

Karen q Temple – Web submission

Housing is a basic need. This is evidenced by Maslow's hierarchy of needs. It is a basic need many New Zealanders are being deprived of.

Average weekly rent for a 3 bedroom house in Otara \$358 (Department of Building and Housing); lower quartile \$328. Takapuna average for 3 bedroom \$591, lower quartile \$500. Minimum wage per week (40 hour week) M tax rate (no kiwi saver, no student loan) \$437. What is wrong with this picture! Buying is even more out of kilter. Clearly there is a discrepancy between incomes and housing cost in New Zealand which must be addressed. Most beneficiaries and people on low incomes will be paying well over 50% of their income in housing cost. My self personally, from the \$670 I receive on the DPB - \$375 is rent (56%). Even once I go on to Working for Families later this month I will be receiving about \$240 in Accommodation Supplements (including Temporary Additional Support), which would indicate to me, that is how much the market rent is overinflated.

Whilst beneficiaries are vilified, the bulk of money being paid to beneficiaries is effectively being channelled through that beneficiary to private landlords who are in fact the true beneficiaries. I have never seen this issue raised in the media or being discussed.

Because there is very little in the law and rental property infrastructure to hold landlords to account, much of this money is going into substandard housing which is inadequately insulated, inadequately soundproofed and inadequately maintained. Furthermore we seem to have developed a culture of vilifying tenants (have you seen Renters on TV2??). The system should hold landlords to account to the same extent that tenants are and give tenants an opportunity to be protected from rogue landlords in the same way that tenants are put through the mill to gain a tenancy. Things like a national register of landlords (including company directors) who have had tenancy tribunal rulings against them, minimum standards for rental properties including proper insulation and soundproofing, impermeable surfaces in kitchens and bathrooms for cleaning.

There is ample research to show the connection between lack of housing affordability and health problems (and the cost thereof), but there is no research I am aware of to show the connection between housing affordability (& quality) and mental health issues & crime statistics, also causing a huge monetary and social cost. I believe it is impossible to have mental wellness with the current state of housing affordability and security of tenure. Also the fact that so many people know they will never be able to afford their own home, has a huge collective effect on the nation's mental state and ability and willingness to contribute to society.

It is a crying shame that so many New Zealanders cannot and will never be able to afford property in New Zealand but foreign ownership is rife.

The cost of bonds and letting fees, usually running in to several thousand dollars is way out of the reach of many and Work and Income advances are usually inadequate. Furthermore it is commonplace for flatmate positions to also require considerable bond and this does not come under the Residential Tenancies Act so those people are not protected at all for the investment they have made to get a flatting position.

The criteria many landlords have of credit checks and references may be hard to meet. Whilst I understand the need for landlords to protect their investment there are many people who make

excellent tenants who may not have perfect credit or references from previous landlords. Where demand is high for housing (particularly in Auckland) prospective tenants find themselves in a bidding war to procure somewhere to live.

Even if the amount of rent a tenant is paying would pay off a mortgage (often the case); those tenants do not meet banks, sometimes ridiculous criteria which include things like not including Working For Families and Accommodation Supplement as income, not adding back expenses like Home Office Expenses in the case of business income and requiring rental tenure of 2+ years (even though the tenant has little control over the tenure)

The Welcome Home Loan programme is weak and the criteria both for eligible properties and eligible borrowers is very narrow.

I would like to see programs for shared equity and private mortgages where some of the people who fall outside of bank's criteria, but are still reliable payers can potentially buy their own place.

In my adult life (25+ years) I have seen housing affordability out of control in New Zealand and I have not seen ANY action taken by any government to improve the inherent lack of fairness in the housing market and the increasing lack of affordability.

Karen q Temple

Depressed renter and solo mother