



# Auckland Mayoral Taskforce on Housing

PSA submission

## Introduction

### *Who we are*

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 62,000 members. We are a democratic organisation representing members in the public service, the wider state sector (the district health boards, crown research institutes and other crown entities), state owned enterprises, local government, tertiary education institutions and non-governmental organisations working in the health, social services and community sectors.

The PSA has been advocating for strong, innovative and effective public and community services since our establishment in 1913. People join the PSA to negotiate their terms of employment collectively, to have a voice within their workplace and to have an independent public voice on the quality of public and community services and how they're delivered.

We are an organisation that is committed to the principles of the Treaty of Waitangi.

The PSA represents just over 18 000 members who live and work in the Auckland region. This includes public servants in council and government departments, hospital administration and clerical workers, allied health and mental health workers and people working in the community sector.

This submission has been informed by a survey of our Auckland members. We received 2512 responses to the survey, which asked our members for their experience of the Auckland housing crisis. Comments from members that are quoted in this submission are derived from this survey and are anonymous.

We are happy for this submission to be attributed to us, and to be shared publicly.

Please note the views in this submission do not necessarily represent the views of all PSA members.

The PSA is an affiliate of the New Zealand Council of Trade Unions, Te Kauae Kaimahi.

## PSA submission

Thank you for the opportunity to contribute to the Mayoral Taskforce Housing Supply. Our members are deeply affected by the Auckland housing crisis and welcome the opportunity to have their voices heard.

In March 2017 we asked our Auckland members to complete a survey examining the impact of the housing crisis on their lives. In the space of two hours we received close to 1500 responses and by the time the survey closed this number had grown to 2512. This represents around 14% of our Auckland membership.

The speed of our members' response and the heart-breaking stories they shared with us was powerful evidence that our members are deeply affected by the housing crisis.

Our members also provided many suggestions for how things could be improved, ways to increase housing supply, bring down the cost of housing and improve the quality of housing.

We think the findings of the survey are very important because they highlight the stresses and difficulties experienced by the people who are delivering our essential public and community services in Auckland. Worryingly, six out of 10 respondents said they had considered leaving Auckland for housing reasons. Four out of 10 said they had considered leaving Auckland for transport-related reasons.

Too many of our members are at breaking point. The stories need to be taken seriously by decision makers who need to take radical, brave and creative action to address these problems.

We have used the quantitative and qualitative data from this survey to form the first part of our submission. Part two of our submission has been shaped by expert advice from our members who work in local government; they have provided insights into the underlying causes of the housing crisis in Auckland, have identified specific impediments to increasing supply, and provided recommendations on what needs to change.

## **Part One: PSA members' experience of the housing crisis in Auckland**

### *Our view on housing*

The PSA welcomes the decision of the Auckland mayor to establish a taskforce on housing supply. Local authorities, and our members, play a critical role in ensuring our communities are well housed. In addition to their role as planning authority and regulator, they are also infrastructure providers, social housing providers, funders, facilitators, community liaison workers and advocates. We believe that by working in a collaborative way with central government on housing issues, local government can be more effective in meeting housing need.

Housing is a critical component in achieving healthy, sustainable communities as it both produces, and reduces, wealth inequality. The PSA wants to see housing policy, planning and legal frameworks that are informed by the following principles:

- Access to affordable, safe, secure and habitable housing is a basic human right;
- Ensuring all members of our community have access to affordable, safe, secure and habitable housing is a core responsibility of government;
- Housing is a central element of our civil infrastructure. As such it requires system-wide planning and investment to ensure that it supports healthy and inclusive communities, well-functioning towns, cities and rural areas, and a strong, productive and democratic economy.
- We want to see central and local government working collaboratively with community organisations, people and businesses to develop creative and high quality solutions to the housing crisis that protect the integrity and wellbeing of our communities and the environment.
- Planning for housing development needs to be done in a way that meets the needs of current as well as future generations.

### *Our members' experience*

For many of our members, access to quality, affordable housing within their community of choice is a distant dream.

The following section of our submission outlines the key findings from a survey of our Auckland members about housing. A representative sample of members' comments is attached as Appendix One to this submission. The full quantitative report is attached as Appendix Two.

### *The survey*

In mid-March 2017 we emailed all PSA members recorded in the PSA membership database as working in Auckland and invited them to complete a brief online survey about their experience of housing and transport in Auckland. Responses were anonymous. Respondents had 6 days in which to complete the survey.

The survey asked both qualitative and quantitative questions. The questions were designed to help understand the impact of the housing crisis on our members' quality of life; how much they spend on housing relative to income, and whether or not they had considered leaving Auckland as a result of the housing crisis. The survey is likely to have a self-selection bias towards people who have a strong interest in housing and/or who have been strongly affected by the housing crisis.

The survey was completed by 2512 PSA members. Of these:

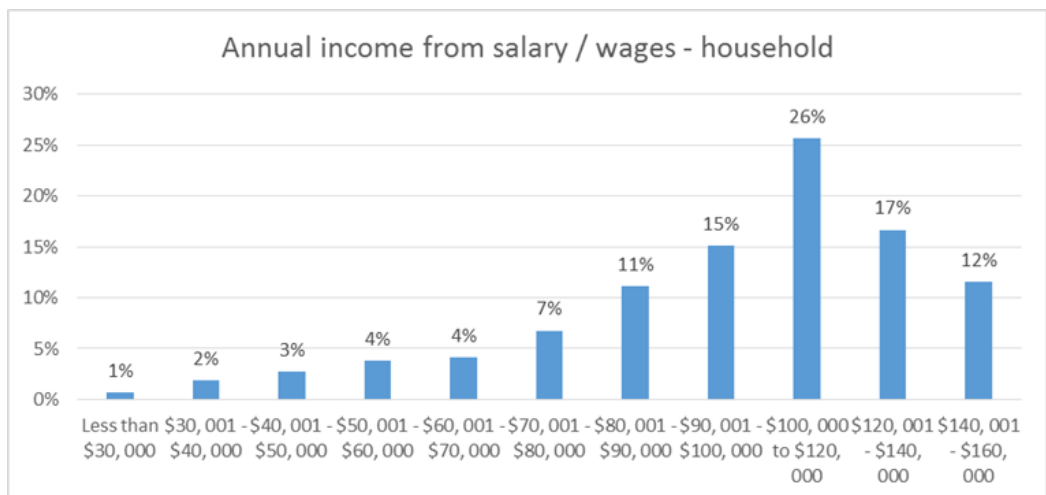
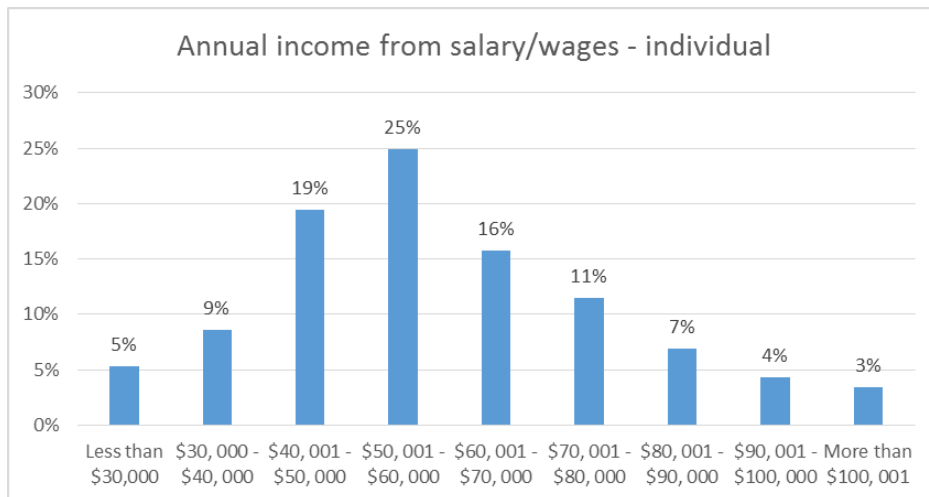
- 6% work in community public service organisations.
- 30% work in District Health Boards
- 23% work in local government;
- 32% work in the Public Service; and
- 9% work in state services (crown entities and SOEs)

### *Quantitative data – key findings*

#### Employment

The majority - 76% - of the survey respondents work full time (32 or more hours per week). Another 14% work more than full time (41 or more hours per week). Only a small number - 8% - work part-time.

Respondents were most likely to earn between \$40,000 and \$60,000. A third earned less than \$50,000, which is likely to include part-time workers. Those who share income with others are most likely to have a combined total income from salary/wages of \$80,001-\$130,000.



## Housing

Almost half - 46% - of our respondents live in households with dependents. 15% live in single income households with dependents, and 18% live in single income households without dependents.

Over half – 55% - of respondents own their own home, most with a mortgage. Another 39% rent and 6% live in other housing arrangements, such as boarding with family. Most respondents had moved house at least once in the last five years. Over a fifth of respondents had moved house three times or more over the last five years. 5% had moved at least five times over the last five years.

Housing affordability is a big problem for our respondents – especially for those with dependents. 58% of our respondents in single income households with dependents pay at least half their income in housing costs, with 22% of respondents paying two thirds or more of their income on housing costs. Similarly, 51% of double income households

with dependents spend more than half their pay on housing costs; while 24% spend two-thirds or more.

There doesn't appear to be a large difference in affordability rates between those who own and those who rent. Both home-owners and renters in our survey told us of the budgetary stresses arising from high housing costs. However, in addition to budgetary stress, renters also told us of the high levels of fear and anxiety associated with renting – this is outlined in more detail in the qualitative section of this report.

Almost two thirds (62%) of our respondents said that the housing crisis had had a “somewhat negative” or “strongly negative” impact on the quality of their lives. A worrying 57% of respondents said that they had considered leaving Auckland for reasons related to the cost of housing.

### Transport

71% of respondents travel to work in their own car; for most the commute to work takes less than an hour. 39.2% of respondents said they had considered leaving Auckland for transport-related reasons.

### *Qualitative data on impact of housing crisis*

We received over 2000 comments from members about how the housing crisis had affected their lives. These comments paint a very vivid and disturbing picture of the human reality of the housing crisis in Auckland. Our members work hard to deliver the essential services that we all depend upon, yet many are situations of extreme hardship. They struggle with the cost of housing, the availability of decent housing, fear of losing their homes and anxiety about the future. Even those members who themselves have financial and housing security worry about their children, the people they work with, their friends, people struggling on their communities.

Too many of our members are at breaking point.

Some common themes emerged from the comments.

### Lack of choices

Many respondents reported living in housing that is too expensive and that is often very poor quality. They report having very limited choices about the housing they can afford to live in and the quality and location of the housing. Many would like to leave Auckland but can't get jobs out of the city. Others want to be able to stay close to their children's school or to family members, which often meant having to pay very high rent, often for sub-standard housing. Some older respondents reported they would like to “downsize” and move to other parts of Auckland but that they can't find affordable housing to shift into, or this would lead to change in the quality of their lives.

People who rent are paying such high proportions of their incomes on rent that they find it impossible to save for a deposit. They are often trapped in unsafe, unhealthy housing that they don't complain about for fear of losing the tenancy. For many, the

dream of owning their own home seems completely out of reach. This continues to grow as the circumstances of owning a house in Auckland change constantly.

There was a feeling of hopelessness in many of our members' comments. The following quote is representative of many of the stories we've been given:

*"My children are now much bigger teenagers than when we first moved into the rental property we are in now. We also have been robbed a few times. I was really desperate to find a more secure property which was also a little bigger to cater for my giants. Unfortunately it's not possible to do that now. As a solo mother life has already been a huge struggle but with the high rents now it's impossible to move. I don't have any savings for a bond and the bond I paid for our current rental is nowhere near enough for what they are nowadays. I hate that the costs of living have hiked up so high but not our income...it's crazy!!"*

*"I live in a 1.5 bedroom rental. I pay \$350 weekly. It is old, it needs maintenance done: bathroom floor is rotting away and the deck is rotting away, the skirting around the house are falling off, the kitchen is the kitchen from hell. However, I am afraid to ask the landlord for getting this maintenance done because I fear that they will put up the rent. I cannot afford to pay more. I am 55 years old and have worked very hard since in NZ (20 years). I am a professional, have worked in the public service for most of that time. I had two dependent children and have not been able to purchase a home for myself. I am afraid of the future: when I retire I will not be able to sustain myself when rents are this high. I imagine myself flatting at an old age and I rather be dead to be honest"*

*"I am a very private person, require no luxuries but independence. At 43 years of age I would like to be able to afford to rent a small unit or apartment which is somewhat comfortable to live in as I find sharing personal spaces with strangers very stressful. However, I recently spent half my salary to live in a converted garage. Now I am flatting as I can literally not afford my own place anymore. If I do I would not be able to save up any money, nor ever visit my family (overseas)".*

### Overcrowding

We received an overwhelming number of stories of overcrowding, of multiple generations of families crowding into single homes out of sheer desperation. We read stories of extended families living in sleep-outs and garages. Parents feel concerned about the future of their children and grandchildren. Many were concerned about their children's loss of independence.

*"My husband and I moved from our rental and we now live with my son and his 3 sons. We both get really depressed and we cry a lot as we feel we are intruding"*

*"My daughter, her partner and 2 school age children live with me because they can't afford a rental property as its only my daughter working, and had been told they're*



*not eligible for a State House because they earn too much and I have three adult boys as well living in a 4 bedroom home”.*

*“I live with my six children, and my elderly parents. I also have my adult nieces and nephews who live with me who are working, but don't have a chance of gaining any housing AND be able to afford the cost of living. We are better off living together in one home (although it becomes crowded) and sharing the expenses, rather than finding a home where the rent is far more of a struggle to pay AND live within our means.”*

#### Exploitative landlords

We received a very high number of stories from renters living in extraordinarily difficult, and in our opinion, unacceptable rental situations. The most common complaints were:

- frequent rent raises and very high rents
- people not complaining about unsafe and unhealthy housing for fear of being evicted
- people having to move house frequently
- people having to accept poor quality housing because it is all they can afford and is close to their children's school or their work.
- People having to move away from children's schools due to a lack of affordable housing.

*“The housing crisis has caused me to have daily stress in regards to my home security. I will not bother my landlord about mould or other issues in my home for fear he will evict me. I pay my rent a month in advance but feel scared that if I bother him he will kick me out. If he kicks me out then my son and I will have to move out of the area we live, as we have lived here for 2.5 years and the rents on average have increased \$100-\$200 more per week which I cannot afford. There is nowhere we could go in Auckland to live where it is a safe area with an adequate house that we could afford if we leave our current place”.*

*“I am a single parent with a dependent child. The only source of income is my wage. Of which I have to pay \$400 pw as rent and also I have bills to pay. I struggling at the moment. Landlord has increased rent 3 times so far. Whatever he says we have to obey them, because at the back of my mind there is a fear. If I leave the house, I am I going to get the house in the same price. Always fear in my mind if landlord asks us to vacate how am I going to survive. Because large part of my wage goes to rent sometimes I struggle to buy food”.*

### Impact on children

Many people reported that the cost of housing meant that they unable to meet their children's needs.

*"Currently we spend so much on rent it takes from the mouths of our mokopuna".*

*"The house I currently live in is very rugged but made the choice to move to keep my children in the same high school. The rent price for the state of the house is terrible. I struggle to pay rent on time and live very unhappily - not looking forward to winter as the house turns into an icebox".*

*"Because of the huge cost of housing in Auckland my husband and I have had to purchase a home a very long distance from both of our workplaces and have a mortgage that we believe is very big for a very modest home. I'm currently on maternity leave and due to the distance my husband has to travel to work he does not see our baby during the week as he is away from home for more than 12 hours at a time. When my maternity leave is over I must return to work full time just to make ends meet which means our baby has to go into full time day-care for long hours every day. This is a huge cost to my family as a whole. This is not living, we are merely surviving despite earning above average incomes in Auckland"*

*"My husband and I have 2 children and we live in a very old and small 3 bedroom rental house. Due to its condition the house gets mouldy and damp during winter and the children most often get sick around this time. We so wanted to buy our own house but because of the prices and our combined salary is not enough to even afford just a 2 bedroom house."*

### Stress, worry, depression, fear and shame

The housing shortage is taking an enormous toll on many of our members. People reported feeling constantly stressed by their financial situation; worried and fearful about the future; and depressed about their current living situation and future prospects. Many also expressed a sense of shame, that they, as professionals, could be in the position that they are.

*"I'm embarrassed to tell people that as a professional of almost 10 years in the public service, I am literally homeless. I am now in a garage. I don't even have a bathroom, I have to walk in the rain at night to the main house. I am 53."*

*"I am now 54 and have had no chance to buy my own home since landing in NZ from the UK in 2010, and will never have the chance to own my own home before retirement, which means I will be reliant on rental property for the rest of my life. I currently pay over \$700 a week on rent and as landlords cash in on the current market, have had to move 4 times within the last 5 years due to sale of rental property. I do not see how I will be able to manage once I retire and will probably have to move back to the UK. I dread this as my children will by then be settled in NZ and unlikely to move back with me, which means I will hardly ever see them as we will certainly not be able*

*to afford the flights very often. Quite frankly it is a nightmare. Moving to New Zealand was probably one of the worst things I could have done.”*

#### Diminishing quality of life

Many people commented that life had become a constant struggle to survive and that they weren't enjoying their lives. Some also commented on the interface between housing and travel: that affordable housing was only available considerable distance from their work places, which means they are spending a considerable amount of time commuting each day.

*“The housing market forced us to look at buying in a area 60km away from work - both mine and my partners work. This has had a huge impact on both me and my partner. We do not have time to spend with each other in the week. We do not socialise. We do not see friends as they all live in the CBD - it is quite isolating. The 3 hour a day commute (20 min drive, 40 min train and 20min walk) gets to you, you're tired constantly at work and at home and have no time after work to do anything. You have 2 hours at home in the evening to do all your chores and eat before bedtime. You pay extra money on commuting back and forth. You become angry at lack of infrastructure and lack of foresight, which is still ongoing (there are lots of train tracks why not open them to the public?!) I feel that my quality of life is severely reduced in a negative manner. You end up feeling like you are just existing rather than living. It is not a sustainable for a happy and fulfilling lifestyle”.*

### *Qualitative data – causes and solutions*

Our members identified a number of barriers to increasing the supply of housing in Auckland, as well as some possible solutions. These suggestions and problems are representative of a diverse range of views across the PSA membership and are not necessarily shared by all members of the PSA, or by the union collectively. The following paragraphs summarise the themes that emerged from members' comments, and also include some direct quotes.

#### General comments

- Historically we've been very focussed as a nation on home ownership as the main way people invest, but that is changing, and legislation needs to reflect that. We are becoming a nation of mixed renters and property owners. There are no laws that support a long-term renting culture and ideally Auckland would benefit from having a mix of homeowners, long-term renters, and short-term renters, that are all equally respected socially and by the law.
- "Council needs to take an integrated approach to planning, which includes housing, and ensure that affordable and quality housing is available across the city, so that people can afford to live close to their work, their children's schools and their communities".
- "A lot can be done and needs to be done by many agencies including the Council in getting the right message and communicating more effectively on this housing crisis to the Auckland community."

#### Build more homes

- A strong focus is needed on building more homes and building a variety of homes to suit different family typologies i.e. 1-2 bedrooms for singles, 2-bedrooms for couples, 3-bedrooms for small families, 4-bedrooms+ for larger families".
- When advocating to build more homes, different locations need to be promoted with different lifestyles and choice of housing – a suggestion by some members is that we need to focus less in central Auckland and focus more on promoting living in areas away from the city centre.
- With this, all of the amenities, transportation, and services need to be aligned and provided for.
- Council has a role in promoting intensification and new housing development areas. "People with the view of 'not in my backyards' needs to be quashed if growth is to occur". Council needs to do more to promote high density housing in a positive way.
- A suggestion was put forward to support the sale of state houses in suburbs that are of higher property values and to use the money in return to build new (quality) state homes for those in need
- "If more of the housing that is built is of a smaller size, and in a good location (with reasonable amenity and in close proximity to good transport links) then much of the buyer market would vote with their feet and buy those homes instead of 5-bedroom expensive standalone houses on the peri-urban fringes of Auckland such as Greenhithe and Takanini".
- The focus also needs to be shifted to refurbishment of empty properties (e.g. Housing NZ) and providing a disincentive to speculators holding onto empty properties (e.g. through rates).

#### Infrastructure

- A large number of members expressed concerns about and suggestions to improve infrastructure, public transport and the need for Auckland Council to do more in investing in infrastructure

- ‘Government needs to support and must be willing to run the public transport network as a loss-maker for a few years to provide services to meet demands. Make it available for people to see and accept it’.
- More needs to be done in public transport to ease traffic congestion.
- There is a suggestion that more infrastructure investment is needed in areas along train routes and in struggling/declining towns where an injection of new residents and residential development will revitalise the communities, and improve the economy
- Others supported the introduction of a congestion tax into the city and road charges
- Overall timing of infrastructure investment needs to align with new housing development

#### Consenting processes

- A number of members made suggestions for reducing consenting costs, cutting bureaucratic procedures and speeding up the consent process. Some suggestions include that:
  - the ratio in processing consents to approving consents needs to ‘speed-up’ and become more ‘efficient’.
  - Demand versus delivery needs to improve.
  - Council can change how these processes are put in place and consider a streamlined process for small scale developments and new additions.
- One suggestion is that small apartments and homes should be processed more quickly in the consenting process without the complicated process, methods and forms required.
- Members have expressed frustration about the complexities and difficulties in getting permission to build a small / tiny house, or live in housing structured in ways other than traditional subdivisions - such as communal / eco housing.
- Another suggestion put forward by a member is for Auckland Council to become a property owner and develop in its own role. They suggested that “Council should purchase the land, rezone the land to a live urban zoning after purchase, put in the infrastructure itself, and then sell off sections to first home buyers to build homes. The funds received from the sale of the land can go into paying for the infrastructure that it built within that area. This has been done in many parts of the world and New Zealand”.
- Council should investigate building prefabricated concrete slab apartments with full insulation and eco-friendly homes.

#### Changes to lending criteria

- A number of changes need to be made to the banks’ and mortgage brokers’ lending criteria to support first home buyers. Such proposals included a review of the bank loan ratios, deposits for a first home buyers, and supporting individuals to buy smaller apartments.
- A stronger focus is needed on first home buyers.
- Changes made by banks and in the lending criteria have a dramatic impact on many individuals saving towards their first home. A suggestion is to look at some form of ‘regulations’ to control these changes so that they don’t change every year. For example, a two household income saving for their first home buyer was saving for a 10% deposit, which then became a 20% deposit – the dramatic change in amount and savings per cent has a direct impact to an individual’s quality of life and financial situation.

### Subsidies/ incentives

- A lot more can be done by Central Government to provide subsidies and incentives to first home buyers, the Council, property investors and developers to do more to resolve the housing crisis
- Some members perceive that if development occurred in areas less attractive, the value will be lower but that is not what developers want. Central Government and Council have a role and should get involved. There should be incentives for new home builds – for both the developer and first home buyers. Incentivise developers to build in areas less attractive – give them a subsidy on either the consenting process or infrastructure development that would encourage them to build homes in areas less attractive, further away from central areas and of value to first home buyers
- Government assistance needs to be more adequate. Practical support for New Zealanders is needed.

### Regulations

- Many of our members thought that there need to be greater regulation and controls on the rental market, in particular on people owning multiple properties. They suggested that higher taxes and limits should be imposed on those who own multiple properties, for example increasing the tax rate on a second home purchase for those who buy more than one property.
- Bring back 'rent to buy' option / introduce back the 'rent to buy' schemes. This could target first home buyers only.
- First home buyers should be favoured or given first right to purchase a new home in a development area
- Some members have suggested that a capital gains tax is needed.

### Rental markets

- More regulation and controls are needed in the rental market with stronger legal obligations placed on landlords to provide quality, liveable housing for renters. A number of members expressed concerns about rental properties that are of poor quality but have a high rental fee attached.
- Many members suggest introducing a rent cap on properties and controlling when rent increases can occur
- Another suggestion is for more regulation on controlling the ongoing body corporate fees/levy to control the prices of the body corporate properties and/or apartments

## Part Two: Key recommendations for change

Decision makers need to think creatively, radically and bravely about the housing crisis. Changes are needed in a number of areas to achieve real and sustainable improvements in the housing market. The following table outlines a number of recommendations that we think would make a difference. We note that there is no one single bullet; systemic change is needed.

Area	Primary Responsibility	Description of problem	Recommendation for change
Consenting	Council	<ul style="list-style-type: none"> <li>• High pressure on council staff for quick processing of consents; inadequate resources to enable this and high turnover of staff impedes efficiency;</li> <li>• Demand for consents is greater than council's ability to process them.</li> <li>• Costs of consents are too high</li> <li>• Difficulties getting consents for 'non-standard' dwellings that don't fit into typical subdivision models – eg small/tiny houses, communal/eco housing</li> </ul>	<ul style="list-style-type: none"> <li>• Place more attention on retaining and supporting council staff</li> <li>• A number of members have made suggestions to reducing consenting costs, cutting the bureaucratic procedure and speeding up the consent process.</li> <li>• The ratio in processing consents to approving consents needs to 'speed-up' and become more 'efficient'. Council can change how these processes are put in place and consider a streamlined process for small scale developments and new additions.</li> <li>• One suggestion is small apartments and homes should be processed more quickly in the consenting process without the complicated process, methods and forms required.</li> </ul>
Planning and infrastructure	Council and central government	<ul style="list-style-type: none"> <li>• Urban sprawl encouraged by building of more roads</li> <li>• Ongoing reliance on private cars for transport and seeming preference for investment in roads over public transport</li> <li>• Insufficient mix of housing</li> </ul>	<ul style="list-style-type: none"> <li>• Need to increase urban density but at the same time ensure quality of life is retained.</li> <li>• Need to plan and consent for a greater variety of housing to suit different needs and households. For example, need more two-bedroom houses in central locations suitable for small families and/or retirees</li> <li>• Council needs to do more in promoting density housing in a positive element.</li> </ul>
Infrastructure	Council and central government	<ul style="list-style-type: none"> <li>• Ongoing government preference for road transport</li> </ul>	<ul style="list-style-type: none"> <li>• Need significant investment in public transport, planned around areas of high housing density and in struggling/declining towns where an injection of new residents and residential</li> </ul>

			development will revitalise the communities, and improve the economy
Policy and Legal frameworks	Central government	<ul style="list-style-type: none"> <li>• Inadequate state investment in social housing,</li> <li>• Fractured institutional arrangements for governance and management of housing</li> <li>• Tax laws which encourage multi-property ownership and speculation</li> <li>• Tax and legal structures which discourage innovative solutions to housing development and management (see case study in box following this table[</li> <li>• Tenancy laws which allow for unsafe, insecure housing and frequent rent increases</li> </ul>	<ul style="list-style-type: none"> <li>• Significant state investment in social housing</li> <li>• The establishment of a public service agency dedicated to housing</li> <li>• Re-configuration of tax structures to relieve pressure on wage and salary earners, while ensuring capital gains on rental properties are taxed.</li> <li>• Support for innovative community lead development</li> <li>• New tenancy laws to improve security of tenure for tenants and protect against frequent rent rises; new laws to ensure homes are healthy, safe and habitable.</li> </ul>
Lending criteria	Central government,	<ul style="list-style-type: none"> <li>• Lending criteria which prejudice first-home buyers</li> </ul>	<ul style="list-style-type: none"> <li>• Examine measures to assist first-home owners to borrow from banks</li> </ul>
Private sector activity	Central government	<ul style="list-style-type: none"> <li>• Land-banking</li> <li>• New building activity tends to be largely limited to the high-cost end of market where profit margins are higher</li> </ul>	<ul style="list-style-type: none"> <li>• Local/central government direct investment in building affordable housing</li> <li>• Incentivise private developers to build in less 'desireable' areas and to build affordable housing</li> </ul>
Population growth	Central government	The rapidly growing Auckland population significantly increases demand for housing and placed pressure on infrastructure.	Central and local government need to develop a co-ordinated approach to actively manage population growth
Workforce capacity	Central government; private sector	Not enough builders, especially to undertake small and medium-sized builds	<ul style="list-style-type: none"> <li>• Support apprenticeship schemes.</li> <li>• Undertake comprehensive workforce planning</li> </ul>



### *Case study*

#### **Community Lead Development (CLD): legal and tax barriers**

##### **Background –**

- The traditional structure for development is a for-profit company that is GST registered and has a built-in profit margin of 20-30%. Tax is payable on any profit.
- · There are specific tax implications for anyone who is deemed a "property developer", including having to pay tax on any property that they sell at a profit. This can include paying tax on a home they have lived in themselves
- · In CLD, a number of groups (families or individuals) form a syndicate to purchase land and build housing on it for each group to occupy. The syndicate is non-profit and its sole purpose is to create good, affordable housing for its members.
- · A member of a CLD is essentially like any family who buys some land and builds a house on it, so the tax and legal implications should be similar. The only difference for CLD is that individuals are working as a collective on a single development.

##### **Tax barriers for CLD –**

- It is currently unclear what the correct legal or tax structure is for a syndicate to create a CLD in such a way that the members of the syndicate are not deemed property developers and not taxed as such.
- The main tax risks are faced by the members are when the houses are passed from the CLD development structure to the members at completion of the building and at a future time when the members sell their homes at market value which may be above what they originally paid.
- There is also some uncertainty about whether or not the CLD development structure should be GST registered or not.

##### **Opportunities to remedy –**

- Advice from legal and tax specialists is a structure can be set up to allow CLD to proceed but it is a costly and difficult process.
- In particular, each CLD that wants to establish itself will have to follow this uncertain and costly process
- We propose simplifying the process by developing a legal framework that any CLD can use. This involves getting legal and tax advice to develop a correct legal structure and then taking that to IRD to get a binding ruling on the tax implications of that structure.
- The final step is to get a Product Ruling from the IRD which knits together the binding ruling into a 'product' – in essence this would be a template that any conveyancing lawyer and accountant could follow to get the desired outcome without any need for specialist advice and its attendant cost and uncertainty.

For more information, contact:

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Appendix One:

Report of survey of Auckland PSA members – people’s voices

# Housing crisis: Impacts on people delivering public and community services to Aucklanders

In March 2017 we invited PSA members working in Auckland to share their experiences of housing in Auckland. 2512 people responded generously with full and frank comments.

This booklet presents a representative selection of the comments provided.

This booklet is companion to the formal statistical report of the survey.

Thank you to the PSA members who responded to the survey and shared their stories.

## Notes

- PSA members in Auckland deliver public and community services to Aucklanders. They work for government departments, crown entities and state owned enterprises, in allied health, technical and clerical roles in district health boards, for local councils, NGOs and contracted community organisations.
- The comments are anonymous in order to protect the identity of individuals. The only editing of comments has been to preserve anonymity and correct typos.
- After each comment there's a summary of information about the person who provided the comment to give context. This includes the type of employer they work for, their household and housing arrangements, their income and the proportion of their annual take-home income that they spend on housing. The accepted threshold for housing affordability is one-third of annual income.
- The employer types used are:
  - Public Service (government departments)
  - District Health Board
  - Local government
  - State services (other crown entities and SOEs)
  - Community public services (contracted private and community organisations)

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We survive....don't live. 70% of our income goes to the house....saving is nearly impossible. *(STATE SERVICES, two income earners no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Me and my son can never afford to have our own place, I have to rent a place and lease to a lodger as the rent is so high, I need to live close to work as I don't drive, but with nursery fees and other bills I find it a real struggle. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing of income on housing)*

I am a single parent with a dependent child. The only source of income is my wage. Of which I have to pay \$400 pw as rent and also I have bills to pay. I struggling at the moment. Landlord has increased rent 3 times so far. Whatever he says we have to obey them, because at the back of my mind there is a fear. If I leave the house, am I going to get the house in the same price. Always fear in my mind if landlord asks us to vacate how am I going to survive. Because large part of my wage goes to rent sometimes I struggle to buy food. *(LOCAL GOVERNMENT, Single income earner with dependents, \$30, 000 - \$40, 000, I/we rent the house I'm living in, More than two thirds of income on housing of income on housing)*

I miss my independence and having my own space. I wish I could afford to buy my own place or even rent my own place but at the moment with the price of housing/renting I just cannot afford to do so and that is why I had to move back to our family home and live with many others. *(DISTRICT HEALTH BOARD, I've moved back home to my dad and his family's home, \$60, 001 - \$70, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

Each time we have to move we apply for 20-30 houses before we are successful, this means taking time off work to go to viewings that are normally scheduled during the working day. We are subjected to prejudice and racism most times we apply for a house. The house we are currently renting has flooded 8 times in the past six months which affects the health and wellbeing of our family but we are reluctant to move because it is too expensive and we do not want the stress of applying for new rental properties. *(LOCAL GOVERNMENT, Two income earners with dependents, \$80, 001 - \$90, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

My son, his wife and our 2 grandchildren (and a third on the way..) have needed to move back in with us as they are unable to afford to rent in Auckland - they are a single income family (he is a policeman) and are unable to make ends meet - they moved out of Auckland to (town on outskirts of Auckland) in an effort to find appropriate affordable housing - the daily travel of 3+ hours per day made this untenable. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$80, 001 - \$90, 000, I/we own the house I'm living in and pay a mortgage on it, More than two thirds of income on housing)*

I live in a 1.5 bedroom rental. I pay \$350 weekly. It is old, it needs maintenance done: bathroom floor is rotting away and the deck is rotting away, the skirting around the house are falling off, the kitchen is the kitchen from hell. However, I am afraid to ask the landlord for getting this maintenance done because I fear that they will put up the rent. I cannot afford to pay more. I am 55 years old and have worked very hard since in NZ (20 years). I am a professional, have worked in the public service for most of that time. I had two dependent children and have not been able to purchase a home for myself. I am afraid of the future: when I retire I will not be able to sustain myself when rents are this high. I imagine myself flatting at an old age and I rather be dead to be honest. *(PUBLIC SERVICE, Single income earner no dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

Being a social worker, having lots of families I work with for their housing needs impacts my life, physically, emotionally and physiologically. I can't sleep well at night, thinking of my families I see in their houses with two bedrooms for 11 members; 3 adults and 8 children, it breaks my heart. It affects their health and some parents are mentally depressed. This is an example of the housing crisis I see in Auckland. *(COMMUNITY PUBLIC SERVICE, Single income earner no dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

It causes me a great amount of stress and worry. From owning my own home since the age of 18 in the UK I am now 54 and have had no chance to buy my own home since landing in NZ from the UK in 2010, and will never have the chance to own my own home before retirement, which means I will be reliant on rental property for the rest of my life. I currently pay over \$700 a week on rent and as landlords cash in on the current market, have had to move 4 times within the last 5 years due to sale of rental property. I do not see how I will be able to manage once I retire and will probably have to move back to the UK. I dread this as my children will by then be settled in NZ and unlikely to move back with me, which means I will hardly ever see them as we will certainly not be able to afford the flights very often. Quite frankly it is a nightmare. Moving to New Zealand was probably one of the worst things I could have done. *(PUBLIC SERVICE, Single income earner with dependents, \$60, 001 - \$70, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

The house I currently live in is very rugged but made the choice to move to keep my children in the same high school. The rent price for the state of the house is terrible. I struggle to pay rent on time and live very unhappily - not looking forward to winter as the house turns into an icebox. *(LOCAL GOVERNMENT, Single income earner with dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I am a very private person, require no luxuries but independence. At 43 years of age I would like to be able to afford to rent a small unit or apartment which is somewhat comfortable to live in as I find sharing personal spaces with strangers very stressful. However, I recently spent half my salary to live in a converted garage. Now I am flatting as I can literally not afford my own place anymore. If I do I would not be able to save up any money, nor ever visit my family (overseas). *(PUBLIC SERVICE, I flat with other people and we don't share income, \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I live with my six children, and my elderly parents. I also have my adult nieces and nephews who live with me who are working, but don't have a chance of gaining any housing AND be able to afford the cost of living. We are better off living together in one home (although it becomes crowded) and sharing the expenses, rather than finding a home where the rent is far more of a struggle to pay AND live within our means. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Housing is a basic need and the impact of the current housing crisis on my quality of life is large. There is insecurity and fear when it comes to housing. An immigrant of middle working class status, we are struggling to ensure that proper housing care is given to our children. Our experience with cheap rent is poor house conditions which have impacted the health conditions of our family immensely and as a result we have had to revert to higher rental properties since. We have insufficient equity to purchase our own home at present but hopefully the situation will change in the future. *(PUBLIC SERVICE, Two income earners with dependents, \$30, 000 - \$40, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

About 90% of my salary goes into rent. I have to live with the 10% left + partner's meagre salary (she works part time) to buy food for the family of four, electricity, water, phone, internet etc.. I take extra care that the children do not starve. *(PUBLIC SERVICE, Two income earners with dependents, \$30, 000 - \$40, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

I love my job but will leave Auckland in the next three or so years because I cannot be employed by the government and afford a house here. *(PUBLIC SERVICE, I flat with other people and we don't share income, \$60, 001 - \$70, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

My children are now much bigger teenagers than when we first moved into the rental property we are in now. We also have been robbed a few times. I was really desperate to find a more secure property which was also a little bigger to cater for my giants. Unfortunately it's not possible to do that now. As a solo mother life has already been a huge struggle but with the high rents now it's impossible to move. I don't have any savings for a bond and the bond I paid for our current rental is nowhere near enough for what they are nowadays. I hate that the costs of living have hiked up so high but not our income...it's crazy!! – *(LOCAL GOVERNMENT, Single income earner with dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

Working full time makes it impossible to find a place to rent in Auckland that I can afford and that is actually liveable... most are inhabitable at my price range, hence I am now in a GARAGE!!! I am embarrassed to tell people that as a professional (of almost 10 years in (public service profession) that I am literally homeless. I don't even have a bathroom, I have to walk in the rain at night to the main house. I was renting at 400 a

week, it went slowly to 500 per week with bills on top, this was all my wages so I had no money for food petrol etc. I put all my belongings into storage and joined a house sitting agency. I now live in a garage in between house sits.... my things are still in storage. I am 53! I used to own a home in the UK but cannot afford to even rent now.... not that I can find a place as there are too many people applying. *(PUBLIC SERVICE, Single income earner no dependents, \$60, 001 - \$70, 000, Spends roughly a quarter or less)*

If I was earning this type of money 15 years ago I would own my own home! No with the cost of my rent, water, power, phone and internet food, care expenses I cannot even afford to save a penny! The cost of living in Auckland is unbearable! Earning nearly \$70K and being broke how can our government justify that! We can't even afford to start a family because PPL does not match our earnings and putting a baby into day care so we can work is really expensive! *(PUBLIC SERVICE, Two income earners no dependents, \$60, 001 - \$70, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I feel devastated that at my age, 58, I am unable to buy a house. Following a separation 12 years ago, I was a single parent who had to move into rented accommodation and use most of my capital to provide for my family. Now I am on my own, I have \$70,000 in the bank and I am unable to buy an apartment or unit and pay the costs of mortgage, rates, insurance and upkeep. I am having to rent and find flatmates. I want to move out of Auckland but I need to find work elsewhere. This would mean leaving family, including my hoped for future grandchildren. The housing crisis is breaking up families and communities. It is ridiculous that on my perfectly good salary I feel poor because of housing costs. We need rent controls and an end to speculation in the housing market. *(COMMUNITY PUBLIC SERVICE, I flat with other people and we don't share income, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

We are a middle income couple, but will never be able to afford to own a house. We are making plans to leave Auckland to improve our quality of life, but this will mean leaving all our family, friends, support and great jobs. And it does make me regret choosing a profession in the public service. *(PUBLIC SERVICE, Two income earners with dependents \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

Because of the huge cost of housing in Auckland my husband and I have had to purchase a home a very long distance from both of our workplaces and have a mortgage that we believe is very big for a very modest home. I'm currently on maternity leave and due to the distance my husband has to travel to work he does not see our baby during the week as he is away from home for more than 12 hours at a time. When my maternity leave is over I must return to work full time just to make ends meet which means our baby has to go into full time day-care for long hours every day. This is a huge cost to my family as a whole. This is not living, we are merely surviving despite earning above average incomes in Auckland. We don't go out, we don't buy new clothes or things, we can only afford to pay our bills. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, More than two thirds of income on housing)*

I haven't been able to financially support my mother as I would like. I do not have enough income to cover vehicle maintenance. I have less disposable income even after changing eating habits (no longer go out for dinner, no longer buy my lunch at work). *(PUBLIC SERVICE, I flat with other people and we don't share income, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

The only reason I can afford to live in Auckland is due to a family inheritance, and that caused a major rift in the family. I am only holding on to the land for the sake of my children. But if my wife did not have that home, I would have left years ago. - - In the last two years, we have lost six staff members (out of about 20) to Tauranga alone. Their workload has fallen on the remaining staff in the organisation, mostly me. *(PUBLIC SERVICE, Single income earner with dependents, more than \$100, 001, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

I have had to move far away from my place of work due to cost and availability of housing. I once used public transport to commute to work but now I have no option but to use my car or triple my travelling time. I spend 3hrs per day in my commute to work. *(DISTRICT HEALTH BOARD, I flat with other people and we don't share income, \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

My kids will never be able to own a home, and if they do, they will be in debt all their life, so yes it does affect quality of life, as we would like to see our kids well and prosperous. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$40, 001 - \$50, 000, I/we own the house I'm living in and do not pay a mortgage on it)*

I'm leaving Auckland. Too depressing to just exist and go nowhere (lit and fig). *(STATE SERVICES, Single income earner no dependents, \$60, 001 - \$70, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I have family living with me who have been put out of the Auckland house market because of the cost. *(LOCAL GOVERNMENT, Two income earners with dependents, \$60, 001 - \$70, 000 I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

We have to make a choice of leaving in an expensive suburb with good school for the kids and the minimum commuting time and leaving in a rental, or buy a property away, spend the money on a second car, spend more than 10 hours (maybe 20) in it (the car) every week, and not see our kids as much, and be too tired to enjoy the minimum time with the kids. - - So we have enough, next year we are leaving Auckland. I don't see any idea that will have a positive impact on the quality of life in Auckland in the near future. *(STATE SERVICES, Two income earners no dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly a*



*quarter or less)*

When I was looking to buy 5 years ago, it was because the rents were going up even then to the point that for \$20 more a week I could have my own mortgage and have some control over the state of the place my children and I lived in (insulation, humidity control etc). The private rentals I could afford were all in shabby dirty disgusting states. - So now I STRUGGLE on a mortgage I can't really afford (credit card debt is huge) but at least its clean and its ours, and should anything happen to me, I have a small estate to help look after my children. - I am surviving in Auckland but not what you'd call living. I've lived in PNth and CHCH previously (and well). *(STATE SERVICES, Single income earner with dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Increasingly concerned about the possibility of being given notice to move out by landlord. Pressure on housing in Auckland means this would make looking for alternative accommodation more challenging/stressful and costly than it was when we last moved more than five years ago. Also means we are careful not to raise too many issues with landlord re maintenance out of fear of them getting sick of us doing so and giving us notice, or raising the rent knowing they are benefiting financially from the high demand for limited properties. *(PUBLIC SERVICE, Two income earners with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

Had a boarder who was unable to find anything else sleeping in lounge for 6 months. Adult child unable to relocate out of family home. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

I've had to accept certain negatives of my rental (poor wiring, broken appliances) because I know that I have no hope of getting anything better, even if I pay more or travel further to work etc. *(LOCAL GOVERNMENT, Two income earners no dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in)*

Having to share a house with elderly mother and sister since my husband passed away two years ago as there is no widows benefit prior to eligibility for the state pension and had to sell house my house as still had a mortgage when my husband died and housing in Auckland too expensive to purchase my own small house without a mortgage. *(DISTRICT HEALTH BOARD, Single income earner no dependents, Less than \$30,000, I/we own the house I'm living in and do not pay a mortgage on it, I don't pay mortgage or rent)*

We purchased our first home 12 months ago, based at the top of the Waikato. Although I love where we live, we were unable to afford to buy in Auckland in a semi-rural area, which was our preference. As an example, the property we were living in prior was a small home on 1 acre of land. We rented this for below market, at \$400 per week. It sold for more than \$1 million. There is no way we could have afforded that. We now live on 1.5 hectares which we purchased for around \$700,000. My commute to work is approx 2 hours, 15 minutes each way, so I travel 4.5 hours per day to get to and from work. *(LOCAL GOVERNMENT, Two*

*income earners no dependents, \$60, 001 - \$70, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

My property is leasehold and based on a % of the rateable land value so with the increase in housing prices the lease has gone up 1000%. *(LOCAL GOVERNMENT, Two income earners no dependents, \$80, 001 - \$90, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly two thirds of income on housing)*

I have recently become a single parent for my 4 year old son. Prior to this I was living in a relationship with my father's son and therefore were a double income family. However we still could not afford to purchase our own home, despite both having kiwi saving and some savings. Our issue was affording a deposit for a house within the Auckland region and then making the weekly mortgage payments that would be required. Now on a single income my concern is how I will ever be able to afford to buy my own home, particularly as rent costs are increasing. I am happy with my current accommodation and the reality is if I was to move it would cost more for a flat/house of the same condition given rent increases since the time of being in my existing accommodation (4 years ago). *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

No real impact - buy and sell in the same market. - - Large mortgage - if housing prices were to decrease would be in negative equity. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$90, 001 - \$100, 000, I/we own the house I'm living in and pay a mortgage on it, More than two thirds of income on housing)*

Tried to get into the market around 3 times over the last few years. Do not feel we can provide a future for our new family in the current climate. *(LOCAL GOVERNMENT, Single income earner with dependents, More than \$100, 001, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

I pay half of my wage on the mortgage and this means my family and I have very little disposable income. This does lead to significant extra stress and means we cannot do the things we want to e.g. eat out now and again. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Our daughters are privately renting their properties, with their families. They cannot afford to buy their own homes, due to paying rent. They are unable to save a deposit to buy a home. Their rental costs are rising every 12 months. It affects me and my household, as we always assist them weekly with any household costs, i.e. rent, food, power.... *(PUBLIC SERVICE, Two income earners with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

The building of high density houses in my street will increase traffic and ability to get out of my street, particularly at rush hour (approximately 870 houses going in and one of those properties of estimated 850 houses has one entrance onto our street.! *(LOCAL GOVERNMENT, Two income earners with dependents, \$40, 001 - \$50, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

Currently this does not impact but it will when we wish to retire, downsize in Auckland, pay the remaining mortgage off and have money over. - That was once possible. It is far less possible now. It cannot be Auckland at any price despite us having family here. - We may be forced to leave the city for somewhere else that is lovely ... (a) equally attractive to live in and (b) affordable to live in. - We are assuming here there is a housing crisis. This is something that the government does not call a housing crisis! - Quality of life - when you have lived in a city/place for nearly 50 years and are thinking you might have to leave that area altogether it does have potential to affect the quality of your life....away from family and friends and the many very well established links. The things you need around you in later life. *(STATE SERVICES, Two income earners no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it)*

I live at my mother's house because I can't afford to rent anywhere in Auckland Spends roughly a third I am unable to afford to rent in Auckland and have to live at my family home even though I am in my mid 30's. I don't see how I will ever be able to afford to rent my own home as a single person and buying one isn't even an option. *(STATE SERVICES, I flat with other people and we don't share income, Less than \$30,000)*

My three children ages 22, 24 and 26 have to still live at home as they cannot afford to rent or buy. - Increased cost of power/ water/food/gas because they all still have to live at home. - Need better transport. Need direct rail link from airport to (area in Auckland) to link up with new transport hub. Also need direct rail link to airport. This would take a lot of traffic off the roads. Need to create employment areas in satellite areas to avoid everyone travelling to city centre of Auckland. Driving on motorway at 20-30kms per hour in a manual car is no fun whatsoever. *(LOCAL GOVERNMENT, Two income earners with dependents, \$80, 001 - \$90, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

I studied for five years full time to gain a bachelor's and master's degree in order to practice as a registered Dietitian, and I don't earn enough to live on in Auckland. I struggle from payday to payday, as my mortgage requires about 50% of my weekly income. I am very lucky to have parents who helped me buy a house by funding half of the purchase price, and I am just paying back the bank's half of my mortgage, and can pay them back once that is gone - otherwise there is no way I could afford to own a house in Auckland. I am actively planning to move out of Auckland to a regional area so I can afford to live. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Strongly negative impact why? At the moment me and my 2 children live with my parents in a housing new Zealand house, it is a 2 bedroom house with 3 adults and 2 children. My father is a very sick man on dialysis

we have tried to apply for a transfer to a bigger house the response we received is no we cannot or we can but we will be on the waiting list for a while because there is not enough houses. My father is sick and cannot stay in a house that is overcrowded and I cannot afford to go private as the rent is too high and also because I help take care of my father so yes we struggle to get through day by day because this affects my dad's health when my children or I get sick we try our very best to make sure we don't pass it onto him, or isolate him from us. *(LOCAL GOVERNMENT, Two income earners with dependents, Less than \$30,000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I don't believe there is much of impact on me as we own our own house and not looking at purchasing another house anytime soon. However I do acknowledge that people on lower incomes or single incomes would have issues of purchasing houses in today's market given income level is not matched with housing prices, and personal expectations. Even houses established in the special housing areas are not considered affordable, and given they are new brand new and massive houses. I don't believe that is an issue that would be addressed with individual developers. *(LOCAL GOVERNMENT, Two income earners no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly two thirds of income on housing)*

People do not respect renters. In fact our neighbours recently said to us 'you rent you have no rights' the way we are treated by our neighbours is making us want to own so we can have a dog and live how we like with less stress and more stable so we n=know if we ever have to move it will be our decisions or through our own fault. *(LOCAL GOVERNMENT, Two income earners with dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in)*

Our goal as a family is to save to buy a home, this is impossible. We are expecting twins and although we are blessed it is concerning that our income after parental leave is finished will drop from two incomes to one because of child care for three children under 7 years. - - The costs of living in Auckland is such that our attempt to holiday or own a home is severely impacted upon due to child care, debt to purchase cars, power, water rates, food, sky TV, clothing are the main priority after paying the rent. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

Impact on next generation's ability to own a home and on the cost of renting a home is of concern - feel they will need more family support either by staying with family for longer than they would like or financial support due to the cost of housing. The value of my house is rocketing up as we live in a developing suburb that is in high demand and I feel that this will have an impact on the demographic makeup of my community as many people on lower incomes will be excluded from living here - it is important to have communities with a mix of different people rather than segregated suburbs. I am also concerned that property investment in the absence of a capital gains tax is incentivising people to become landlords who are only interested in the value of the physical asset rather than the value of providing a home to someone - this imbalance in the power dynamic between tenant and landlord in a market with insufficient supply can also

contribute to overcrowding, poor treatment of tenants/tenants' rights, increased tenancy turnover - all of these put pressure on families and the wider community as they add to instability and reduced social cohesion. I am also aware that the demand for housing requires skilled builders and tradies - many of the new houses being built aren't up to standards because of poorly skilled contractors and the pressure to deliver houses by a certain date. A number of people who have bought new homes in my area are spending months trying to get things fixed to the right standard in their house and not getting a satisfactory response from the builders who simply are not able to resource the contractors needed to fix issues in a timely manner as they have other houses to deliver and have 'moved on' to the next property. This means there are a number of unhappy people - I'd prefer to have happy neighbours! *(LOCAL GOVERNMENT, Two income earners with dependents, \$90, 001 - \$100, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Housing prices for rental properties are ridiculously high for low income areas (such as Otara). A 4 bedroom house we were looking at the other day was \$580. When you factor that in with the fact that a lot of our community are low income earners, people are constantly having to juggle whether they skip power to pay rent and have food, or juggle bills another way. It's not right. It frustrates me to see our communities having to make these decisions. *(LOCAL GOVERNMENT, Two income earners with dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

If the transport system issues in Auckland were to be solved, or if I could afford living nearer work, I might consider staying there. We are actively trying to bail out. 4 hours a day for each of us, including a child is completely out of order. *(PUBLIC SERVICE, Two income earners with dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and do not pay a mortgage on it, I don't pay mortgage or rent)*

With large numbers of people living in one dwelling - there are cars blocking street, footpaths, close to corners, driveways and so on. With so much in-fill housing in areas, infra-structure is lagging. Public Transport is atrocious and unreliable. No thought about transport corridors. Overcrowding of schools and amenities. Increase in corruption? And dodgy building practices. Are we heading for another 'leaky' building type situation? *(PUBLIC SERVICE, Two income earners with dependents, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

We've repeatedly tried to settle down, but have had landlords terminate our lease in order to sell, or to take up residence themselves, within 3-13 months on numerous occasions. Most recently, we couldn't find anywhere suitable in time after being forced out, so have had to move in with family. I feel I should add that both my husband and I are professionals with postgraduate qualifications, and clean credit and police records. *(STATE SERVICES, Two income earners no dependents, \$50, 001 - \$60, 000, Living with family (parents-in-law), I don't pay mortgage or rent)*

Basically to own a house we have had to borrow far more than is sensible, but we do not want to be renting.

We are very concerned for our daughters (20's and 30's) as even though they are earning good money, the mortgages are getting out of reach. We also live daily with the fear of interest rate increases which hinder our decision making. Please stop the multiple purchasing of houses! *(LOCAL GOVERNMENT, Two income earners no dependents, \$70, 001 - \$80, 000 , I/we own the house I'm living in and pay a mortgage on it, Spends roughly two thirds of income on housing)*

As I am about to downsize, I have had to buy a house in (area outside of Auckland) and will have to travel to the city from there which will take 3-4 hours out of my day on travel. The other alternative is that I will have to try for a job closer to home with a reduction in wages. *(DISTRICT HEALTH BOARD, Two income earners no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and do not pay a mortgage on it)*

We do not have an opportunity to enter the housing market as first time house buyers. - We spent months looking for an affordable and liveable rental. As a result we expanded our search to include areas further away from central city where my partner and I both work. Now I live further away there is no direct public transport to my work place. *(DISTRICT HEALTH BOARD, Two income earners no dependents, Less than \$30,000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

We constantly have friends and family come and stay with us when they don't have anywhere to live. We have a small house and when we bought this house we intended it to be our 'first house' and thought we would move to a bigger home once our income increased. Unfortunately we will never be able to afford a bigger home and also have to house friends and family in our small home when they are in need. In the last year we have had many more homeless people in our neighbourhood. *(DISTRICT HEALTH BOARD, Two income earners no dependents, \$60, 001 - \$70, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

The housing market forced us to look at buying in an area 60km away from work - both mine and my partners work. This has had a huge impact on both me and my partner. We do not have time to spend with each other in the week. We do not socialise. We do not see friends as they all live in the CBD - it is quite isolating. The 3 hour a day commute (20 min drive, 40 min train and 20min walk) gets to you, you're tired constantly at work and at home and have no time after work to do anything. You have 2 hours at home in the evening to do all your chores and eat before bedtime. You pay extra money on commuting back and forth. You become angry at lack of infrastructure and lack of foresight, which is still ongoing (there are lots of train tracks why not open them to the public?!) I feel that my quality of life is severely reduced in a negative manner. You end up feeling like you are just existing rather than living. It is not a sustainable for a happy and fulfilling lifestyle. *(DISTRICT HEALTH BOARD, Two income earners no dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

Even earning two full time salaries to the tune of almost \$200,000 we cannot afford to get on to the property ladder, we have a sizeable deposit but have seen that effectively disappear due to increased

housing prices and it means we have to take an even bigger mortgage to buy a house. *(PUBLIC SERVICE, Two income earners with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

I sold the house I owned (with a mortgage) approximately two years ago and I was planning to buy something smaller as it was on a large block. Very quickly I was pushed out of the housing market in Auckland as housing prices skyrocketed. I attended many auctions however, was consistently outbid by Asian buyers. I am a single mother with a university degree, employed in the health sector however, I have not had a pay rise in 8 years! I have two school aged children who are solely dependent on me. I have been forced to live in rental accommodation as the National Government refused to reign in foreign investors who snapped up houses all over Auckland. - I did buy a house outside Auckland and this is rented. However, I have little or no ability to save given rents and living costs in Auckland and paying for the education of my two children at public schools, not private schools. - The housing crisis has severely affected me, my children and our quality of life. *(DISTRICT HEALTH BOARD 56, Single income earner with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

Rents for 3 bedroom house are too high so my family of four is squashed in a small 2 bedroom with no funds to upgrade. And no way to save for a deposit to get out own. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

Our rent continues to increase at a much higher rate than inflation, whereas our salaries only increase ever slightly to catch up with it. Saving for a home deposit, even considering Kiwisaver incentives has become increasingly hard as our disposable income shrinks. Interest on our savings will never keep up with the runaway increase in property prices so we've almost given up hope from ever buying our first home in Auckland. - - My partner and I are considering starting a family, but the prospect of not being able to afford rent anymore and having to move somewhere else with a baby or a young child is forcing us to postpone this in hope that the situation improves. - - It is also incredibly unfair that all property being sold wants an unconditional offer. Banks won't agree on approving a mortgage until a property inspection is done, so you have to fork thousands of dollars to pay for builder's report, lawyer's advice, etc before you're even in a position to make an offer. Do that a few times and you've basically wasted half a deposit. The law should allow a prospective buyer from making an offer and only pay for due diligence if the offer is accepted. *(STATE SERVICES, Two income earners no dependents, \$80, 001 - \$90, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

My Fiancé and I are highly educated and experienced professionals. We chose to work for the public sector instead of the private sector as we wish to protect and serve our community, and work for the greater good of our country. Out of the both of us, unfortunately I am greatly underpaid by an University that pays the least out of all universities in the country. Unlike the usual depiction of Gen Y, we do not drink coffee, do not have brunches and do not travel overseas (unless it is for work), still we are unable to afford even a two

bedroom house anywhere within 1 hour drive from our place of work. This has greatly impacted our plan to be more self-sustainable as we could implement few of our plans in our rental home (I must say however that our landlord is lovely). A number of our friends have put off having children because they do not have their own homes, and do not wish to bring up their children in an unstable environment. Since a number of politicians and high-earning officials are involved in property investment, of course the current government is reluctant to take any steps that may negatively impact property investors, conflict of interest anyone? *(STATE SERVICES, Two income earners no dependents, \$70, 001 - \$80, 000, We rent with a couple of flatmates, Spends roughly a quarter or less)*

The current housing crisis has affected us in a secondary way. My son, partner and baby were forced to live with us for a year as they could not secure a rental property. We had six adults and a baby living in a 90 sqm home sharing one bathroom and toilet. I would consider this overcrowding. They finally secured a unit, however, due to high rent it would appear they are coming back home. As much as we love them, it is not a good situation for us and our other children or for them trying to make it on their own as a new family unit. I see this type of situation happening all around us and overcrowding is becoming a MAJOR issue. *(LOCAL GOVERNMENT, Two income earners with dependents, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a quarter or less)*

We have a good salary but we can't afford the deposit to get ANYTHING on the (area in outer Auckland). We rent where we do because it was the ONLY house in our price bracket that was also in the school area for my children. The house is old with single draughty windows that don't fit, and no heating. I cannot see any way that we will be able to buy a house in Auckland unless we literally win the deposit (so about 300K) on the lottery. How many people do you know with 100K or more in their bank account, that aren't in the top 1% or are being helped by parents. I dread becoming older and STILL no having anywhere secure to live. In fact I am not scared I am petrified. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

When you are left with \$55 a fortnight after rent is paid has a huge impact on quality of life and stress levels are at a high constantly. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$30, 000 - \$40, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

I recently chose to move from a modest city-fringe shared flat to a sleepout in a friend's house 30km away, because living in the city is so obscenely unaffordable. Finding quality, dry housing in Auckland is hard enough, but at a reasonable price it is near impossible. \$200 on rent each week seems to be the bare minimum now, with most people I know paying much more than that. I honestly feel for people with families or on lower incomes who have to deal with a massive chunk of money going on such a basic need as housing, especially when that money often doesn't get you quality, or dry, or safe... - - I was very fortunate to hear of a friend who was renting a cheap sleepout (these sorts of things don't make it on Trademe), and despite the fact it now takes me three buses and 1.5-2 hours to get to work every day, and the same to get



home, I consider myself lucky. It is exhausting to have to travel so far all the time, but truly believe if I stayed in the city with the ever-rising rent prices, in three years I would be in exactly the same position I am now - broke, in debt and still struggling to get out of it. - - Before finding this place I like many of my friends considered all my options, including moving out of Auckland, moving overseas, and going back to my parents (at 27 this is not ideal, not that anyone would blink an eye anymore as it seems to be the only way to be able to save for the future). - - I won't commute like this forever as it is only really sustainable in the short-term. Public transport won't get much better, and with traffic, driving is almost as bad. I'm doing it to become financially stable which I anticipate will take me at least six months. I don't see myself ever being able to rent a decent place of my own in Auckland let alone buy, so my only option in the very long term is to leave the place I grew up, where all of my extended family lives, where I call home, and find somewhere else.

*(COMMUNITY PUBLIC SERVICE, I flat with other people and we don't share income, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly a quarter or less)*

I have had my adult (34 year old son) and his partner living at home for 7 years, the first 3 saving a house deposit, the last 4 waiting for a house to be built by a developer in (area in Auckland) who stalled and stalled and despite a lawyer approved contract saying their house wouldn't rise in price, they had the dirty done on them a few months ago and house price rose by \$150,000. Completion due in a matter of weeks now, this has been a nightmare for them, my husband and myself. There needs to be tighter control over these rip-off developers and the timeframes involved in moving ahead with developments they sell to unsuspecting young couples with promises they never intended to keep. *(DISTRICT HEALTH BOARD, Two income earners no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

I am in my sixties, I lost my own home to bankruptcy, as husband had a Stroke and unfortunately I used the collateral to keep our family afloat, until I couldn't do it anymore. It split our family up. So since then we have rented, and the houses really suck for the price you have to pay to live in them. I am not sure how this would help my family the new or more housing, because it's difficult to get onto the housing list for low income earners. *(DISTRICT HEALTH BOARD, Two income earners no dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

Could not afford a house / Mortgage in Auckland. Moved to (area outside of Auckland) 220 KLM Daily Commute *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$60, 001 - \$70, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

Because we cannot afford to purchase our own house, we face uncertainties with regard to the children's schooling because we have to consider the location of where we are living or going to live. And this will also depend on whether we can afford to live in a certain area or not. It feels like something has to give in or something has to be sacrificed. *(PUBLIC SERVICE, Two income earners with dependents, \$60, 001 - \$70, 000,*

*I/we rent the house I'm living in, Spends roughly half of income on housing)*

You put up with substandard conditions and landlords who don't give a s\*\*t as you can't afford to move. If you could move, you can't shift to anything better because that costs a WHOLE lot more. If you want the landlords/property managers to fix anything, they don't bother responding to your texts/phone calls/visits. Why should they? It is not like you are going to move out and they will miss out on any income; they will just move someone else in and probably for a higher rate. I have had a number of issues (leaks, holes in walls, missing door handles, windows that don't close, carpet coming up, wallpaper coming down, unusable garage (it floods) that I have to continue to pay for, etc.) . I have bought these up with the property manager when I first moved in; and regularly since (every property inspection, texts, visits to the office, etc), to date, nothing has been done...they don't even bother with a response of any kind. With having to pay 3 weeks bond, 2 weeks in advance and 1 weeks letting fee, I would have to come up with at least \$2,700 to move (based on my current rent; you then factor in what the utilities people charge you to move... *(PUBLIC SERVICE, I flat with other people and we don't share income, \$70, 001 - \$80, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing )*

We are a couple over 50 yrs of age and have been trying to get into our own house for the past 14 years. Either we don't have serviceability of the mortgage or when we can the prices of houses are too high and unaffordable. *(PUBLIC SERVICE, Two income earners no dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

We live on a 5 Acre property which we would love to share /subdivide so that one of our children or perhaps 2 can share the property with us. Unfortunately the Auckland City Council does not allow for that. *(DISTRICT HEALTH BOARD, Single income earner no dependents, \$40, 001 - \$50, 000, I/we own the house I'm living in and do not pay a mortgage on it)*

My daughter, her partner and 2 school age children live with me because they can't afford a rental property as it's only my daughter working, and had been told they're not eligible for a State House because they earn too much and I have 3 adult boys as well living in a 4 bedroom home. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly two thirds of income on housing)*

I have adult children who cannot afford to rent or own property in Auckland and who are having to live in the family home, losing considerable independence for all parties and these children will probably be unable to get a foot on the housing ladder unless they choose to work out of Auckland. Every one of us think that 'Auckland being a liveable city' is simply a joke. Politicians from all sides are not taking the kind of steps that should be taken to make a real difference to the housing aspirations of the current generation of income earners. This group has lost the most privileges of all New Zealanders, having to pay for their tertiary education, losing government top-up funding support for Kiwisaver. Welcome to the third world, kids!

*(LOCAL GOVERNMENT, Single income earner with dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and do not pay a mortgage on it I don't pay mortgage or rent)*

My husband and I have 2 children and we live in a very old and small 3 bedroom rental house. Due to its condition the house gets mouldy and damp during winter and the children most often get sick around this time. We so wanted to buy our own house but because of the prices and our combined salary is not enough to even afford just a 2 bedroom house. *(DISTRICT HEALTH BOARD, Two income earners with dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

Son and partner with two under 5yr olds live in a caravan at my home. Been saving 5 years for deposit, will take another five years. House prices ridiculous. *(PUBLIC SERVICE, Two income earners with dependents, \$60, 001 - \$70, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

I have had to house 2 of my adult children and their families with me as they were not able to find affordable, sustainable housing for themselves in Auckland. Previously renting it made sense to purchase my own home however my personal stresses have increased with lower residual income after mortgage payments and monthly bills are paid. No holidays (no money so stay home), limited access to down time (shopping and going out to dinner etc.) resulting in a tiredness/weariness during the hours spent at work versus down time, de-stressing or relaxing so I am re-energised for my work day and able to provide greater productivity. Employers need to consider more options like get cars off the road, vary start times (flexi hours) and consider some staff working from home. The current housing crisis exists due to an inability to compete in the mortgage market with the incomes we are provided. It is hard to deliver a message of hope for the wellbeing and safety of a family unit in need of housing when you yourself are in the same circumstances. Banding together to support each other and provide the basic essentials to sustain life (Healthy Housing, Food and Warmth) was my families only answer to sustainable housing. What is sad is that my families' current living circumstances are deemed 'not adequate' by the Ministry of Social Development. *(PUBLIC SERVICE, Single income earner no dependents, \$50, 001 - \$60, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly two thirds of income on housing)*

For my two eldest dependents both with complex medical issues including anxiety disorders not having a stable living position is significantly contributing to their quality of living as it elevates the anxiety constantly. We have to keep moving as rent goes up to unaffordable levels and can only get a maximum 1 year lease which is far from ideal from a stable living perspective. I spend over half my income on rent. I am putting money into kiwisaver but there's no way I can save anything anywhere near a deposit to buy a house here even with using kiwisaver as a first home buyer. I will be 10s of thousands of dollars away from a deposit. So we continue to rent but every year it's the same majorly stressful time waiting to be offered a new lease and seeing how much the rent has increased. My wages are not increasing anywhere near the cost of rent and living. This year we will move further south for cheaper rent - as my son finishes school so we don't have to stay in the current location but I dread the battle it will be to secure a rental - it's worse than trying to get a new job to be honest now days. *(DISTRICT HEALTH BOARD, Single income earner with dependents, \$40, 001 - \$50,*

*000, I/we rent the house I'm living in, Spends roughly half of income on housing)*

The cost of my rent is 4 fifths of my income and I work over 40 hours/wk. I live from week to week hoping to have enough. I am lucky at the moment to have child support which pays monthly bills but in 18 months my daughter will be 18 and I will lose child support. I won't be able to support my daughter thru uni as father earns too much. I only get \$29 for accommodation and for working for families tax credit I only get \$44 and no ftc. I struggle to buy food and necessary clothes. Can't take holidays etc etc etc just surviving.

*(COMMUNITY PUBLIC SERVICE, Single income earner with dependents, \$30, 000 - \$40, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

It sucks massively. Our rent was just put up 'only \$30 per week because you're great tenants, so we won't put it up the market rate'. We had no choice if we wanted to stay. This was after the first 12 months. - It takes a whole lot of effort to get anything fixed, having to resort to filling in '14 days' notice to fix the problem' forms from the Tenancy website. Things like a burnt out light fitting in the ceiling that could burn the place down. Or a heated towel rail that is falling into the toilet. Or black mould on curtains. These things took 6 months to be remedied. - Landlords don't care about anything but money. – Yes I am soon to be going back overseas to live because NZ rent/housing sucks for anyone who isn't earning a fortune, or have family help, a foreign investor, a baby boomer that got property with government help in the old days, has no kids, no student loan, is not a renter on the pension, etc. *(LOCAL GOVERNMENT, Two income earners no dependents Less than \$30,000, I/we rent the house I'm living in, More than two thirds of income on housing)*

15 years lived in HNZ .Received relocation 90 days HNZ letter to move out. Find a two bed room, very cold private flats. Condition of the Flat is really risk for age 4 to 19 with rheumatic fever program and elderly age will be affected with pneumonia I wish that the HNZ and Private rental house can work together to provide a better Healthy house. Some of the poor condition house has been on rental and the rent was just about the same with the one was well renovation and in highly standard. - House new Zealand should be offers some the house to those who live there for more than 15 years to buy instead of selling it to those Landlord who make money from those HNZ was selling. Need more community organization to help out with budget and saving for those young family who wish to buy a house but did not afford the deposit. *(COMMUNITY PUBLIC SERVICE, Two income earners with dependents, Less than \$30,000, I/we rent the house I'm living in, More than two thirds of income on housing)*

Well we just can't afford to buy a house, and my parents who are pensioners couldn't afford to pay for their house so they had to gift it to us so we can fix it and pay for it cos they can't afford to keep up with the payments its getting to the point where it's becoming too expensive to live in Auckland. It's like you can't win. Especially when you are a full time (employer) employee (and been working here for nearly 5 years) and a temp that just started a couple months ago earns more than you!! Talk about frustrating!! So half the pay goes to paying for a mortgage and then you got the rates, water bill, power bill to take care of, and then the price of food is just ridiculous! It's that dumb that you can buy 2 packets of chips for \$2.50 yet broccoli is usually \$3 EACH! I mean, us that do all the hard work at the bottom sacrifice so much and do so

much work, and I'm not at all discounting what people at the top do, but sometimes we just take the brunt of those who can't pull their weight which makes us struggle not only with housing but just overall! *(LOCAL GOVERNMENT, \$50, 001 - \$60, 000, Spends roughly half of income on housing)*

We have 9 people living in our house, my partner & I. Three adult daughters & 4 grandchildren as they cannot afford to live by themselves. It is a huge social problem. One income families cannot afford to rent in Auckland let alone buy a property. I am only staying in Auckland to provide a home for my mokopunas. Once they are able to either find a suitable home or move I'm out of Auckland. I hate the travel time which is exhausting & takes away from quality of life. *(PUBLIC SERVICE, Two income earners with dependents, \$40, 001 - \$50, 000, I/we own the house I'm living in and pay a mortgage on it)*

I am a lawyer. I am 53. I cannot save from what I earn. I know I will be renting all my life and that terrifies me as I know a pension will not be enough. If I can keep my job which depends on MOJ funding I may have 40000 in my kiwisaver by retirement and that won't last long. I battle depression and anxiety daily but I must work to pay my rent and get my child through school. 2/3 of my income goes on rent. I don't live in a flash place. I have considered moving somewhere smaller and further out and realised I'm lucky with what I pay as one less bedroom costs the same. That's crazy! I appreciate my decision to do (area of practice) means lower wages but it shouldn't be so hard. *(COMMUNITY PUBLIC SERVICE, Single income earner with dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

Rent increased salary not keeping in touch with rising rent or fuel costs, I become poorer, landlord gets the rent, petrol station gets the money we struggle. Eating \$1 bread to compensate. Sometimes it's a struggle to get enough groceries because too much month at the end of the money! *(STATE SERVICES, Single income earner no dependents, \$40, 001 - \$50, 000, I/we rent the house I'm living in, More than two thirds of income on housing)*

During our marriage, although our house appreciated I believed my husband that revolving credit mortgages were the best kind of mortgage. It made it impossible to reduce our debt and easy (I now realise) for my husband to access the equity in the house as it appreciated in value. When he decided to leave the marriage, I didn't have enough to buy him out nor could I afford to buy anything. I kept the dog so had to find a rental that would accept me and the dog. I was so grateful when a landlord offered me a basement flat with an improperly sealed rear wall that leaked. I lived there five years. In 2015 a role change meant I had to either find another Auckland rental or face a commute from (place) to (place) five days a week. I can't begin to explain the nightmare of looking for somewhere and the outrageous prices landlords wanted. My current place is Ok, but I'm very anxious that if one of my landlord's parents dies they'll want to house the surviving parent here - and I'll be back in the marketplace again. As a clerical worker in my mid-fifties I expect I will have to work until I die, just to keep a roof over my head. I never expect to have the security of owning my home again. *(PUBLIC SERVICE, Single income earner no dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

I/we rent the house I'm living in                      Spends roughly a third I'm unable at 33 (and single) to ever imagine buying a house, yet alone buying a house in Auckland. Some would say to move out of Auckland, but my whole family is here and my mother needs me in Auckland as she has MS. There's no way I could move out of Auckland. I am concerned that when I get older, that I'll never have the chance to own my own home. As a renter there are very little protections against rent increases and the quality of the house we live in. If you complain about anything they either don't fix it, or increase your rent after fixing it. I live in a house with no insulation, no heating, holes in the floor boards, rotting windows, mould everywhere cracked glass and rats running around inside the roof every night. I worry about what this is doing to my health but we had to take it, there were no houses to rent when we moved in. The worse thing is is that our landlord is one of the good ones even if the house is still very bad because he leaves us alone, will fix things (even if it takes him a year to do so) and never increases the rent. I've lived in worse with worse landlords who increase the rent the moment they can. *(LOCAL GOVERNMENT, I flat with other people and we don't share income, \$70, 001 - \$80, 000)*

The impact of housing has directly impacted on my family which has impacted on me. Our children and grandchildren have had to leave NZ to have a better quality of life. Tragic that they have had to leave, awesome that they are getting by. Nothing flash but certainly not struggling as they were here. *(PUBLIC SERVICE, Single income earner no dependents, \$90, 001 - \$100, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly half of income on housing)*

I have no life , it is work and home Monday to Friday , see what groceries I can get for my family, I have 6 children at home and am trying to provide for them, 4 are boys aged from 12 - 17, I cannot afford to buy clothes for them , put them through school sports and pay for camp trips etc., I am left with very little after my rent is paid, to pay for the rent power and groceries, Do not qualify for any assistance from WINZ as I get more before tax to the cut off rate. *(DISTRICT HEALTH BOARD, Single income earner with dependents , \$30, 000 - \$40, 000, I/we rent the house I'm living in, Spends roughly two thirds of income on housing)*

Detrimental costs (moving, finding a new place, inconvenience, stress, additional rent payments etc) associated with having to move house continually because the owners want to sell it and capitalise on the capital gains they are making. - - Also, stressing about how my family will ever be able to buy a place to live and then I'll be faced with massive rents when I retire (in 15 years) if I can't buy one. *(LOCAL GOVERNMENT, Single income earner with dependents, More than \$100, 001, I/we rent the house I'm living in, Spends roughly a third of income on housing)*

It is very stressful as I do not take time off when I am not well.. With having to produce a sick medical certificate, even for one day and pay doctors fee and pay for medication, it is too costly. I really do not know how families cope today?                      If a family is not coping in Auckland, how are they going to cope anywhere else? Just moving the problem elsewhere. - They will eventually return to their original problem, as now they have another problem, too far from family. When family things happen, they will need to travel back to Auckland. System has made our people the way they are, with no support. *(COMMUNITY PUBLIC SERVICE,*

*Single income earner no dependents, \$30, 000 - \$40, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

Can't live in my own home is Auckland, whoever said that New Zealand was a paradise on earth? You're kidding right, certainly not for my generation. Inequality has never been greater. I hope for higher taxes and limits on owning multiple properties to stop an underclass of middle class citizens becoming the norm. *(LOCAL GOVERNMENT, Single income earner with dependents, \$40, 001 - \$50, 000, Living with family- Housing is unaffordable. Spends roughly half of income on housing)*

Excessively high rent means it is hard to cover costs on a lower wage/ income, and because so much time is spent working it is difficult to avoid stress and therefore generally no time to feel relaxed or happy. It's getting harder and harder to live for those who don't earn above median incomes and feels like a hopeless situation for a lot of people which makes it very difficult to maintain a positive frame of mind. *(LOCAL GOVERNMENT, Single income earner no dependents, Less than \$30,000, Spends roughly half of income on housing)*

My current rental is for sale and I am having difficulty finding new affordable housing due to rent increases. I see more homeless people on the streets and families sleeping in cars at a park near me. As my current rental is on the market I have been looking for somewhere else for 3 months at times there can be up to 20 people attending property viewings and they are double the rent price they were last year. It is stressful for me as I imagine it is for hundreds of others looking for a home. *(COMMUNITY PUBLIC SERVICE, Single income earner no dependents, \$50, 001 - \$60, 000, I/we rent the house I'm living in, Spends roughly a quarter or less)*

That I will be stuck in the same house for a long time as the house prices have become out of our reach to better ourselves on the housing market because of foreign investment over the past 3-4 years. It makes me un-happy that we have become so reliant on overseas immigration and investment to prop up our economy, when this really makes no difference to me as I earn a wage from the government. So I have gone from being a middle wage earner to medium to low in the past decade as wages have not kept up with the private sector. *(PUBLIC SERVICE, Two income earners no dependents, \$70, 001 - \$80, 000, I/we own the house I'm living in and pay a mortgage on it, Spends roughly a third of income on housing)*

My husband & I moved from our rental as with only one income we could no longer afford it anymore, we now live with my son & his 3 sons. My husband & I are in our mid 50s, we have between us 25 years of experience working with people with a intellectual or physical disability, but only one of us is working we cannot afford a home of our own to rent the impact, is we both get really depressed, we cry a lot, as we feel we are intruding on our son trying to raise his 3 sons. *(COMMUNITY PUBLIC SERVICE, Single income earner with dependents, \$40, 001 - \$50, 000, Spends roughly two thirds of income on housing)*

## Appendix Two:

### Report of survey of PSA members working in Auckland – *quantitative report*

# Housing crisis: Impacts on people delivering public and community services to Aucklanders

March 2017

## Purpose

The purpose of this survey was to gather information to inform a PSA submission to the Mayor of Auckland's Auckland Mayoral Taskforce on Auckland Housing Supply and the further development of PSA policy and political asks on housing issues.

## Methodology

In mid-March 2017 we emailed all PSA members recorded in the PSA membership database as working in Auckland and invited them to complete a brief online survey about housing and transport issues in Auckland. Responses were anonymous. Respondents had 6 days in which to complete the survey.

The survey asked both qualitative and quantitative questions. This report summarises the responses to the quantitative questions. A copy of the questionnaire is attached as appendix 1.

## Key findings

- People delivering public services in Auckland are more likely to rent and if they own the home they live in they are less likely to be mortgage free than the general New Zealand population.
- Close to half of those delivering public services in Auckland have unaffordable housing. Those with dependents are more likely to have unaffordable housing than those without dependents. Close to 1 in 5 spend two-thirds or more of their income on housing.
- 6 in 10 respondents said that the housing crisis has impacted negatively on their quality of life.



- Just under 6 in 10 said they had considered leaving Auckland for housing reasons.
- 4 in 10 said they had considered leaving Auckland for transport reasons.

## Survey population and response rate

PSA members in Auckland deliver public and community services to Aucklanders. They work for government departments, crown entities and state owned enterprises, in allied health, technical and clerical roles in district health boards, for local councils, NGOs and contracted private and community organisations.

18, 240 people were invited to participate in the survey. 2512 (14%) responded. This is a good response rate for an online survey.

In order to test the validity of the survey sample we accessed aggregated information about respondents from the PSA’s membership database. We have technical arrangements in place to ensure that member anonymity is maintained. An analysis of this information shows that the sample is a good one.

The sector (defined by employer type) distribution of respondents was largely representative of the sector distribution of the overall PSA membership in Auckland (the survey population).

	Respondents	PSA membership in Auckland
Community Public Services (includes community and private organisations contracted to deliver public services in communities)	6%	11%
District Health Boards	30%	35%
Local Government	23%	17%
Public Service (includes all Public Service departments)	32%	28%
State Services (all other crown entities and SOEs)	9%	9%

The ethnicity of respondents largely reflected the survey population. Compared to the overall population of Auckland, Māori and Pacific Peoples are relatively more highly represented, and Asians and Europeans relatively less highly represented in the survey sample.

	Respondents	Auckland population <sup>1</sup>

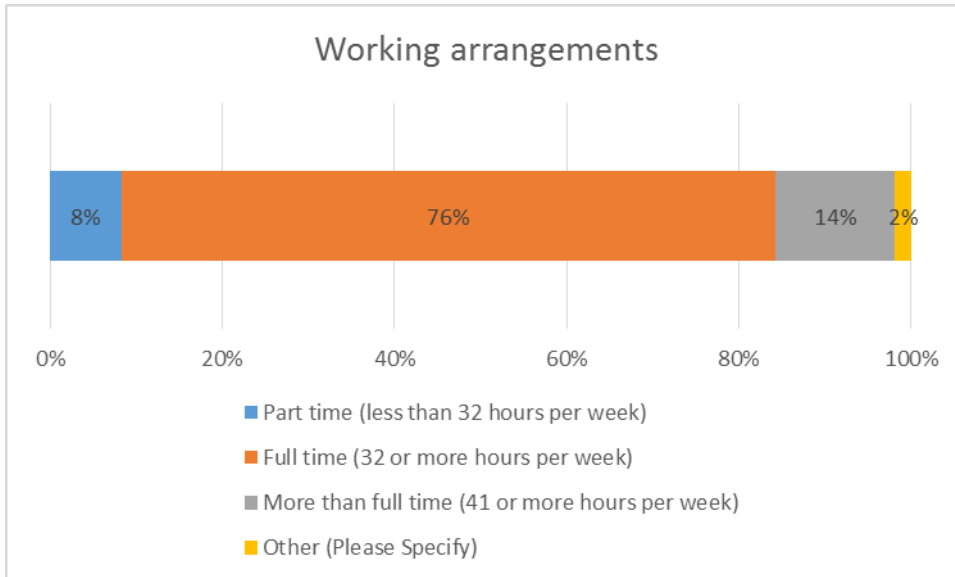
<sup>1</sup> [2013 Census](#).

Asian/Chinese/Indian	8%	23%
Māori	17%	11%
Pacific Peoples	19%	15%
NZ European / Pākeha/ Other European	48%	59%
Middle Eastern / Latin American/African	1%	2%
Other	7%	1%

## The responses

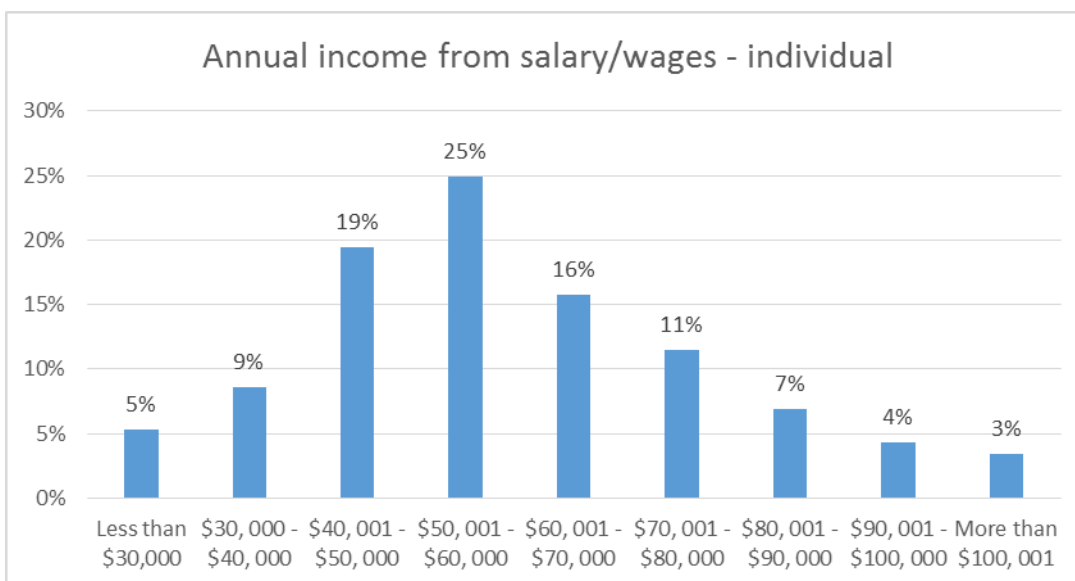
### Working arrangements

3 in 4 respondents work full time.

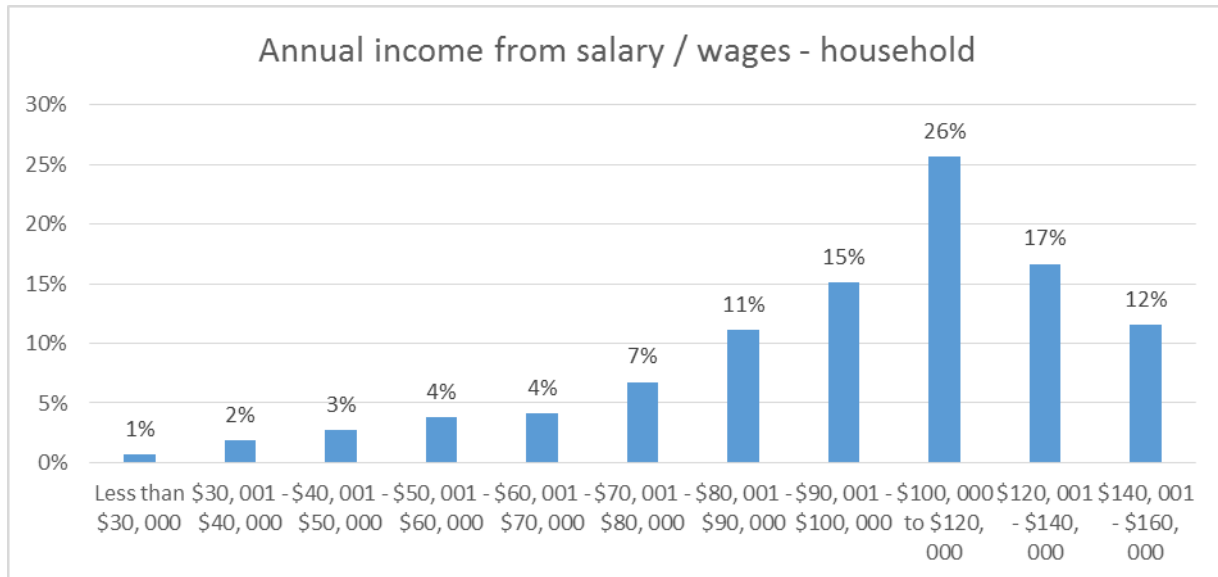


### Income

Respondents were most likely to earn between \$40,000 and \$60,000 per annum from salary/wages.



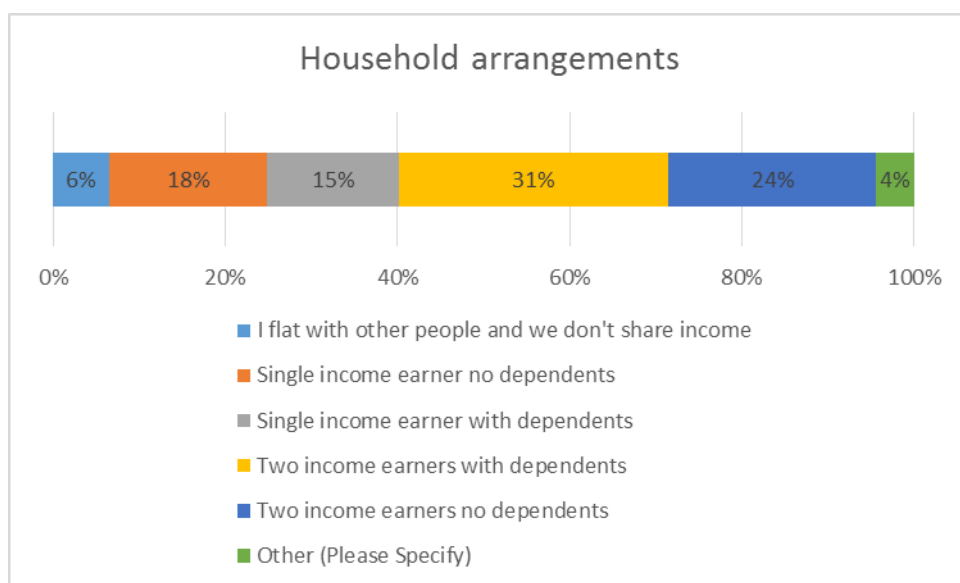
Those who share income with others in their household are most likely to have a combined total annual household income from salary/wages of \$80,001 - \$130,000.



## Housing

### Household arrangements

Respondents live in a range of household types. Four in 10 live in single income households or do not share income with others in their household. Just over 4 in 10 have dependents living with them.



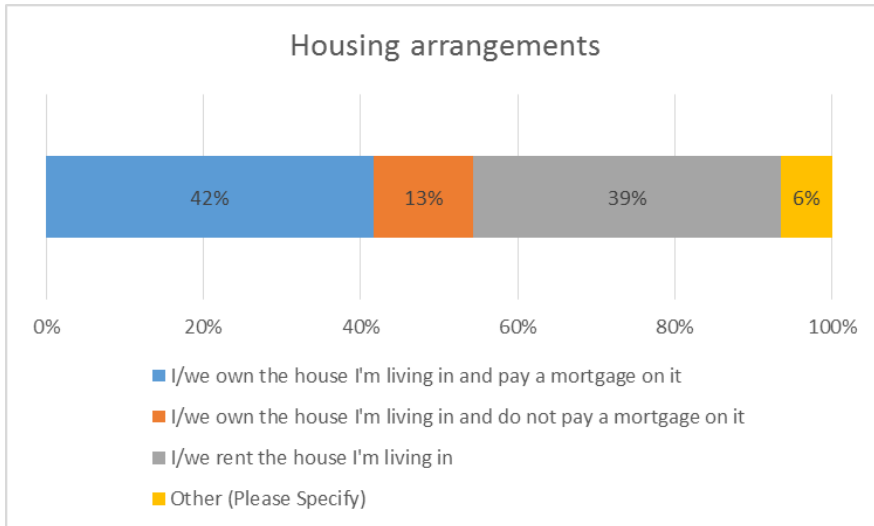
### Housing arrangements

People delivering public services in Auckland are more likely to rent and if they own the home they live in they are less likely to be mortgage free than the general New Zealand population.

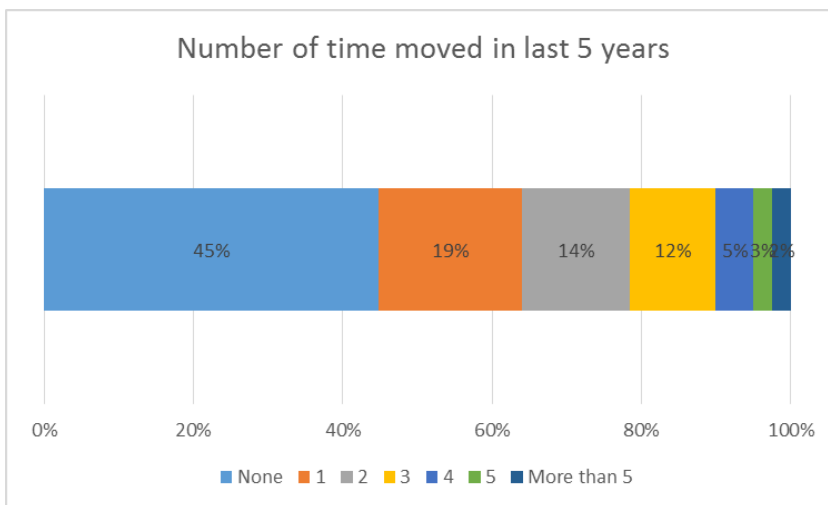
39% of respondents are renting. According to the 2013 Census, nationally around a third (35%)<sup>2</sup> of households rent. A further 6% of respondents selected the "other" category in this question. Of these, most were boarding with family or friends.

The 2013 Census showed that of those New Zealanders who own their own homes, 44% are mortgage free. Of those who own their own homes in this survey, only 23% are mortgage free.

<sup>2</sup> Source, [Statistics NZ](#)



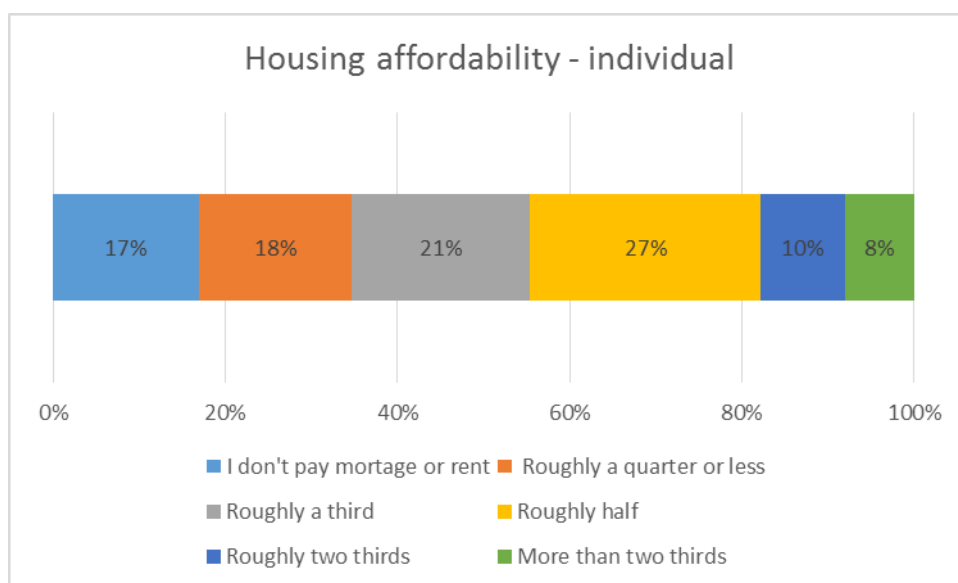
More than half of respondents had moved house in the last 5 years. 1 in 5 had moved three or more times.



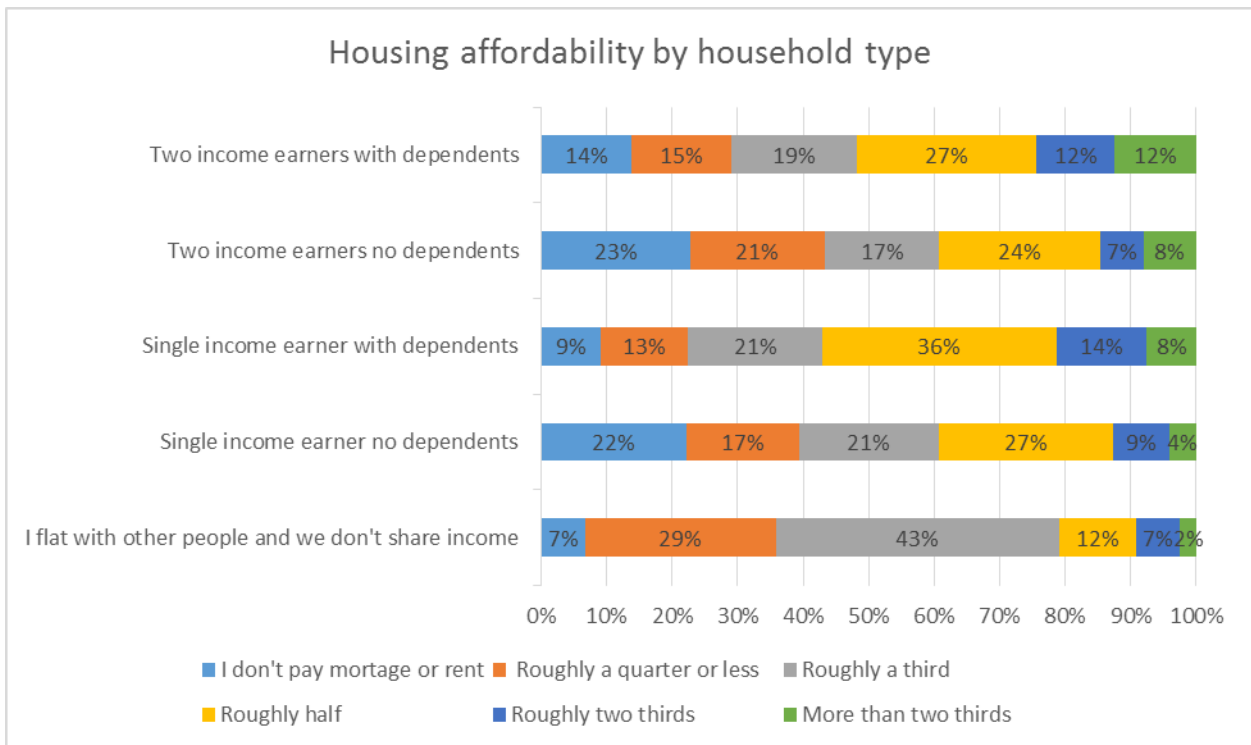
## Housing affordability

Close to half of those delivering public services in Auckland have unaffordable housing. Those with dependents are less likely to have affordable housing than those without dependents. There was no significant difference in the level of housing affordability experienced by those renting and home owners paying a mortgage.

A housing cost-to-income ratio of 30% is set as a housing affordability social indicator by Statistics New Zealand<sup>33</sup>. Against to this measure, 45% of respondents to this survey have unaffordable housing. Nearly 1 in 5 spend two thirds or more of their income on rent or mortgage.



<sup>33</sup> Source, [Statistics NZ](#)



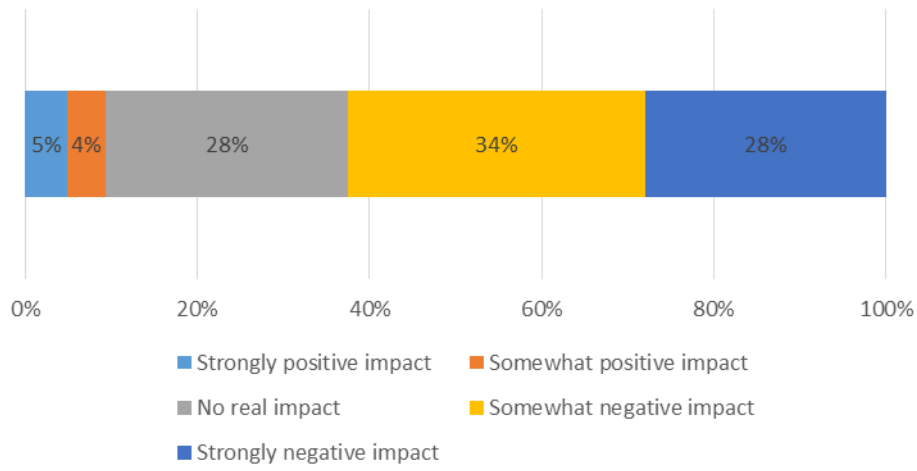
## Impact of housing crisis on quality of life

More than 6 in 10 respondents said that the housing crisis has impacted negatively on their quality of life.

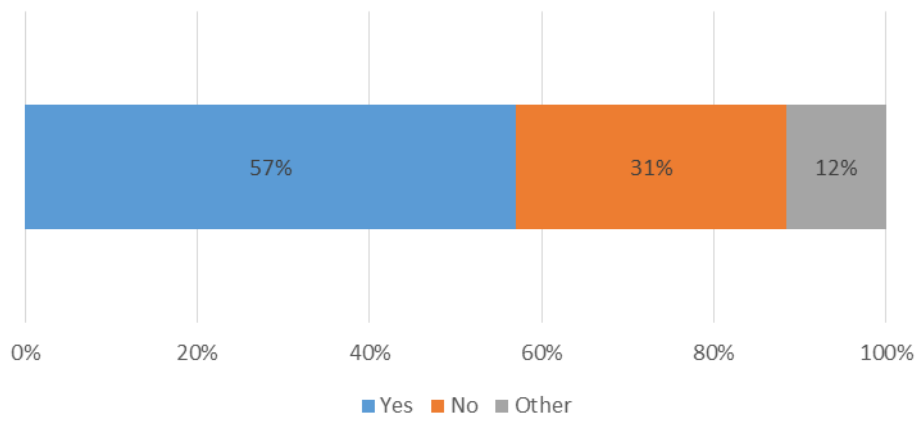
Just under 6 in 10 said they had considered leaving Auckland for housing reasons. Of those who provided comments in response to this question, many said that they didn't have the option of moving for family or work reasons. Others said they were considering moving when they eventually retired.



### Impact of housing crisis on quality of life



### Considered leaving Auckland for housing cost reasons



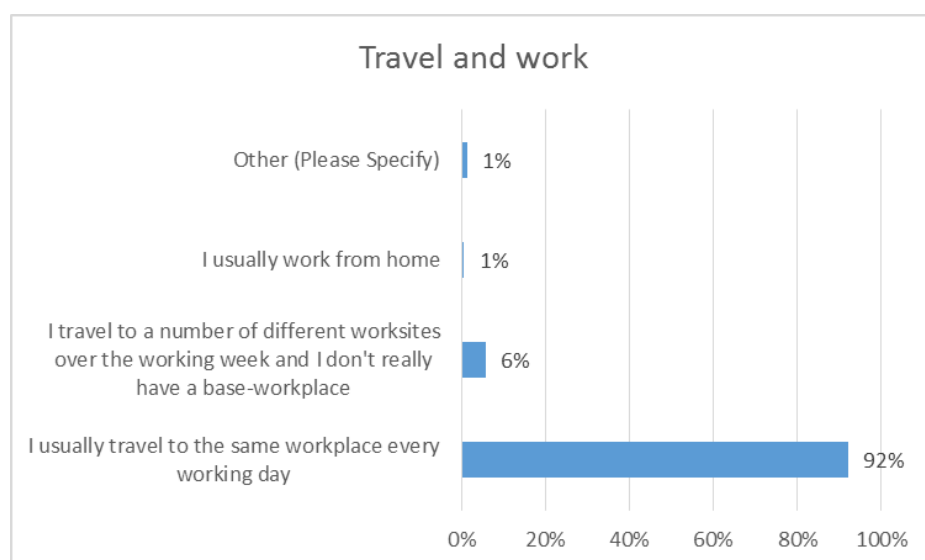
## Transport issues

More than 9 in 10 respondents travel to the same workplace every day. Very few (1%) work from home.

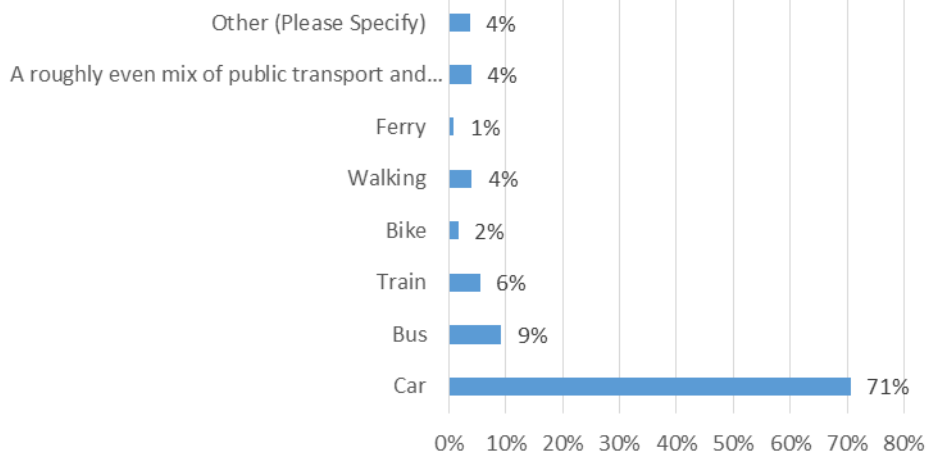
7 in 10 travel to work by car and 16% use public transport.

It takes four in 10 respondents between half-an-hour and an hour to get to work. Around 2 in 10 spend more than an hour getting to work.

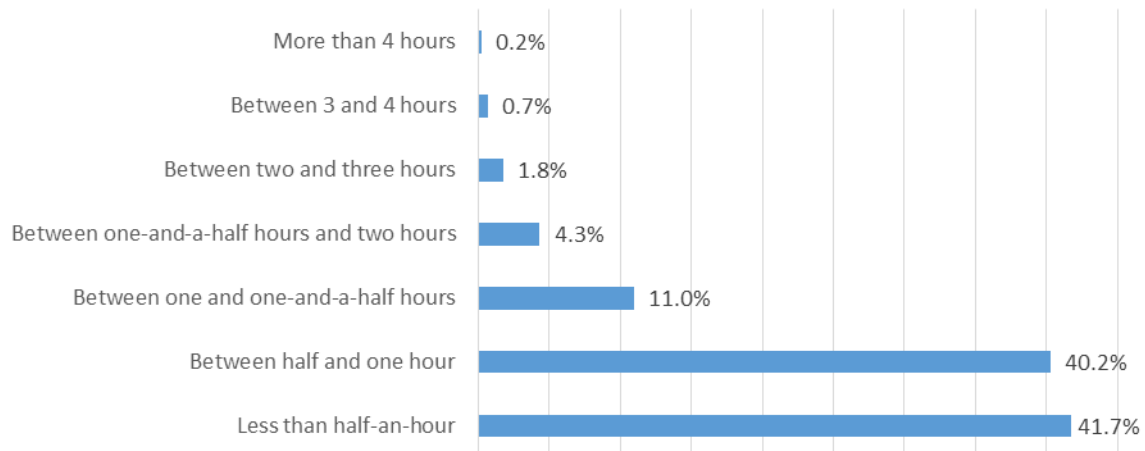
4 in 10 respondents have considered leaving Auckland for transport reasons.

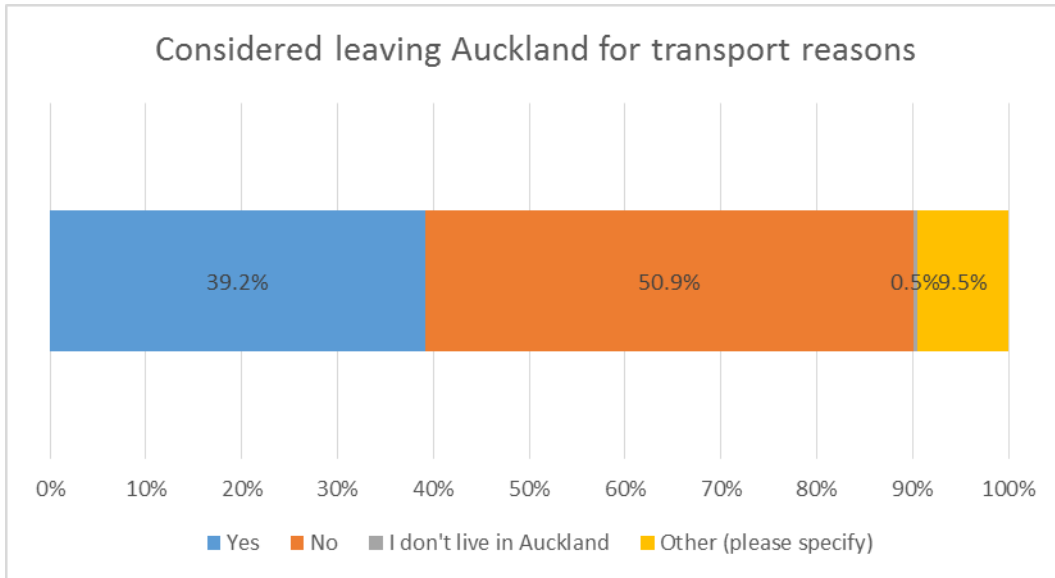


### Mode of transport to work



### Duration of travel to work





*PSA Policy Team*

*21 March 2017*

## Your views - impact of housing issues on PSA members in Auckland

We've been invited to submit to Phil Goff's mayoral taskforce on housing supply in Auckland. Sharing your views here will help us build a submission that reflects your reality.

This survey is anonymous and confidential. It has been sent to all PSA members working in Auckland.

### 1. Do you work?

- Part time (less than 32 hours per week)
- Full time (32 or more hours per week)
- More than full time (41 or more hours per week)
- Other (Please Specify)

### 2. Which of the following best reflects your household?

- Single income earner no dependents
- Two income earners no dependents
- Single income earner with dependents
- Two income earners with dependents
- I flat with other people and we don't share income
- Other (Please Specify)

3. Last year, what was your personal annual income from wages / salary? Less than \$30,000 \$30,000 - \$40,000 \$40,001 - \$50,000 \$50,001 - \$60,000 \$60,001 - \$70,000 \$70,001 - \$80,000 \$80,001 - \$90,000 \$90,001 - \$100,000 More than \$100,000

4. Last year, what was your household annual income from wages / salary? Less than \$30,000 \$30,001 - \$40,000 \$40,001 - \$50,000 \$50,001 - \$60,000 \$60,001 - \$70,000 \$70,001 - \$80,000 \$80,001 - \$90,000 \$90,001 - \$100,000 \$100,000 to \$120,000 \$120,001 - \$140,000 \$140,001 - \$160,000 \$160,001 - \$180,000 \$180,001 - \$200,000 More than \$200,000

### 5. Which of the following best reflects where you are living?

- I/we own the house I'm living in and pay a mortgage on it
- I/we own the house I'm living in and do not pay a mortgage on it

- I/we rent the house I'm living in
- Other (Please Specify)

6. How many times have you moved house in the last 5 years? None, 1, 2, 3, 4, 5, More than 5

7. What proportion of your personal take-home weekly income from salary/wages do you spend on mortgage /rent?

- I don't pay mortgage or rent
- Roughly a quarter or less
- Roughly a third
- Roughly half
- Roughly two thirds
- More than two thirds

8. What proportion of your household's take-home weekly income from salary / wages do you spend on mortgage / rent?

- We don't pay mortgage or rent
- Roughly a quarter
- Roughly a third
- Roughly half
- Roughly two thirds
- More than two thirds

9. Which of the following best reflects your usual situation?

- I usually travel to the same workplace every working day
- I travel to a number of different worksites over the working week and I don't really have a base-workplace
- I usually work from home
- Other (Please Specify)

10. When traveling to work, what's your main mode of transport?

- Car
- Bus
- Train
- Bike
- Walking
- Ferry
- A roughly even mix of public transport and car
- Other (Please Specify)

11. Roughly how long is your usual daily travel to work?

- Less than half-an-hour
- Between half and one hour
- Between one and one-and-a-half hours
- Between one-and-a-half hours and two hours
- Between two and three hours
- Between 3 and 4 hours
- More than 4 hours

12. Roughly how far is your usual workplace from where you usually live?

- Less than 2kms
- 3 - 5kms
- 6 - 10kms
- 11 - 20kms
- 21 - 30kms
- 31 - 40kms
- 41 - 50kms
- More than 51kms

13. Overall, what impact has the current housing crisis had on your quality of life?

- Strongly positive impact
- Somewhat positive impact
- No real impact
- Somewhat negative impact
- Strongly negative impact

14. Please write any comments you have here about the impact of the current housing crisis on your quality of life.

15. Have you considered leaving Auckland for reasons relating to the cost of housing?

- Yes
- No
- Other (please specify)

16. Have you considered leaving Auckland for reasons relating to transport?

- Yes
- No
- I don't live in Auckland

- Other (please specify)

17. Please write any comments you have relating to the cost of housing here.

Thank you for sharing your views. If you are interested in providing more information about how the housing crisis has affected you, please contact our policy team at [policy@psa.org.nz](mailto:policy@psa.org.nz)

We will use the survey data to inform our PSA submission to the mayoral taskforce. We may also use the data as background information in the development of PSA policy, including our general election policy asks.