

## The REAL Housing Affordability Problem

Everyone is talking about “housing affordability” but not about the REAL problem. We need to accept that the ground has shifted on home ownership and this has long-term implications. Wealth inequality between those who own homes and those who do not has grown as a result of the 80% increase in house prices between 2002 and 2007. High house prices, high interest rates, high debt levels and an uncertain economic outlook mean that home ownership is becoming difficult even for relatively affluent middle class households.

In the midst of the scramble by government and wider society to respond to the housing affordability “crisis”, NZCCSS is calling for us all to keep the focus on those in greatest need.

We need to hear the stories of people on the margins and include them in the discussion about housing. Those on the margins include: low-income renters, the homeless and those on low-incomes who are struggling to meet mortgage costs or who need help to get over the barriers to home ownership.

Our areas of greatest concern are:

- housing the homeless and emergency housing
- building enough affordable housing in the state and community sector
- provision of secure private sector rental tenancies
- establishing standards for good quality and environmentally sustainable housing

People without a home are largely invisible in the debate around housing in New Zealand, yet up to 20,000 people move between temporary and insecure accommodation, or live in emergency housing or are on the streets - these are New Zealand’s homeless.

## Building more state housing

Consider this: Billions of dollars have been invested in the New Zealand Superannuation Fund over recent years but in comparison the net government investment in social housing has been tiny. Yet the immediate need is housing for the children and families living in inadequate or overcrowded housing today. Without good housing they may well not live long enough to enjoy the benefits of a guaranteed superannuation!

Social (state) housing provided by Housing New Zealand Corporation or local authorities and housing provided by social service and community organisations

makes up a tiny proportion of the total housing market (around 5%). There are fewer social housing units now than 20 years ago although the number of private rental households has doubled to more than 300,000.

## Secure private sector rental tenancies

People who are renting need to experience the security of having a “home”. It is the quality and stability of a housing arrangement that is most important, rather than whether a house is owned or not. Nearly 30% of private tenant households have incomes below the poverty line. The Accommodation Supplement does not work well for these low-income renters because it does not match the gap between incomes and rents.

Almost all of the private sector rentals are with the so-called “Mum & Dad” landlords. Owning one or two houses as investments and/or eventual retirement fund, they often struggle with all the challenges of selecting and managing tenants and property maintenance. Tenants need better legal protection and landlords need more help to do their job well.

It is people on low incomes who suffer most from our poor quality housing. There

is conclusive evidence about the damage that cold, damp and mouldy houses do to the health of particularly our children and older people. We believe a housing “Warrant of Fitness” would ensure that rental houses meet a minimum standard of health and environmental sustainability.

## Enabling access to good quality housing

**WE INVITE YOU** to join with NZCCSS in advocating for more action to enable access to good, affordable housing for everyone, especially those on low incomes. Here are some questions that we all need to be asking:

- Should central and local government build far more social housing than they are now?
- Should community-based housing providers receive more funding to build new houses and modify existing ones?
- Is enough being done to build and renovate homes using designs that make it easy for disabled and older people to live in them?
- Isn't it time that all housing had to receive a Warrant of Fitness?

If we don't ask the right questions we can't expect the right answers. These and other issues-based questions can be found at [www.justiceandcompassion.org.nz](http://www.justiceandcompassion.org.nz)