## NZIER INSIGHT

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# Reflecting on what our housing conversations no longer say

New Zealand's housing conversation has always been a metaphor for different things.

When our country was young, and our towns and cities were new, we used to talk about building communities and creating spaces for families. Housing was synonymous with employment and industry. Governments were building New Zealand incrementally through schemes. We were building roads, towns, suburbs, schools and homes. The state housing period focused on creating suburbs of homes fit for a modern technological age.

But since the 21st century, those progressive housing conversations have been replaced by something that is almost exclusively financial. It's like houses have lost whatever character made them reflect where New Zealand was at different stages in time – expansion, industry and quality of life.

Now houses are strictly investments. We have an obsession with them. Some of us want to own more and more of them for a number of reasons. We no longer wax lyrically about houses as new communities or making jobs and promoting industry. High-end home ownership is a waterfront mansion with its own boat shed, helicopter pad, pool overlooking the sea and private access to the beach. Conspicuous consumption is alive and well through a media interested in publishing the owner's name.

Meanwhile, in 2013, Lorde strikes a chord with a younger predominantly renting generation who "[Are] not proud of my address, in the torn-up town. No post code envy."<sup>4</sup>

# Digital records of the housing conversation

DigitalNZ<sup>5</sup> (DNZ) provides a unique data source to look into New Zealand's history through a media lens. DNZ receives information from more than 200 organisations including museums, media companies and government departments across New Zealand and the world across a variety of media formats and makes it available through a single open-source data service.

Historical information from the National Library of New Zealand, including its Papers Past<sup>6</sup> series, are free-text searchable, offering a unique insight into the content of New Zealand's historical media records.

This NZIER Insight uses DNZ's open-source data service and word clouds to explore how the housing "conversation"

has changed in the media over time. Word clouds are a technique that reflects the most frequent non-common words in a text. Where a corpus of text is large, word clouds use frequency of word occurrence to distil the "flavour" of the written content on the assumption that texts with different narratives will possess different frequencies of keywords. After common words used in written English are removed, word clouds suppose the frequency of the remaining keywords can be used to gauge the general content or flavour of the corpus. The interpretation is more "art" rather than "science" — there's no statistical test or null hypothesis that can prove an interpretation is wrong.

### New Zealand talks about housing a lot

Figure 1, from DNZ open-source data service (see caveats), records four periods across New Zealand's historical media

<sup>1</sup> https://nzier.org.nz/static/media/filer\_public/98/7c/987c99b1-d879-48ca-ac2c-58e05307ac5c/nzier\_public\_discussion\_document\_2014-04 - home\_affordability\_challenge.pdf

<sup>&</sup>lt;sup>2</sup> Op cit page 18.

 $<sup>^{3}\</sup>underline{\text{https://www.stuff.co.nz/business/108873109/eight-sales-for-more-than-10m-so-far-this-year-new-data-shows?rm=a}$ 

<sup>&</sup>lt;sup>4</sup> https://www.youtube.com/watch?v=nlcIKh6sBtc

<sup>&</sup>lt;sup>5</sup> https://digitalnz.org/

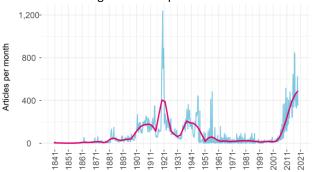
<sup>&</sup>lt;sup>6</sup> https://paperspast.natlib.govt.nz/



record where media interest in housing has peaked: around 1909, 1920, 1937 and 2016. None of the historical peaks in housing-related media discussion have been as large as the volume witnessed in 2016.

#### Figure 1 Housing media references

Number of housing references per month



Source: DigitalNZ, NZIER

# Back then, "housing" meant expansion

Early in New Zealand's recorded history, the housing conversation was about expanding New Zealand – creating new towns and cities and opening up the land.

We were a young British "colony" that was "dredging" land, and we cared about "London" and "Britain". Housing was about expansion and opening new territory and opportunity.

At the start of the 20th century (Figure 2), housing conversations were about "new", "housing" and "land" and the "work" needed to build a growing New Zealand. "Government", "state", "councils" and "districts" were frequently mentioned.

The government was establishing the regulatory machinery, reflected through prominent words like "Bill", "Act" and "committee". Connections back to England and financing were reflected in words like "London", "British", "price" and "gold".

# After World War 1, "housing" meant industry

After World War 1 (Figure 3), houses meant industry: jobs for returning "soldiers" and "men", employing "workers" and spearheading "industry". New housing commentary included a labour dimension and suggested housing was an active industrious process.

"Colony" disappeared, to be replaced by "Dominion" with more frequent reference to "Wellington" than between 1900 and 1914. The most frequent words of "new", "house", "will", "government" and "work" suggest a national government-driven commitment to new housing. "Land" and "price" suggest affordability and availability were housing issues.

Connections to "London" and "British" still reflect a colonial New Zealand, but their frequency is diminishing.

#### Figure 2 Word cloud 1900-1914



Source: NZIER



#### Figure 3 Word cloud 1916-1923



**Source: NZIER** 

### State "housing" meant quality and modern with a unique architectural flavour

The 1932 and 1947 housing conversation (Figure 4) was peppered with references to building new housing with higher quality standards, fit for a modern age and having an architectural flair. In the late 1940s, new suburbs of state housing developed along the eastern side of the Hutt Valley in Wellington. Within the word cloud, reference to "Hutt" now appears.

There's now a technology and quality dimension entering the housing conversation: words like "garage", "appliance", "power" and "condition" enter the word cloud as new keywords. Other words, like "large", "good", "room", "services", "bungalow", "modern" and "state" together with "section" and "street" reflect the time period that cemented the notion of the "Kiwi half acre" into the New Zealanders psyche of what are "homes".

Old words like "London", "colony" and "British" have gone.

### 21st century houses are financial investments

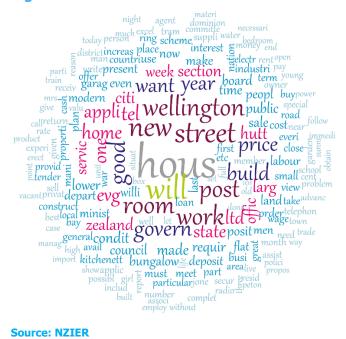
Housing references between 2000 and 2008 have a commercial flavour: "holdings", "investments" and "enterprises" have replaced the words "government" and "Wellington" in significance for the first time. The housing conversation has become "international".

The nature of the housing conversation has also become much more homogeneous. From 2008 on, the commercial flavour is almost exclusively maintained (Figure 6). "Rental" is now a frequent word.

Media conversation no longer reflects the creation of new towns and cities nor the quality aspects of the housing or the architectural style of new builds. Housing is "investments" and "holdings" with "companies" and "banks".

Houses are investments, and there is no architecture, industry, technology or quality dimension at all to the housing conversation.

#### Figure 4 Word cloud 1932–1947



Source: NZIER



#### Figure 5 Word cloud 2000–2008



**Source: NZIER** 

#### Figure 6 Word cloud 2008-2018



Source: NZIER

#### Want to know more?

At NZIER, we've thought a lot about housing.

For a more thoughtful insight into New Zealand's modern home affordability challenge, please read our public discussion paper: <u>The home affordability challenge: Suite of policy reforms needed in New Zealand</u>.

#### Caveats to this work

- Historical counts of housing-related conversations between 1946 and 2008 look understated compared to prior and following years. The National Library of New Zealand is the dominant data source prior to 1946. The latest year Papers Past<sup>7</sup>, the main newspaper-related data source, has digitised is 1950 for the Otago Daily Times. Other key national newspapers, like Auckland's New Zealand Herald and Auckland Star, Wellington's Evening Post and Christchurch's Press have been digitised up to 1945. Currently, only approximately 40 percent of the digitised material is available electronically through DNZ's open source system. As later years become digitised, the volume of housing-related content will undoubtedly increase.
- From 1946–1990, the Alexander Turnbull Library and Auckland Libraries provided most of the media information.
- Since 2008, Radio New Zealand, the Department of Internal Affairs and TV3 have supplied most of the information.

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<sup>&</sup>lt;sup>7</sup> https://paperspast.natlib.govt.nz/