

Re Question 65

The elephant in the room is the 30,000 increase in population per annum.

Ignore the ~ 10K nett immigration, as a fair percentage will have the wherewithall to establish themselves in NZ. Otherwise the Govt wouldn't allow them in (true?false?)

So, go to stats NZ and discover what economic quintile is responsible for the greatest number of births over deaths. I haven't done this, but an educated guess would be those on the lowest income level. Those in turn, I suspect - the Commission will need to check - will be very disproportionately Maori and Pacifica peoples.

Your paper shows that the lowest income quintile has the most non-mortgage debt, and, unsurprisingly, also the least mortgage debt.

The lowest quintile is likely to have the least education and least skills. They are most likely to be unemployed, especially as the Government must eventually wind down its roading-employment scheme. The government cannot fund a Japanese-style 'bridges to no-where' construction employment scheme, as, unlike Japan, it cannot cannibalise high levels of personal savings to 'fund' it.

Geological terminus of cheap oil means both the end of expansive manufacturing, and increased 'flow-on' unemployment, especially in the service industries (~ 60+ percent of the economy?). The lowest socio-economic quintiles will be competing for a diminishing resource of jobs and a diminishing pot of taxpayer money as assistance.

The conclusion is that:

1. the most urgent need is for warm and dry housing for 'the poor'.
2. the need will increase 'alarmingly' over time
3. there is little or no prospect that 'the poor' will ever afford to buy a house (unless, as in USA, deferred loans on zero income are made, and the toxic mortgages bundled and on sold - oh, wait, that didn't work out so well, did it....)
4. any 'solution' will need to integrate house size, access to public transport, access to facilities to keep the unemployed busy, construction methods for robustness, accountability systems for public asset provision, flexibility across life stages, and more.

Good luck.

Laurie M.