in the same way. This means that social housing may be moved to a smaller or less important part in the government's involvement further contributing to the long term material residualisation of social housing.

5.2 - The Urban Growth Agenda

The Urban Growth Agenda is a government wide programme with the goal “to improve housing affordability by removing barriers to the supply of land and infrastructure and making room for cities to grow up as well as out” (Ministry of Housing and Urban Development, 2023). The Urban Growth Agenda covers a wide array of different government departments, taking into account more than just direct housing affordability measures. However, the focus of this thesis is on measures to directly address housing affordability, which are The National Policy Statement on Urban Development (NPS-UD), and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021.

The National Policy Statement on Urban Development

The National Policy Statement on Urban Development (NPS-UD) sets out the objectives of the government regarding planning. This was set as a requirement under the Kāinga Ora Homes and Communities Act 2019, in order to provide direction regarding planning. The NPS-UD set out to increase intensification and reduce restrictive planning rules to create more housing (Ministry of Housing and Urban Development 2022). Under the Sixth Labour Government this was presented in 2020, however, it was updated in 2022 in order to increase measures and bring forward many of the proposed policies (Office of the Minister of Housing & Office of the Minister for the Environment, 2021). To be able to understand how neoliberal housing policy is influencing the policies of the Sixth Labour Government, the logics and assumptions that drive the focus on planning is important, as planning has historically been a target of neoliberal housing policy in New Zealand (Murphy 2014, 2016; McLeay 2020).

The NPS-UD was developed to improve the competitiveness and responsiveness of land and development markets by requiring local authorities to open more land for development. The goal of this is to increase the responsiveness of building to demand (Ministry of Housing and Urban Development, 2020). This was justified by the government in order to contribute

to the wider UGA programme, and "...address restrictive Resource Management Act 1991 (RMA) planning practices." (Ministry of Housing and Urban Development, 2020). Additionally, during statements by Dr Megan Woods (Minister for Housing) during the first reading of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 she stated that:

> Last year, our Government took a step to address these overly restrictive planning rules by introducing the National Policy Statement on Urban Development, known affectionately in some circles as the NPSUD. (Woods, M. 2021, Oct 26)

This clearly states the justification for the implementation of the NPS-UD is to fix what is perceived as flawed planning laws. From this basis, the NPS-UD requires local authorities to provide sufficient development capacity. Local authorities are separated in 3 tiers based on size with different requirements. Tier 1 includes the largest urban environment in New Zealand encapsulating; Auckland, Wellington, Christchurch, Tauranga, and Hamilton. Tier 2 includes urban environments below this encapsulating; Whangārei, Rotorua, New Plymouth, Napier-Hastings, Palmerston North, Nelson Tasman, Queenstown, and Dunedin. Tier 3 includes all other authorities with jurisdiction over urban environments (Ministry of Housing and Urban Development, 2022). The timeframe implemented in the NPS-UD onto these different tiers varies, however the underlying principles of the changes remain the same in that they target restrictive planning practices.

How development capacity is identified and used is key to understanding what logics are behind attempts to address the assumption that restrictive planning is causing housing affordability issues. Development capacity is the capacity required in order to meet the demand for housing in an area. This covers existing and new building sites, standalone and attached dwellings, and has measures in the short to long term. Additionally, to be sufficient the planned capacity must be realistic and feasible to achieve from what is allowed through planning, as well as have appropriate infrastructure capacity. However, Tier 1 and 2 Authorities have the additional requirement of needing to take into consideration the competitiveness margin, in which additional capacity may be required in order to maintain competitiveness in housing and business markets, as well as promote choice. This is done by having more development capacity allocated than the expected demand, 20% more for short-medium term and 15% more for longer term (Ministry of Housing and Urban Development, 2022). Additionally, higher densification of housing has been mandated to local authorities. Tier 1 authorities must implement these densification standards, for example mandating at least 6 stories in the metropolitan centre zones of cities as well as the walkable catchment around mass transit. Tier 2 and 3 must implement intensification based

on the development capacity of the areas. The NPS-UD also mandates that future development plans are created in order to provide certainty for development, in terms of the land supply available (Ministry of Housing and Urban Development, 2022). The focus of the NPS-UD is to address planning issues, in order to produce more development. This is directed towards local authorities, and may override local plans. The logic behind this is in order for development to occur, more capacity needs to be available in order to keep up with demand. However, taking into consideration Bradley's (2021) discussion of similar logic in England, it is found that just because the capacity for development is allocated through planning permission it does not mean that this will result in construction to keep up with demand. The NPS-UD relies on the idea that planning is the issue causing developers to not produce enough housing to address housing problems. However, in the broader context of the UGA, which takes a multifaceted approach to urban growth, regarding housing affordability the NPS-UD is a significant part as it seeks to address a housing shortage in New Zealand. So, while as a whole the UGA may take a multifaceted approach reflecting wider Labour inspired government interventions, the NPS-UD relies on the neoliberal assumptions that planning issues are a key factor in why there is a lack of housing supply. Additionally, the NPS-UD relies upon the idea that implementing appropriate development capacity, specifically in the case of tier 1 and 2 authorities' requirement to take into account competitiveness margin, will result in housing development keeping up with demand. In particular, the competitiveness margin indicates the ideal that market forces will produce the desired outcomes if enough land supply is allocated, whereas Bradley's (2021) study indicates this does not occur. This both reinforces market logics and ideals, and reiterates previous neoliberal inspired assumptions in New Zealand that restrictive planning is causing housing affordability issues.

Additionally, there are other indicators that are taken into consideration when developing what capacity needs to be available. These indicators measure the impact on the housing market and include; price efficiency indicators, and other market indicators that show housing affordability, supply and demand, household income, prices and rent (Ministry of Housing and Urban Development, 2022). By these indicators alone, market principles are reinforced in the production of development capacity from planning changes. However, drawing on Christophers (2014) broader argument that economic performativity plays a role in how urban spaces are developing, this raises further questions. Examining specifically the price efficiency indicator, in the Ministry of Housing and Urban Developments dashboard developed to assist with creating this development capacity, it demonstrates acceptance of calculative practices. The price indicators are taking into consideration land and construction costs and how this may affect the end price of housing. (Ministry of Housing and Urban

Development & Ministry for the Environment, 2023). This is notable as it means the urban authorities are operating with calculative practices, similar to ones developers use as discussed by Murphy (2021), in which the prices are ‘locked in’ in accordance to the expected price of housing. This indicates the NPS-UD is directing urban authorities to operate with these valuation techniques, effectively estimating what market value these development capacity changes will produce. This has the capacity to lock in expected prices of housing which in turn means that affordable housing may not be achievable by private developers (see Murphy 2021). This demonstrates a clear acceptance by the Labour Government of these calculative tools. However, as it is placed within the context of the broader UGA programme, it indicates again that neoliberal housing policy and practices are expressed through wider considerations. It means that the logics and practices in neoliberal housing policy have not been challenged or removed by the Sixth Labour Government, but instead adopted and placed within wider policy programmes. This creates flawed policies and practices within the wider UGA, which may hamper its ability to produce affordable housing.

The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021

The planning reforms by the NPS-UD, are built upon in the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021. The Act implements several measures. Firstly, it introduces medium density housing standards that apply throughout Tier 1 local authorities to allow the building of 3 story buildings and 3 units per site as a right. Additionally, various structural and design elements are included to enable this, as well as non-notified consents to proceed without needing neighbour approval (Office of the Minister of Housing & Office of the Minister for the Environment, 2021). Secondly, the act moves forward the NPS-UD, implementing it earlier and therefore bringing forward aims to reach the goals desired from the NPS-UD. These steps were made to remove restrictive planning rules, and to increase supply by creating a more streamlined planning process (Cabinet Legislation Committee, 2021). This Act was passed with bipartisan support of both the Labour Party as well as the National Party, as well as the support of the minor parties of the Green Party and Te Pāti Māori. ACT was the only party who opposed it (Party Vote, 2021). In examining how the Labour Government has interacted with neoliberal housing policy, especially given the policy direction of the previous National Government, the bipartisan nature of this act provides a meaningful insight into the nature of Labour's policy.

There are two parts of the policy process that give insight into the logics and assumptions that formed this act. The Hansard debates are key in understanding the political justifications that Labour MPs had for these changes, and offer information on the assumptions and logic that went into the support for this piece of legislation. Policy documents from cabinet papers, and ministry reports show the assumptions and ideas behind the legislation.

In the Hansard debates the Bill was introduced by Dr Megan Woods (Ministers for Housing) in which she outlined several things. Firstly, she discussed the causes of the housing crisis stating:

> New Zealand's housing crisis has not just cropped up in the last few years. It has been developing in our country over decades. New Zealand has simply not built enough homes in the right places to meet the needs of New Zealanders. (Woods, M. 2021, Oct 26)

The clear issue that is being presented as why housing is unaffordable is a lack of supply. The framing of the issue in this way sets her up into explaining the purpose of the Bill:

> This bill deals with one of the barriers to boosting housing supply: overly restrictive council planning laws. Rules that have stopped density in our cities, have outright banned them, or have required lengthy and costly haggling with council in order to make them happen. We don't for one moment think that this is a magic solution to all our housing woes in New Zealand, but we know that this is one piece of the puzzle that we need to put in place if we are to address our housing crisis. (Woods, M. 2021, Oct 26)

While this is a clear statement indicating that Labour has accepted the idea that restrictive planning laws have caused housing affordability issues, there is an addendum stating that while they see this as significant, it is not the only factor in causing the housing crisis. Matching these statements with what is seen in the policy documents, there is an overlap in the idea that fixing restrictive planning laws will increase supply and therefore cause more affordable housing. In the Regulatory Impact Statement produced by the Ministry of Housing and Urban Development and the Ministry for the Environment, it was stated that:

> A major constraint on the ability of the market to deliver housing is the planning system, under the Resource Management Act 1991 (RMA), which limits efficient land use. (Ministry of Housing and Urban Development & Ministry for the Environment, 2021, pg 1).

While this is clearly positioning planning as a significant issue, it is later followed by:

> Significant housing capacity is expected to be unlocked, much faster, as a result of these measures. This will lead to a reduction in house price growth, relative to the counterfactual of no additional measures. There is a wide range

> of evidence showing that restrictive land use regulation contributes to inefficient use of land and higher house prices. The information base is more limited with regard to the likely pattern and magnitude of supply that will result from the above measures (Ministry of Housing and Urban Development & Ministry for the Environment, 2021, pg 2)

and:

> Well-established literature has shown that overly restrictive land-use rules increase house prices. (Ministry of Housing and Urban Development & Ministry for the Environment, 2021, pg 3)

However, while they clearly position restrictive planning as a major cause of affordability issues, parts of the report also expand on the typical neoliberal assumptions concerning planning. It is stated that the actual material result of this policy is unclear as the pattern and magnitude of supply being produced is not known. This is a notable concern over the material end result of the policy, however, this is something which is not further acted upon in the legislation. Even considering this concern in the policy advice and wider positioning in Megan Wood's statements, clearly there is an acceptance of the assumption that restrictive planning is causing affordability issues.

It's also noteworthy that a review panel had reviewed the Regulatory Impact Statement, which included representatives from the Ministry of Housing and Urban Development, the Ministry for the Environment, and Treasury. Although the document was produced in a shorter time than standard, they determined that the statement partially met the standard for ministers to make advice, noting the lack of consultation and need for more clarity, presentation, and quantitative evidence (Ministry of Housing and Urban Development & Ministry for the Environment, 2021). While it is stated it only has a partial standard, it does not question the logic and assumptions baked into the document. In this regard, it is being challenged by the review panel as needing more time to work on the policy advice and not challenging the neoliberal underpinnings of it. The document aligns with previous briefings under the Fifth National Government (Barrett & Garrett-Walker 2021) which were based on ideas accepting neoliberal logics. The implications of the limited timeframe that the document was produced in, may also indicate that policy producers relied on neoliberal housing policy as these ideas are dominant in global policy development. Additionally, its approval even with these concerns implies a default acceptance in the advice given reflecting that these ideas are presented as better or more accepted in global neoliberal housing policy circuits (see section 2.2) than possible alternatives.

Another notable aspect of these statements is how the comparison of the policies in the legislation only compares to a counterfactual of no additional measures. This meant additional barriers, while acknowledged as contributing to the issue, were not examined in the same regard. So, other factors that contribute to the issue of housing affordability were not considered and compared to the effect they have on housing affordability. However, while these other barriers may be contained in the wider UGA programme, the focus on planning reform does indicate the acceptance of neoliberalism on this piece of legislation, as the framing shows planning to be a significant target for blame in regards to housing problems mirroring wider neoliberal logics and assumptions (see Chapter 2). The enshrining of the median house price to income ratio affordability measure in the legislation illustrates this acceptance. In the legislation when a minister is determining acute housing needs for an area, the ratio must be used (Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021). This draws back to Murphy (2014), when the same affordability measure was improperly implemented into government policy under the previous National led government. As discussed by Murphy (2014) this ratio is a poor measure of housing affordability and was inappropriately mobilised to argue that areas of high planning restrictions were causing affordability issues. Significantly, this ratio has been accepted under this piece of legislation. This indicates a continuance of the previous National Governments assumptions regarding housing affordability by the Sixth Labour Government. Given the bipartisan element in this legislation, it's clear that the Labour Government has accepted and, in this case, endorsed the assumptions that underpin usage of this measure. This measure is unlikely to be removed from the legislation, as there is political agreement of it by both major parties. This also raises questions regarding Weaver's (2018) discussion around neoliberalism by design, or by default, indicating an acceptance of policy with neoliberal assumptions in how this legislation was produced. It builds on the common theme seen in this legislation in which an acceptance of neoliberal logics and assumptions are built into the policy production process and end up in the finished legislation.

Another element of this piece of legislation indicates an acceptance of neoliberal logics. A key theme throughout different Labour MPs' statements in Hansard, was the clarification that this was an enabling, rather than a mandating, piece of legislation. The Act did not force developers to create higher density buildings, it only allowed them to. This was encapsulated in David Parker's statements during the select committee process in which he stated that:

> That cost-benefit analysis is absolutely clear. It shows that upzoning in areas, which enables people to build denser—doesn't require it; it enables them—when people are given the choice to build more densely, the choice to

> have a more affordable home because it uses land more efficiently, uses infrastructure more efficiently, the choice to live closer to their work, closer to the shops that they use, when people are given those choices, they take them. Developers build to the choices of the people, because they know that if they build to that type of house they will find a buyer. (Parker, D. 2021, Dec 8)

While it is possible that affordable housing will be produced through the allowance of denser buildings, David Parker's statement assumes that the freeing up of planning constraints means it will happen. However, as Bradley (2021) has demonstrated in the UK, just because planning constraints are lifted does not mean developers will actually construct to the maximum that is allowed under planning regulations. The underlying assumptions of this part of Parker's statement imply that having an ability to build denser housing, the market will provide more affordable options. It is a clear acceptance of the neoliberal logics of the market that restrictive planning laws are preventing the market from producing affordable outcomes, yet previous statements in the Regulatory Impact Statement indicate that it is not necessarily clear what the actual pattern and magnitude of supply that will be produced. While Labour is acknowledging that there is more involved in the production of housing, specifically regarding to the alleviation of housing problems, in this particular case there is an acceptance in the logic and assumptions that the market will provide more affordable housing.

There is also a consistent theme of arguments pertaining to the idea of 'red tape' in preventing housing supply from being produced. In particular, this is relevant to how this Act was formed through a bipartisan approach with National. In the previous National Government, this was a core argument in the development of their housing policy. As per Murphy (2016) and McLeay (2020), the development of SHA was clearly focused towards attacking 'red tape' and freeing up land capacity through the planning system. During the debates, the same arguments regarding the nature of planning and how red tape is framed to be a significant problem in the production of housing supply was consistently used by Labour MPs when arguing for this Act. It was especially relevant when used as a political argument against the Act Party, who as a party often argues for more limited government and less bureaucratic red tape and was the sole party in parliament who opposed the passing of this act. In the case of this Act, cutting red tape consistently comes up as a positive justification for passing the legislation. For example, when Labour MP Tangi Utikere was talking about the Act in its second reading he stated, "Even though there's still a chance that the ACT Party could see some reason and an opportunity to cut some red tape, it seems as though that's not going to be the case this evening." (Utikere, T. 2021, Dec 7). Clearly, there is an indication that changing these planning laws will produce positive

outcomes, and this was a consistent theme through Labour's support of the Act. This represents an endorsement of the idea that the market has a central role to play in producing affordable housing. This would accord with McLeay's (2020) argument regarding the acceptance of this by both Labour and National. However, the broader statements about other causes of housing problems in New Zealand indicates that this endorsement does not exist in a vacuum. The wider approach means that while Labour has accepted the logics and assumptions consistent with global neoliberal housing policy, these exist as a portion of their policy direction. This represents an evolution of the Labour Party's policies. The Fifth Labour Government had accepted many elements of neoliberal housing policy from the preceding government, however, that differed from the endorsements under the current Sixth Labour Government. This shows how these logics have become more accepted in the political culture of New Zealand, and the Labour Party.

The NPS-UD and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 in the UGA

It is important to note, that in the case of this Act and the NPS-UD that this is representing a part of a broader approach to urban development, and the production of affordable housing. The NPS-UD falls under the goals of the UGA, and due to the multitude of areas that the UGA covers (such as transport and infrastructure) it means these documents need to be considered a part of a whole (Ministry of Housing and Urban Development 2023b). This means that although these particular policies do have an acceptance of assumptions and logics of neoliberal policy, they do not necessarily represent the entirety of the Sixth Labour Governments policy direction. So, while in the context of affordable housing policy the Act and NPS-UD are significant, they should be taken as a part of broader direction, rather than the whole. Even with this qualification these policies are important for two reasons. Firstly, the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 was passed with bipartisan support in parliament. This means that it is unlikely to be overturned and therefore is most likely going to remain in effect even through changes of government. As it also brings forward the NPS-UD, it means that this statement is also enshrined in the legislation. By this metric these policies by themselves represent Labour accepting, and endorsing, neoliberal logics and assumptions, and these being put into effect in legislation that is very likely to last a long time. It means, even if there is a wider approach being taken to urban development and the production of affordable housing, there is very clearly an acceptance, at least in part, of neoliberal housing policy. Secondly, the reforms have enshrined market metrics into the planning system, as the logics and practices of market-based housing policy are mandated to be used through the NPS-UD, while the

Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 also cements the idea that freeing up planning systems will produce housing to solve affordability issues. So, while the broader approach undertaken in the UGA covers many areas and may not accept the logics and assumptions of neoliberalism, the planning system specifically has been subject to these neoliberal logics and assumptions regarding housing affordability by the Sixth Labour Government.

5.3 - Summary of Results and Discussion

This chapter has examined the policy production process under the Sixth Labour Government of two key housing policy areas; the development of Kāinga Ora and the Urban Growth Agenda. It examined a variety of policy documents including, Hansard debates, legislation, and secondary policy documents. It found that Kāinga Ora was created with dual roles regarding social housing and urban development. These roles were found to establish a set of contradictory practices where neoliberal practices were adopted and implemented in its role as an urban development authority, while also managing social housing. This reflected the New Zealand Labour Party's historic role in implementing strong government intervention and taking responsibility for social housing. However, these historic values and roles were implemented through the context of the wider dominant neoliberal housing policy. This meant neoliberal policies and practices were formed and implemented through and around the Labour Party's cultural and political context. This chapter also found through the Urban Growth Agenda, that the policies and legislation relating directly to housing; the NPS-UD and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021, were a direct acceptance and endorsement of the Sixth Labour Government of neoliberal logics, practices, and assumptions. While these were produced in the Urban Growth Agenda's wider government context, these policies represented an evolution from previous Labour Governments, as the Sixth Labour Government endorses these policies rather than the tacit acceptance of neoliberal housing policy under the Fifth Labour Government. Thus, this chapter demonstrated how neoliberal housing policy has been implemented and shaped by the cultural and political context of the Labour Party in New Zealand.

Chapter 6 - Conclusion

6.1 - The Sixth Labour Government and Neoliberal Housing Policy

The hegemony of neoliberal housing policy has ramifications for how governments deal with housing problems. Arguably, the contradictory and flawed nature of these policy programmes have intensified housing problems (Clapham 2018; Fields & Hodkinson 2018). However, this thesis has demonstrated that these global policy prescriptions are not merely adopted without change, but instead are moulded within particular political contexts. The Sixth Labour Government of New Zealand implemented a wide range of policies in order to address housing problems in New Zealand. However, these contemporary housing policies are built upon and shaped by a rich history of housing policy. In examining two key housing policies (the development of Kāinga Ora, and the Urban Growth Agenda) this thesis found the Labour Party's political and cultural heritage has meant that although they have adopted and endorsed neoliberal policies, these are joined with traditional ideas of strong government intervention and the need for social housing. This has created a unique hybrid form of policy. This hybrid policy contains conflicting and contradictory policies, in which the desired outcomes are likely to be hampered by the flawed nature of neoliberal housing policy (Clapham 2018; Murphy 2020; Ryan-Collins & Macfarlane 2017). The implementation of neoliberal principles in these policies also subjects housing in New Zealand to two of the key processes outlined by Clapham (2018). In particular, as the thesis has argued, the key reforms that are examined in this thesis are particularly embedded in ideas of privatisation and marketisation. This reinforces ideas of market primacy in dealing with New Zealand housing problems and as McLeay (2022) argues, represents a continuance in New Zealand of the markets central role in housing policy. Additionally, it has been argued that conflicts, between traditional Labour Party goals and neoliberal housing policy, have been resolved towards neoliberalism without careful examination by policy makers, as neoliberal housing policy prescriptions are more easily accepted and available. This expands on understandings of the policy development process and demonstrates that hegemonic global policies need to be considered through the party political and historical context of the government implementing said policies.

6.2 - Reflections on Kāinga Ora and the Urban Growth Agenda

Kāinga Ora

The formation of Kāinga Ora represents the outcome of a conflict between the Labour Party's acceptance of neoliberal housing policies and their historical ideals of strong government intervention and responsibilities for public housing in New Zealand. Labour MPs highlighted this historical connection during the Hansard Debates, directly referring back to that history. However, the development of Kāinga Ora, showed that it was formed in a reconstructed context. Public housing was originally conceived as an alternative to market housing (Ferguson 1994), yet instead Kāinga Ora continues to position publicly owned housing as a form of welfare. These welfare goals of social housing are in contrast to and conflict with Kāinga Ora's role as an urban development agency. Notably, the urban development side of Kāinga Ora operates with the goal of developing mixed-tenure neighbourhoods, yet even then social housing is not prioritised. This is seen with its overall goals of having only 20 percent of housing be social for land it allocates for development (see Ministry of Housing and Urban Development 2023a or McLeay 2022). Significantly, in the redevelopment of existing social housing areas the adoption of a mixed-tenure strategy results in the privatisation of crown land (see Kāinga Ora - Homes and Communities). Arguably, this reinforces arguments by Hodkinson & Robbins (2013) about mixed-tenures representing a form of privatisation. Additionally, as social housing is not being prioritised it reinforces its role as a residual welfare tenure, differentiating it from its original conception as an alternative to market housing. In addition, Kāinga Ora's development arm uses government powers, notably compulsory acquisition, to enable and augment the market. This establishes the market as having a key role in the state's housing development programme. Additionally, the ability to produce housing developments, through specified development projects, builds on the ideas of the previous Fifth National Governments special housing areas. However, the urban development authority model differs from the creation of broad zoned areas of expedited planning approvals, as in special housing areas (Murphy 2016; McLeay 2020), as it involves strong government intervention through Kāinga Ora's power to implement fast track planning that can override local government plans. This willingness to override local plans indicates that Labour have accepted that urban planning is a primary cause of housing construction problems, yet it also reflects the Labour Party's historical perception that strong government intervention is needed as this is done through an urban development authority that has additional government powers such as compulsory acquisition. As a whole, Kāinga Ora is situated oddly in Weaver's (2018) 'by design' or 'by default' framework, in that it is both an entity that enforces neoliberal ideals and assumptions

as per ‘by design’ (similar to past UDA’s see Deas & Ward 1999) but was formed with hybrid roles and goals and thus generated through a ‘by default’ adoption of neoliberal policies. So, this thesis argues that Kāinga Ora represents an evolution of New Zealand neoliberal housing policy, but also reflects the broader historical social goals of the Labour Party. This produces a hybrid entity, with contradictory practices and goals. State power in this entity is leveraged to enable and augment the market, while attempting to address historical social mandates. In this regard, Kāinga Ora represents a key example in how hegemonic neoliberal policies are moulded around contextual and historical factors, producing unique hybrid policies.

Urban Growth Agenda

The Urban Growth Agenda's housing affordability policies represent a clear endorsement on the part of the New Zealand Labour Party of neoliberal logics and assumptions. Under the NPS-UD and Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021, the Labour Party has implemented policies based on underlying neoliberal assumptions and logics regarding planning. The NPS-UD is a document that accepts neoliberal logics and indicators (such as the price efficiency indicator) in its construction. This is done to free the market from planning restrictions in order to produce more land supply for housing. Yet, as Bradley (2021) has demonstrated in the U.K., merely producing land supply with planning permissions does not mean private developers will produce more housing. Additionally, the NPS-UD also introduced private property developer calculative practices into how councils determine how much land supply is needed. This embeds local authorities in market processes and produces an acceptance that the market is the ideal way to produce housing. The NPS-UD in this regard reflects a clear adoption of market primacy by Labour. The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 shows that the Labour Party has accepted neoliberal arguments that urban planning is causing affordability issues. The Act was adopted in a bipartisan approach which indicates it will remain uncontested politically, representing the continuance of the market having a central role in housing in New Zealand, following McLeay’s (2022) argument. The legislation increases housing density planning requirements as well as implementing the NPS-UD sooner. Additionally, the legislation adopts a flawed affordability measure that was improperly applied by the previous National Government to argue that restrictive planning was causing affordability measures (Murphy 2014). The formation of this legislation was expedited, and in the policy production process policy advice documents from various Ministries adopted neoliberal assumptions and policies. While it was

noted by Ministries reviewing policy advice for the Act, specifically the Regulatory Impact Statement (Ministry of Housing and Urban Development, 2018b) that the process involving this document had issues (regarding empirical evidence, clarity of advice), the underlying logics and processes that informed the policy were not challenged. It was assumed that resolving restrictive planning would result in more housing supply. Labour MPs both endorsed these assumptions, and made sure to indicate that the legislation only enabled developers and did not mandate any action. This reflects the dominance of the market, in having a central role for the development of housing. Interestingly, this also relates to Weaver's (2018) discussion on 'by default' neoliberal urban policy, where political (bipartisanship of the legislation), institutional (The Ministries advice) and ideological (hegemony of neoliberal housing policy) constraints push urban policy towards neoliberal ideas. However, to understand how this policy is situated within the wider goals of the Labour Party it is important to note two things. First, it was acknowledged by Labour MPs that there were more changes needed in order to solve New Zealand housing problems. Second, the Urban Growth Agenda, covers other areas of government (i.e. infrastructure, transport) in its goal to solve unaffordable housing. So, while the NPS-UD and Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 represent clear endorsements of neoliberal housing policy by Labour, they are a part of a wider programme. This shows that although the logics and assumptions of neoliberalism are accepted, they are placed within a wider scope by the Labour Government. This reflects how although neoliberal housing policies can be endorsed by political actors in a general context, specific neoliberal policies are adjusted within wider contextual mandates. How these neoliberal housing policies interact with the wider sections of the UGA also represents future research opportunities in examining how policy development may affect wider government programmes.

6.3 - Future Research

The implementation of neoliberal housing policy under the Sixth Labour Government shows how contextual party political and cultural factors adjust and mould hegemonic policies in the policy development process. This has produced hybrid policies with conflicting practices and goals. Moreover, it has been argued that the acceptance and endorsement of neoliberal logics and assumptions undermine efforts to deal with housing problems (Clapham 2018; Jacobs 2019; Fields & Hodkinson 2018). In advancing these arguments it is acknowledged that this thesis has examined only two, albeit key, housing policies. The wider legislative agenda of the Sixth Labour Government may have produced some challenges to neoliberal housing policy. Engaging with Labour's broader housing policy agenda represents an

opportunity for further research. Additionally, of Clapham's (2018) key processes of neoliberalism (privatisation, marketisation, commodification, individualisation, and financialization) only marketisation and privatisation were prominently expressed in the establishment of Kāinga Ora, and the direct housing affordability policies of the UGA. Individualisation was reflected in the dominance of homeownership as a tenure, but this was related to historical housing policy histories rather than these key policies. Therefore, other areas of the housing agenda under the Sixth Labour Government may deal with the other processes; financialization and commodification, to a greater extent. Therefore, the other housing policies of the Sixth Labour Government also represent opportunities for further research in regards to how these neoliberal processes are either implemented or challenged by the contextual factors of the New Zealand Labour Party. Additionally, in other countries influenced by neoliberal housing policy the interaction and conflicts between historical contexts and the policy development process may also represent opportunities to examine the unique policies that are produced. This may shine light on how neoliberal housing policies are challenged and accepted and how, if any, alternative forms of policy are produced.

6.4 - Conclusion

To conclude, this thesis demonstrates that the Sixth Labour Government has accepted neoliberal housing policy practices and logics into two key policy areas involving the creation of Kāinga Ora and implementing the UGA. This has embedded the idea of market primacy into government interventions into housing in New Zealand and produced forms of privatisation. However, these neoliberal policies are also moulded within the historical context of New Zealand and the Labour Party, and are implemented in unique hybrid forms of policy formation. This thesis expands understanding of policy development processes as it indicates that hegemonic neoliberal housing policy is not merely introduced by governments, but instead produced under a set of contextual party political, cultural and policy histories.

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