

New Zealand: Social crisis deepens following Christchurch earthquake

By Tom Peters
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The New Zealand city of Christchurch was hit by its first destructive earthquake in September 2010, and a second quake in February 2011 that killed 185 people. More than two years later, the city of 300,000, along with nearby communities such as Kaiapoi, are enduring a deepening social crisis for which the National Party government is directly responsible. Thousands of residents have left due to the destruction of houses and jobs, and many others are still living in damaged houses or in overcrowded conditions with friends or family.

Speaking to the *Press* on September 12, Canterbury Earthquake Recovery Minister Gerry Brownlee made an extraordinary attack on the earthquake victims, saying he was “sick and tired” of “these people carping and moaning.” His comments were in response to an online survey of 689 residents living in technical category 3 (TC3) zones, where land is still being tested for damage. More than 400 said they were living in a house with “major damage”, and nearly half were still waiting for their insurance company or the state-owned Earthquake Commission (EQC) to confirm whether they could repair or rebuild their home. Most respondents attributed health problems to the earthquakes, including depression (53 percent) and asthma and allergies (35 percent).

In a display of naked class hostility, Brownlee dismissed the survey as “self-selecting” and accessible only to people who had time to “buggerise around on Facebook all day.” Later that day, after a public backlash, Brownlee told the media he was “sorry people are having to wait, and having to live in uncomfortable conditions”, but added that the government was “getting on with the job and doing our best.”

Brownlee issued this mealy-mouthed apology after

hundreds of people expressed their disgust in comments on the *Press* website. One resident wrote: “Why doesn’t Brownlee go and live in a cold TC3 house, which gets no help from insurers or EQC, for a year and see if he can go without whining?... [He is] ignoring basic human needs such as warmth and shelter.”

Another, Chris, said: “I’m fed up with insurance companies who, thanks to our utterly spineless government, have been allowed to sit on their hands and act in bad faith... But most of all, I am fed up with the fact that we have politicians like Gerry Brownlee, who far from showing any contrition for the appalling lack of progress in [Christchurch], sees fit to hurl insults at the people who pay his wages.”

For those worst affected by the earthquakes, the government’s promises to rebuild Christchurch have amounted to nothing. On September 8, the *Listener* reported: “Of the 21,000-plus homes that have sustained more than [NZ]\$100,000 of damage or are irreparable... fewer than 150 have been repaired or rebuilt. That’s less than 1 percent of the task.”

The state-owned insurer, the Earthquake Commission (EQC), covers repairs up to \$100,000, while anything above that cap is left to private insurers. Home owners face interminable delays from both the EQC and insurance companies. David Stringer from the advocacy group Insurance Watch told TV3 on September 4 that there were “at least 5,000 families” with unliveable houses who had not yet had an assessment from their insurer and were “in limbo.” The government has refused to force companies to speed up their claims processes, even as it has provided an estimated \$148 million in public money to bail out AMI Insurance, one of the biggest insurers in Christchurch.

In the worst-damaged “red zone” suburbs, which are to be abandoned and demolished, the government has so far made buyout offers for about 6,500 homes. The offers, based on 2007 valuations, are typically below the cost of a new house. Christchurch house prices have increased almost 10 percent in the past year, while rents have soared by an average of 26 percent due to the shortage of liveable accommodation. The government’s accommodation allowance—which is available to some people whose houses are unliveable—is just \$330 for a couple with children.

Many families will be plunged into debt by the buyouts. Mark and Jess Stapley of Kaiapoi, for example, were offered just \$250,000 for their red-zoned house, which has a mortgage of \$280,000. They told TV3 on September 3 that they wanted to move on, but would never be able to get a new house. On September 13, the day after his outburst, Brownlee announced that 50 uninsured houses and 65 vacant lots in the red zone would be bought out for only half the rateable value of their land.

On September 1, 300 residents rallied outside the Christchurch City Council buildings to protest against insurance and EQC delays. This followed a protest on August 8, organised by the TC3 Residents Group, in which 100 people rallied outside the offices of the EQC and insurance company IAG.

Residents’ anger finds no expression in the political establishment. The opposition Labour Party’s Earthquake Recovery spokesperson Lianne Dalziel addressed the August rally, but she limited herself to criticising lack of “communication” by the EQC and the government’s Canterbury Earthquake Recovery Authority about the time frame for rebuilding.

While Dalziel has also criticised the buyout offers for the uninsured, Labour accepts that the government cannot pay for residents to replace their houses. In a statement on August 8, 2011, Dalziel said residents in the red-zoned suburbs had “long since realised that... preserving equity was simply too ambitious”. During November’s election campaign, Labour’s then leader Phil Goff attacked Prime Minister John Key for raising hopes that the buyouts would not leave home owners worse off. “If you’re not going to do something for heaven’s sake don’t promise it,” he declared.

With the support of Labour and the Greens, the government has used the disaster as a pretext for cuts to

essential services—both nationally and in Christchurch. On September 13, Education Minister Hekia Parata announced plans to close 13 Christchurch schools and merge a further 18, citing a drop in student numbers. Hundreds of teachers and support staff will be laid off. This follows the announcement last month of 150 job cuts at the city’s Canterbury University.

In a statement on September 13, Labour’s Dalziel said school closures would “cause huge anxiety in already stressed communities”, but accepted them as inevitable. Greens’ education spokesperson Catherine Delahunty said it was “right for these decisions be made on the criteria of the state of buildings and land and population changes” and merely called on the government to “explain” the closures more clearly.

About 500 people rallied on the Bridge of Remembrance on September 19 to protest against the closures. Protesters were addressed by Labour and Green Party members and Sandra Spekrijse from the primary teachers’ union NZEI Te Riu Roa, who all criticised the lack of “consultation” but not the closures themselves.

The closures are a transparent exercise in cost-cutting at the expense of vulnerable communities. Many of the schools suffered little or no earthquake damage. Last month the government revealed it was talking to interested parties about opening for-profit charter schools in Christchurch in 2014. Some commentators noted the parallel with New Orleans, where 80 percent of children now attend charter schools, up from just five percent before Hurricane Katrina. Across the US, charter schools have been used to slash costs and attack teachers’ wages and conditions.

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