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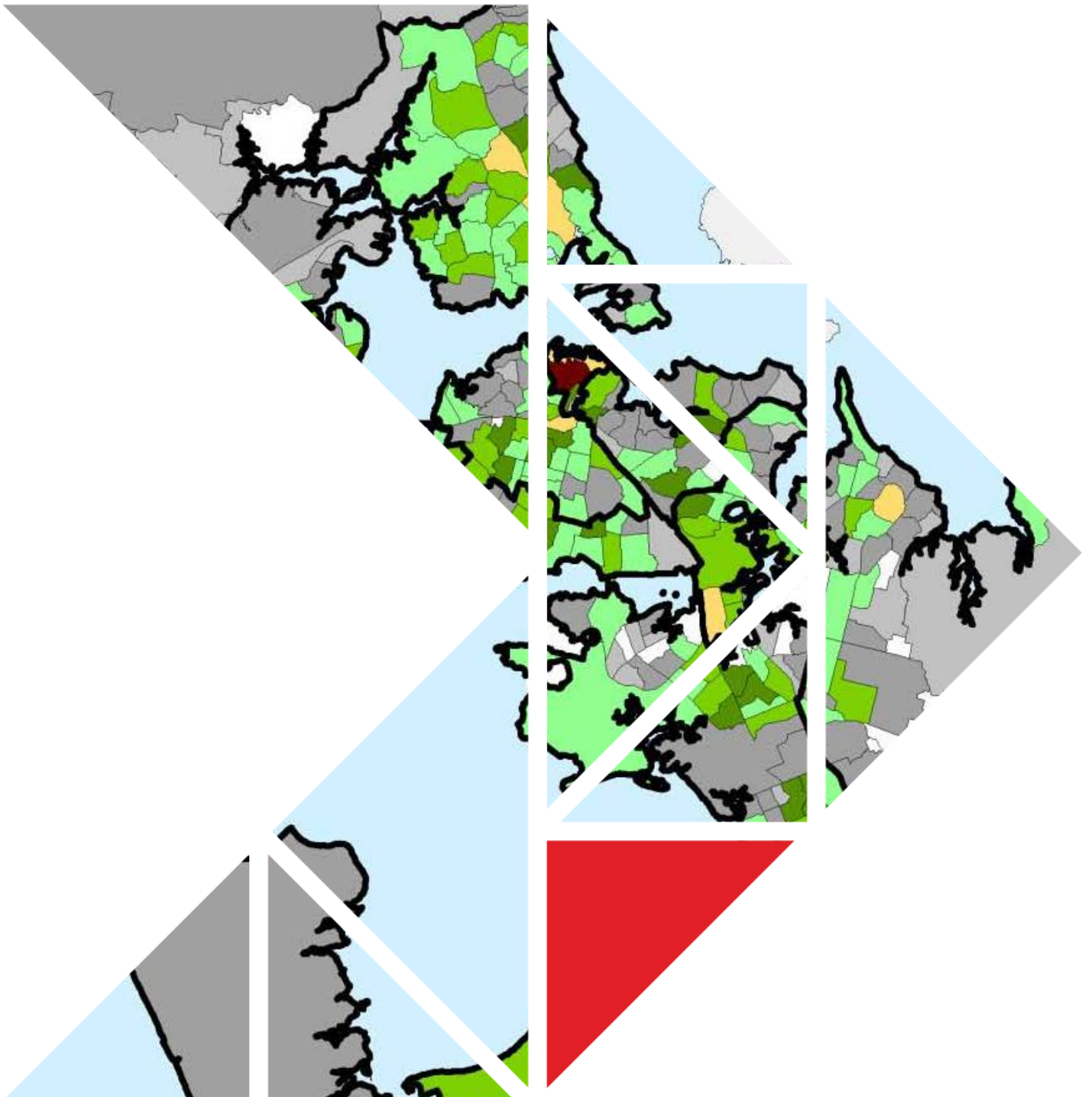
Report ER2

2013 Census, Demographic Trends and the impact on Home Ownership Outcomes

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Project LR0460

Livingston and Associates Ltd funded by the Building Research Levy





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RESEARCH REPORT

2013 Census, Demographic Trends and the Impact on Home Ownership Outcomes

Research Funded by BRANZ
from the Building Research Levy

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1. Executive Summary

New Zealand's housing market outcomes have changed significantly over the last twenty five years with a fall in home ownership rates and more younger people living in rented accommodation for longer than previous generations. This report presents the findings of research undertaken by Livingston and Associates Ltd and funded by the Building Research Levy about the housing market trends based on the 2013 and previous censuses.

Data from the 2013 census confirms a number of demographic trends evident in previous census results. New Zealand's population is aging and as a consequence there is a growing number of households with people aged 65 years and older. In conjunction with the increase in the age of the people living in households the number of couple only and one person households is also increasing. In addition to the change in the demographic composition of households, the proportion of owner occupied households has continued to decline as the proportion of renter households has increased. For example, between the 1991 and the 2013 censuses, the home ownership rate has declined from 73.8% to 64.8%, the number of owner occupied households increased from 848,052 to 940,728, an increase of 10.9% (or 0.5% per annum) and the number of renter households increased from 300,405 to 512,109, an increase of 70.5% (or 2.5% per annum).

The fastest growing sub-group within the population is now renter households with reference people aged between 50 and 64 years of age. Owner occupied households with people aged less than 50 years of age declined in number between 2006 and 2013. The expectation is that home ownership rates will continue to decline. Between 2013 and 2026 renter households are projected to increase by 212,500 or 36%, while owner occupied households are expected to grow by 79,640 or 7.5%. This will result in home ownership rates declining from 64.8% in 2013 to 59.6% in 2026.

Other key trends identified include:

- The rate of home ownership is unevenly distributed across the country with the Gisborne region having the lowest rate at 59.2% followed by Auckland (61.5%), and Waikato (62.7%). The South Island, and particularly the top of the South Island, has higher rates of home ownership than the North Island;
- Younger households are living in rented accommodation for longer and not achieving the same rates of home ownership as previous generations. In some locations households with people in their early thirties have rates of home ownership in excess of 30% lower than previous generations. Couples with children and one parent households are the most impacted groups in the community. If these trends continue regional home ownership rates of less than 50% in two decades are possible;
- Low income renter households have been migrating away to urban fringe locations with lower housing costs. The fastest growing groups within the low income renter households are people aged between 40 to 64 years of age. This trend is stronger in the larger metropolitan areas than in the smaller provincial centres
- Community housing providers are all planning to increase their capacity however they feel they are constrained by changing government policy, and the removal of capital grants. Furthermore when



these were available the short term nature (typically one year) of the support provided limited the ability to expand and grow housing capacity.

Key policy issues include:

- The projected growth in the number of renter households implies significant growth in demand for additional residential investment from the private sector. The level of investment required to increase the supply of dwellings to meet this demand is similar to the level of investment over the last ten years. Consequently, from a policy perspective, Government will need to finely balance the needs of tenants with the requirement for ongoing investment from the private sector;
- The growth in the number of renter occupier households is likely to increase the demand for the accommodation supplement;
- A fall in home ownership rate which suggests increased disparity of wealth amongst households as fewer households own their own dwellings;
- In Auckland, both the owner and renter occupier sectors of the market are expected to grow at a faster rate than the national average. Consequently, it is important that any potential supply side constraints in the Auckland housing market are minimised to ensure the housing market can effectively respond to changes in demand;
- Changes in the way in Government has attempted to assist community housing providers has changed over time. If Government wants these organisations to grow and provide greater support to households in need, Government strategy needs to provide for multi-year funding, a consistent policy environment, and a capital base which can leveraged to build capacity and grow housing stock to support needy tenants.



2. Introduction

The rate of home ownership in New Zealand has been declining since 1991. The home ownership rate recorded in the 2013 Census was 64.8%, down from 73.8% in 1991 and 66.9% in 2006. Care must be taken when interpreting the trend in home ownership outcomes. The way in which Statistics New Zealand enquired about the tenure of dwellings has changed. This has reduced the comparability of the results of the 2013 and 2006 censuses with censuses prior to 2006.

The aim of the report is to provide analysis of housing market trends based on the 2013 Census and compare the results to previous censuses. In addition, analysis of the probability of home ownership using a logit regression approach, and the ways the distribution of renter households has changed over the last decade. This report also includes the results of an exploratory survey of affordable rent providers which aimed to identify key constraints limiting the expansion of their operation.

The report is divided into ten chapters. These include:

- A standalone executive summary, which provides an overview of the research assignment and highlights the main findings;
- Introduction;
- Context and data sources
- Home ownership rate outcomes;
- Inter-regional migration trends between 2001 and 2013;
- The implications of demographic trends on future housing demand;
- The probability of home ownership;
- Changes in the distribution of renter households within metropolitan areas between 2001 and 2013;
- Affordable rental accommodation provider survey results; and
- Implications of the findings in a policy context and areas for further research.



3. Context

3.1 Overview

Over the last decade, housing market outcomes have become the focus of political attention. Home ownership has become less affordable for middle income households. MacLennan (2008) stated that *'modern housing policy requires governments to re-engage their interest in housing policy, but only through a new wider and modern perception of the role of housing markets and outcomes as key integrative systems within our modern societies and economies.'* Essentially housing markets cannot be viewed in isolation. Housing markets are an integral part of a nation's overall economy and respond to a number of factors including:

- The cost and availability of developable land;
- Construction costs;
- Local and central government regulation;
- The cost and availability of credit;
- Monetary policy settings;
- Population growth and migration trends; and
- The strength and growth in local labour markets.

This analysis reveals that some of the well-defined sub groups identified in previous research have continued to experience a decline in home ownership rates. The pattern and rate of decline vary less according to age, household composition, and geographic location. Falling home ownership rates combined with an aging population could have major economy wide impacts.



3.2 Data Sources

The objective of this chapter of the report is to provide an overview of the data and methodology used in this report. The key data sources include customised data sets sourced from Statistics New Zealand based on the 2001, 2006, and 2013 census results. This data included the segmentation of the information collected on households by:

- Location;
- Tenure;
- Household composition;
- Age of the reference person;
- Household income;
- Ethnicity;
- Highest educational qualification;
- Occupation;
- Employment status; and
- Dwelling typology.

In addition to the census data sets, residential rental data was sourced from the Tenancy Bond Service of the Ministry of Business Innovation and Employment (MBIE).



4. Trends in Household Tenure

4.1 Introduction

The objective of this section of the report is to present the analysis of trends in the number of renter, owner occupied and home ownership rates by region. In addition analysis of the comparability of longer term trends in home ownership rates is included, and this builds on work undertaken by Briggs (2006).

The regional analysis includes trends by tenure including a breakdown by:

- Age of the reference person;
- Household composition;
- Household income;
- Ethnicity of the reference person;
- Highest qualification;
- Occupation of the reference person;
- Industry in which the reference person is employed; and
- Building typology.



4.2 National trends in dwelling tenure

The total number of owner occupied households in New Zealand increased by 6.6% (0.9% per annum), or 95,715 households (or 13,674 per annum), between 2006 and 2013. This compares with an annual compounded increase of 8.2% (or 1.1% per annum), or 109,908 households (or 21,982 households per annum) between 2001 and 2006. The rate of increase was not evenly distributed across the different dwelling tenures. Table 4.1 presents the growth in the number of households by tenure category.

Table 4.1: Households by Tenure 2001 to 2013

Tenure	Number of Households			Change in Number of Households			
	2001	2006	2013	2001 to 2006		2006 to 2013	
				Hhlds	%	Hhlds	%
Owner Occupied Households							
<i>owned or partly owned</i>							
- mortgage payments made	443,277	405,264	398,373	-38,013	-8.6%	-6,891	-1.7%
- mortgage payments not made	413,550	312,159	308,385	-101,391	-24.5%	-3,774	-1.2%
- mortgage arrangements nfd*	11,832	26,529	18,687	14,697	124.2%	-7,842	-29.6%
<i>Total owned or partly owned</i>	868,659	743,952	725,445	-124,707	-14.4%	-18,507	-2.5%
<i>Dwellings owned in a family trust</i>							
- mortgage payments made		72,825	92,439	-		19,614	26.9%
- mortgage payments not made		81,711	108,387	-		26,676	32.6%
- mortgage arrangements nfd*		13,386	14,460	-		1,074	8.0%
<i>Total owned by a family trust</i>		167,922	215,286	-		47,364	28.2%
Total owner occupied dwellings	868,659	911,874	940,731	43,215	5.0%	28,857	3.2%
Renter Households							
- Rent payments are made	358,890	388,275	453,135	29,385	8.2%	64,860	16.7%
- Rent payments are not made	38,607	57,375	53,886	18,768	48.6%	-3,489	-6.1%
- Rental Payments nfd*	14,703	6,315	5,088	-8,388	-57.0%	-1,227	-19.4%
Total Renter Households	412,200	451,965	512,109	39,765	9.6%	60,144	13.3%
Tenure not elsewhere stated	63,414	90,333	97,053	26,919	42.4%	6,720	7.4%
Total Occupied Households	1,344,267	1,454,175	1,549,890	109,908	8.2%	95,715	6.6%

Source: Statistics New Zealand

* nfd refers to not further defined

NB: The way in which Statistics New Zealand surveyed household tenure on ownership using family trusts changed between 2001 and 2006. See DTZ (2007) and Briggs (2006) for a full discussion of these issues.

Owner occupied, renter and total households all increased between 2001 to 2006 and 2006 to 2013, however the rate of growth varied across tenure groups. The growth in the number of renter households accounted for 36% of the total growth in the number of households between 2001 and 2006 and this increased to 62% between 2006 and 2013. The higher relative growth in the number of renter households has impacted on the rate of owner occupation.



Table 4.2 presents the trend in the home ownership rate¹ between 2001 and 2013.

Table 4.2: Home Ownership Rates 2001 to 2013

	2001	2006	2013
Total owner occupied dwellings	868,659	911,874	940,731
Total renter households	412,200	451,965	512,109
Home ownership rate	67.8%	66.9%	64.8%

Source: Statistics New Zealand

NB: The home ownership rate is defined as the number of owner occupied households divided by the combined total of the number of renter and owner occupied households

These statistics imply the home ownership rate fell from 67.8% in 2001 to 64.8% in 2013 a total decline of three percentage points over 12 years. However it is important to note that changes in the way in which Statistics New Zealand² queried tenure relative to ownership via family trusts makes the comparability of home ownership rates prior to 2006 problematic.³

4.2.1 Longer Term Tenure Trends

Briggs (2006) presents the results of research into the impact of family / private trusts on home ownership rates in New Zealand. The likely historical level of home ownership was re-estimated from previous censuses by investigating the number of households which held their home in a private trust. Census results prior to 2006 were uncertain over whether dwellings that were rented from a private trust were occupied by the trust settlor or households which had no beneficial interest in the trust. Where the household included the trust settlor it would be more appropriate to include them in the owner-occupied dwelling classification.

Briggs (2006) examined three different scenarios to assess the impact these households may have on the overall home ownership rate. First, he included all dwellings that in the census were clearly identifiable as being held by a trust in the owner-occupied category. Second, he took a proportion of households who said that they rented their dwelling from a private trust and included this proportion in the owner-occupied category too. He varied this proportion: 0%, 50%, and 100%. This gave three scenarios for the total number of dwellings held by owner-occupiers.

Table 4.3 presents a summary of the results of his analysis and the associated trend in home ownership rates and also includes the 2006 and 2013 Census results.

¹ The home ownership rate is defined as the rate of owner occupation and calculated by dividing the number of owner occupied households by the sum of the number of renter and owner occupied households combined.

² Statistics New Zealand changed the way in which they queried ownership via family trust for valid reasons. They changed the questions included in the census to remove any ambiguity around ownership via family trusts.

³ For a full discussion of the difference in the way in which Statistics New Zealand surveyed dwelling ownership see DTZ (2007) and Briggs (2006).



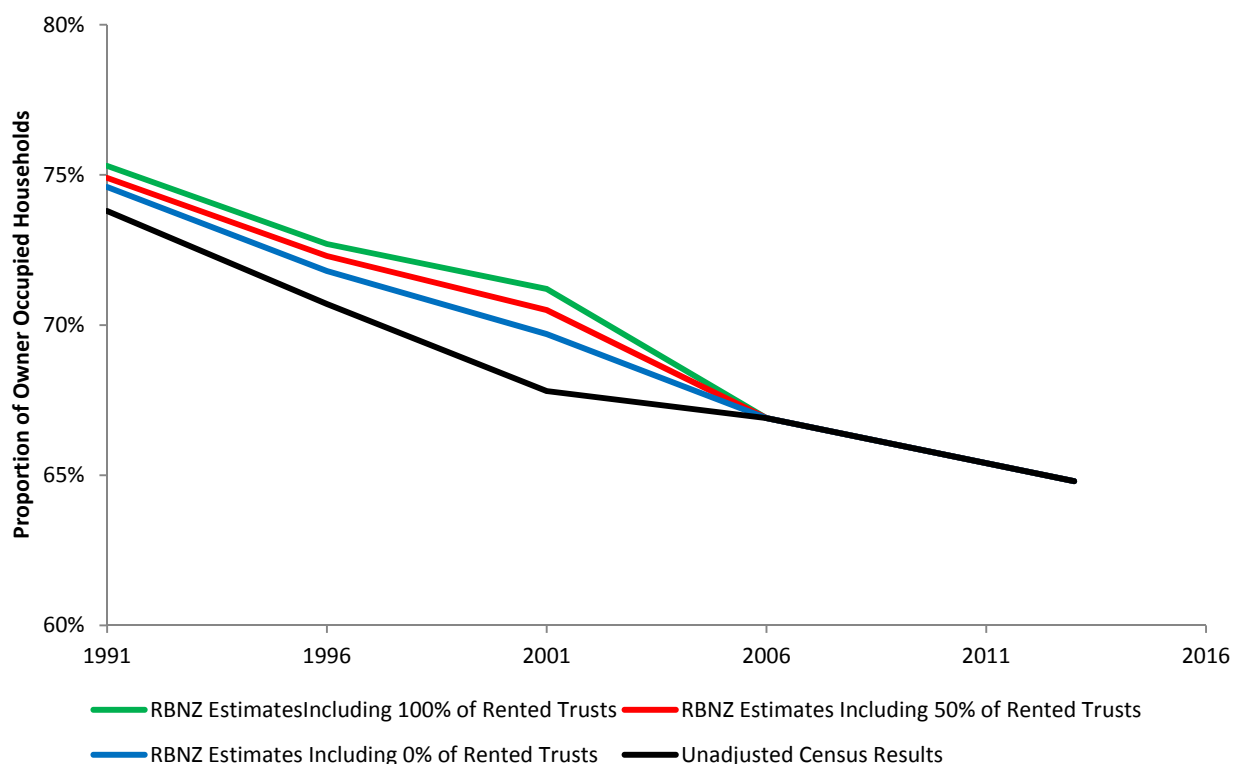
Table 4.3: Home Ownership Scenarios Varying Proportion of Rented Trusts as Owned Including 2006 and 2013 Census Results

	1991	1996	2001	2006	2013
<i>RBNZ Estimates</i>					
Including 100% of Rented Trusts	75.3%	72.7%	71.2%	-	-
Including 50% of Rented Trusts	74.9%	72.3%	70.5%	-	-
Including 0% of Rented Trusts	74.6%	71.8%	69.7%	-	-
Unadjusted Census Results	73.8%	70.7%	67.8%	66.9%	64.8%

Source: Briggs (2006), DTZ (2007) and Statistics New Zealand

Figure 4.1 presents the graphed results of Briggs (2006) combined with the 2006 and 2013 census results.

Table 4.1: Home Ownership Scenarios Varying Proportion of Rented Trusts as Owned



Source: Briggs (2006), DTZ (2007) and Statistics New Zealand

This analysis suggests the rate of home ownership has declined from between 75.3% and 73.8% in 1991 to 64.8% in 2013. This is a total decline of 10.5 to 9.0 percentage points over 22 years or on average 0.4 to 0.5 percentage points per annum. This compares with an annual average decline of 0.3 percentage points between 2006 and 2013.



4.3 Regional tenure trends

Nationally, the home ownership rate fell from 73.8% in 1991 to 64.8% in 2013. Home ownership rates fell by 6.0 percentage points between 1991 and 2001 and a further 3.0 percentage points between 2001 and 2013. Although regional home ownership rates have exhibited similar trends the rate of decline has varied between regions. The objective of this section of the report is to demonstrate the trend in the number of renter households and regional home ownership rates disaggregated by:

- Age;
- Household composition;
- Ethnicity;
- Household income;
- Highest qualification;
- Occupation;
- Employment by industry group; and
- Dwelling typology.

Tenure data back to and including the 1991 census is included provided that the sub categories within each demographic characteristic have remained comparable between censuses.



4.3.1 Regional Home Ownership Rate Trends

Home ownership rates and the amount they have changed varies between regions. Table 4.4 presents the trend in home ownership rates from 1986 to 2013.

Table 4.4: Home Ownership Rates by Region – 1986 to 2013

Region	Home Ownership Rates (%)						% Point Change		
	1986	1991	1996	2001	2006	2013	91 to 01	01 to 06	06 to 13
Northland	72.3%	73.9%	71.2%	70.5%	68.6%	66.2%	-3.4%	-1.9%	-2.4%
Auckland	74.0%	72.7%	69.2%	64.6%	63.8%	61.5%	-8.1%	-0.8%	-2.3%
Waikato	70.2%	71.4%	68.0%	67.6%	65.4%	62.7%	-3.8%	-2.2%	-2.7%
Bay of Plenty	74.4%	76.2%	71.7%	68.4%	67.3%	64.7%	-7.8%	-1.1%	-2.6%
Gisborne	67.7%	67.2%	65.1%	63.2%	61.8%	59.2%	-4.0%	-1.4%	-2.6%
Hawkes Bay	73.1%	73.7%	70.6%	67.8%	67.9%	65.9%	-5.9%	0.1%	-2.0%
Taranaki	73.9%	75.1%	72.1%	72.2%	69.9%	68.0%	-2.9%	-2.3%	-1.9%
Manawatu-Wanganui	70.8%	71.7%	68.7%	67.9%	66.8%	65.2%	-3.8%	-1.1%	-1.6%
Wellington	71.9%	72.1%	69.9%	66.9%	66.1%	64.9%	-5.2%	-0.8%	-1.2%
Marlborough	77.1%	78.3%	74.7%	73.7%	72.5%	70.9%	-4.6%	-1.2%	-1.6%
Nelson	79.6%	77.3%	72.3%	68.7%	68.6%	68.4%	-8.6%	-0.1%	-0.2%
Tasman	77.3%	80.1%	77.4%	76.1%	75.8%	75.0%	-4.0%	-0.3%	-0.8%
West Coast	74.2%	76.2%	73.7%	72.6%	69.3%	68.1%	-3.6%	-3.3%	-1.2%
Canterbury	76.7%	76.6%	73.8%	71.4%	70.4%	68.3%	-5.2%	-1.0%	-2.1%
Otago	74.8%	74.7%	71.9%	69.6%	69.1%	68.0%	-5.1%	-0.5%	-1.1%
Southland	79.3%	80.3%	77.7%	75.6%	73.5%	69.7%	-4.7%	-2.1%	-3.8%
New Zealand	73.7%	73.8%	70.7%	67.8%	66.9%	64.8%	-6.0%	-0.9%	-2.1%

Source: DTZ (2007) and Statistics New Zealand

Key trends include:

- Auckland's home ownership rates fell by 12.5 percentage points between 1986 and 2013. This was the largest fall of any region. The majority of the decline occurred prior to 2001 when over the 15 years between 1986 to 2001 home ownership rates fell by 9.4 percentage points or 0.6 points per annum. Post 2001, Auckland's home ownership rates declined by a further 3.1 percentage points, or 0.2 points per annum. This pattern is not inconsistent with the national trend expect Auckland's fall in home ownership rates started five years earlier than the national trend falling by 1.3 percentage points between 1986 and 1991, whereas the national average actually increased by 0.1 percentage points over the same time period;
- Nelson recorded the second largest fall in home ownership rates between 1986 and 2013. In 1986 Nelson had the highest regional home ownership rate in New Zealand. Over the next twenty seven years Nelson's home ownership rate fell by 11.2 percentage points and is now ranked fourth behind Tasman, Marlborough and Southland;



- Nationally, post 1991 the rate of change in home ownership rates was lowest between 2001 and 2006. There could be a number of reasons for this. First, differences in the tenure related questions in the 2001 and 2006 censuses may have effected results; and
- Tasman recorded the smallest decline in home ownership rates and recorded a 2.3 percentage point fall between 1986 and 2013. This was less than half that of the Manawatu-Wanganui region which had the second lowest decline with a 5.6 percentage point decline.

The fall in the level of home ownership between 1991 and 2013 is reflected in the proportionally higher growth in the number of renter households relative to the number of owner occupied households by region. Table 4.5 (on pages 11 and 12) presents the trend in the number of owner occupied and renter households between 1991 and 2013.

Table 4.5: Trend in the number of owner occupied and renter households by region 1991 to 2013

Region	Number of Households				Change in the Number of Households			
	1991	2001	2006	2013	91 to 01	01 to 06	06 to 13	91 to 13
Owner Occupied								
Northland	30,909	32,613	34,287	35,442	1,704	1,674	1,155	4,533
Auckland	227,328	235,032	257,016	268,944	7,704	21,984	11,928	41,616
Waikato	78,030	81,369	84,450	88,167	3,339	3,081	3,717	10,137
Bay of Plenty	52,461	55,860	59,634	61,434	3,399	3,774	1,800	8,973
Gisborne	9,513	9,024	8,910	8,712	-489	-114	-198	-801
Hawkes Bay	34,980	33,528	34,785	35,622	-1,452	1,257	837	642
Taranaki	27,594	26,454	26,100	27,492	-1,140	-354	1,392	-102
Manawatu-Wanganui	54,792	52,494	52,896	53,295	-2,298	402	399	-1,497
Wellington	99,780	99,378	104,508	108,279	-402	5,130	3,771	8,499
Marlborough	9,660	10,542	11,169	11,859	882	627	690	2,199
Nelson	10,323	10,452	11,085	12,093	129	633	1,008	1,770
Tasman	9,429	10,983	12,084	13,044	1,554	1,101	960	3,615
West Coast	8,460	8,061	8,046	8,295	-399	-15	249	-165
Canterbury	120,186	126,570	133,995	132,573	6,384	7,425	-1,422	12,387
Otago	47,010	46,248	48,264	50,682	-762	2,016	2,418	3,672
Southland	27,471	25,137	24,531	24,672	-2,334	-606	141	-2,799
New Zealand	848,052	863,874	911,877	940,728	15,822	48,003	28,851	92,676

Source: DTZ (2007) and Statistics New Zealand



Table 4.5: Trend in the number of owner occupied and renter households by region 1991 to 2013 Continued

Region	Number of Households				Change in the Number of Households			
	1991	2001	2006	2013	91 to 01	01 to 06	06 to 13	91 to 13
Renters								
Northland	10,929	13,665	15,699	18,066	2,736	2,034	2,367	7,137
Auckland	85,245	128,811	145,857	168,708	43,566	17,046	22,851	83,463
Waikato	31,239	39,000	44,616	52,536	7,761	5,616	7,920	21,297
Bay of Plenty	16,422	25,851	28,974	33,450	9,429	3,123	4,476	17,028
Gisborne	4,653	5,262	5,502	6,006	609	240	504	1,353
Hawkes Bay	12,483	15,909	16,455	18,417	3,426	546	1,962	5,934
Taranaki	9,159	10,209	11,262	12,948	1,050	1,053	1,686	3,789
Manawatu-Wanganui	21,579	24,813	26,292	28,401	3,234	1,479	2,109	6,822
Wellington	38,529	49,218	53,583	58,515	10,689	4,365	4,932	19,986
Marlborough	2,679	3,753	4,233	4,863	1,074	480	630	2,184
Nelson	3,027	4,764	5,073	5,598	1,737	309	525	2,571
Tasman	2,346	3,456	3,864	4,353	1,110	408	489	2,007
West Coast	2,637	3,042	3,561	3,885	405	519	324	1,248
Canterbury	36,753	50,649	56,412	61,671	13,896	5,763	5,259	24,918
Otago	15,894	20,226	21,663	23,841	4,332	1,437	2,178	7,947
Southland	6,735	8,130	8,862	10,740	1,395	732	1,878	4,005
New Zealand	300,405	406,845	451,965	512,109	106,440	45,120	60,144	211,704

Source: DTZ (2007) and Statistics New Zealand

Key trends include:

- Nationally the number of renters has increased at five times the rate of owner occupied households. Between 1991 and 2013 on average the number of renter households increased at 2.5% per annum whereas the number of owner occupied households increased by 0.5% per annum;
- Growth in the number of renter households accounted for 70% of total growth whilst owner occupied households only accounted for 30%; and
- The number of owner occupied households declined in Gisborne, Taranaki, the West Coast and Southland regions between 1991 and 2013.



Table 4.6 presents actual home ownership rates by region and the relative ranking of regions by home ownership rates in 1991, 2001 and 2013.

Table 4.6: Home Ownership Rates and Rank by Region

Region	Home Ownership Rate (%)			Rank			
	1991	2001	2013	1991	2001	2013	Chge 91 to 13
Northland	73.9%	70.5%	66.2%	10	7	9	-1
Auckland	72.7%	64.6%	61.5%	12	15	15	+3
Waikato	71.4%	67.6%	62.7%	15	13	14	-1
Bay of Plenty	76.2%	68.4%	64.7%	6=	10	13	+7
Gisborne	67.2%	63.2%	59.2%	16	16	16	0
Hawkes Bay	73.7%	67.8%	65.9%	11	12	10	-1
Taranaki	75.1%	72.2%	68.0%	8	5	8	0
Manawatu-Wanganui	71.7%	67.9%	65.2%	14	11	11	-3
Wellington	72.1%	66.9%	64.9%	13	14	12	-1
Marlborough	78.3%	73.7%	70.9%	3	3	2	-1
Nelson	77.3%	68.7%	68.4%	4	9	4	0
Tasman	80.1%	76.1%	75.0%	2	1	1	-1
West Coast	76.2%	72.6%	68.1%	6=	4	6	0
Canterbury	76.6%	71.4%	68.3%	5	6	5	0
Otago	74.7%	69.6%	68.0%	9	8	7	-2
Southland	80.3%	75.6%	69.7%	1	2	3	+2
New Zealand	73.8%	67.8%	64.8%				

Source: Statistics New Zealand

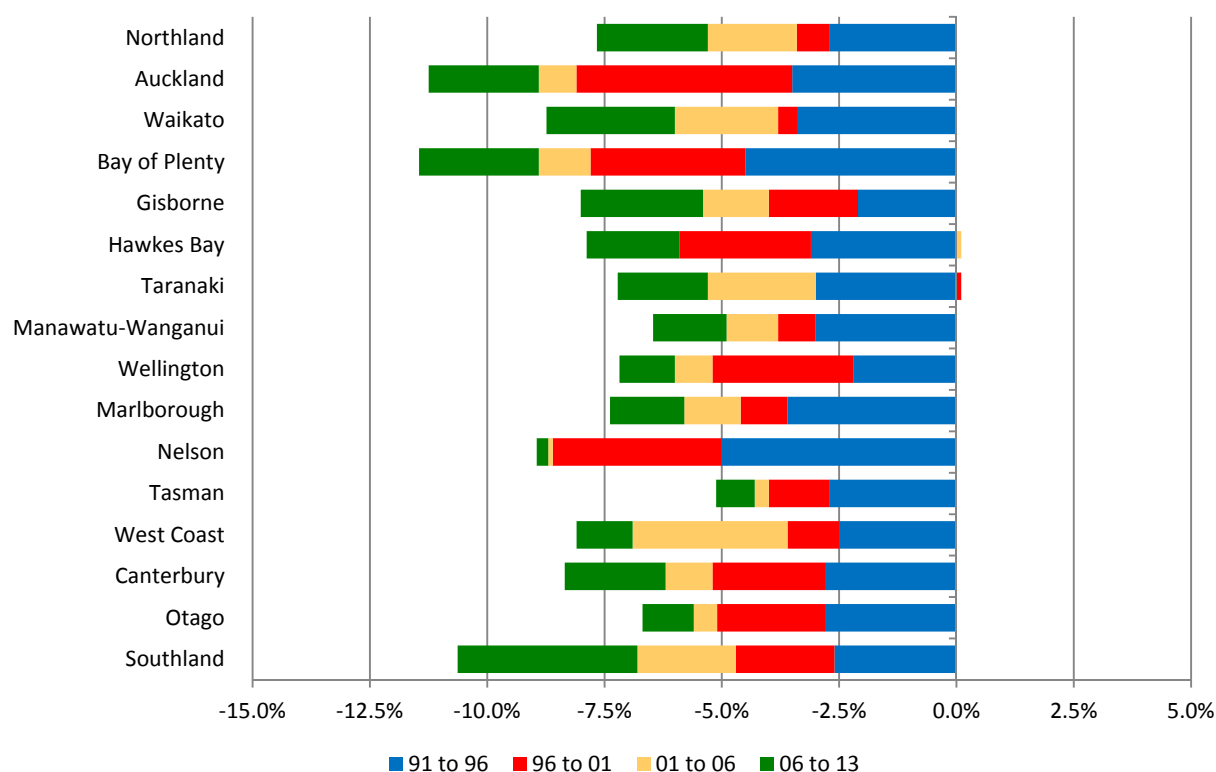
The top of the South Island (Marlborough, Nelson and Tasman regions) maintained their rankings as the area in New Zealand with the highest home ownership rates. Alternatively, the golden triangle of regions in the upper North Island (Auckland, Waikato and Bay of Plenty) continued to experience some of the lowest home ownership rates nationally.

Bay of Plenty recorded the largest fall in their relative ranking between 1991 and 2013 falling from sixth equal highest ranking to 13th in 2013. Other regions experiencing significant change also include Auckland which fell three places from 12th to 15th and Manawatu-Whanganui which improved three places from 14th to 11th.



Figure 4.2 presents the change in home ownership rates by region and each census between 1991 and 2013.

Figure 4.2: Change in Regional Home Ownership Rates by Census 1991 to 2013



Source: Statistics New Zealand and DTZ (2007)

The majority of regions experienced significant change in home ownership rates between 1991 and 1996 whilst in successive inter census periods the rate of change has been more variable. The rate of change is likely to reflect a broad range of national housing policy settings, and regional economic, demographic and institutional factors (including local planning regulations) impacting on each local housing market. These market factors subsequently impact on households' ability to buy their own dwelling, and therefore the local home ownership rates.



4.3.2 Trends in Home Ownership by Age

The objective of this sub-section of the report is to present the trend in the number of renters, owner occupied households and home ownership rates by age. In the context of this report age refers to the age of the household's reference person. Table 4.7 presents the national trend in the rate of home ownership by age group between 1991 and 2013.

Table 4.7: National Trends in Home Ownership Rates between 1991 and 2013

Age Groups	Home Ownership Rates (%)					% Point Change			
	1991	1996	2001	2006	2013	91 to 96	96 to 01	01 to 06	06 to 13
20-24	26.5%	24.7%	22.9%	21.7%	20.1%	-1.8%	-1.8%	-1.2%	-1.6%
25-29	53.6%	45.9%	40.9%	36.3%	32.7%	-7.7%	-5.0%	-4.6%	-3.6%
30-34	68.8%	62.3%	56.3%	52.6%	46.3%	-6.5%	-6.0%	-3.7%	-6.3%
35-39	76.1%	71.5%	65.7%	61.9%	56.7%	-4.6%	-5.8%	-3.8%	-5.2%
40-44	80.8%	77.0%	71.7%	68.5%	63.3%	-3.8%	-5.3%	-3.2%	-5.2%
45-49	83.0%	80.9%	76.0%	73.7%	68.5%	-2.1%	-4.9%	-2.3%	-5.2%
50-54	84.1%	82.5%	79.4%	77.8%	73.0%	-1.6%	-3.1%	-1.6%	-4.8%
55-59	85.3%	83.4%	80.2%	80.5%	76.7%	-1.9%	-3.2%	0.3%	-3.8%
60-64	85.8%	83.9%	80.4%	81.2%	78.7%	-1.9%	-3.5%	0.8%	-2.5%
65 years +	82.9%	81.6%	80.0%	79.5%	79.0%	-1.3%	-1.6%	-0.5%	-0.5%
Total	73.8%	70.7%	67.8%	66.9%	64.8%	-3.1%	-2.9%	-0.9%	-2.1%

Source: Statistics New Zealand and DTZ (2007)

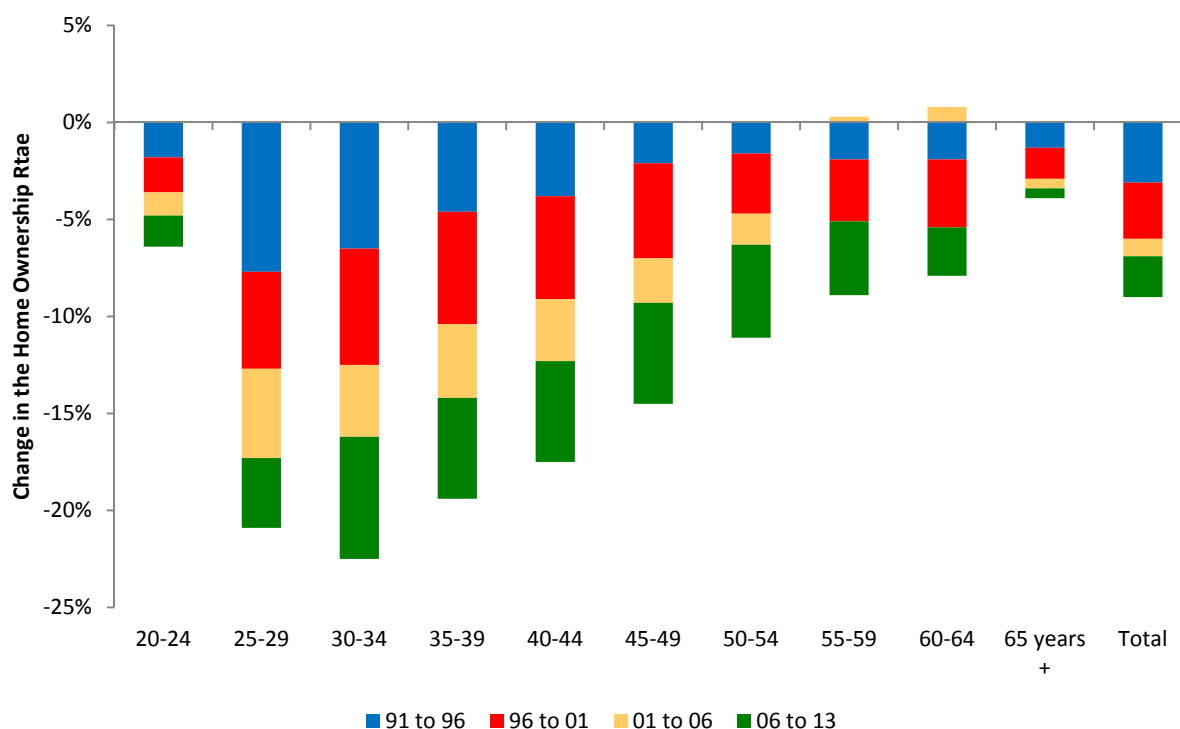
Between 2001 and 2013 home ownership rates have continued to decline across the majority of age groups. Initially (prior to 1996) the largest falls were experienced in households aged less than 40 years of age. With each subsequent census (with the exception of 2001 to 2006 period) older age groups have also experienced larger falls in home ownership rates. It would appear as each cohort (in 5 year age groups) have aged between each census they have carried their lower home ownership rate with them.

Households with reference people aged between 20 and 29 experienced the largest falls in home ownership. These were in excess of 20% between 1991 and 2013. Houses with reference people aged between 30 and 39 experienced falls in excess of 15% over the same time period.



Figure 4.3 presents the change in the level of home ownership rates by age group and census between 1991 and 2013.

Figure 4.3: Change in the Home Ownership Rates by Age Group and Census between 1991 and 2013



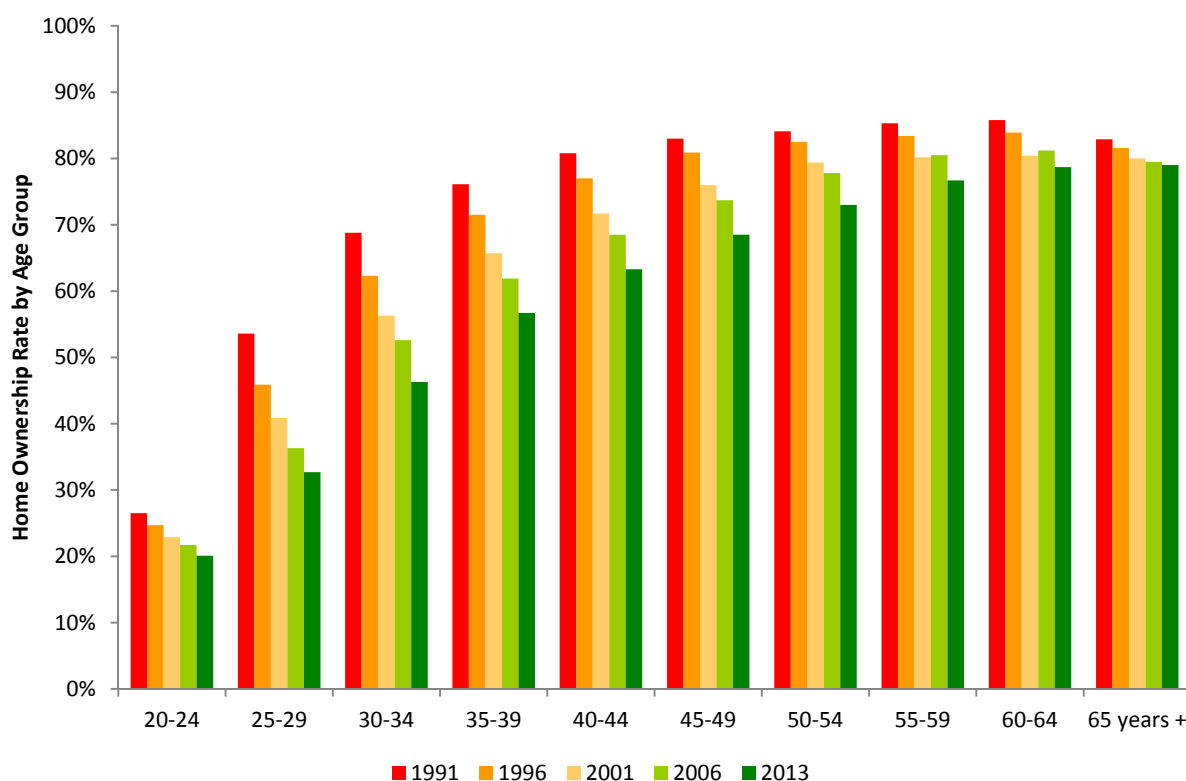
Source: Statistics New Zealand

Home ownership rates declined for all age groups between 1991 and 2013. Households with reference people aged between 30 and 34 years of age have experienced the largest falls in owner occupation, their home ownership rate declined from 68.8% in 1991 to 46.3% in 2013 a fall of 22.5 percentage points. The decline in home ownership rates between 1991 and 2013 was lowest for households with reference people aged 65 years and older. Their home ownership rates declined from 82.9 to 72.0% or 3.9 percentage points between 1991 and 2013.



Figure 4.4 presents the trend in home ownership rates by age group between 1991 and 2013.

Figure 4.4: Home Ownership Rates by Age Group 1991 to 2013



Source: Statistics New Zealand

With each successive census it would appear that structurally lower home ownership rates are being embedded in households. For example, if the age cohort aged 20 to 24 in 1991 is tracked over the last five censuses their home ownership rates are as follows in:

- 1991 the cohort's home ownership rate was 26.5%;
- 1996 the cohort's (now aged 25 to 29 years old) home ownership rate was 45.9%. In 1991 this age group had a home ownership rate of 53.6% which is 7.7 percentage points higher than the 1991 cohort;
- 2001 the cohort's (now aged 30 to 34 years old) home ownership rate was 59.3%. In 1991 this age group had a home ownership rate of 68.8% which is 12.5 percentage points higher than this cohort;
- 2006 the cohort's (now aged 35 to 39 years old) home ownership rate was 61.9%. In 1991 this age group had a home ownership rate of 76.1% which is 14.2 percentage points higher than this cohort; and
- 2013 the cohort's (now aged 40 to 44 years old) home ownership rate was 63.3%. In 1991 this age group had a home ownership rate of 80.8% which is 17.5 percentage points higher than this cohort.



Table 4.8 presents the trend in the number of owner occupied and renter households by age group between 2006 and 2013.

Table 4.8: Owner Occupied and Renter Households by Age Group 2006 and 2013

Age Group	Owner Occupied Households				Renter Households			
	No of Households		Change 2006 to 2013		No of Households		Change 2006 to 2013	
	2006	2013	Number	% Change	2006	2013	Number	% Change
20-24 years	13,875	12,480	-1,395	-10.1%	49,809	49,653	-156	-0.3%
25-29 years	32,964	30,000	-2,964	-9.0%	57,708	61,836	4,128	7.2%
30-34 year	66,468	52,560	-13,908	-20.9%	59,799	61,023	1,224	2.0%
35-39 years	91,575	73,551	-18,024	-19.7%	56,289	56,103	-186	-0.3%
40-44 years	108,336	97,662	-10,674	-9.9%	49,770	56,556	6,786	13.6%
45-49 years	109,104	105,225	-3,879	-3.6%	38,667	48,303	9,636	24.9%
50-54 years	99,492	110,931	11,439	11.5%	28,350	40,962	12,612	44.5%
55-59 years	95,961	101,472	5,511	5.7%	23,031	30,816	7,785	33.8%
60-64 years	74,241	94,092	19,851	26.7%	17,124	25,422	8,298	48.5%
65+ years	209,955	256,464	46,509	22.2%	54,216	68,064	13,848	25.5%

Source: Statistics New Zealand

NB: This table excludes households with reference people aged less than 20 years of age and households where visitors completed the dwelling census form.

The number of owner occupied households aged less than 50 years of age all declined between 2006 and 2013. The rate of decline was highest for households aged between 30 and 39 years of age. The number of renter households increased in all age groups except those aged between 20 and 24 years and 35 to 39 years of age. The percentage change in the number of renter households was higher for all age groups when compared to owner occupied households. The fastest growth in the number of renter households was experienced in those aged between 50 and 64 years of age.



Table 4.9 presents regional home ownership rates by age group as at 2013.

Table 4.9: Regional Home Ownership Rates by Age Group in 2013

	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65 yrs +
Northland	16.6%	31.1%	42.6%	51.5%	61.1%	66.0%	71.4%	76.2%	79.5%	79.4%
Auckland	25.6%	32.6%	45.4%	54.6%	60.4%	64.6%	69.7%	73.6%	76.2%	76.5%
Waikato	16.7%	30.2%	43.6%	53.2%	60.1%	66.3%	71.0%	75.8%	78.0%	78.6%
Bay of Plenty	15.3%	27.9%	41.7%	52.8%	60.2%	65.9%	71.4%	75.2%	77.8%	80.0%
Gisborne	14.5%	26.4%	37.5%	48.3%	54.5%	60.9%	68.4%	70.4%	72.2%	74.0%
Hawkes Bay	16.5%	31.7%	44.6%	55.1%	63.1%	68.5%	71.7%	76.5%	78.3%	78.3%
Taranaki	24.6%	39.2%	52.7%	60.2%	65.9%	71.3%	76.1%	79.0%	80.2%	79.3%
Manawatu-Wanganui	18.0%	33.9%	47.1%	57.4%	65.6%	70.0%	72.7%	76.8%	78.4%	78.1%
Wellington	15.7%	28.9%	44.8%	59.0%	66.0%	71.8%	74.6%	77.9%	79.2%	80.8%
Marlborough	22.6%	35.8%	49.4%	59.9%	66.4%	71.8%	79.0%	81.3%	82.3%	81.4%
Tasman	24.4%	37.8%	50.5%	63.9%	70.1%	75.0%	81.1%	85.9%	86.9%	84.1%
Nelson	19.8%	31.8%	47.2%	57.7%	66.1%	71.1%	73.8%	79.2%	79.9%	81.4%
West Coast	24.7%	37.7%	53.7%	64.4%	70.3%	72.8%	77.2%	78.0%	78.5%	75.1%
Canterbury	19.4%	36.0%	50.9%	61.5%	67.4%	73.0%	76.3%	79.1%	81.0%	80.7%
Otago	15.2%	34.9%	48.9%	62.1%	68.5%	75.1%	80.3%	81.6%	82.8%	81.4%
Southland	25.8%	41.3%	53.5%	62.6%	70.4%	76.4%	80.2%	82.7%	83.1%	80.5%
New Zealand	20.1%	32.7%	46.3%	56.7%	63.3%	68.5%	73.0%	76.7%	78.7%	79.0%

Source: Statistics New Zealand

The upper North Island had lower home ownership rates for households with reference people aged less than 50 years old. In addition, Auckland and Gisborne recorded the lowest home ownership rates for households with reference people aged 50 to 59 years of age. Typically, regions in the South Island had higher home ownership rates for households in their 30s and 40s.

Table 4.10 presents the change in the home ownership rate of households between 2001 and 2013 by region and age group.



Table 4.10: Change in Regional Home Ownership Rates by Age Group 2001 and 2013

Region	20 to 24 years		25 to 29 years		30 to 34 years		35 to 39 years		40 to 44 years		45 to 49 years		50 to 54 years		55 to 59 years		60 to 64 years		65 years +	
	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13	01-06	06-13
Northland	-1.2%	-7.1%	-7.8%	-4.8%	-6.8%	-7.1%	-5.2%	-8.2%	-5.3%	-4.7%	-4.1%	-6.3%	-1.9%	-5.8%	-0.5%	-4.0%	0.5%	-2.0%	-1.3%	-1.2%
Auckland	0.4%	-0.6%	-2.9%	-2.3%	-2.3%	-4.7%	-2.6%	-4.5%	-2.3%	-5.0%	-2.2%	-5.8%	-1.9%	-5.5%	0.4%	-4.8%	0.8%	-2.4%	-0.5%	-1.2%
Waikato	-2.5%	-2.9%	-6.2%	-5.4%	-5.5%	-6.7%	-5.5%	-5.8%	-4.9%	-5.9%	-3.5%	-6.1%	-2.0%	-6.1%	-0.7%	-4.2%	1.0%	-3.5%	-2.2%	-0.8%
Bay of Plenty	-0.6%	-4.7%	-5.0%	-6.1%	-5.5%	-7.0%	-5.0%	-5.2%	-4.7%	-6.1%	-2.8%	-6.9%	-0.8%	-5.7%	-0.6%	-5.4%	0.5%	-4.2%	-0.5%	-0.9%
Gisborne	-0.8%	-4.8%	-5.4%	-5.1%	-2.0%	-9.6%	-2.7%	-6.4%	-4.4%	-5.6%	-4.5%	-6.1%	-2.6%	-3.1%	-1.8%	-3.9%	-1.4%	-3.7%	-2.0%	-0.2%
Hawkes Bay	-2.0%	-3.9%	-3.2%	-5.9%	-2.9%	-7.1%	-2.7%	-6.9%	-1.9%	-4.3%	-2.5%	-3.9%	-2.3%	-5.7%	2.4%	-4.2%	0.8%	-2.4%	0.3%	-0.2%
Taranaki	-0.4%	-1.9%	-11.1%	-1.3%	-9.7%	-2.3%	-11.1%	-3.7%	-7.4%	-5.7%	-7.0%	-5.8%	-6.9%	-4.1%	-3.5%	-4.3%	-3.7%	-2.8%	-5.1%	0.0%
Man-Wanga	-1.7%	-1.5%	-4.6%	-3.8%	-2.4%	-6.2%	-3.6%	-4.7%	-4.5%	-3.4%	-2.3%	-4.3%	-1.5%	-5.1%	-0.8%	-3.0%	0.6%	-3.4%	-0.7%	0.1%
Wellington	-1.0%	-1.4%	-4.5%	-3.5%	-3.9%	-7.4%	-3.4%	-4.7%	-2.5%	-4.3%	-0.9%	-3.6%	-1.8%	-3.1%	0.6%	-2.8%	2.6%	-3.0%	-0.4%	1.0%
Marlborough	0.1%	-1.6%	-3.4%	-4.5%	-5.3%	-5.8%	-1.1%	-5.8%	-7.3%	-4.6%	-0.8%	-7.8%	0.8%	-2.6%	-1.4%	-0.1%	-2.0%	-1.1%	-0.9%	-0.4%
Nelson	-0.8%	1.2%	-2.5%	-2.7%	-4.7%	-5.2%	-3.5%	-4.2%	-0.9%	-3.9%	-1.4%	-4.1%	-3.0%	-3.1%	1.9%	-2.0%	-3.6%	0.9%	0.1%	-1.1%
Tasman	-2.5%	-6.4%	-5.1%	-6.0%	-2.6%	-10.5%	-4.5%	-3.7%	-4.6%	-4.5%	-2.8%	-6.2%	1.1%	-4.3%	2.9%	-2.4%	0.9%	0.2%	-0.7%	0.2%
West Coast	-5.9%	0.1%	-10.0%	-4.3%	-5.4%	-4.7%	-7.0%	-2.1%	-4.9%	-2.4%	-4.9%	-2.9%	-2.9%	-2.2%	-0.8%	-4.7%	-2.1%	-1.7%	-2.1%	1.6%
Canterbury	-2.7%	-1.3%	-4.8%	-5.0%	-3.1%	-7.9%	-4.0%	-5.4%	-2.5%	-5.7%	-2.0%	-4.2%	-1.4%	-4.4%	0.4%	-3.7%	0.5%	-1.9%	-0.4%	-0.4%
Otago	-1.9%	0.0%	-7.2%	-1.5%	-4.2%	-7.9%	-3.7%	-6.3%	-1.9%	-6.0%	-0.8%	-3.8%	-0.1%	-1.7%	1.6%	-2.2%	2.8%	-0.8%	2.3%	0.0%
Southland	-3.0%	-3.0%	-6.8%	-5.6%	-6.9%	-9.2%	-4.8%	-9.6%	-3.6%	-7.5%	-1.0%	-6.6%	-0.1%	-5.6%	0.7%	-3.5%	0.7%	-2.2%	-1.3%	1.0%
New Zealand	-1.2%	-1.7%	-4.6%	-3.7%	-3.7%	-6.4%	-3.8%	-5.2%	-3.2%	-5.2%	-2.3%	-5.3%	-1.6%	-4.8%	0.3%	-3.9%	0.8%	-2.5%	-0.5%	-0.4%

Source: Statistics New Zealand and DTZ (2007)



Key trends include:

- Home ownership rates in households with reference people aged 65 years and over have not yet experienced the same falls as other age groups;
- Between 2006 and 2013 the home ownership rate in Auckland fell by more than 4.5% in households aged between 30 and 59 years old. A similar trend was experienced in other upper North Island regions;
- Upper South Island households aged between 50 and 59 years of age experienced relatively lower falls in home ownership rates;
- Taranaki households aged between 40 and 49 years old experienced falls in home ownership rates in excess of 5.5% between 2006 and 2013;
- Marlborough households aged between 30 and 39 years of age experienced falls in home ownership rates of 5.8% between 2006 and 2013;
- Otago and Southland households aged between 30 and 44 years of age experienced falls in home ownership rates in excess of 6.0% (in Otago) and 7.5% (in Southland) between 2006 and 2013;

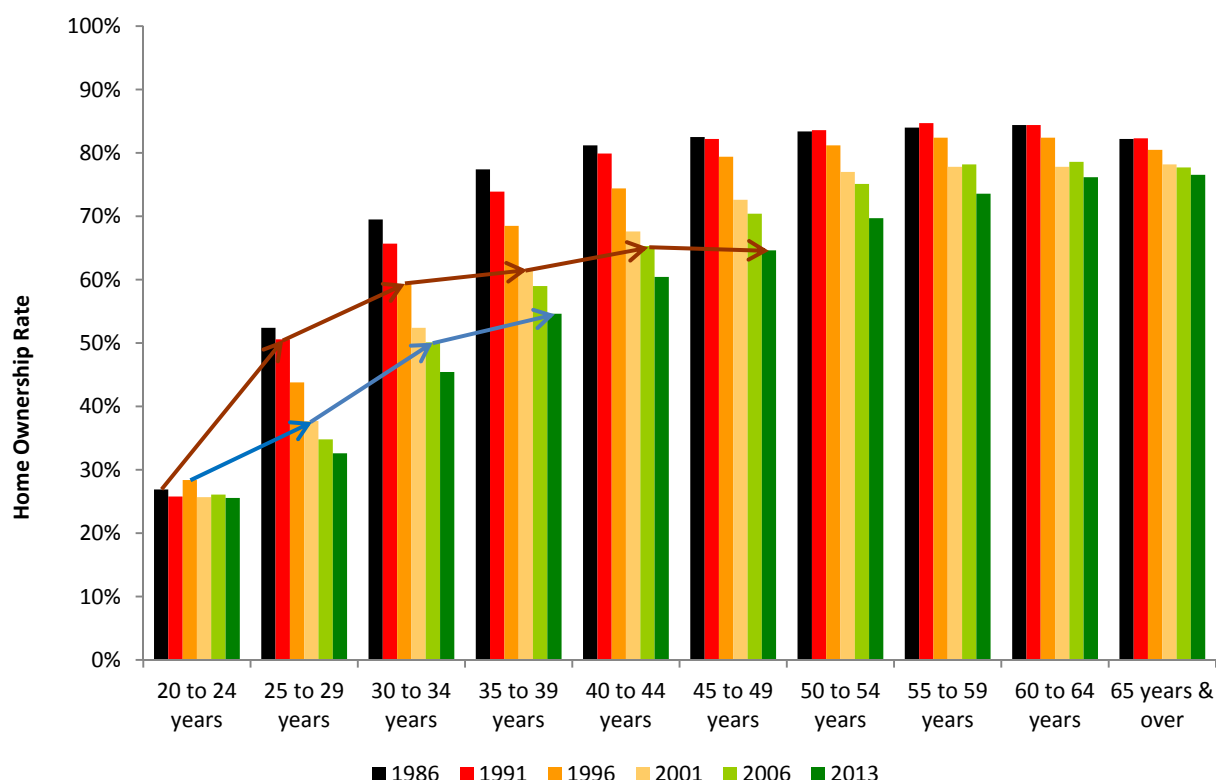
Some of the regions which experienced smaller falls in home ownership rates prior to 2006 now appear to have had significant falls in younger age groups (between 2006 and 2013). If this trend continued, it would suggest that these regions have only experienced a delay in the fall in home ownership rates compared to the rest of the country.



Auckland Region Trends

Figure 4.5 presents the Auckland region's trend in home ownership rates by age of the reference person between 1986 and 2013.

Figure 4.5: Auckland Region - Home Ownership Rates by Age of the Reference Person 1986 to 2013



Source: Statistics New Zealand and DTZ (2007)

Auckland like the rest of the country has experienced significant falls in the level of home ownership by age group. This trend appeared to start in Auckland slightly earlier than other regions. Figure 4.5 also tracks the home ownership rate of two cohorts. The first cohort was aged 20 to 24 years old in 1986 (brown line) and the second was aged 20 to 24 years in 1996 (blue line).

This implies that households younger than 45 years of age are struggling to achieve home ownership rates in excess of 60%. This would suggest a fall in home ownership rates of in excess of 20%, once the full impact of the structurally lower home ownership rates filters through the age profile over the next three decades. This assumes there are no major structural changes or shifts in housing market drivers over this period.



4.3.3 Trends in Home Ownership Rates by Household Composition

This section considers home ownership rates in terms of household composition. The focus is on the aggregate New Zealand trend and regional variations. Table 4.11 presents the trend in home ownership rates by household composition over the 1991 to 2013 period.

Table 4.11: Home Ownership Rates by Household Composition 1991 to 2013

Household Composition	Home Ownership Rates (%)					% Point Change		
	1991	1996	2001	2006	2013	1991 to 2001	2001 to 2013	1991 to 2013
Couple-only	82.9%	81.2%	79.6%	79.3%	78.4%	-3.3%	-0.9%	-4.5%
Couple-with-children	83.9%	80.1%	77.0%	75.6%	71.7%	-6.9%	-3.9%	-12.2%
Other-couples ⁴	68.9%	63.2%	62.8%	58.9%	57.3%	-6.1%	-1.6%	-11.6%
One-parent with Children	60.8%	54.6%	50.5%	48.3%	44.0%	-10.3%	-4.3%	-16.8%
One-person household	65.8%	64.9%	63.5%	61.0%	59.8%	-2.3%	-1.2%	-6.0%
Two+-family households	71.7%	65.4%	60.9%	62.1%	60.4%	-10.8%	-1.7%	-11.3%
Unrelated households	35.3%	35.0%	31.2%	32.2%	31.8%	-4.1%	-0.4%	-3.5%
Other ⁵	50.9%	45.2%	44.6%	41.6%	40.1%	-6.3%	-1.5%	-10.8%
Total	73.8%	70.7%	67.8%	66.9%	64.8%	-6.0%	-2.1%	-9.0%

Source: Statistics New Zealand

Home ownership rates fell for all household composition categories between 1991 and 2001, and 2001 to 2013. The composition types experiencing the strongest declines in home ownership rate included couples with children, one parent with children, and two or more family households. These household types all have children.

⁴ Couple-only and other person(s) – Couple with Child(ren) and other person(s)

⁵ Not included in any other category



Table 4.11 presents the trend in the number of owner occupied and renter households by household composition between 2006 and 2013.

Table 4.11: Owner Occupied and Renter Households by Household Composition - 2006 and 2013

Household Composition	Owner Occupied Households				Renter Households			
	No of Households		Change 2006 to 2013		No of Households		Change 2006 to 2013	
	2006	2013	Number	% Change	2006	2013	Number	% Change
Couple-only	283,635	301,488	17,853	6.3%	73,941	82,905	8,964	12.1%
Couple-with-children	291,363	284,727	-6,636	-2.3%	93,888	112,221	18,333	19.5%
Other-couples ⁶	34,428	37,500	3,072	8.9%	23,985	27,924	3,939	16.4%
One-parent with Children	62,343	58,089	-4,254	-6.8%	66,753	73,893	7,140	10.7%
One-person household	180,444	192,978	12,534	6.9%	115,434	129,906	14,472	12.5%
Two-family households	22,095	27,726	5,631	25.5%	13,479	18,207	4,728	35.1%
Three+ family households	1,386	1,965	579	41.8%	990	1,425	435	43.9%
Unrelated households	17,952	17,724	-228	-1.3%	37,845	37,929	84	0.2%
Other ⁷	18,231	18,534	303	1.7%	25,650	27,699	2,049	8.0%
Total	911,877	940,731	28,854	3.2%	451,962	512,109	60,147	13.3%

Nationally the key trends between 2006 and 2013 included:

- The number of couple with children households in owner occupied dwellings fell by 6,636 (or -2.3%) while the number of renters increased by 18,333 (or +19.5%);
- One parent with children households followed a similar trend with the number of owner occupiers decreasing by 4,254 (or -6.8%) whilst the number of renters increased by 14,472 (or +12.5%); and
- The number of couple only owner occupiers increased by 17,853 whilst the number of renters increased by 8,964. Along with two or more family households these were the only types of households where the number of owner occupied households increased faster than the number of renter households.

Table 4.13 presents the trend in the home ownership rate by household composition and region between 2006 and 2013.

⁶ Couple-only and other person(s) – Couple with Child(ren) and other person(s)

⁷ Not included in any other category



Table 4.13: Change in Regional Home Ownership Rates by Age Group 2006 and 2013

Region	Couple only		Couple with Children		Other Couple		One Parent		One Person		Two Family Hhlds		Three or More Families		Unrelated People		Other		Total	
	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13	2013	06 to 13
Northland	83.1%	0.6%	68.5%	-4.5%	65.6%	-0.2%	41.0%	-6.6%	61.1%	-1.6%	59.1%	-4.4%	42.9%	-10.5%	45.6%	2.3%	40.6%	-6.1%	66.2%	-2.4%
Auckland	72.2%	-2.0%	69.4%	-3.7%	57.4%	-1.0%	42.7%	-3.6%	57.6%	-1.9%	60.4%	-0.1%	59.3%	-0.6%	32.7%	-1.0%	38.9%	-1.5%	61.5%	-2.4%
Waikato	78.6%	-1.2%	67.7%	-3.9%	55.6%	-1.6%	39.4%	-5.9%	57.5%	-1.8%	56.3%	-5.2%	52.2%	2.2%	30.5%	-2.2%	37.1%	-1.5%	62.7%	-2.7%
Bay of Plenty	80.9%	-0.9%	68.9%	-3.9%	58.0%	-4.6%	39.1%	-5.7%	60.7%	-1.4%	58.7%	-3.3%	56.3%	3.9%	36.7%	-0.8%	39.5%	0.3%	64.7%	-2.6%
Gisborne	79.1%	0.2%	64.3%	-4.8%	55.9%	-5.2%	37.1%	-4.3%	56.0%	-0.3%	51.3%	-7.7%	50.0%	-11.5%	37.9%	-2.4%	36.1%	-3.8%	59.2%	-2.6%
Hawkes Bay	82.3%	-0.5%	72.0%	-3.6%	60.6%	0.4%	41.0%	-4.0%	60.0%	-1.8%	58.5%	-0.8%	58.3%	6.3%	40.2%	3.0%	39.6%	-2.1%	65.9%	-2.0%
Taranaki	82.6%	-0.4%	72.1%	-3.4%	62.5%	-4.4%	45.8%	-4.6%	62.1%	-0.5%	60.3%	-3.6%	83.3%	-16.7%	39.1%	-3.1%	42.3%	-3.2%	68.0%	-1.9%
Man-Wanga	81.7%	0.1%	71.6%	-3.8%	59.1%	-0.7%	43.7%	-4.1%	58.7%	-0.9%	59.7%	-1.4%	60.0%	1.2%	33.3%	2.8%	41.2%	0.2%	65.2%	-1.6%
Wellington	76.4%	-0.4%	76.1%	-3.1%	53.3%	-1.3%	47.7%	-2.4%	59.5%	-0.1%	60.7%	-3.0%	57.3%	-4.3%	23.9%	-0.5%	40.0%	-1.1%	64.9%	-1.2%
Marlborough	83.5%	-0.2%	74.5%	-2.6%	62.1%	1.7%	43.9%	-7.8%	63.4%	-1.6%	65.8%	3.6%	25.0%	-	41.6%	-2.8%	44.4%	-2.3%	70.9%	-1.6%
Nelson	81.6%	1.1%	74.3%	-4.8%	59.3%	-0.5%	44.0%	-3.0%	64.8%	1.3%	64.6%	1.3%	50.0%	-	42.8%	1.4%	39.9%	-0.3%	68.4%	-0.3%
Tasman	86.6%	0.5%	78.2%	-2.9%	75.0%	1.5%	49.6%	-6.6%	66.1%	0.7%	70.9%	-6.2%	75.0%	-	51.4%	4.4%	46.4%	-5.0%	75.0%	-0.8%
West Coast	80.5%	-0.4%	74.9%	-3.7%	64.0%	-6.6%	49.2%	-5.3%	58.2%	0.3%	74.4%	-3.4%	-	-	35.5%	0.6%	52.6%	-2.1%	68.1%	-1.2%
Canterbury	80.5%	-1.3%	75.8%	-4.6%	56.9%	-4.3%	49.6%	-2.6%	62.1%	-1.0%	63.6%	-3.8%	53.8%	1.7%	33.5%	-0.3%	43.7%	-1.1%	68.3%	-2.1%
Otago	82.0%	0.5%	76.6%	-4.0%	53.4%	1.5%	51.7%	-5.0%	62.1%	-1.0%	65.3%	-3.1%	62.5%	5.4%	21.4%	0.7%	45.2%	1.9%	68.0%	-1.0%
Southland	83.4%	-1.4%	75.0%	-6.1%	60.6%	-5.4%	47.9%	-7.6%	62.1%	-2.6%	63.1%	-7.3%	-	-	39.1%	-0.7%	42.1%	-4.7%	69.7%	-3.8%
New Zealand	78.4%	-0.9%	71.7%	-3.9%	57.3%	-1.6%	44.0%	-4.3%	59.8%	-1.2%	60.4%	-1.7%	58.0%	-0.4%	31.8%	-0.3%	40.1%	-1.5%	64.8%	-2.1%

Source: Statistics New Zealand



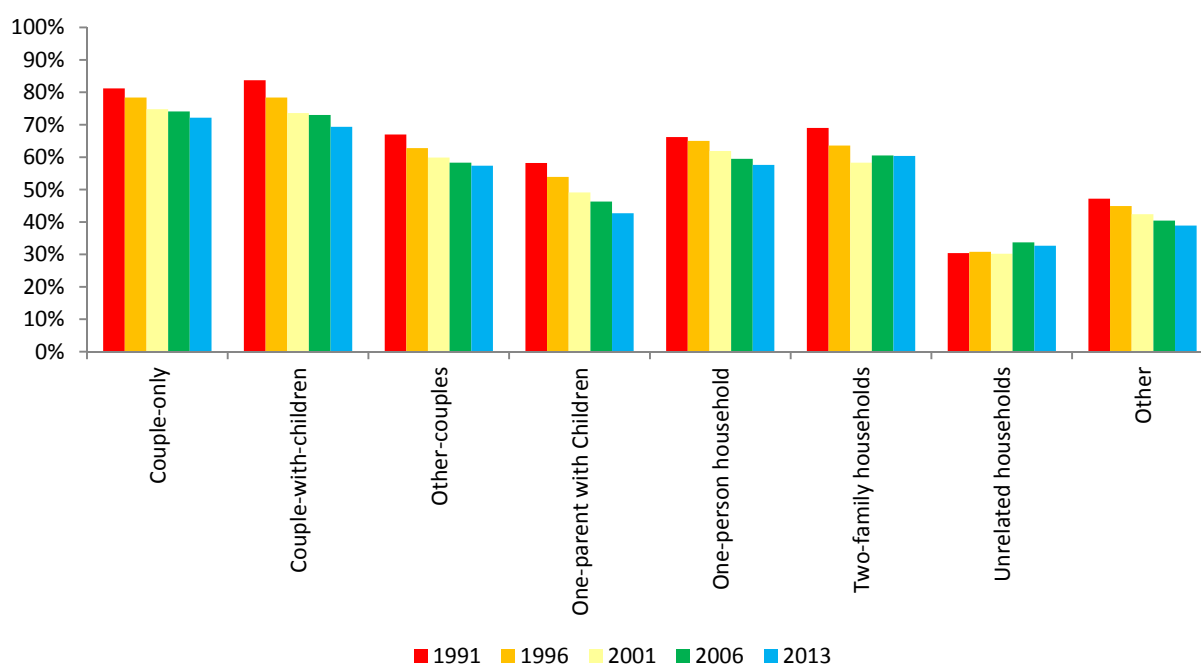
Key regional trends between 2006 and 2013 included:

- A number of regions had high home ownership rates for couple only households and these were Northland (83.1%) Tasman (86.6%) and Southland (83.4%) compared to the national average of 78.4%. Bay of Plenty experienced a 4.9 percentage point decline in couple only home ownership rates between 2006 and 2013 whilst Waikato experienced a 3.9 percentage point increase;
- Couple with children home ownership rates were higher than the national average from Wellington South to Southland. Gisborne had the lowest home ownership rate (7.4 percentage points below the national average) whilst Otago had the highest at 76.6% or 4.9 percentage points above the national average. Southland and Nelson experienced the largest fall in home ownership rates;
- One parent with children households were either close to or higher than the national average from Wellington South to Southland. Gisborne recorded the lowest home ownership rate at 37.1% which was 6.9 percentage points lower than the national average. Regions experiencing large changes in their one parent household home ownership rates were Marlborough (a 7.8 percentage point decline), Southland (a 7.6 percentage point decline) and Tasman and Northland (both experienced a 6.6 percentage point decline); and
- One person household home ownership rates in the regions located in the South Island all had home ownership rates higher than the national average. Gisborne had the lowest rate at 56.0% which was 3.8 percentage points lower than the national average.

Auckland Region trends

Figure 4.7 presents the trend in home ownership rates by household composition between 1991 and 2013.

Figure 4.7: Auckland Region - Home Ownership Rates by Household Composition 1991 to 2013





Over the 22 year period couple with children and one person households have experienced the steadiest decline in home ownership rates of all the key household composition categories.

Table 4.14 presents the trend in the number of owner occupied and renter households by household composition in Auckland between 2006 and 2013.

Table 4.14: Auckland Owner Occupied and Renter Households by Household Composition - 2006 and 2013

Household Composition	Owner Occupied Households				Renter Households			
	No of Households		Change 2006 to 2013		No of Households		Change 2006 to 2013	
	2006	2013	Number	% Change	2006	2013	Number	% Change
Couple-only	66,441	68,826	2,385	3.6%	23,130	26,547	3,417	14.8%
Couple-with-children	91,008	93,396	2,388	2.6%	33,639	41,265	7,626	22.7%
Other-couples ⁸	14,583	16,575	1,992	13.7%	10,425	12,324	1,899	18.2%
One-parent with Children	17,979	17,187	-792	-4.4%	20,829	23,067	2,238	10.7%
One-person household	44,049	45,039	990	2.2%	29,961	33,117	3,156	10.5%
Two-family households	10,569	14,334	3,765	35.6%	6,903	9,414	2,511	36.4%
Three+ family households	945	1,362	417	44.1%	633	936	303	47.9%
Unrelated households	5,736	6,426	690	12.0%	11,280	10,098	-1,182	-10.5%
Other ⁹	6,192	5,799	-393	-6.3%	9,153	11,943	2,790	30.5%
Total	257,502	268,944	11,442	4.4%	145,953	168,708	22,755	15.6%

The trend in owner occupied and renter households living in Auckland by household composition is broadly consistent with the national trend although Auckland has experienced a stronger increase in the number of owner occupied households.

With the exception of unrelated households, all other types of household composition experienced faster growth in renter households when compared to owner occupiers. Couple with children living in rented accommodation increased by 7,626 or 22.7% between 2006 and 2013 compared to 2,388 living in owner occupied accommodation. The number of one parent with children families living in rented accommodation increased by 2,238 (or +10.7%) between 2006 and 2013 whilst the number living in owner occupied dwellings fell by 792 (or -4.4%)

Two and three or more family households also experienced strong growth in both rented and owner occupied accommodation. The growth in multi-family households could reflect a number of trends. These include a trend towards multi-generational households or households crowding to improve housing affordability.

⁸ Couple-only and other person(s) – Couple with Child(ren) and other person(s)

⁹ Not included in any other category



4.3.4 National Trends in Home Ownership Rates by Household Income

The objective of this sub-section of the report is to present the trend in home ownership rates and the number of owner occupied and renter households. Table 4.15 examines the nation-wide changes in home ownership rates by household income between 1991 and 2013.

Table 4.15: Home Ownership Rates by Household Income 1991 to 2013

Household Income	Home Ownership Rates (%)					% Point Change		
	1991	1996	2001	2006	2013	91 to 01	01 to 13	91 to 13
\$0-\$10,000	56.5%	50.3%	46.4%	40.7%	36.0%	-10.1%	-10.4%	-20.5%
\$10,001 - \$20,000	67.7%	64.0%	61.1%	57.1%	46.8%	-6.6%	-14.3%	-20.9%
\$20,001 - \$30,000	71.8%	69.0%	66.4%	63.3%	59.8%	-5.4%	-6.6%	-12.0%
\$30,001 - \$50,000	77.2%	73.0%	68.8%	62.9%	61.1%	-8.4%	-7.7%	-16.1%
\$50,001 - \$70,000	82.7%	79.5%	75.3%	70.0%	63.3%	-7.4%	-12.0%	-19.4%
\$70,000 and Over	87.2%	84.4%	80.5%	79.4%	76.3%	-6.7%	-4.2%	-10.9%
Total ¹⁰	73.8%	70.7%	67.8%	66.9%	64.8%	-6.0%	-3.0%	-9.0%

Source: Statistics New Zealand

Note prior to 2001 \$70,000 and over was the highest income category used by Statistics New Zealand

Households with lower levels of household income have lower home ownership rates. In addition households with the lowest household incomes (less than \$20,000 per annum) experienced the largest declines in home ownership rates (over 20 percentage points). Households earning between \$50,000 and \$70,000 per annum experienced the next largest fall in home ownership rates (19.4 percentage points).

¹⁰ Total includes households where the household income was not provided.



Table 4.16 examines the trend in the changes in the number of renter and owner occupied households between 2006 and 2013.

Table 4.16: Number of Owner Occupied and Renter Households by Household Income 2006 and 2013

Household Income	Owner Occupied Households				Renter Households			
	No of Households		Change 2006 to 2013		No of Households		Change 2006 to 2013	
	2006	2013	Hhlds	%	2006	2013	Hhlds	%
\$0-\$10,000	18,450	14,787	-3,663	-19.9%	25,404	26,025	621	2.4%
\$10,001- \$20,000	82,056	45,441	-36,615	-44.6%	61,665	51,609	-10,056	-16.3%
\$20,001-\$30,000	94,743	82,965	-11,778	-12.4%	54,966	55,848	882	1.6%
\$30,001-\$50,000	146,013	138,453	-7,560	-5.2%	86,016	88,143	2,127	2.5%
\$50,001 - \$70,000	136,083	119,748	-16,335	-12.0%	58,350	69,324	10,974	18.8%
\$70,001 - \$100,000	141,063	163,662	22,599	16.0%	46,107	70,272	24,165	52.4%
\$100,001 or More	192,723	289,245	96,522	50.1%	40,242	70,734	30,492	75.8%
<i>\$100,000 - \$150,000</i>		<i>157,965</i>				<i>45,714</i>		
<i>\$150,000 & over</i>		<i>131,280</i>				<i>25,020</i>		
Not Stated	100,752	86,427	-14,325	-14.2%	79,218	80,151	933	1.2%
Total	911,877	940,728	28,851	3.2%	451,962	512,109	60,147	13.3%

Source: Statistics New Zealand

Note prior to 2013 \$100,000 and over was the highest income category used by Statistics New Zealand

Key national trends in the number of owner occupied and renter households between 2006 and 2013 include:

- The number of owner occupied households earning less than \$70,000 fell between 2006 and 2013 by 75,951 households or 16%;
- The strongest growth in renter households was in higher income groups. The number of renters earning more than \$100,000 increased by 75.8% or 30,492 households., Renter households earning between \$70,000 and \$100,001 also increased by 52.4% or 24,165.

Table 4.17 presents the trend in regional rates of home ownership by household income between 2006 and 2013.



Table 4.17: Regional Home Ownership Rates by Household Income 2006 and 2013

	\$0-\$10,000		\$10,001-\$20,000		\$20,001-\$30,000		\$30,001-\$50,000		\$50,001-\$70,000		\$70,001-\$100,000		\$100,001 or More		Not Stated		Total	
	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13
Northland	45.6%	-9.2%	52.9%	-8.8%	62.5%	-4.7%	65.9%	-1.4%	68.9%	-3.7%	75.5%	-3.0%	83.5%	-1.9%	55.2%	-3.7%	66.2%	-2.4%
Auckland	31.7%	-6.4%	42.9%	-10.8%	54.9%	-2.8%	54.6%	-2.2%	57.0%	-7.1%	63.4%	-6.9%	75.3%	-5.2%	47.8%	-3.1%	61.5%	-2.4%
Waikato	35.4%	-6.4%	45.4%	-10.8%	57.9%	-3.5%	58.5%	-2.5%	60.1%	-7.7%	68.9%	-5.9%	81.5%	-1.6%	49.4%	-5.7%	62.7%	-2.7%
Bay of Plenty	40.5%	-6.8%	47.9%	-10.1%	59.8%	-5.7%	62.1%	-2.0%	64.8%	-6.2%	72.2%	-5.3%	82.8%	-1.9%	52.2%	-4.6%	64.7%	-2.6%
Gisborne	28.2%	-8.0%	40.9%	-9.5%	54.9%	-1.7%	58.0%	-2.5%	61.2%	-9.9%	70.7%	-4.4%	82.4%	-3.3%	46.2%	-6.0%	59.2%	-2.6%
Hawke's Bay	32.8%	-11.2%	45.4%	-12.2%	61.2%	-2.8%	64.1%	-1.4%	67.5%	-6.3%	76.1%	-4.1%	85.8%	-1.6%	52.1%	-3.5%	65.9%	-2.0%
Taranaki	40.0%	-4.7%	49.7%	-10.4%	63.0%	-3.8%	64.9%	-2.6%	68.7%	-6.0%	74.9%	-5.9%	83.3%	-2.2%	57.5%	-4.2%	68.0%	-1.9%
Mana-Wanga	69.0%	26.6%	59.2%	3.5%	70.4%	6.4%	58.7%	-6.3%	72.1%	-0.7%	69.9%	-9.6%	85.4%	-1.0%	56.5%	-0.2%	65.1%	-1.7%
Wellington	32.3%	-1.0%	43.3%	-9.4%	58.2%	-1.8%	59.2%	-1.2%	61.6%	-6.3%	67.7%	-5.9%	79.5%	-2.3%	54.8%	0.4%	64.1%	-2.0%
Marlborough	52.6%	-5.4%	52.9%	-12.1%	66.8%	-5.2%	69.4%	-0.7%	70.3%	-4.8%	77.2%	-1.8%	85.9%	-0.8%	60.1%	-3.2%	70.9%	-1.6%
Nelson	42.0%	-1.9%	49.8%	-9.5%	61.8%	-5.0%	65.2%	-1.2%	69.7%	-3.9%	77.2%	-1.9%	84.8%	0.7%	58.2%	0.4%	68.4%	-0.2%
Tasman	55.9%	-6.6%	60.4%	-7.1%	68.0%	-4.5%	73.3%	0.1%	75.0%	-3.8%	82.4%	-1.4%	89.2%	-1.0%	66.6%	-5.0%	75.0%	-0.8%
West Coast	43.8%	-10.1%	54.6%	-6.4%	63.0%	-6.3%	65.0%	-3.3%	69.2%	-4.5%	76.0%	-4.1%	81.8%	-0.5%	60.5%	-3.3%	68.1%	-1.2%
Canterbury	42.8%	-1.2%	51.0%	-8.6%	64.7%	-2.1%	65.3%	-1.4%	66.2%	-8.4%	72.5%	-7.3%	81.3%	-5.1%	56.3%	-5.6%	68.3%	-2.1%
Otago	39.2%	-3.8%	49.1%	-11.6%	62.6%	-3.0%	65.9%	-1.2%	68.3%	-5.2%	75.8%	-2.7%	83.8%	0.7%	57.2%	-5.1%	68.0%	-1.0%
Southland	41.5%	-10.3%	51.4%	-11.5%	64.1%	-5.6%	65.7%	-5.2%	70.4%	-8.6%	77.0%	-6.8%	85.8%	-2.6%	58.2%	-8.2%	69.7%	-3.8%
Total	36.2%	-5.8%	46.8%	-10.3%	59.8%	-3.5%	61.1%	-1.8%	63.3%	-6.7%	70.0%	-5.4%	80.4%	-2.4%	51.9%	-4.1%	64.8%	-2.1%

Source: Statistics New Zealand



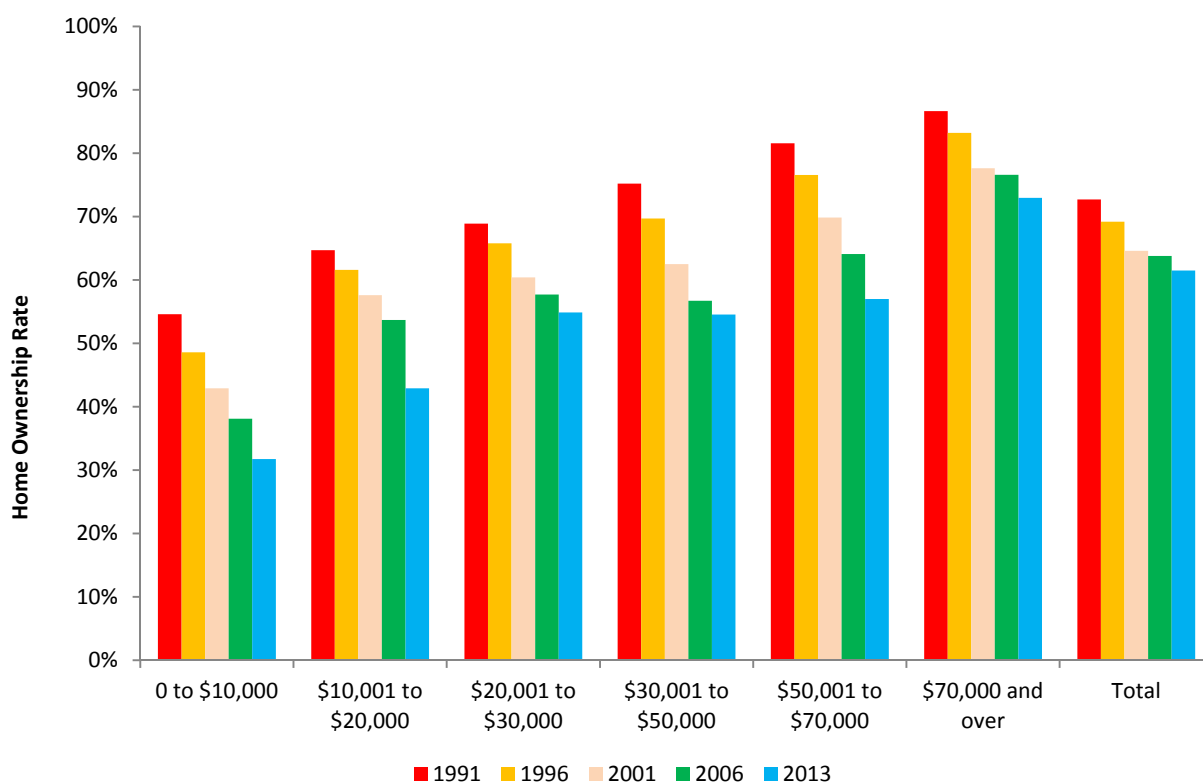
Key trends include:

- Marlborough, Nelson and Tasman regions have significantly high rates of home ownership across most income groups and the rate of home ownership in higher income groups (over \$50,000 per annum) did not decline as much as other regions between 2006 and 2013;
- Auckland has significantly lower rates of home ownership in higher income groups in 2013 and the rate of decline in home ownership rates between 2006 and 2013 was also significantly higher; and
- Southland has significantly higher rates of home ownership in the upper income groups when compared to the national average and the rate of decline between 2006 and 2013 is marginally higher than the national average.

Auckland Region Trends

Figure 4.8 presents the trend in home ownership rates by household income between 1991 and 2013 in the Auckland Region.

Figure 4.8: Auckland Region Home Ownership Rates by Household Income 1991 to 2013



Source: Statistics New Zealand



Auckland's home ownership rates by household income between 1991 and 2013 have followed a similar trend to the national average albeit with lower overall levels of home ownership. Home ownership rates fell from:

- 54.6% in 1991 to 31.7% in 2013, a fall of 22.9 percentage points, for households with incomes between \$0 and \$10,000 per annum;
- 64.7% in 1991 to 42.9% in 2013, a fall of 21.8 percentage points, for households with incomes between \$10,001 and \$20,000 per annum;
- 68.9% in 1991 to 54.9% in 2013, a fall of 14.0 percentage points, for households with incomes between \$20,001 and \$30,000 per annum;
- 75.2% in 1991 to 54.6% in 2013, a fall of 20.6 percentage points, for households with incomes between \$30,001 and \$50,000 per annum;
- 81.6% in 1991 to 57.0% in 2013, a fall of 24.6 percentage points, for households with incomes between \$50,001 and \$70,000 per annum;
- 86.6% in 1991 to 73.0% in 2013, a fall of 13.7 percentage points, for households with incomes over \$70,000 per annum.

Table 4.18 examines the trend in the changes in the number of owner occupied and renter households in the Auckland Region between 2006 and 2013.

Table 4.18: Auckland Region Owner Occupied and Renter Households by Household Income 2006 and 2013

Household Income	Owner Occupied Households				Renter Households			
	No of Households		Change 2006 to 2013		No of Households		Change 2006 to 2013	
	2006	2013	2006	2013	2006	2013	2006	2013
\$0-\$10,000	5,166	4,509	-657	-12.7%	8,385	9,693	1,308	15.6%
\$10,001- \$20,000	17,097	9,633	-7,464	-43.7%	14,751	12,819	-1,932	-13.1%
\$20,001-\$30,000	18,846	17,538	-1,308	-6.9%	13,806	14,412	606	4.4%
\$30,001-\$50,000	32,484	30,207	-2,277	-7.0%	24,783	25,164	381	1.5%
\$50,001 - \$70,000	33,378	28,722	-4,656	-13.9%	18,699	21,672	2,973	15.9%
\$70,001 - \$100,000	41,904	43,191	1,287	3.1%	17,754	24,945	7,191	40.5%
\$100,001 or More	78,933	109,002	30,069	38.1%	19,167	31,440	12,273	64.0%
\$100,000 - \$150,000		52,599				19,470		
\$150,000 & over		56,403				11,970		
Not Stated	29,691	26,139	-3,552	-12.0%	28,611	28,563	-48	-0.2%
Total	257,502	268,944	11,442	4.4%	145,950	168,708	22,758	15.6%

Source: Statistics New Zealand

Note prior to 2013 \$100,000 and over was the highest income category used by Statistics New Zealand

The number of owner occupied households fell in all income groups under \$70,000 per annum. There was strong growth in the number of owner occupied households earning more than \$100,000 per annum. The number of renter households increased in all income categories except those earning between \$10,001 and \$20,000 per annum. Renter households now account for 50% of all households earning less than \$50,000, up



3 percentage points since 2006. In addition the proportion of renter households earning between \$50,001 and \$70,000 increased from 34% in 2006 to 43% in 2013, an increase of 9 percentage points.

4.3.5 Trends in Home Ownership Rates by Ethnicity

Table 4.19 presents data on home ownership rates from 1991 to 2013 in terms of ethnicity. Ethnicity is defined in terms of the ethnic group that the dwelling reference person identifies with. For this reason caution needs to be exercised in the interpretation of ethnicity home ownership data. Also, the ethnicity question is one of several census questions in which people may provide more than one response. Another challenge in interpreting the data around ethnicity is Statistics New Zealand has varied the way in which they have asked the question around ethnicity in the different census. For example, in the 2006 Census, Statistics New Zealand introduced two new categories, New Zealander and Middle Eastern/Latin American/African¹¹.

Table 4.19: Home Ownership Rates by Ethnicity 1991 to 2013

Ethnicity	Home ownership Rates (%)					% Point Change		
	1991	1996	2001	2006	2013	91 to 06	06 to 13	91 to 13
Asian	62.7%	61.9%	58.8%	56.5%	55.1%	-3.9%	-3.7%	-7.6%
European	77.1%	74.1%	71.9%	70.5%	69.8%	-5.2%	-2.1%	-7.3%
Maori	52.0%	48.0%	44.0%	42.5%	40.8%	-8.0%	-3.2%	-11.2%
Not Elsewhere Included	64.7%	59.4%	58.5%	53.5%	47.6%	-6.2%	-10.9%	-17.1%
Other Ethnic Groups	52.4%	39.7%	32.8%	42.3%	71.3%	-19.6%	38.5%	18.9%
Pacific peoples	43.7%	40.2%	35.5%	34.1%	30.9%	-8.2%	-4.6%	-12.8%
Middle East/Latin A/African				33.2%	31.6%			
New Zealander				76.1%				
Overall	73.8%	70.7%	67.8%	66.9%	65.0%	-6.0%	-2.8%	-8.8%

Source: Statistics New Zealand

Households with reference people who identified as being of European descent had higher rates of home ownership when compared to other categories. In addition, they also experienced the smallest overall decline in home ownership rates between 1991 and 2013 (excluding the other category). Households with reference people who identified as being of Asian descent had the second highest rates of home ownership in 2013 (at 55.1%) followed by households of Maori (at 40.8%) and Pacific people (at 34.1%).

Table 4.20 presents the trend in the number of owner occupied and renter households between 2006 and 2013 by ethnicity.

¹¹ The 'Other Ethnic Groups' category is not comparable over time as prior to the 2006 Census this category included those identifying as Middle Eastern, Latin American and African.



Table 4.20: Trend in the Number of Households by Ethnicity – 2006 to 2013

Household Ethnicity	Owner Occupied Households				Renter Households			
	No of Households		Change 06 to 13		No of Households		Change 06 to 13	
	2006	2013	No	%	2006	2013	No	%
Asian	51,012	69,399	18,387	36.0%	39,006	56,469	17,463	44.8%
New Zealand European	690,756	801,771	111,015	16.1%	287,250	347,157	59,907	20.9%
Māori	59,901	65,079	5,178	8.6%	80,820	94,611	13,791	17.1%
Middle Eastern/Latin American	2,868	3,954	1,086	37.9%	5,724	8,556	2,832	49.5%
Pacific Peoples	16,245	17,304	1,059	6.5%	31,290	38,673	7,383	23.6%
Other Ethnicity	128,772	19,395	-109,377	-84.9%	40,521	7,821	-32,700	-80.7%
Not Elsewhere Included	7,029	6,981	-48	-0.7%	6,093	7,683	1,590	26.1%
Total	908,049	983,883	75,834	8.4%	447,720	560,970	113,250	25.3%

Source: Statistics New Zealand

Note households reference people can identify with more than one ethnicity category consequently the total number of households in this table is higher than the total population of households. In addition Statistics New Zealand has changed the way in which they have categorised different groups. For example in 2006 in they introduced a new category “New Zealander” and subsequently dropped it in favour of New Zealand European in 2013. In this table the 2006 responses to European are included in other.

With the changes to the ethnicity categories, care needs to be taken in interpreting the results. Key trends include the majority of growth in Māori and Pacific Peoples households were renters, 87% of all the growth in the number of Pacific People households were renters and 73% of the growth in the number of Māori households were renters.

Table 4.21 presents data on home ownership rates from 2006 to 2013 in terms of ethnicity by region.



Table 4.21: Regional Home Ownership Rates (HOR) by Ethnicity 2006 to 2013

	Asian		European		Maori		Pacific People		Total	
	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13
Northland	44.7%	-7.5%	72.0%	-1.0%	44.0%	-3.9%	36.3%	-6.6%	66.20%	-2.40%
Auckland	57.4%	-0.5%	68.7%	-1.2%	36.9%	-1.3%	29.9%	-3.4%	61.50%	-2.40%
Waikato	50.7%	-2.0%	67.5%	-1.4%	37.3%	-3.4%	31.1%	-8.1%	62.70%	-2.70%
Bay of Plenty	42.7%	-9.2%	70.0%	-0.6%	44.1%	-2.8%	34.4%	-1.3%	64.70%	-2.60%
Gisborne	51.8%	-6.1%	69.6%	-0.7%	40.4%	-2.2%	31.3%	-3.9%	59.20%	-2.60%
Hawke's Bay	51.7%	-6.0%	71.3%	-0.3%	39.2%	-2.8%	30.2%	-2.5%	65.90%	-2.00%
Taranaki	42.3%	-12.0%	71.1%	-0.3%	44.0%	-0.2%	34.3%	-6.5%	68.00%	-1.90%
Manawatu-Whanganui	50.1%	-4.1%	69.2%	-0.2%	40.6%	-1.1%	30.9%	-2.7%	65.10%	-1.70%
Wellington	57.0%	-1.1%	69.4%	-0.1%	40.4%	0.2%	34.0%	-0.9%	64.10%	-2.00%
Marlborough	37.5%	-6.4%	73.4%	-0.2%	46.6%	-2.4%	29.3%	-1.3%	70.90%	-1.60%
Nelson	37.3%	-10.2%	70.6%	1.0%	38.3%	4.9%	34.0%	6.5%	68.40%	-0.20%
Tasman	49.1%	-12.0%	76.1%	0.1%	49.5%	-2.9%	50.0%	2.4%	75.00%	-0.80%
West Coast	36.5%	-15.4%	69.7%	0.7%	52.5%	3.9%	36.4%	-20.7%	68.10%	-1.20%
Canterbury	52.3%	0.8%	70.8%	-1.1%	43.0%	-0.9%	30.0%	-1.6%	68.30%	-2.10%
Otago	40.4%	-2.2%	70.3%	0.3%	48.6%	3.1%	33.0%	-3.2%	68.00%	-1.00%
Southland	30.8%	-20.8%	72.2%	-1.6%	52.0%	-2.8%	38.8%	-5.4%	69.70%	-3.80%
Total	55.1%	-1.4%	69.8%	-0.7%	40.8%	-1.7%	30.9%	-3.2%	64.80%	-2.10%

Source: Statistics New Zealand

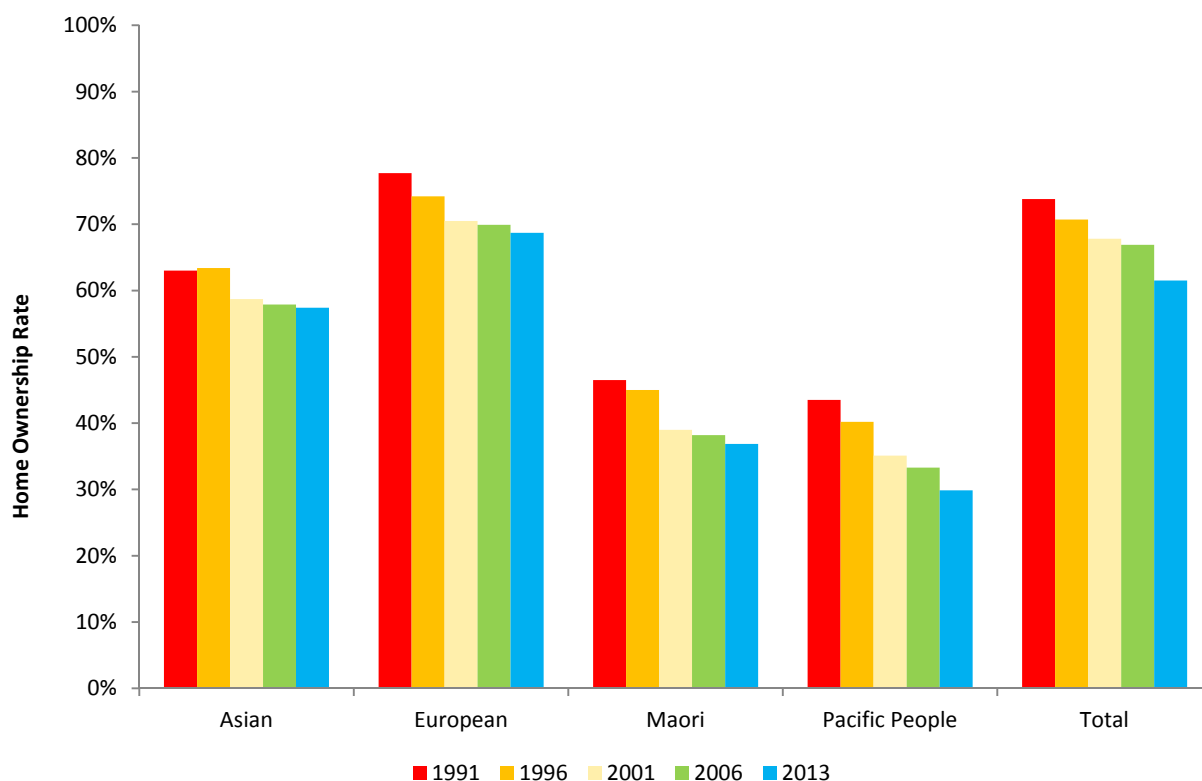


Maori home ownership rates were significantly higher than the national average in Northland, Bay of Plenty, Hawke's Bay, Marlborough, Tasman, West Coast, Otago and Southland. Maori households in Auckland and the Waikato had lower than average home ownership rates.

Auckland Region Trends

Figure 4.9 presents the trend in Auckland region's home ownership rate by ethnicity between 1991 and 2013.

Figure 4.9: Auckland Region Home Ownership Rate by Ethnicity 1991 to 2013



Source: Statistics New Zealand

Auckland region's home ownership rates fell across all ethnicity groups between 1991 and 2013. Pacific people home ownership rates fell by 13.6 percentage points and Maori by 9.6 percentage points.



4.3.6 Changes in Home Ownership Rates by Highest Qualification

Table 4.22 presents the trend in home ownership rates by the highest educational qualification gained over the 1991 to 2013 period¹². The highest educational qualification gained is based on that of the dwelling reference person.

Table 4.22: Home Ownership Rates by Highest Qualification 1991 to 2013

Qualification	Home Ownership Rates (%)					% Point Change		
	1991	1996	2001	2006	2013	91 to 01	01 to 13	91 to 13
No School Qualification	70.1%	68.1%	65.2%	62.0%	58.4%	-4.9%	-6.8%	-11.7%
School Qualification	72.4%	69.7%	68.2%	66.2%	64.5%	-4.2%	-3.7%	-7.9%
Vocational Qualification	78.2%	77.5%	72.9%	71.4%	72.9%	-5.3%	0.0%	-5.3%
Degree	76.6%	72.7%	68.7%	70.8%	70.4%	-7.9%	1.7%	-6.2%
All Groups	73.8%	70.7%	67.8%	66.9%	64.8%	-6.0%	-3.0%	-9.0%

Source: Statistics New Zealand

Not elsewhere included category not shown.

Home ownership rates, as might be expected, tend to increase the higher the qualification of the dwelling reference person. However households with reference people with vocational qualifications have consistently had higher home ownership rates than those with degrees. Households with lower or no qualifications also experienced larger declines in home ownership rates than those with higher qualifications.

Table 4.23 presents the trend in home ownership rates by regional and highest qualification between 2006 and 2013.

¹² The increasing supply of degree qualifications over time makes the home ownership by highest qualification data difficult to interpret.



Table 4.23: Regional Home Ownership Rates (HOR) by Highest Qualification 2006 to 2013

	No School Qualification		School Qualification		Vocational Qualification		Degree		Total	
	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13	HOR	Chge 06 to 13
Northland	59.1%	-4.7%	67.4%	-2.4%	76.2%	3.9%	74.0%	-0.8%	66.2%	-2.4%
Auckland	52.0%	-4.5%	60.7%	-2.5%	67.9%	-0.5%	68.1%	0.0%	61.5%	-2.4%
Waikato	56.5%	-4.7%	62.5%	-2.2%	72.5%	2.9%	69.3%	-1.3%	62.7%	-2.7%
Bay of Plenty	59.6%	-3.1%	64.8%	-2.9%	72.5%	1.9%	71.1%	-2.1%	64.7%	-2.6%
Gisborne	50.9%	-2.6%	60.9%	-4.6%	69.8%	3.5%	70.5%	-2.8%	59.2%	-2.6%
Hawke's Bay	57.2%	-3.4%	67.0%	-2.8%	76.5%	3.5%	75.3%	-0.8%	65.9%	-2.0%
Taranaki	62.5%	-3.1%	68.8%	-1.7%	77.7%	3.7%	74.9%	-0.7%	68.0%	-1.9%
Manawatu-Wanganui	59.5%	-2.7%	65.1%	-1.0%	75.8%	4.1%	73.6%	1.0%	65.1%	-1.7%
Wellington	56.9%	-2.2%	63.9%	-0.8%	73.1%	2.2%	69.6%	-0.5%	64.1%	-2.0%
Marlborough	66.1%	-2.1%	71.7%	-0.8%	78.1%	1.1%	75.9%	0.2%	70.9%	-1.6%
Nelson	57.9%	-3.9%	67.8%	0.0%	75.8%	3.7%	77.3%	0.7%	68.4%	-0.2%
Tasman	67.8%	-3.3%	75.3%	0.2%	80.7%	1.6%	81.8%	0.5%	75.0%	-0.8%
West Coast	64.9%	-1.9%	69.6%	-2.1%	77.3%	4.8%	69.1%	2.4%	68.1%	-1.2%
Canterbury	62.1%	-3.7%	68.3%	-0.9%	76.4%	0.9%	73.2%	-1.2%	68.3%	-2.1%
Otago	66.3%	-2.8%	65.8%	1.2%	77.2%	2.9%	72.4%	1.8%	68.0%	-1.0%
Southland	67.3%	-3.5%	69.8%	-4.2%	76.8%	-0.2%	74.8%	-1.7%	69.7%	-3.8%
Total	58.4%	-3.6%	64.5%	-1.7%	72.9%	1.5%	70.4%	-0.4%	64.8%	-2.1%

Source: Statistics New Zealand



Households with no school qualification living in regions in the South Island (with the exception of Nelson) had significantly higher home ownership rates when compared to the national average. At the same time, households with no school qualifications living in Auckland and Gisborne had the lowest rates and the largest declines were experienced in Auckland, Northland and Waikato regions.

Home ownership rates for households where the reference person had a school qualification were highest in Tasman, Marlborough, Southland, and Taranaki. At the same time they were lowest in Auckland and Gisborne.

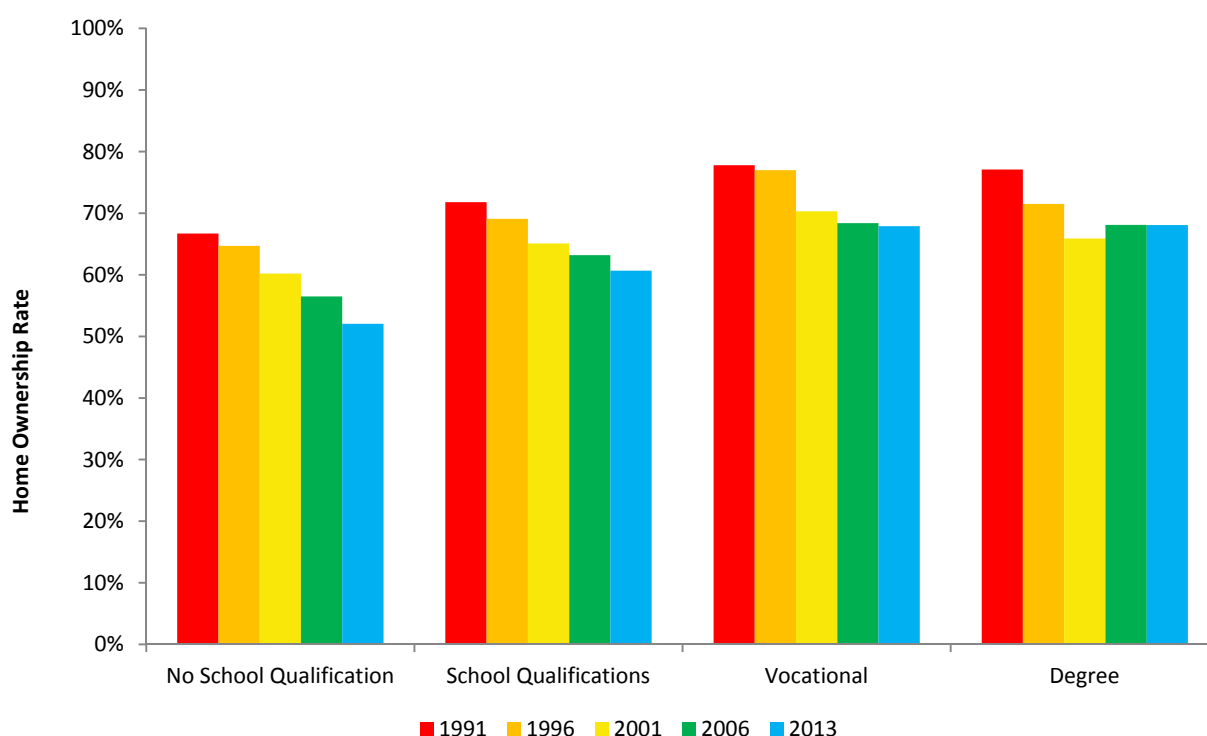
Households where the reference person had a vocational qualification were the highest overall. Regions in the South Island reported the highest home ownership rates in 2013 and Auckland had the lowest.

Tasman had the highest home ownership rate for households where the reference person had a degree followed by Nelson, Southland, Northland, Marlborough and the Hawke's Bay. Auckland region had the lowest home ownership rate.

Auckland Region Trends

Figure 4.10 presents the trend in Auckland Region's home ownership rate by highest qualification between 1991 and 2013.

Figure 4.10: Auckland Region Home Ownership Rates by Highest Qualification 1991 to 2013



Source: Statistics New Zealand



Home ownership rates in Auckland fell for all households between 1991 and 2013 however the rate of decline slowed for households where the highest qualification of the reference person was either a degree or a vocational qualification.

4.3.7 Trends by Occupation

The objective of this sub-section of the report is to present the analysis of trends in the number of renter and owner occupied households and home ownership rates by occupation of the reference person. Note changes to the way in which Statistics New Zealand classifies the different occupations between the 2001 and 2006 censuses means that it is not possible to demonstrate the trend prior to 2006.

Table 4.24 presents the national trend in home ownership rates by occupation of the reference person between 2006 and 2013.

Table 4.24: Home Ownership Rates by Reference Person's Occupation 2006 and 2013

Occupation	Home Ownership Rate		Percentage Point Change 06 to 13
	2006	2013	
Clerical and Administrative Workers	73.8%	73.0%	-0.8%
Community and Personal Service Workers	60.6%	57.8%	-2.7%
Labourers	56.5%	53.5%	-3.0%
Machinery Operators and Drivers	62.5%	60.2%	-2.3%
Managers	75.4%	73.4%	-2.0%
Professionals	73.6%	72.2%	-1.4%
Sales Workers	64.4%	61.9%	-2.5%
Technicians and Trades Workers	67.8%	65.1%	-2.8%
Not Elsewhere Included (1)	62.5%	60.1%	-2.4%
Total	66.9%	64.8%	-2.1%

Source: Statistics New Zealand

Households with reference people employed in occupations which have traditionally attracted lower rates of pay recorded low home ownership rates and experienced larger falls in the home ownership rate between 2006 and 2013.

Table 4.25 presents the change in the number of owner occupied and renter households by occupation between 2006 and 2013.



Table 4.25: Owner Occupied and Renter Households by Occupation 2006 to 2013

Occupation	Owner Occupied Households				Renter Households			
	Number		Change 06 to 13		Number		Change 06 to 13	
	2006	2013	No	%	2006	2013	No	%
Clerical and Administrative	96,987	95,202	-1,785	-1.8%	34,455	35,154	699	2.0%
Community & Personal Service	41,061	43,968	2,907	7.1%	26,718	32,049	5,331	20.0%
Labourers	44,616	41,313	-3,303	-7.4%	34,353	35,970	1,617	4.7%
Machinery Operators & Drivers	26,511	22,875	-3,636	-13.7%	15,888	15,120	-768	-4.8%
Managers	126,828	129,744	2,916	2.3%	41,322	46,965	5,643	13.7%
Professionals	148,233	168,696	20,463	13.8%	53,040	64,794	11,754	22.2%
Sales Workers	46,575	44,352	-2,223	-4.8%	25,725	27,300	1,575	6.1%
Technicians & Trades Workers	63,288	57,705	-5,583	-8.8%	30,021	30,999	978	3.3%
Not Elsewhere Included (1)	317,787	336,879	19,092	6.0%	190,446	223,761	33,315	17.5%
Total	911,877	940,728	28,851	3.2%	451,965	512,109	60,144	13.3%

Source: Statistics New Zealand

The number of owner occupied households fell in all occupational categories except community and personal services, professionals and managers and not elsewhere included. Professionals experienced the strongest growth in the number of owner occupied households. Machinery operators and drivers were the only occupation to experience a decline in renter households. Note that the total number of households with the reference person in this occupation declined by 4,404 between 2006 and 2013 (a fall of 3,636 owner occupied and 768 renter households).

Table 4.26 demonstrates the trend in home ownership rates by occupation and region between 2006 and 2013.



Table 4.26: Home Ownership Rates (HOR) by Occupation and Region 2006 to 2013

	Clerical and Administrative		Community and Personal Service		Labourers		Machinery Ops & Drivers		Managers		Professionals		Sales		Technicians and Trades		Not Elsewhere Included		Total	
	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13	HOR	03/13
Northland	77.4%	1.1%	61.4%	-1.5%	58.6%	-0.7%	64.3%	-1.5%	75.8%	-0.3%	74.5%	-0.8%	66.1%	-2.0%	70.7%	0.7%	61.2%	-4.1%	66.2%	-2.4%
Auckland	67.4%	-1.8%	52.8%	-4.1%	49.7%	-2.9%	52.4%	-2.8%	72.1%	-2.3%	69.2%	-1.5%	58.7%	-2.9%	59.6%	-4.2%	55.6%	-2.5%	61.5%	-2.4%
Waikato	74.3%	0.6%	56.6%	-2.9%	49.2%	-2.5%	60.4%	-4.0%	69.5%	-1.5%	71.9%	-1.9%	60.3%	-2.6%	64.3%	-2.9%	57.7%	-4.0%	62.7%	-2.7%
Bay of Plenty	73.6%	-1.1%	55.4%	-3.0%	53.0%	-3.6%	60.8%	-4.1%	73.0%	-2.5%	72.4%	-1.6%	61.8%	-3.2%	65.3%	-1.7%	61.8%	-2.8%	64.7%	-2.6%
Gisborne	75.7%	-1.6%	58.3%	-1.0%	45.8%	-2.2%	54.8%	-4.0%	76.9%	-0.3%	71.6%	-2.9%	61.3%	-3.9%	66.3%	-2.2%	50.5%	-3.2%	59.2%	-2.6%
Hawke's Bay	78.8%	-0.4%	61.4%	-4.1%	52.5%	-3.1%	62.4%	-0.1%	77.0%	-1.6%	76.8%	-0.2%	66.2%	-2.4%	71.1%	-0.6%	60.1%	-2.5%	65.9%	-2.0%
Taranaki	80.5%	-0.8%	64.8%	-1.8%	55.4%	-4.8%	68.0%	-1.9%	71.7%	-1.3%	77.6%	-0.8%	67.0%	-2.8%	71.4%	-1.8%	63.8%	-1.9%	68.0%	-1.9%
Manawatu-Wanga	77.5%	-0.4%	59.3%	-1.0%	53.2%	-2.9%	65.1%	1.2%	76.7%	-0.5%	76.7%	0.5%	64.1%	-2.1%	69.8%	0.0%	59.0%	-2.3%	65.2%	-1.6%
Wellington	69.1%	-0.7%	54.4%	-3.3%	49.3%	-3.1%	58.2%	-2.4%	75.2%	-1.5%	69.6%	-1.5%	57.4%	-2.8%	63.5%	-2.7%	61.8%	-0.3%	64.9%	-1.2%
Marlborough	81.6%	1.2%	64.3%	-2.6%	59.6%	-2.9%	66.3%	-4.4%	78.5%	0.0%	76.9%	-0.5%	69.5%	-2.1%	73.8%	1.2%	68.3%	-3.0%	70.9%	-1.6%
Nelson	78.7%	0.4%	60.4%	-4.9%	52.9%	-1.7%	60.5%	-6.2%	73.0%	-0.7%	78.1%	1.2%	64.3%	-4.0%	69.7%	2.5%	65.8%	0.1%	68.3%	-0.3%
Tasman	83.0%	-0.7%	69.4%	-2.4%	64.2%	-2.0%	73.0%	1.4%	80.6%	-0.3%	81.9%	-0.3%	72.6%	-3.9%	73.1%	-1.2%	73.2%	-1.1%	75.0%	-0.8%
West Coast	82.6%	0.4%	68.4%	0.4%	60.3%	-1.4%	69.4%	-2.7%	71.2%	0.4%	73.0%	-0.8%	71.2%	-3.0%	69.2%	-4.5%	63.7%	-1.8%	68.1%	-1.2%
Canterbury	77.1%	-1.4%	62.3%	-1.2%	56.2%	-3.9%	62.7%	-3.3%	74.6%	-3.0%	75.7%	-2.8%	65.9%	-1.3%	66.7%	-5.1%	65.0%	-1.7%	68.3%	-2.1%
Otago	78.7%	1.5%	61.7%	0.6%	57.4%	-0.8%	66.7%	-0.7%	74.8%	-1.4%	77.2%	0.2%	63.4%	-2.1%	67.9%	-1.0%	63.6%	-2.5%	68.0%	-1.0%
Southland	84.0%	-1.3%	65.5%	-5.2%	58.5%	-6.3%	71.8%	-2.8%	71.8%	-7.2%	80.2%	-0.9%	71.2%	-1.5%	73.9%	-2.4%	65.0%	-3.9%	69.7%	-3.8%
Total	73.0%	-0.8%	57.8%	-2.7%	53.5%	-3.0%	60.2%	-2.3%	73.4%	-2.0%	72.2%	-1.4%	61.9%	-2.5%	65.1%	-2.8%	60.1%	-2.4%	64.8%	-2.1%

Source: Statistics New Zealand



The regions in the South Island had higher home ownership rates for clerical and administrative occupations, labourers, and machinery and plant operators than in the North Island. Auckland region's home ownership rates were lower than the national average for all the occupations listed. The trend was similar in Wellington except managers and technicians had higher than national average rates of home ownership.

Auckland Region Trends

Table 4.27 presents the trend in the number of owner occupied and renter households by occupation in Auckland region between 2006 and 2013.

Table 4.27: Auckland Region – Owner Occupied and Renter Households by Occupation 2006 to 2013

Occupation	Owner Occupied Households				Renter Households			
	Number		Change 06 to 13		Number		Change 06 to 13	
	2006	2013	no	%	2006	2013	no	%
Clerical & Administrative	29,610	28,302	-1,308	-4.4%	13,182	13,674	492	3.7%
Community & Personal Service	10,056	10,620	564	5.6%	7,617	9,486	1,869	24.5%
Labourers	7,530	6,777	-753	-10.0%	6,777	6,858	81	1.2%
Machinery Operators & Drivers	6,765	5,487	-1,278	-18.9%	5,496	4,980	-516	-9.4%
Managers	38,961	41,262	2,301	5.9%	13,386	15,930	2,544	19.0%
Professionals	49,290	56,796	7,506	15.2%	20,457	25,269	4,812	23.5%
Sales Workers	14,172	13,650	-522	-3.7%	8,823	9,600	777	8.8%
Technicians and Trades Workers	17,826	15,393	-2,433	-13.6%	10,155	10,455	300	3.0%
Not Elsewhere Included (1)	83,298	90,651	7,353	8.8%	60,066	72,453	12,387	20.6%

Source: Statistics New Zealand

The trend in Auckland's households by tenure and occupation followed a similar pattern to the national trend.



4.3.8 Trends by Industry Group of Employment

The objective of this section of the report is to present the analysis of trends in the number of renter and owner occupied households and home ownership rates by industry group of the reference person's employment. Note changes to the way in which Statistics New Zealand classifies the different industry groups between the 2001 and 2006 censuses means that it is not possible to demonstrate the trend back beyond 2006.

Table 4.28 presents the trend in the home ownership rates by tenure and industry group of the reference person's employment between 2006 and 2013.

Table 4.28: Home Ownership Rates by Industry Group 2006 to 2013

Industry Group of Reference Person's Employment	Home Ownership Rate		Percentage Point Change 06 to 13
	2006	2013	
Accommodation and Food Services	51.4%	47.5%	-3.9%
Administrative and Support Services	64.5%	61.3%	-3.2%
Agriculture, Forestry and Fishing	68.1%	64.9%	-3.2%
Arts and Recreation Services	64.6%	62.8%	-1.9%
Construction	71.8%	70.2%	-1.6%
Education and Training	73.9%	72.6%	-1.3%
Electricity, Gas, Water and Waste Services	73.4%	71.0%	-2.5%
Financial and Insurance Services	74.1%	73.0%	-1.0%
Health Care and Social Assistance	70.7%	67.5%	-3.2%
Information Media and Telecommunications	66.5%	65.1%	-1.4%
Manufacturing	69.7%	68.3%	-1.3%
Mining	71.2%	70.8%	-0.4%
Other Services	69.0%	67.3%	-1.6%
Professional, Scientific and Technical Services	74.2%	73.2%	-1.0%
Public Administration and Safety	71.2%	71.2%	0.0%
Rental, Hiring and Real Estate Services	74.7%	73.5%	-1.2%
Retail Trade	64.8%	61.9%	-2.8%
Transport, Postal and Warehousing	68.3%	67.0%	-1.4%
Wholesale Trade	72.3%	71.2%	-1.1%
Not Elsewhere Included (1)	62.4%	59.8%	-2.6%
Total	66.9%	64.8%	-2.1%

Source: Statistics New Zealand



Reference people employed in the accommodation and food industries had the lowest levels of home ownership in 2013 and also experienced the largest fall in home ownership rates between 2006 and 2013 (3.9 percentage points). Workers employed in administrative and support services (home ownership rate of 61.3%) and retail trade (home ownership rate of 61.9%) industries had the next lowest home ownership rates. Reference people employed in these industry groups also experienced higher than average rates of decline in home ownership rates between 2006 and 2013.

Reference people employed in the rental, hiring and real estate industries had the highest home ownership rates in 2013 (at 73.5%) followed by professional, scientific and technical services (home ownership rates of 73.2% in 2013) and financial and insurance industries (home ownership rate of 73.0% in 2013) and their rate of decline was close to half the national average decline across all industry groups.

Table 4.29 presents the trend in the number of owner occupied and renter households by the industry in which the reference person is employed between 2006 and 2013.

Table 4.29: Owner Occupied and Renter Households by Industry Group 2006 to 2013

Industry Group of Reference Person's Employment	Owner Occupied Households				Renter Households			
	Number		Change		Number		Change	
	2006	2013	no	%	2006	2013	no	%
Accommodation & Food Services	19,971	18,651	-1,320	-6.6%	18,864	20,634	1,770	9.4%
Administrative & Support Services	19,833	18,576	-1,257	-6.3%	10,926	11,715	789	7.2%
Agriculture, Forestry and Fishing	41,697	38,118	-3,579	-8.6%	19,515	20,613	1,098	5.6%
Arts and Recreation Services	9,279	9,990	711	7.7%	5,079	5,925	846	16.7%
Construction	40,218	39,822	-396	-1.0%	15,771	16,890	1,119	7.1%
Education and Training	57,024	65,379	8,355	14.7%	20,106	24,666	4,560	22.7%
Electricity, Gas, Water & Waste	3,369	4,806	1,437	42.7%	1,218	1,965	747	61.3%
Financial and Insurance Services	25,380	27,135	1,755	6.9%	8,880	10,017	1,137	12.8%
Health Care and Social Assistance	60,558	71,304	10,746	17.7%	25,065	34,293	9,228	36.8%
Information Media & Telecom	12,084	11,577	-507	-4.2%	6,075	6,198	123	2.0%
Manufacturing	63,870	55,038	-8,832	-13.8%	27,810	25,494	-2,316	-8.3%
Mining	1,200	1,764	564	47.0%	486	729	243	50.0%
Other Services	24,174	24,684	510	2.1%	10,875	11,967	1,092	10.0%
Professional, Scientific Technical	59,886	65,556	5,670	9.5%	20,871	24,039	3,168	15.2%
Public Administration and Safety	30,420	37,482	7,062	23.2%	12,312	15,192	2,880	23.4%
Rental, Hiring and Real Estate	20,544	18,555	-1,989	-9.7%	6,948	6,684	-264	-3.8%
Retail Trade	48,822	47,100	-1,722	-3.5%	26,577	28,938	2,361	8.9%
Transport, Postal & Warehousing	24,891	24,618	-273	-1.1%	11,529	12,129	600	5.2%
Wholesale Trade	32,493	32,004	-489	-1.5%	12,456	12,963	507	4.1%
Not Elsewhere Included	316,161	328,563	12,402	3.9%	190,599	221,061	30,462	16.0%
Total	911,877	940,731	28,854	3.2%	451,965	512,109	60,144	13.3%

Source: Statistics New Zealand



The total number (owner occupied and renter combined) of reference people employed in a number of industries declined between 2006 and 2013. Industry groups experiencing a fall include:

- Administrative and support services down 468 households;
- Agriculture, fishing and forestry down 2,481 households;
- Information media and telecommunications down 384 households;
- Manufacturing down 11,148 households; and
- Rental, hiring and real estate services down 2,253 households

The industry groups experiencing strong growth in the total number of households include:

- Education and training up 12,915 households;
- Health care and social assistance up 19,974 households;
- Professional, technical and scientific up 8,838 households; and
- Public administration and safety up 9,942 households.

The industry groups experiencing strong growth in the number of owner occupied households included education and training, health care and social assistance, professional, scientific and technical and public administration and safety. The number of owner occupied households employed in the agricultural, forestry, fishing and manufacturing industries had the greatest declines.

The industries experiencing strongest growth in the number of renter households included:

- Education and training;
- Health care and social assistance;
- Professional and technical services;
- Public administration and safety; and
- Retail trade.

The manufacturing sector was the only industry that experienced a significant decline in the number of renter households.

Table 4.30 presents the trend in the home ownership rate for reference people by industry group and region between 2006 and 2013.



Table 4.30: Home Ownership Rates by Region and Industry Group Employed

	Accom and Food Services	Administrative and Support Services	Agriculture, Forestry and Fishing	Arts and Recreation Services	Construction	Education and Training	Electricity, Gas, Water and Waste	Financial and Insurance Services	Health Care and Social Assistance	Information Media and Telecom
Home Ownership Rate										
Northland	51.7%	66.3%	72.0%	73.0%	75.7%	71.2%	76.7%	79.9%	68.7%	73.5%
Auckland	44.8%	58.1%	70.3%	59.1%	67.1%	69.4%	65.9%	69.1%	63.6%	61.7%
Waikato	47.3%	62.6%	58.9%	62.8%	70.0%	70.3%	65.5%	78.0%	65.2%	66.4%
Bay of Plenty	42.4%	62.1%	66.9%	60.7%	71.3%	70.4%	70.1%	77.9%	65.9%	60.5%
Gisborne	43.4%	59.3%	60.9%	66.7%	72.0%	67.4%	63.6%	79.2%	66.2%	71.9%
Hawke's Bay	48.7%	63.4%	64.6%	67.1%	75.9%	74.6%	75.4%	82.5%	70.2%	71.7%
Taranaki	54.0%	65.8%	61.0%	65.7%	73.5%	77.9%	79.2%	81.2%	71.6%	77.4%
Manawatu-Wanganui	48.2%	59.9%	66.1%	62.0%	76.2%	76.0%	76.8%	77.9%	68.8%	73.9%
Wellington	40.4%	59.1%	69.2%	62.1%	72.1%	70.9%	71.1%	71.7%	64.6%	64.3%
Marlborough	54.2%	68.6%	72.8%	71.4%	76.4%	76.3%	80.0%	80.0%	72.2%	71.9%
Nelson	48.3%	67.8%	65.5%	71.6%	73.4%	77.4%	66.7%	78.6%	70.7%	65.9%
Tasman	61.5%	72.3%	73.0%	69.4%	81.3%	82.8%	72.7%	82.9%	78.1%	72.7%
West Coast	58.4%	61.9%	57.0%	70.0%	77.1%	76.0%	75.0%	82.1%	73.4%	84.6%
Canterbury	52.3%	65.3%	64.2%	66.4%	66.0%	77.5%	75.1%	76.7%	71.6%	70.1%
Otago	48.4%	65.7%	68.1%	62.5%	72.9%	76.9%	73.1%	80.2%	74.5%	73.7%
Southland	52.9%	67.1%	61.6%	68.6%	79.6%	79.7%	81.8%	83.3%	74.0%	71.8%
Total	47.5%	61.3%	64.9%	62.8%	70.2%	72.6%	71.0%	73.0%	67.5%	65.1%

Source: Statistics New Zealand



Table 4.30: Home Ownership Rates by Region and Industry Group Employed Continued

	Accom and Food Services	Administrative and Support Services	Agriculture, Forestry and Fishing	Arts and Recreation Services	Construction	Education and Training	Electricity, Gas, Water and Waste	Financial and Insurance Services	Health Care and Social Assistance	Information Media and Telecom
Change 06 to 13										
Northland	-0.6%	-2.7%	-0.9%	3.6%	1.9%	-1.4%	0.4%	-1.7%	-1.4%	4.1%
Auckland	-4.5%	-4.4%	-2.0%	-3.6%	-1.1%	-1.7%	-1.7%	-0.7%	-4.1%	-1.4%
Waikato	-2.7%	-2.6%	-2.2%	-1.1%	-0.5%	-1.3%	-10.6%	1.4%	-3.7%	0.4%
Bay of Plenty	-5.5%	-3.9%	-3.8%	-1.7%	0.4%	-1.7%	-3.3%	0.6%	-3.9%	-10.1%
Gisborne	-1.9%	5.2%	-3.1%	0.0%	0.8%	-3.7%	3.6%	-2.2%	-2.7%	-1.7%
Hawke's Bay	-3.1%	-2.2%	-2.0%	-1.3%	0.7%	-1.8%	-2.8%	0.1%	-2.2%	3.4%
Taranaki	-3.3%	-6.6%	-1.0%	-9.5%	-3.3%	-0.9%	-6.5%	1.9%	-0.7%	3.2%
Manawatu-Wanganui	-5.8%	-2.7%	-3.1%	-3.8%	3.0%	0.7%	4.3%	-2.0%	-2.2%	0.6%
Wellington	-5.6%	-3.1%	-0.4%	1.1%	-0.3%	-2.2%	0.0%	0.2%	-2.9%	-2.9%
Marlborough	-6.0%	-0.8%	1.1%	3.0%	2.8%	-1.7%	0.8%	-3.1%	-1.9%	-3.1%
Nelson	-0.6%	3.0%	-1.1%	0.2%	-0.1%	0.6%	0.0%	-1.6%	-2.6%	-5.8%
Tasman	-2.3%	-4.3%	-0.3%	-4.3%	2.1%	0.5%	-6.2%	0.9%	-0.9%	-9.1%
West Coast	3.9%	2.5%	-6.4%	7.9%	-1.4%	1.5%	13.5%	-8.2%	-4.4%	10.7%
Canterbury	-2.6%	-1.9%	-6.3%	-1.9%	-9.8%	-1.1%	-3.4%	-3.6%	-2.8%	-0.8%
Otago	-3.8%	0.6%	-2.0%	-0.5%	2.7%	0.1%	0.6%	-0.5%	-1.4%	3.2%
Southland	-5.1%	-10.2%	-8.7%	-3.1%	-1.1%	-0.8%	0.9%	1.3%	-5.3%	-3.9%
Total	-3.9%	-3.2%	-3.2%	-1.9%	-1.6%	-1.3%	-2.5%	-1.0%	-3.2%	-1.4%

Source: Statistics New Zealand



Table 4.30: Home Ownership Rates by Region and Industry Group Employed Continued

	Manufacture	Mining	Other Services	Professional, Scientific and Technical	Public Admin and Safety	Rental, Hiring and Real Estate	Retail Trade	Transport, Postal and Warehousing	Wholesale Trade	Not Elsewhere Included (1)	Total
Home Ownership Rate											
Northland	71.8%	80.0%	68.1%	78.9%	74.2%	74.4%	67.2%	68.0%	75.1%	61.1%	66.2%
Auckland	66.1%	67.3%	62.4%	70.0%	65.7%	70.9%	58.1%	62.5%	68.7%	55.3%	61.5%
Waikato	67.3%	59.8%	67.4%	74.8%	70.4%	71.6%	60.5%	67.1%	71.0%	57.4%	62.7%
Bay of Plenty	67.8%	62.1%	66.7%	75.4%	74.2%	74.7%	59.5%	66.1%	71.9%	61.7%	64.7%
Gisborne	57.6%	50.0%	66.4%	79.8%	76.6%	73.8%	64.4%	63.8%	76.1%	50.1%	59.2%
Hawke's Bay	67.2%	85.7%	70.8%	80.2%	77.5%	78.1%	63.4%	70.7%	75.8%	59.8%	65.9%
Taranaki	69.9%	77.5%	71.6%	78.8%	80.8%	76.1%	66.5%	71.1%	77.9%	63.1%	68.0%
Manawatu-Wanganui	69.7%	85.7%	71.7%	80.4%	71.0%	78.7%	63.6%	70.3%	74.8%	58.6%	65.2%
Wellington	68.4%	65.8%	67.7%	71.6%	69.4%	73.9%	57.1%	64.7%	70.2%	61.2%	64.9%
Marlborough	70.8%	87.5%	76.9%	79.3%	78.4%	80.2%	68.7%	73.8%	71.3%	68.4%	70.9%
Nelson	64.1%	75.0%	67.3%	79.5%	80.5%	78.2%	61.3%	73.8%	73.2%	65.7%	68.4%
Tasman	74.0%	75.0%	75.0%	85.0%	84.8%	81.1%	72.2%	74.4%	78.6%	72.9%	75.0%
West Coast	71.9%	69.3%	77.8%	80.0%	79.3%	74.5%	70.2%	77.9%	79.3%	63.3%	68.1%
Canterbury	70.3%	69.4%	69.7%	75.1%	75.4%	74.4%	66.2%	72.2%	73.7%	64.7%	68.3%
Otago	71.8%	73.2%	71.3%	76.9%	79.3%	75.8%	65.5%	70.5%	72.6%	63.4%	68.0%
Southland	75.0%	75.0%	77.1%	79.2%	83.0%	75.5%	71.4%	74.5%	80.6%	64.5%	69.7%
Total	68.3%	70.8%	67.3%	73.2%	71.2%	73.5%	61.9%	67.0%	71.2%	59.8%	64.8%

Source: Statistics New Zealand



Table 4.30: Home Ownership Rates by Region and Industry Group Employed Continued

	Manufacture	Mining	Other Services	Professional, Scientific and Technical	Public Admin and Safety	Rental, Hiring and Real Estate	Retail Trade	Transport, Postal and Warehousing	Wholesale Trade	Not Elsewhere Included (1)	Total
Change 06 to 13											
Northland	0.2%	5.0%	-4.0%	2.2%	1.8%	-1.7%	-0.1%	-0.6%	-2.3%	-4.2%	-2.4%
Auckland	-1.3%	1.9%	-1.6%	-0.9%	-1.6%	-2.3%	-3.8%	-1.3%	-0.5%	-2.8%	-2.4%
Waikato	-1.1%	-2.3%	-2.0%	-0.2%	-1.6%	-1.8%	-2.9%	-1.4%	-2.4%	-4.1%	-2.7%
Bay of Plenty	-1.8%	-6.4%	-0.7%	-0.4%	-1.3%	-0.7%	-4.1%	-3.0%	-1.2%	-2.9%	-2.6%
Gisborne	-1.5%	-25.0%	-9.0%	-4.4%	2.1%	-1.2%	-2.6%	-5.1%	6.2%	-3.4%	-2.6%
Hawke's Bay	-1.3%	19.0%	-3.2%	0.3%	-1.0%	1.0%	-4.8%	-1.1%	0.1%	-2.5%	-2.0%
Taranaki	-3.5%	-0.5%	-3.6%	-2.8%	1.4%	3.6%	-3.7%	-4.8%	0.1%	-2.3%	-1.9%
Manawatu-Wanganui	0.3%	10.7%	-0.6%	0.1%	3.5%	3.2%	-2.5%	1.6%	-0.7%	-2.6%	-1.6%
Wellington	-1.9%	-2.8%	-1.4%	-1.4%	1.0%	-0.8%	-3.2%	-0.9%	-2.5%	-0.6%	-1.2%
Marlborough	-0.6%	16.1%	2.6%	-1.5%	3.9%	0.2%	-1.9%	-0.7%	-8.3%	-3.0%	-1.6%
Nelson	-4.4%	-25.0%	-2.4%	1.5%	1.9%	10.4%	-3.2%	3.5%	-1.3%	0.0%	-0.3%
Tasman	0.1%	-25.0%	1.5%	2.5%	-2.8%	-0.9%	-3.2%	-3.1%	-1.9%	-1.4%	-0.8%
West Coast	-2.7%	-6.0%	2.8%	5.4%	-0.2%	-3.5%	-3.8%	0.4%	-7.0%	-1.9%	-1.2%
Canterbury	-1.6%	-7.8%	-2.4%	-2.8%	-1.1%	-2.0%	-0.9%	-0.8%	-1.3%	-1.7%	-2.1%
Otago	0.6%	2.3%	1.7%	0.5%	0.7%	0.1%	-0.5%	-2.2%	-4.5%	-2.5%	-1.0%
Southland	-1.7%	-13.9%	-0.3%	-1.5%	-1.3%	-4.3%	-3.0%	-4.7%	-1.0%	-4.1%	-3.8%
Total	-1.3%	-0.4%	-1.6%	-1.0%	0.0%	-1.2%	-2.8%	-1.4%	-1.1%	-2.6%	-2.1%

Source: Statistics New Zealand



Regions in the South Island typically had higher home ownership rates across the majority of industry groups when compared to the national average. Auckland typically has lower than average home ownership rates across the majority of industry groups and experienced larger than average falls in home ownership rates in industries which traditionally have low rates of pay such as retail, accommodation and food sectors.

Auckland Region Trends

Table 4.31 presents the trend in the number of Auckland's owner occupied and renter households by industry group between 2006 and 2013.

Table 4.31: Auckland – The Number of Owner Occupied and Renter Households by Industry Group

Employment	Owner Occupied Households				Renter Households			
	Number		Change		Number		Change	
	2006	2013	no	%	2006	2013	no	%
Accommodation & Food Services	4,506	4,605	99	2.2%	4,620	5,667	1,047	22.7%
Administrative & Support Services	7,071	6,510	-561	-7.9%	4,233	4,686	453	10.7%
Agriculture, Forestry and Fishing	2,865	2,490	-375	-13.1%	1,095	1,050	-45	-4.1%
Arts and Recreation Services	2,559	2,919	360	14.1%	1,527	2,022	495	32.4%
Construction	11,436	10,638	-798	-7.0%	5,328	5,205	-123	-2.3%
Education and Training	16,287	18,705	2,418	14.8%	6,606	8,247	1,641	24.8%
Electricity, Gas, Water & Waste	795	984	189	23.8%	381	510	129	33.9%
Financial and Insurance Services	9,954	11,808	1,854	18.6%	4,308	5,286	978	22.7%
Health Care and Social Assistance	15,060	17,973	2,913	19.3%	7,188	10,278	3,090	43.0%
Information Media & Telecom	5,331	5,100	-231	-4.3%	3,126	3,171	45	1.4%
Manufacturing	19,635	16,971	-2,664	-13.6%	9,525	8,721	-804	-8.4%
Mining	108	99	-9	-8.3%	57	48	-9	-15.8%
Other Services	6,801	6,975	174	2.6%	3,819	4,203	384	10.1%
Professional, Scientific Technical	22,728	25,365	2,637	11.6%	9,345	10,881	1,536	16.4%
Public Administration and Safety	6,843	8,076	1,233	18.0%	3,312	4,209	897	27.1%
Rental, Hiring and Real Estate	6,861	6,339	-522	-7.6%	2,508	2,604	96	3.8%
Retail Trade	12,654	12,429	-225	-1.8%	7,773	8,964	1,191	15.3%
Transport, Postal & Warehousing	8,160	8,049	-111	-1.4%	4,635	4,830	195	4.2%
Wholesale Trade	14,454	14,118	-336	-2.3%	6,417	6,423	6	0.1%
Not Elsewhere Included (1)	83,391	88,791	5,400	6.5%	60,162	71,706	11,544	19.2%
Total	257,505	268,941	11,436	4.4%	145,953	168,705	22,752	15.6%

Source: Statistics New Zealand

Auckland region's trends are not dissimilar to the national trend. The region experienced strong growth in the number of reference people employed in:

- Healthcare and social assistance,
- Education and training,
- Professional, scientific and technical; and
- Public administration and safety.



All industry groups (except agriculture, forestry and fishing and manufacturing) experienced growth in the number of renter households.

4.3.9 Trends by Building Typology

The objective of this section of the report is to present the trends in the number of owner occupied and renter households along with home ownership rates between 2001 and 2013. Statistics New Zealand has varied the way in which they have categorised buildings over this time period and this limits the depth of the analysis which can be completed.

Table 4.32 presents the trend in home ownership rates by building typology.

Table 4.32: Home Ownership Rates by Building Typology 2001 to 2013

Dwelling Type	Home Ownership Rate			Percentage Point Change		
	2001	2006	2013	01 to 06	06 to 13	01 to 13
Standalone dwelling	75.3%	73.8%	71.7%	-1.5%	-2.2%	-3.6%
Dwellings in multi-unit buildings	43.9%	37.5%	35.5%	-6.4%	-1.9%	-8.3%
Dwellings in motor camps	64.9%	53.4%	59.0%	-11.5%	5.6%	-5.9%
Mobile dwellings not in motor camps	85.3%	67.0%	67.5%	-18.2%	0.4%	-17.8%
Dwelling - not defined	41.0%	39.8%	40.3%	-1.1%	0.5%	-0.7%

Source: Statistics New Zealand

Home ownership rates for households living in multi-unit dwellings declined by 8.3% between 2001 and 2013, whereas they declined by 3.6 percentage points for standalone dwellings.

Table 4.33 presents the trend in the number of renter and owner occupied households by dwelling typology between 2006 and 2013.



Table 4.33: Number of Owner Occupied and Renter Households by Building Typology 2006 to 2013

Dwelling Typology	Owner Occupied Households				Renter Households			
	Number		Change 06 to 13		Number		Change	
	2006	2013	No	%	2006	2013	No	%
Standalone	808,665	835,353	26,688	3.3%	286,371	330,105	43,734	15.3%
Multi-unit 3 stories or less	83,697	84,441	744	0.9%	138,438	149,994	11,556	8.3%
Multi-unit 4 or more stories	5,067	6,723	1,656	32.7%	9,678	15,282	5,604	57.9%
Other	14,448	14,214	-234	-1.6%	17,478	16,716	-762	-4.4%

Source: Statistics New Zealand

Standalone occupied dwellings increased at the fastest rate when compared to other dwelling configurations. Renter households experienced stronger growth across all dwelling typologies when compared to owner occupied households.

Table 4.34 presents the trend in the home ownership rate by dwelling typology and region between 2006 and 2013.



Table 4.34: Home Ownership Rates by Dwelling Typology and Region 2006 to 2013

	Standalone		Multi-Unit		Camp Ground		Mobile		Not Defined		Total	
	HOR 13	06 to 13	HOR 13	06 to 13	HOR 13	06 to 13	HOR 13	06 to 13	HOR 13	06 to 13	HOR 13	06 to 13
Northland	69.9%	-2.7%	37.4%	-2.4%	51.6%	4.2%	70.0%	-3.4%	47.2%	-3.5%	66.2%	-2.4%
Auckland	70.3%	-2.1%	36.4%	-2.1%	41.7%	-3.5%	58.0%	0.0%	36.3%	0.4%	61.5%	-2.4%
Waikato	67.1%	-2.7%	30.4%	-2.8%	60.0%	4.4%	62.5%	-1.0%	41.8%	3.2%	62.7%	-2.7%
Bay of Plenty	69.4%	-2.6%	40.8%	-3.0%	61.9%	-9.5%	65.2%	1.3%	44.0%	0.1%	64.7%	-2.6%
Gisborne	63.8%	-3.1%	28.3%	-1.9%	-	-	68.8%	21.7%	37.8%	0.8%	59.2%	-2.6%
Hawke's Bay	71.2%	-2.7%	40.7%	-0.1%	62.5%	16.3%	71.4%	7.4%	35.1%	-3.0%	65.9%	-2.0%
Taranaki	72.0%	-2.2%	35.8%	-1.5%	63.2%	13.2%	73.3%	10.2%	45.1%	2.5%	68.0%	-1.9%
Manawatu-Wanganui	70.1%	-2.0%	30.4%	-0.9%	62.5%	-0.7%	68.9%	9.2%	40.6%	0.3%	65.2%	-1.6%
Wellington	75.9%	-1.3%	32.6%	-0.5%	66.7%	12.5%	62.2%	2.5%	37.5%	1.3%	64.9%	-1.2%
Marlborough	75.0%	-2.3%	43.2%	-2.1%	80.0%	30.0%	76.5%	10.4%	45.5%	-1.8%	70.9%	-1.6%
Nelson	75.1%	-0.5%	38.7%	1.5%	70.6%	-2.1%	84.2%	-1.2%	36.6%	-1.4%	68.3%	-0.3%
Tasman	78.1%	-1.2%	45.5%	-2.5%	69.2%	2.6%	76.4%	2.6%	46.5%	6.8%	75.0%	-0.8%
West Coast	72.1%	-1.6%	24.5%	-0.5%	75.0%	-25.0%	77.3%	3.9%	42.0%	-7.0%	68.1%	-1.2%
Canterbury	75.0%	-2.3%	37.9%	-3.2%	62.6%	8.7%	70.0%	-4.3%	44.2%	1.8%	68.3%	-2.1%
Otago	74.9%	-1.1%	30.4%	-1.8%	50.0%	16.7%	80.3%	5.9%	43.7%	2.3%	68.0%	-1.0%
Southland	73.1%	-3.9%	32.4%	-4.3%	64.7%	14.7%	66.7%	-8.3%	44.7%	-2.4%	69.7%	-3.8%
Total	71.7%	-2.2%	35.5%	-1.9%	59.0%	5.6%	67.5%	0.4%	40.3%	0.5%	64.8%	-2.1%

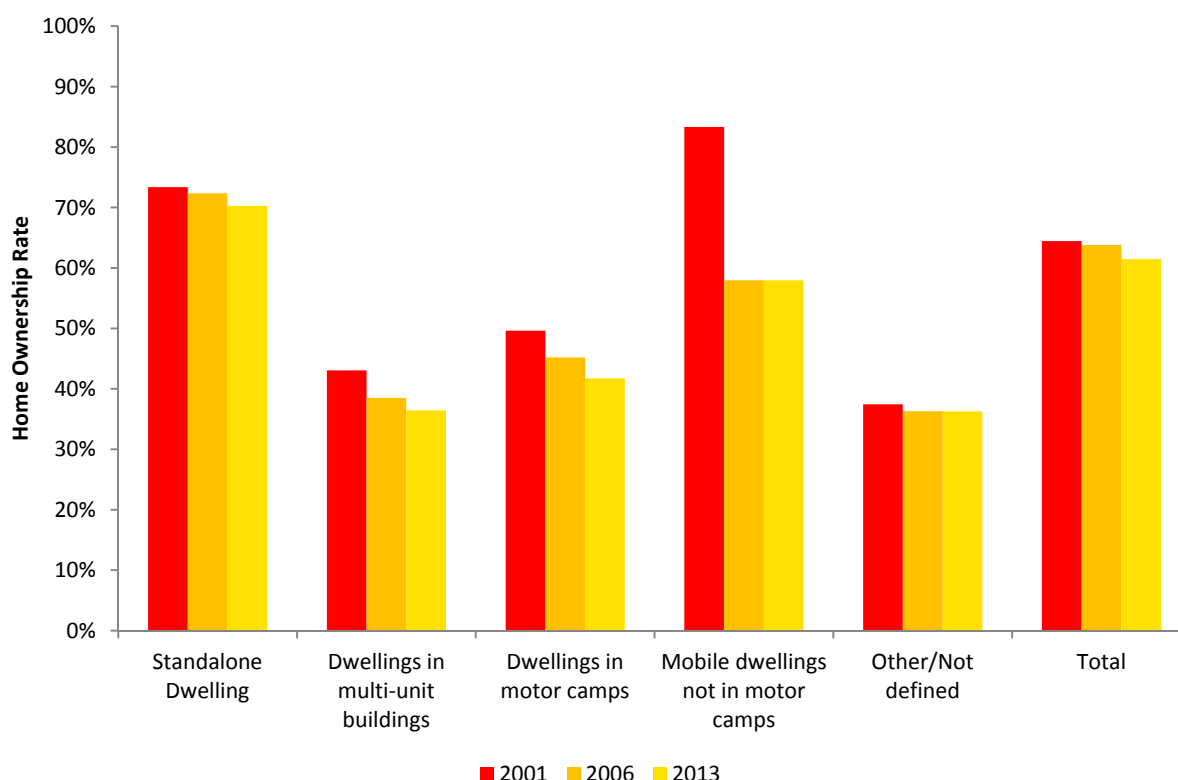
Source: Statistics New Zealand



Auckland Region Trends

Figure 4.10 presents the trend in Auckland's home ownership rates by dwelling typology between 2001 and 2013.

Figure 4.10: Auckland Region Home Ownership Rates by Dwelling Typology 2001 to 2013



Source: Statistics New Zealand

Home ownership rates declined across all dwelling typologies in Auckland. Table 4.35 presents the trend in the number of owner occupied and renter households for Auckland between 2006 and 2013.

Table 4.35: Auckland Region Number of Owner Occupied and Renter Households by Building Typology 2006 to 2013

Dwelling Typology	Owner Occupied Households				Renter Households			
	Number		Change 06 to 13		Number		Change	
	2006	2013	No	%	2006	2013	No	%
Standalone	218,361	227,034	8,673	4.0%	83,412	96,063	12,651	15.2%
Multi-unit 3 stories or less	32,742	34,149	1,407	4.3%	51,276	56,907	5,631	11.0%
Multi-unit 4 or more stories	3,084	4,437	1,353	43.9%	5,961	10,434	4,473	75.0%
Other	3,318	3,321	3	0.1%	5,298	5,304	6	0.1%

Source: Statistics New Zealand



Households living in multi-unit dwellings accounted for 38% of the total growth in occupied dwellings for all tenure types and 44% of renter households by dwelling type.



5. Inter-Regional Migration

5.1 Introduction

The objective of this section of the report is to present the results of the analysis of inter-regional migration between 2001 and 2006 as well as 2008 to 2013. Note that because the 2011 census was delayed by two years to 2013 the inter-regional migration data defers to the five year period beginning in 2008 and ending in 2013. In addition to the level of net migration the analysis examines:

- The tenure of inter-regional migrants in 2013 by region;
- Inter-regional migration by region and household composition; and
- Inter-regional migration by region and age.

5.2 Net Inter-Regional Migration

The level of inter-regional migration was lower in the five years ended 2013 compared to the five years ended 2006. Table 5.1 presents the trend in the inter-regional population flows between 2001 and 2006 and 2008 to 2013.

Table 5.1: Inter-regional Migration 2001 to 2006 and 2008 to 2013

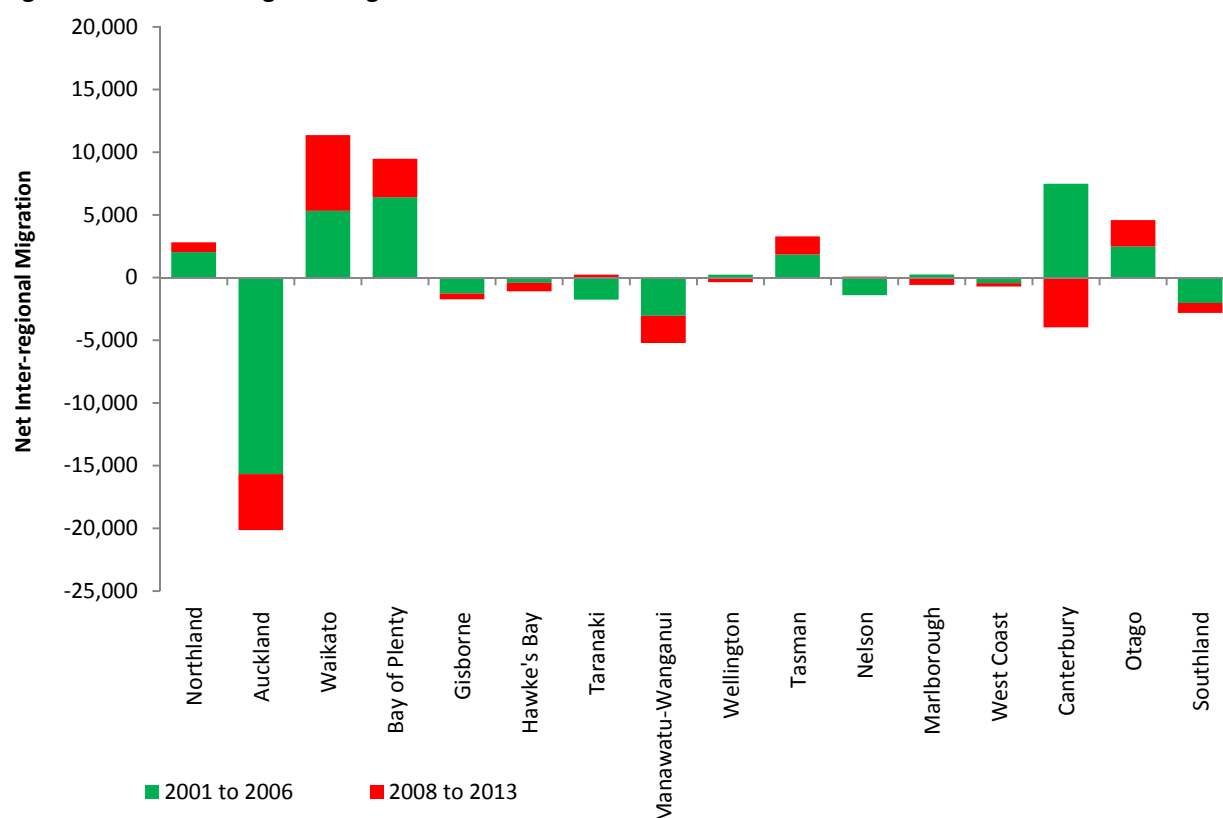
Region	2001 to 2006			2008 to 2013		
	Inward	Outward	Net Gain/Loss	Inward	Outward	Net Gain/Loss
Northland	17,295	15,261	2,034	13,887	13,104	783
Auckland	53,532	69,210	-15,678	51,882	56,343	-4,461
Waikato	43,551	38,226	5,325	37,596	31,551	6,045
Bay of Plenty	32,187	25,770	6,417	25,512	22,458	3,054
Gisborne	4,449	5,727	-1,278	3,798	4,248	-450
Hawke's Bay	13,773	14,193	-420	11,298	11,967	-669
Taranaki	8,493	10,257	-1,764	7,947	7,713	234
Manawatu-Wanganui	23,709	26,751	-3,042	18,591	20,769	-2,178
Wellington	35,583	35,352	231	30,891	31,260	-369
Tasman	8,151	6,309	1,842	7,308	5,871	1,437
Nelson	7,308	8,706	-1,398	7,350	7,266	84
Marlborough	6,396	6,153	243	5,019	5,598	-579
West Coast	4,257	4,707	-450	3,615	3,879	-264
Canterbury	36,552	29,073	7,479	31,206	35,175	-3,969
Otago	22,440	19,956	2,484	20,715	18,618	2,097
Southland	8,079	10,104	-2,025	7,206	8,001	-795

Source: Statistics New Zealand



Figure 5.1 presents the net inter-regional migration trends between 2001 and 2006 combined with 2008 and 2013.

Figure 5.1: Net Inter-regional Migration Trends 2001 to 2006 and 2008 to 2013



Source: Statistics New Zealand

A total of 8 regions had a net gain from inter-regional migration between 2001 and 2006 while only 7 regions had positive net inter-regional migration in the five years ended 2013. Auckland experienced the most significant net loss in migrants followed by Manawatu-Wanganui region. Canterbury experienced the largest turnaround in migration trends gaining 7,479 people between 2001 and 2006 and losing 3,969 in the five years ending 2013. Bay of Plenty and the Waikato experienced the strongest inflow of migrants.

Tables 5.2 and 5.3 present the net inter-regional migration flows by region between 2001 and 2006, and 2008 and 2013 respectively.



Table 5.2: Inter-Regional Migration 2001 to 2006

Region in 2001	Region of Residence in 2006															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawke's Bay	Taranaki	Mana-Wanganui	Wgtn	Tasman	Nelson	Marlbgh	West Coast	Canterby	Otago	Southland
2001 to 2006																
Northland	0	-3,471	630	303	-66	-33	-54	30	30	12	21	33	-9	195	240	105
Auckland	3,471	0	5,418	3,477	108	765	357	-147	-1929	348	348	300	6	1563	1347	246
Waikato	-630	-5,418	0	1,794	-255	-123	-636	-1176	183	-3	39	90	24	210	327	249
Bay of Plenty	-303	-3,477	-1,794	0	-306	-147	-186	-702	-228	-45	9	27	54	312	375	-6
Gisborne	66	-108	255	306	0	189	18	84	270	3	0	18	-3	93	66	21
Hawke's Bay	33	-765	123	147	-189	0	-12	-207	537	72	24	72	24	369	183	9
Taranaki	54	-357	636	186	-18	12	0	120	621	-21	-21	24	15	264	177	72
Man-Wanga	-30	147	1,176	702	-84	207	-120	0	-60	87	42	-15	6	687	309	-12
Wellington	-30	1,929	-183	228	-270	-537	-621	60	0	66	-162	75	-27	-183	-537	-39
Tasman	-12	-348	3	45	-3	-72	21	-87	-66	0	-1179	-90	21	63	-60	-78
Nelson	-21	-348	-39	-9	0	-24	21	-42	162	1179	0	-126	63	525	30	27
Marlborough	-33	-300	-90	-27	-18	-72	-24	15	-75	90	126	0	-30	297	-45	-57
West Coast	9	-6	-24	-54	3	-24	-15	-6	27	-21	-63	30	0	630	-33	-3
Canterbury	-195	-1,563	-210	-312	-93	-369	-264	-687	183	-63	-525	-297	-630	0	-1254	-1200
Otago	-240	-1,347	-327	-375	-66	-183	-177	-309	537	60	-30	45	33	1254	0	-1359
Southland	-105	-246	-249	6	-21	-9	-72	12	39	78	-27	57	3	1200	1359	0

Source: Statistics New Zealand



Table 5.3: Inter-Regional Migration 2008 to 2013

Region in 2008	Region of Residence in 2013															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawke's Bay	Taranaki	Mana-Wanganui	Wgtn	Tasman	Nelson	Marlbghh	West Coast	Canterbury	Otago	Southland
2008 to 2013																
Northland	0	-1986	465	171	-15	84	84	-36	15	27	15	18	-15	153	210	27
Auckland	1986	0	4278	1656	9	219	240	-192	-1926	144	54	-6	78	-2445	258	108
Waikato	-465	-4278	0	-102	-213	-177	-90	-756	156	6	6	-27	39	-372	138	90
Bay of Plenty	-171	-1656	102	0	-90	-216	-3	-393	-201	-87	-12	-87	36	-255	-36	15
Gisborne	15	-9	213	90	0	-33	48	12	75	-6	-3	3	-6	48	15	-12
Hawke's Bay	-84	-219	177	216	33	0	15	-249	252	81	63	3	-3	252	135	-3
Taranaki	-84	-240	90	3	-48	-15	0	-135	192	15	-6	-18	-12	-66	84	6
Mana-Wanga	36	192	756	393	-12	249	135	0	-498	51	69	-6	15	453	216	129
Wellington	-15	1926	-156	201	-75	-252	-192	498	0	36	-237	-135	-51	-672	-489	-18
Tasman	-27	-144	-6	87	6	-81	-15	-51	-36	0	-453	-120	-72	-528	15	-12
Nelson	-15	-54	-6	12	3	-63	6	-69	237	453	0	-60	6	-486	-33	-15
Marlborough	-18	6	27	87	-3	-3	18	6	135	120	60	0	0	75	87	-18
West Coast	15	-78	-39	-36	6	3	12	-15	51	72	-6	0	0	216	45	18
Canterbury	-153	2445	372	255	-48	-252	66	-453	672	528	486	-75	-216	0	651	-309
Otago	-210	-258	-138	36	-15	-135	-84	-216	489	-15	33	-87	-45	-651	0	-801
Southland	0	-108	-90	-15	12	3	-6	-129	18	12	15	18	-18	309	801	0

Source: Statistics New Zealand



5.3 Inter-Regional Migration by Demographic Characteristic

This section of the reports presents inter-regional migration trends between 2008 and 2013 by tenure of the household, household composition and age of the resident in 2013.

5.3.1 Inter-regional migration by tenure of the family in 2013

Table 5.4 compares the home ownership rate of inter-regional migrants in 2013 with the home ownership rate of the region.

Table 5.4: Home Ownership Rates of Inter-regional Migrant Households in 2013

	Home Ownership Rate of Migrant Households in 2013	Home Ownership Rate in 2013	Difference
Northland Region	48.3%	66.2%	-17.9%
Auckland Region	36.7%	61.5%	-24.8%
Waikato Region	41.4%	62.7%	-21.3%
Bay of Plenty Region	46.6%	64.7%	-18.1%
Gisborne Region	37.1%	59.2%	-22.1%
Hawke's Bay Region	47.5%	65.9%	-18.4%
Taranaki Region	45.4%	68.0%	-22.6%
Manawatu-Wanganui Region	41.2%	65.2%	-24.0%
Wellington Region	31.5%	64.9%	-33.4%
Marlborough Region	50.8%	70.9%	-20.1%
Nelson Region	52.2%	68.4%	-16.2%
Tasman Region	61.0%	75.0%	-14.0%
West Coast Region	44.7%	68.1%	-23.4%
Canterbury Region	39.3%	68.3%	-29.0%
Otago Region	34.9%	68.0%	-33.1%
Southland Region	42.8%	69.7%	-26.9%

Source: Statistics New Zealand

The home ownership rate of inter-regional migrants was on average 22.8% lower than the regional averages. A number of factors could explain this trend. For example a migrant may choose to rent whilst they develop knowledge of the local market and settle into their local communities, choose schools and develop support networks. Wellington and Otago had the lowest migrant home ownership rates relative to their regional averages. The high proportion of students living in Dunedin may explain Otago's variation whilst Wellington's lower rate is less obvious although it may reflect the transient nature of the city's labour market.

5.3.2 Inter-regional migration by household composition in 2013

Tables 5.5 present the analysis of inter-regional migration between 2008 and 2013 by household composition.



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Table 5.5: Inter-regional Migration by Household Composition 2008 to 2013

Household Composition in 2013	Region of Residence in 2013															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawkes Bay	Taranaki	Manawatu -Wanganui	Wellington	Marlborough	Nelson	Tasman	West Coast	Canterbury	Otago	Southland
Inward Migration																
Couple only	3,705	12,807	9,498	6,744	597	2,613	1,767	4,413	8,328	1,692	1,947	2,133	999	7,932	4,746	1,743
Couple with Children	4,743	16,701	13,626	9,285	1,563	4,461	3,453	6,210	8,088	1,713	2,712	3,147	1,452	11,349	5,910	3,000
One Parent	2,397	6,084	5,424	4,077	816	1,737	1,056	2,844	2,769	597	1,110	777	381	2,811	1,653	870
Two family	897	4,419	2,127	1,539	261	717	429	777	1,743	183	318	366	60	1,797	504	168
Three+ families	63	606	159	93	6	27	12	63	108	6	12	15	0	78	0	0
Other	615	7,758	3,450	1,518	189	684	474	2,292	7,503	264	510	204	234	4,926	6,255	630
One Person	1,428	3,474	3,282	2,235	267	1,017	696	1,950	2,340	540	702	603	441	2,271	1,620	753
Unidentifiable	0	15	9	0	6	0	0	0	0	0	0	0	0	0	0	0
Total	13,887	51,882	37,596	25,512	3,798	11,298	7,947	18,591	30,891	5,019	7,350	7,308	3,615	31,206	20,715	7,206
Outward Migration																
Couple only	2,823	14,166	7,584	5,340	801	2,763	1,911	5,091	7,851	1,530	1,974	1,602	951	9,621	5,646	2,010
Couple with Children	4,098	20,562	10,887	7,281	1,470	3,726	2,313	7,056	11,106	1,983	2,559	2,013	1,284	12,162	6,123	2,790
One Parent	2,130	7,287	4,476	2,979	735	1,689	990	2,646	3,513	612	786	693	564	3,858	1,569	876
Two family	1,137	3,189	2,097	1,359	267	735	459	1,308	1,746	240	345	192	201	1,671	1,029	330
Three+ families	111	246	216	135	39	45	15	60	168	0	21	33	6	111	42	0
Other	1,812	5,751	3,732	3,534	603	2,082	1,401	2,895	4,143	720	918	756	429	4,704	2,712	1,314
One Person	942	5,070	2,538	1,794	288	897	573	1,689	2,706	462	615	525	390	3,027	1,473	630
Unidentifiable	0	15	0	15	0	0	0	0	0	0	0	0	0	0	0	0
Total	13,104	56,343	31,551	22,458	4,248	11,967	7,713	20,769	31,260	5,598	7,266	5,871	3,879	35,175	18,618	8,001

Source: Statistics New Zealand



Table 5.5: Inter-regional Migration by Household Composition 2008 to 2013 Continued

Household Composition in 2013	Region of Residence in 2013															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawkes Bay	Taranaki	Manawatu -Wanganui	Wellington	Marlborough	Nelson	Tasman	West Coast	Canterbury	Otago	Southland
Net Balance																
Couple only	882	-1,359	1,914	1,404	-204	-150	-144	-678	477	162	-27	531	48	-1,689	-900	-267
Couple with Children	645	-3,861	2,739	2,004	93	735	1,140	-846	-3,018	-270	153	1,134	168	-813	-213	210
One Parent	267	-1,203	948	1,098	81	48	66	198	-744	-15	324	84	-183	-1,047	84	-6
Two family	-240	1,230	30	180	-6	-18	-30	-531	-3	-57	-27	174	-141	126	-525	-162
Three+ families	-48	360	-57	-42	-33	-18	-3	3	-60	6	-9	-18	-6	-33	-42	0
Other	-1,197	2,007	-282	-2,016	-414	-1,398	-927	-603	3,360	-456	-408	-552	-195	222	3,543	-684
One Person	486	-1,596	744	441	-21	120	123	261	-366	78	87	78	51	-756	147	123
Unidentifiable	0	0	9	-15	6	0	0	0	0	0	0	0	0	0	0	0
Total	783	-4,461	6,045	3,054	-450	-669	234	-2,178	-369	-579	84	1,437	-264	-3,969	2,097	-795

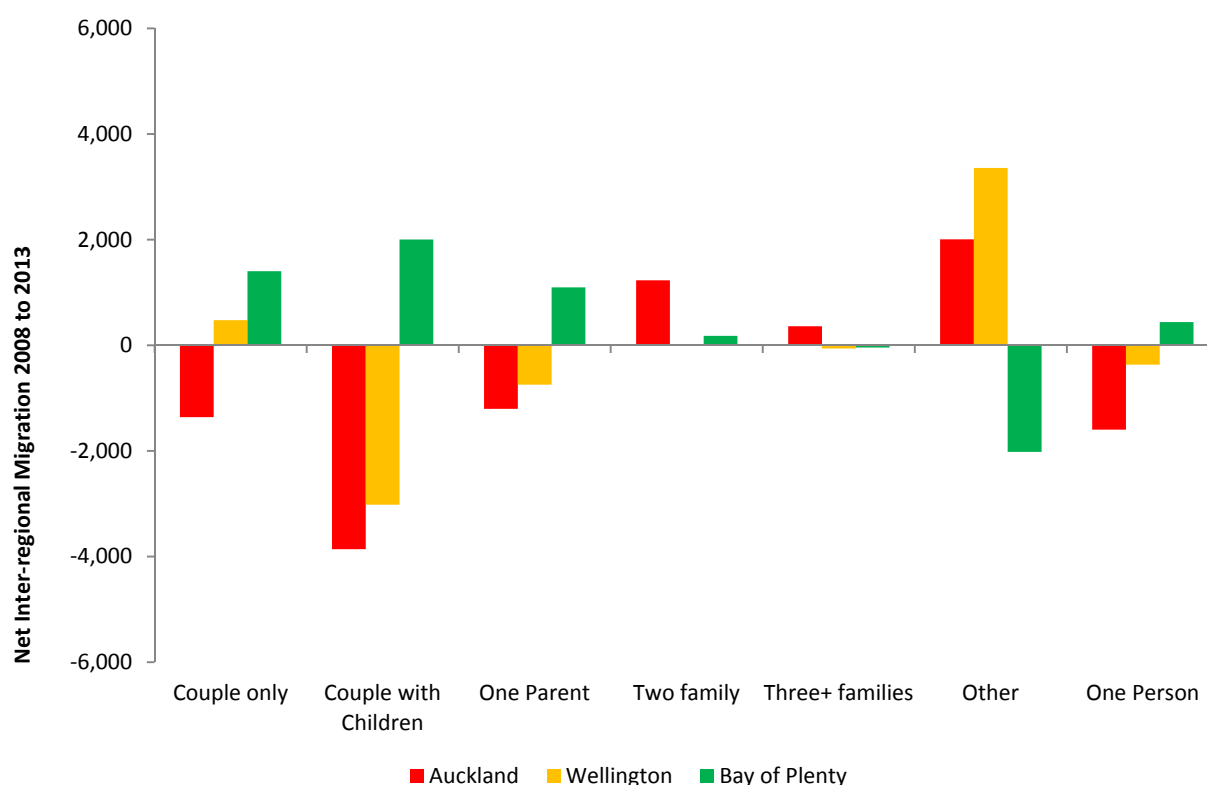
Source: Statistics New Zealand



Auckland, Canterbury and Wellington regions experienced a different pattern in migration by household composition when compared to other regions. These regions lost people living in the following household types; couples with children, one parent and one person households whilst experiencing strong inflows of other households which is predominately made of households of unrelated people. In addition Auckland also gained multifamily households. This could reflect families living together once they have arrived in Auckland to cope with high housing costs.

Figure 5.2: compares the trend in inter-regional migration between 2008 and 2013 for people resident in Auckland, Wellington or Otago regions in 2013 by household composition.

Figure 5.2: Inter-regional Migration 2008 to 2013 by Household Composition in Auckland, Wellington, and Bay of Plenty



Source: Statistics New Zealand

Both Auckland and Wellington experienced net loss of couples with children whilst gaining in the number of households with unrelated people.

5.3.3 Inter-regional migration by age in 2013

Table 5.6 presents the analysis of inter-regional migration between 2008 and 2013 by age of the resident.



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Table 5.6: Inter-regional Migration 2008 to 2013 by Age of the Resident in 2013

Age of resident In 2013	Region of Residence in 2013															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawkes Bay	Taranaki	Manawatu Wanganui	Wellington	Marlburgh	Nelson	Tasman	West Coast	Canterby	Otago	Southland
Inward Migration																
Less than 10 Years	1398	3507	3333	2409	441	1098	741	1572	1746	405	591	717	303	2229	1275	648
10-19 Years	1809	7353	5553	3429	642	1491	1047	2940	4569	525	1032	867	423	4218	3870	1005
20-29 Years	2019	16578	8571	4689	804	2160	1839	4623	12228	855	1344	951	717	9102	6849	1920
30-39 Years	2019	8931	6039	4110	657	1959	1533	2733	4740	819	1143	1203	591	5256	2781	1329
40-49 Years	1971	6504	4923	3555	504	1644	1119	2307	3255	729	1161	1275	603	4470	2361	957
50-59 Years	1896	4287	3915	2940	360	1272	825	1902	2193	684	879	1014	531	3159	1620	669
60-69 Years	1779	2661	3201	2631	213	972	540	1482	1233	588	672	759	267	1806	1254	429
70-79 Years	693	1368	1503	1305	66	447	186	723	603	282	273	336	57	732	477	141
80 Years and Over	234	681	549	438	15	192	45	276	321	90	159	120	9	234	192	63
Total	13887	51882	37596	25512	3798	11298	7947	18591	30891	5019	7350	7308	3615	31206	20715	7206
Outward Migration																
Less than 10 Years	1,071	5,046	2,565	1,776	369	918	573	1,599	2,346	381	525	411	282	2,871	1,092	588
10-19 Years	2,613	7,110	5,034	3,852	834	2,124	1,344	3,201	3,813	858	972	936	636	4,410	1,725	1,311
20-29 Years	3,297	11,478	8,235	6,168	1,137	3,669	2,250	6,336	8,226	1,326	1,800	1,446	849	9,228	7,617	2,187
30-39 Years	1,557	10,404	4,860	3,216	510	1,659	1,074	3,132	5,991	834	1,170	717	504	5,970	3,090	1,155
40-49 Years	1,680	8,193	3,981	2,685	525	1,404	915	2,415	4,320	849	1,134	852	567	4,725	2,022	1,071
50-59 Years	1,284	5,946	3,108	2,073	432	1,104	738	1,977	3,063	621	846	705	468	3,441	1,533	807
60-69 Years	921	5,220	2,172	1,458	225	621	471	1,218	2,223	435	537	465	318	2,661	975	567
70-79 Years	489	2,205	1,092	798	87	291	201	603	858	216	180	213	120	1,287	366	186
80 Years and Over	159	711	480	396	24	129	93	234	372	75	51	84	24	573	174	39
Total	13,104	56,343	31,551	22,458	4,248	11,967	7,713	20,769	31,260	5,598	7,266	5,871	3,879	35,175	18,618	8,001

Source: Statistics New Zealand



Table 5.6: Inter-regional Migration 2008 to 2013 by Age of the Resident in 2013 Continued

Age of resident In 2013	Region of Residence in 2013															
	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawkes Bay	Taranaki	Manawatu Wanganui	Wellington	Marlbg	Nelson	Tasman	West Coast	Canterby	Otago	Southland
Net Balance																
Less than 10 Years	327	-1,539	768	633	72	180	168	-27	-600	24	66	306	21	-642	183	60
10-19 Years	-804	243	519	-423	-192	-633	-297	-261	756	-333	60	-69	-213	-192	2,145	-306
20-29 Years	-1,278	5,100	336	-1,479	-333	-1,509	-411	-1,713	4,002	-471	-456	-495	-132	-126	-768	-267
30-39 Years	462	-1,473	1,179	894	147	300	459	-399	-1,251	-15	-27	486	87	-714	-309	174
40-49 Years	291	-1,689	942	870	-21	240	204	-108	-1,065	-120	27	423	36	-255	339	-114
50-59 Years	612	-1,659	807	867	-72	168	87	-75	-870	63	33	309	63	-282	87	-138
60-69 Years	858	-2,559	1,029	1,173	-12	351	69	264	-990	153	135	294	-51	-855	279	-138
70-79 Years	204	-837	411	507	-21	156	-15	120	-255	66	93	123	-63	-555	111	-45
80 Years and Over	75	-30	69	42	-9	63	-48	42	-51	15	108	36	-15	-339	18	24
Total	783	-4,461	6,045	3,054	-450	-669	234	-2,178	-369	-579	84	1,437	-264	-3,969	2,097	-795

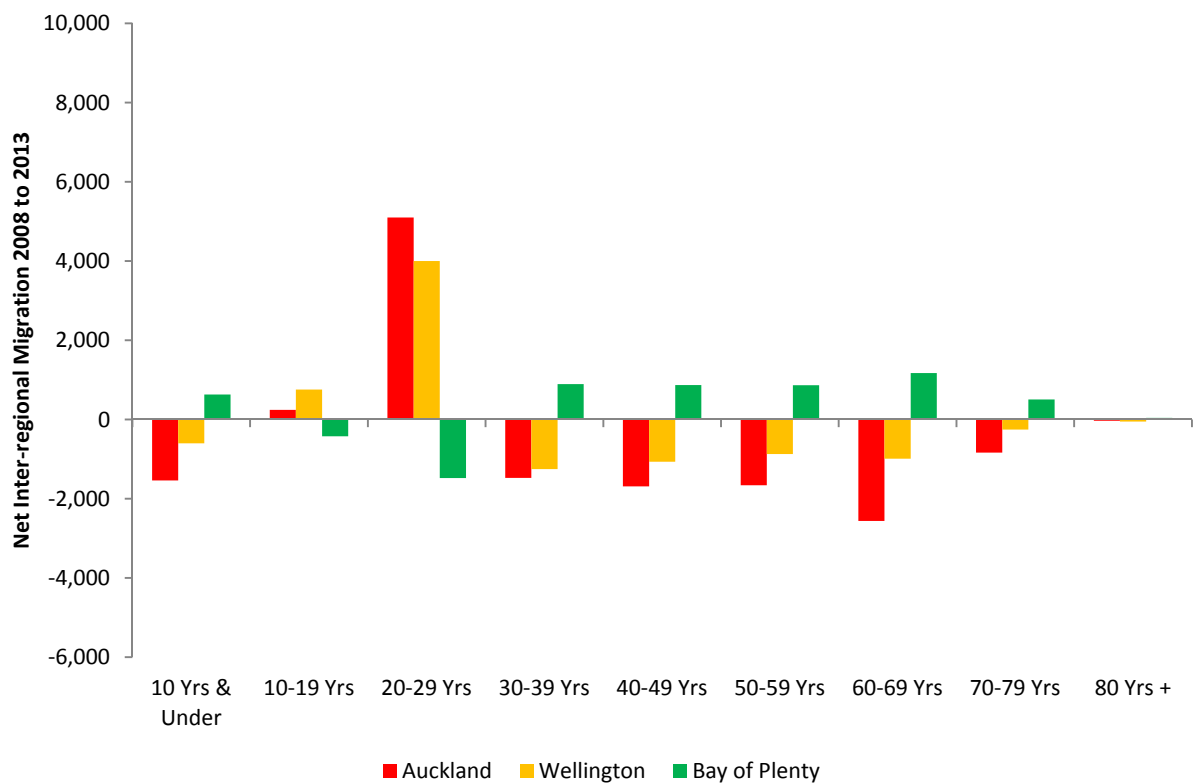
Source: Statistics New Zealand



Auckland and Wellington experienced different patterns in net migration by resident's age when compared to other regions. Auckland and Wellington gained migrants aged between 10 and 29 years of age and had negative outflows in all the other age groups. Canterbury had a net outflow of migrants in all age groups whilst Gisborne also had a net outward flow in all age groups except people aged less than 10 years of age.

Figure 5.2 compares the trend in inter-regional migration between 2008 and 2013 by resident's age in 2013 for Auckland, Wellington and Bay of Plenty regions.

Figure 5.2: Inter-regional Migration 2008 to 2013 by Age of the Resident in Auckland, Wellington, and Bay of Plenty



Source: Statistics New Zealand

Auckland and Wellington experienced significant net inflows of people aged between 20 and 29 years old whilst consistently experiencing net outflows in age groups over 30 years of age.



5.4 Summary

Although net migration gains and losses have a relatively small impact on population growth some interesting trends have emerged from this analysis. These include:

- The level of net migration between 2001 and 2006 was higher than the five year period ended in 2013.
- Auckland, Gisborne, and Manawatu-Wanganui were the only regions to record net losses in both periods (2001 to 2006 and 2008 to 2013);
- Northland, Waikato, Bay of Plenty, Tasman, and Otago were the only regions to experience net gains in migrants in both 5 year periods;
- Canterbury experienced the largest turnaround in net migration from a 7,479 gain in the five years ending 2006 to a 3,969 loss in the five years ending 2013;
- Home ownership rates of migrant (2008 to 2013) were on average 22.8% lower than the region where they settled;
- Auckland and Wellington had similar patterns of inter-regional migration by household composition. Both regions lost people living in the following household types; couples with children, one parent with children and one person households whilst experiencing strong gains in households of unrelated people; and
- Auckland and Wellington also experienced similar patterns of net migration between 2008 and 2013 by age of the resident in 2013. Both regions experienced net gains in people aged between 10 and 30 years of age whilst having net losses in all the other age groups. Canterbury lost people in all age groups.



6. Implications of Demographic Trends on Future Demand

6.1 Introduction

The objective of this section of the report is to present housing demand projections at a regional level through to 2026. These projections use the same methodology¹³ as the projections presented in DTZ (2005) and DTZ (2007). The projections included in this section of the report are based on:

- The 2013 and prior Census results in terms of home ownership rate trends, changes in the age structure of the regional populations, household structure; and
- The population and household projections published by Statistics New Zealand in 2012 and these use the 2006 census as their base. The usually resident population and household estimates used in the population projections are a different estimate than census results. They include normally resident people who were overseas on census night whereas the census does not. The population and household estimates have a June effective date rather than the date of the census.

Table 6.1 presents the projected growth in households between 2006 and 2026.

Table 6.1: Household Growth Projections

Region	2006	2011		2016		2021		2026	
	Hhlds	Hhlds	Change 06 to 11	Hhlds	Change 11 to 16	Hhlds	Change 16 to 21	Hhlds	Change 21 to 26
Northland	58,200	62,400	4,200	66,100	3,700	69,100	3,000	71,600	2,500
Auckland	465,500	514,100	48,600	565,500	51,400	617,800	52,300	670,300	52,500
Waikato	147,100	158,200	11,100	168,000	9,800	176,700	8,700	184,900	8,200
Bay of Plenty	101,000	108,700	7,700	116,400	7,700	123,500	7,100	130,100	6,600
Gisborne	16,600	17,400	800	18,000	600	18,500	500	18,800	300
Hawke's Bay	57,900	60,400	2,500	62,700	2,300	64,600	1,900	66,200	1,600
Taranaki	42,400	44,300	1,900	45,600	1,300	46,500	900	47,100	600
Manawatu-Wanganui	89,500	93,200	3,700	96,600	3,400	99,100	2,500	101,100	2,000
Wellington	178,300	190,900	12,600	201,900	11,000	211,500	9,600	220,400	8,900
Tasman	17,600	19,000	1,400	20,100	1,100	20,900	800	21,600	700
Nelson	18,100	19,100	1,000	20,100	1,000	20,900	800	21,600	700
Marlborough	17,900	19,100	1,200	20,400	1,300	21,500	1,100	22,600	1,100
West Coast	13,400	14,100	700	14,500	400	14,700	200	14,700	0
Canterbury	211,700	227,100	15,400	240,700	13,600	253,400	12,700	265,800	12,400
Otago	79,500	84,400	4,900	88,300	3,900	91,600	3,300	94,700	3,100
Southland	37,500	38,800	1,300	39,700	900	39,900	200	39,800	-100
New Zealand	1,552,600	1,671,600	119,000	1,784,600	113,000	1,890,500	105,900	1,991,600	101,100

Source: Statistics New Zealand

¹³ An overview of the methodology is presented in DTZ (2004) DTZ (2007).



Just over half of the total growth in the number of households between 2011 and 2026 is projected to be in Auckland region and 68% of the total growth is projected to be in the upper half of the North Island.

In the context of this report the number of households in 2013 were estimated using the 2013 census results, Statistics New Zealand's latest population estimates (based on the 2006 census and subsequent projections) and Statistics New Zealand's advice to users of their population projections which provides an indication of potential revision of population growth based on the 2013 census result. Table 6.2 presents a summary of these estimates.

Table 6.2: Indication of Future Population Change from 2006 base Sub-national Population Projections (published 2012) – Advice to users

Region	Revision of 2006 base population estimates at 30 th June 2013 after 2013 Census	
	Number	Percent
Northland	+600	+3.6%
Auckland	-36,200	-2.4%
Waikato	+6,200	+1.5%
Bay of Plenty	+1,600	+0.6%
Gisborne	+300	+0.6%
Hawke's Bay	+2,900	+1.9%
Taranaki	+3,100	+2.7%
Manawatu-Wanganui	-1,500	-0.6%
Wellington	-5,900	-1.2%
Tasman	+200	+0.4%
Nelson	+1,800	+3.8%
Marlborough	-1,200	-2.8%
West Coast	+300	+0.6%
Canterbury	-3,200	-0.6%
Otago	-4,500	-2.2%
Southland	+1,100	+1.2%

Source Statistics New Zealand



6.2 Home Ownership Rate Trends by Region

The trend in home ownership rates by region has taken into account projected changes in each regions' household composition, age profile, and level of population growth using synthetic age cohorts. The projected home ownership rates also take into account changes in property values since the 2013 Census.¹⁴ In this section of the report owner occupier households include all households which either own the dwelling they live in or live in a dwelling owned by a related family trust.

Table 6.3 presents the projected change in home ownership rates by region.

Table 6.3: Home Ownership Rate Trends by Region

Region	Home Ownership Rate					% Point Change			
	2001	2013	2016 (p)	2021 (p)	2026 (p)	2001 to 2013		2013 to 2026	
						Total	Pa	Total	pa
Northland	70.5%	66.2%	64.8%	62.2%	59.6%	-4.3%	-0.4%	-6.6%	-0.5%
Auckland	64.6%	61.5%	60.4%	58.5%	56.9%	-3.1%	-0.3%	-4.6%	-0.4%
Waikato	67.6%	62.7%	61.9%	60.1%	58.3%	-4.9%	-0.4%	-4.4%	-0.3%
Bay of Plenty	68.4%	64.7%	63.5%	61.2%	58.8%	-3.7%	-0.3%	-5.9%	-0.5%
Gisborne	63.2%	59.2%	57.8%	55.4%	52.7%	-4.0%	-0.3%	-6.5%	-0.5%
Hawke's Bay	67.8%	65.9%	64.9%	63.0%	60.9%	-1.9%	-0.2%	-5.0%	-0.4%
Taranaki	72.2%	68.0%	67.0%	65.5%	63.9%	-4.2%	-0.3%	-4.1%	-0.3%
Manawatu-Wanganui	67.9%	65.2%	64.2%	61.9%	59.7%	-2.7%	-0.2%	-5.5%	-0.4%
Wellington	66.9%	64.9%	64.2%	63.0%	61.7%	-2.0%	-0.2%	-3.2%	-0.2%
Marlborough	73.7%	70.9%	70.7%	69.5%	67.7%	-2.8%	-0.2%	-3.2%	-0.2%
Nelson	68.7%	68.4%	67.8%	66.0%	64.6%	-0.3%	0.0%	-3.8%	-0.3%
Tasman	76.1%	75.0%	74.3%	72.1%	69.6%	-1.1%	-0.1%	-5.4%	-0.4%
West Coast	72.6%	68.1%	66.3%	64.4%	62.5%	-4.5%	-0.4%	-5.6%	-0.4%
Canterbury	71.4%	68.3%	67.1%	64.5%	61.9%	-3.1%	-0.3%	-6.4%	-0.5%
Otago	69.6%	68.0%	67.3%	65.3%	63.1%	-1.6%	-0.1%	-4.9%	-0.4%
Southland	75.6%	69.7%	68.4%	65.3%	62.1%	-5.9%	-0.5%	-7.6%	-0.6%

Source: Statistics New Zealand and Livingston and Associates Ltd

1996 and 2001 home ownership rates are unadjusted figures and consequently not directly comparable with the 2006 and 2013 census results. 2016 and beyond projections are based on the 2013 census results and consequently are directly comparable with the 2013 home ownership rates.

Home ownership rates are expected to continue to decline across all regions. Strong growth in dwelling values has significantly reduced housing affordability particularly for younger households. This is projected to have a sustained impact on home ownership rates over the next ten years as the lower home ownership rates in the younger age cohorts progress through the population.

¹⁴ Please note the comments on the comparability of home ownership outcomes between censuses included in Chapter 3 of this report.



6.3 Implications of the Home Ownership Rate Projections on the Number of Households

Table 6.4 demonstrates the trend in the number of owner occupied and renter households between 2013 and 2026.

Table 6.4: Projected Number of Owner Occupied and Renter Households

Region	2013		2021		2026	
	Owner Occupied	Renter	Owner Occupied	Renter	Owner Occupied	Renter
Northland	41,450	21,570	42,500	25,800	42,060	28,550
Auckland	308,080	195,220	340,130	241,190	358,650	272,100
Waikato	100,300	60,090	105,220	69,740	106,910	76,390
Bay of Plenty	70,170	38,820	73,910	46,910	74,760	52,370
Gisborne	10,080	7,020	9,910	7,980	9,770	8,770
Hawkes Bay	40,170	20,940	44,270	25,970	46,420	29,800
Taranaki	30,970	14,690	30,980	16,310	30,510	17,230
Manawatu-Wanganui	60,420	32,250	60,240	37,110	59,010	39,860
Wellington	121,750	66,370	128,030	75,120	130,280	80,970
Marlborough	13,370	5,530	14,170	6,230	14,060	6,700
Nelson	13,490	6,260	14,240	7,330	14,300	7,840
Tasman	14,660	4,830	15,310	5,920	15,580	6,790
West Coast	9,720	4,590	9,380	5,190	9,050	5,420
Canterbury	147,790	69,120	152,010	83,800	152,530	94,070
Otago	57,830	27,070	58,690	31,250	58,940	34,520
Southland	27,760	12,010	26,200	13,930	24,820	15,130
New Zealand	1,068,010	586,380	1,125,190	699,780	1,147,650	776,510

Source: Livingston & Associates Ltd

The growth in the number of renter households between 2013 and 2026 is projected to be 190,130 and the growth in the number of owner occupied households is expected to be 79,640 over the same time period.



Table 6.5 presents the distribution of growth by region and time period between 2013 and 2026.

Table 6.5: Change in the Number of Owner Occupied and Renter Households

Region	2013 to 2021			2021 to 2026		
	Owner Occupied	Renter	Total	Owner Occupied	Renter	Total
Northland	1,050	4,230	5,280	-440	2,750	2,310
Auckland	32,050	45,970	78,020	18,520	30,910	49,430
Waikato	4,920	9,650	14,570	1,690	6,650	8,340
Bay of Plenty	3,740	8,090	11,830	850	5,460	6,310
Gisborne	-170	960	790	-140	790	650
Hawkes Bay	4,100	5,030	9,130	2,150	3,830	5,980
Taranaki	10	1,620	1,630	-470	920	450
Manawatu-Wanganui	-180	4,860	4,680	-1,230	2,750	1,520
Wellington	6,280	8,750	15,030	2,250	5,850	8,100
Marlborough	800	700	1,500	-110	470	360
Nelson	750	1,070	1,820	60	510	570
Tasman	650	1,090	1,740	270	870	1,140
West Coast	-340	600	260	-330	230	-100
Canterbury	4,220	14,680	18,900	520	10,270	10,790
Otago	860	4,180	5,040	250	3,270	3,520
Southland	-1,560	1,920	360	-1,380	1,200	-180
New Zealand	57,180	113,400	170,580	22,460	76,730	99,190

Source: Livingston & Associates Ltd

The number of renter and owner occupier households in the larger metropolitan centres is expected to grow at a faster rate than the provincial centres with a significant proportion of the growth centred in Auckland.



Table 6.6 presents the growth in the number of households by tenure and by region between 2013 and 2026 and the proportion of the increase by tenure and by region.

Table 6.6: Growth in Owner Occupied, Renter and Total Households by Region - 2013 to 2026

Region	Owner Occupied			Renter			Total		
	Increase	% Increase	% of Total Increase	Increase	% Increase	% of Total Increase	Increase	% Increase	% of Total Increase
Northland	610	1.5%	0.8%	6980	32.4%	3.7%	7590	12.0%	2.8%
Auckland	50,570	16.4%	63.5%	76,880	39.4%	40.4%	127,450	25.3%	47.2%
Waikato	6,610	6.6%	8.3%	16,300	27.1%	8.6%	22,910	14.3%	8.5%
Bay of Plenty	4,590	6.5%	5.8%	13,550	34.9%	7.1%	18,140	16.6%	6.7%
Gisborne	-310	-3.1%	-0.4%	1,750	24.9%	0.9%	1,440	8.4%	0.5%
Hawkes Bay	6,250	15.6%	7.8%	8,860	42.3%	4.7%	15,110	24.7%	5.6%
Taranaki	-460	-1.5%	-0.6%	2,540	17.3%	1.3%	2,080	4.6%	0.8%
Manawatu-Wanganui	-1,410	-2.3%	-1.8%	7,610	23.6%	4.0%	6,200	6.7%	2.3%
Wellington	8,530	7.0%	10.7%	14,600	22.0%	7.7%	23,130	12.3%	8.6%
Marlborough	690	5.2%	0.9%	1,170	21.2%	0.6%	1,860	9.8%	0.7%
Nelson	810	6.0%	1.0%	1,580	25.2%	0.8%	2,390	12.1%	0.9%
Tasman	920	6.3%	1.2%	1,960	40.6%	1.0%	2,880	14.8%	1.1%
West Coast	-670	-6.9%	-0.8%	830	18.1%	0.4%	160	1.1%	0.1%
Canterbury	4,740	3.2%	6.0%	24,950	36.1%	13.1%	29,690	13.7%	11.0%
Otago	1,110	1.9%	1.4%	7,450	27.5%	3.9%	8,560	10.1%	3.2%
Southland	-2,940	-10.6%	-3.7%	3,120	26.0%	1.6%	180	0.5%	0.1%
Total	79,640	7.5%	100.0%	190,130	32.4%	100.0%	269,770	24.0%	100.0%

Source: Livingston & Associates Ltd

Auckland is expected to dominate the growth in both owner and renter occupier households between 2013 and 2026. Auckland region's share of the total growth in the number of owner occupied households is 63.5% and 47.2% of all renter households.



Table 6.7 presents the projected trend in the number of households by age.

Table 6.7: Total Households by Age

Region	Less than 40 Yrs Old			Between 40 yrs and 64 Yrs			65 and Over		
	2013	2021	2026	2013	2021	2026	2013	2021	2026
Northland	13,340	14,270	14,570	32,020	31,100	29,660	17,660	22,930	26,380
Auckland	157,290	179,160	185,870	250,940	274,880	291,920	95,070	127,280	152,960
Waikato	44,920	47,740	48,670	77,510	78,300	77,900	37,960	48,920	56,730
Bay of Plenty	26,210	28,850	30,280	53,000	54,020	53,340	29,780	37,950	43,510
Gisborne	4,460	4,600	4,730	8,690	8,330	7,990	3,950	4,960	5,820
Hawke's Bay	14,260	16,030	17,300	30,550	32,040	32,190	16,300	22,170	26,730
Taranaki	12,180	12,230	11,960	22,060	20,990	19,780	11,420	14,070	16,000
Manawatu-Wanganui	24,340	25,790	26,050	44,110	41,620	38,970	24,220	29,940	33,850
Wellington	56,060	58,970	58,860	92,530	93,960	94,450	39,530	50,220	57,940
Marlborough	4,120	3,940	3,800	9,180	9,230	8,730	5,600	7,230	8,230
Nelson	4,610	4,880	4,880	10,040	9,870	9,370	5,100	6,820	7,890
Tasman	3,730	4,080	4,300	10,590	10,190	9,780	5,170	6,960	8,290
West Coast	3,460	3,440	3,290	7,510	6,820	6,220	3,340	4,310	4,960
Canterbury	57,280	59,740	61,260	107,450	109,370	108,180	52,180	66,700	77,160
Otago	23,450	24,610	24,300	40,570	39,450	39,510	20,880	25,880	29,650
Southland	11,340	11,300	10,740	18,940	17,190	16,060	9,490	11,640	13,150
Total	461,050	499,630	510,860	815,690	837,360	844,050	377,650	487,980	569,250

Source: Livingston & Associates Ltd

The strongest proportional growth rates are expected to be in the households with older occupants. Across all regions the numbers of households with people aged 65 and over is projected to increase by 51% between 2013 and 2026. The individual regional growth rates the projected vary significantly. For example, in Tasman and Auckland regions, the number of households aged 65 and over is expected to increase by 61% and 60% respectively. Regions projected to grow more slowly than the national average include Southland, Manawatu-Wanganui, and Taranaki where the number of households aged 65 and over is projected to increase by 38.6%, 39.8% and 40.1% respectively.



Table 6.8 presents the change in the number of households by age.

Table 6.8: Change in the Number of Total Households

Region	Under 40 Yrs		Between 40 Yrs and 64 Yrs		65 Yrs and Over	
	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026
Northland	930	300	-920	-1,440	5,270	3,450
Auckland	21,870	6,710	23,940	17,040	32,210	25,680
Waikato	2,820	930	790	-400	10,960	7,810
Bay of Plenty	2,640	1,430	1,020	-680	8,170	5,560
Gisborne	140	130	-360	-340	1,010	860
Hawke's Bay	1,770	1,270	1,490	150	5,870	4,560
Taranaki	50	-270	-1,070	-1,210	2,650	1,930
Manawatu-Wanganui	1,450	260	-2,490	-2,650	5,720	3,910
Wellington	2,910	-110	1,430	490	10,690	7,720
Marlborough	-180	-140	50	-500	1,630	1,000
Nelson	270	0	-170	-500	1,720	1,070
Tasman	350	220	-400	-410	1,790	1,330
West Coast	-20	-150	-690	-600	970	650
Canterbury	2,460	1,520	1,920	-1,190	14,520	10,460
Otago	1,160	-310	-1,120	60	5,000	3,770
Southland	-40	-560	-1,750	-1,130	2,150	1,510
Total	38,580	11,230	21,670	6,690	110,330	81,270

Source: Livingston & Associates Ltd

The number of households in the older age groups (aged 65 and over) is expected to increase by 191,600 between 2013 and 2026. Alternatively, the growth in household numbers for younger households is significantly less at 49,810 over the same time period.



Table 6.9 presents the projected trend in owner occupied households.

Table 6.9: Owner Occupied Households

Region	Less than 40 Yrs Old			Between 40 yrs and 64 Yrs			65 and Over		
	2013	2021	2026	2013	2021	2026	2013	2021	2026
Northland	2,140	1,550	1,820	22,440	20,070	17,680	13,950	17,720	19,880
Auckland	23,670	24,030	25,510	169,120	175,040	177,300	72,430	94,420	110,260
Waikato	6,570	6,130	6,140	53,520	50,970	47,720	29,710	37,180	42,030
Bay of Plenty	3,840	3,200	3,420	36,610	35,110	32,430	23,680	29,260	32,730
Gisborne	620	360	450	5,600	4,910	4,280	2,940	3,600	4,080
Hawke's Bay	620	360	450	5,600	4,910	4,280	2,940	3,600	4,080
Taranaki	2,190	1,720	1,910	16,230	14,720	13,290	9,050	10,820	11,970
Manawatu-Wanganui	3,970	3,110	3,390	31,710	28,060	24,580	18,820	22,550	24,840
Wellington	8,410	7,700	8,090	67,320	65,560	62,700	31,820	39,890	45,350
Marlborough	700	590	580	6,950	6,680	5,970	4,560	5,800	6,510
Nelson	790	540	660	7,370	6,850	6,150	4,150	5,530	6,310
Tasman	790	510	540	8,430	7,690	6,850	4,360	5,890	6,970
West Coast	660	500	470	5,580	4,830	4,230	2,500	3,070	3,410
Canterbury	9,940	8,590	8,260	80,020	75,690	69,640	41,950	52,570	59,470
Otago	3,780	3,550	3,350	31,180	28,420	26,310	16,930	20,760	23,520
Southland	2,170	1,750	1,650	14,740	12,260	10,430	7,610	9,170	10,140
Total	70,860	64,190	66,690	562,420	541,770	513,840	287,400	361,830	411,550

Source: Livingston & Associates Ltd

The number of owner occupied households in the older age groups (65 years and over) is expected to increase while the number of owner occupied households in the younger age groups (less than 40 years) is expected to decline.



Table 6.10 presents the change in the number of owner occupier households.

Table 6.10: Change in the Number of Owner Occupied Households

Region	Under 40 Yrs		Between 40 Yrs and 64 Yrs		65 Yrs and Over	
	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026
Northland	-590	270	-2,370	-2,390	3,770	2,160
Auckland	360	1,480	5,920	2,260	21,990	15,840
Waikato	-440	10	-2,550	-3,250	7,470	4,850
Bay of Plenty	-640	220	-1,500	-2,680	5,580	3,470
Gisborne	-260	90	-690	-630	660	480
Hawke's Bay	-260	90	-690	-630	660	480
Taranaki	-470	190	-1,510	-1,430	1,770	1,150
Manawatu-Wanganui	-860	280	-3,650	-3,480	3,730	2,290
Wellington	-710	390	-1,760	-2,860	8,070	5,460
Marlborough	-110	-10	-270	-710	1,240	710
Nelson	-250	120	-520	-700	1,380	780
Tasman	-280	30	-740	-840	1,530	1,080
West Coast	-160	-30	-750	-600	570	340
Canterbury	-1,350	-330	-4,330	-6,050	10,620	6,900
Otago	-230	-200	-2,760	-2,110	3,830	2,760
Southland	-420	-100	-2,480	-1,830	1,560	970
Total	-6,670	2,500	-20,650	-27,930	74,430	49,720

Source: Livingston & Associates Ltd

The number of owner occupier households for people aged 65 years and over is expected to increase by 124,150 over the ten years between 2013 and 2026, while the number of owner occupied households in the younger age groups is expected to decline by 4,170.



Table 6.11 presents the projected trend in renter occupier households.

Table 6.11: Renter Occupier Households by Age

Region	Less than 40 Yrs Old			Between 40 yrs and 64 Yrs			65 and Over		
	2013	2021	2026	2013	2021	2026	2013	2021	2026
Northland	8,280	9,560	10,070	9,580	11,030	11,980	3,710	5,210	6,500
Auckland	90,760	108,490	114,780	81,820	99,840	114,620	22,640	32,860	42,700
Waikato	27,850	30,670	31,510	23,990	27,330	30,180	8,250	11,740	14,700
Bay of Plenty	16,330	19,310	20,680	16,390	18,910	20,910	6,100	8,690	10,780
Gisborne	2,920	3,200	3,320	3,090	3,420	3,710	1,010	1,360	1,740
Hawke's Bay	8,480	10,320	11,320	8,890	10,550	11,960	3,570	5,100	6,520
Taranaki	6,490	6,790	6,710	5,830	6,270	6,490	2,370	3,250	4,030
Manawatu-Wanganui	14,450	16,160	16,460	12,400	13,560	14,390	5,400	7,390	9,010
Wellington	33,450	36,390	36,630	25,210	28,400	31,750	7,710	10,330	12,590
Marlborough	2,260	2,250	2,220	2,230	2,550	2,760	1,040	1,430	1,720
Nelson	2,640	3,020	3,040	2,670	3,020	3,220	950	1,290	1,580
Tasman	1,860	2,350	2,540	2,160	2,500	2,930	810	1,070	1,320
West Coast	1,820	1,960	1,880	1,930	1,990	1,990	840	1,240	1,550
Canterbury	31,460	35,990	37,840	27,430	33,680	38,540	10,230	14,130	17,690
Otago	13,730	15,100	15,190	9,390	11,030	13,200	3,950	5,120	6,130
Southland	5,930	6,530	6,490	4,200	4,930	5,630	1,880	2,470	3,010
Total	268,710	308,090	320,680	237,210	279,010	314,260	80,460	112,680	141,570

Source: Livingston & Associates Ltd

The number of renter occupier households for people aged 65 and over is expected to increase by 76% between 2006 and 2016, and the number of younger renter households (less than 40 years old) is expected to grow by 19%. The projections suggest that demand for dwellings by renter households will increase across all regions and age groups over the next ten years in contrast to the projected demand by owner occupiers for dwellings which is expected to fall in some regions.



Table 6.12 presents the change in the number of renter occupier households by region.

Table 6.12: Change in the Number of Renter Households by Region

Region	Under 40 Yrs		Between 40 Yrs and 64 Yrs		65 Yrs and Over	
	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026	2013 to 2021	2021 to 2026
Northland	1,280	510	1,450	950	1,500	1,290
Auckland	17,730	6,290	18,020	14,780	10,220	9,840
Waikato	2,820	840	3,340	2,850	3,490	2,960
Bay of Plenty	2,980	1,370	2,520	2,000	2,590	2,090
Gisborne	280	120	330	290	350	380
Hawke's Bay	1,840	1,000	1,660	1,410	1,530	1,420
Taranaki	300	-80	440	220	880	780
Manawatu-Wanganui	1,710	300	1,160	830	1,990	1,620
Wellington	2,940	240	3,190	3,350	2,620	2,260
Marlborough	-10	-30	320	210	390	290
Nelson	380	20	350	200	340	290
Tasman	490	190	340	430	260	250
West Coast	140	-80	60	0	400	310
Canterbury	4,530	1,850	6,250	4,860	3,900	3,560
Otago	1,370	90	1,640	2,170	1,170	1,010
Southland	600	-40	730	700	590	540
Total	39,380	12,590	41,800	35,250	32,220	28,890

Source: Livingston & Associates Ltd

The number of renter occupier households is expected to increase across all regions and age groups between 2013 and 2026.



7. Probability of Owner Occupation

7.1 Introduction

The rate of owner occupation (home ownership rate) in New Zealand has been declining since 1991. Over the last 22 years, from the 1991 to the 2013 census, the home ownership rate has declined from 73.8% to 64.8%. At the same time the number of owner occupied households increased from 848,052 to 940,728, an increase of 10.9% (or 0.5% per annum). Over the same time period the number of renter households increased from 300,405 to 512,109, an increase of 70.5% (or 2.5% per annum).

The objective of this section of the report is to present results of the analysis of changes in the level of owner occupation considering trends in a number of variables including:

- Household age (age of reference person in five year age groups 20 years of age in five year steps to 85 years and over;
- Household type (couples, couples with children, one parent with children, one person households);
- Household income (by census quartiles);
- Dwelling type (single standalone or multi-unit);
- Census (1991, 1996, 2001, 2006, and 2013); and
- Location (Auckland, Wellington, Christchurch, and other urban areas).

This report effectively updates the results of the analysis presented in DTZ (2004) and Morrison (2008).

7.2 Methodical Overview

This analysis uses a logistic regression approach to estimate the probability of owner occupation (home ownership) while controlling for a number of demographic characteristics of households. The rate of owner occupation (which is the inverse of the proportion of renter households) is the probability of ownership (p) is expressed as a function of the variables being described. Typically the probability of ownership is estimated as a function of age, household type, and household income conditional upon the local housing market and the temporal context, that is:

$$(1) \quad p = f(\text{age, household, income} \mid \text{location, census date})$$

For reasons that are detailed in the statistical literature¹⁵ p is transformed into the log of the odds ratio (or), which gives the linear logit model:

$$(2) \quad L = \text{logit} = \log(\text{or}) = \log(p/1-p) = \alpha + \beta X$$

¹⁵ See Chapter 5 DTZ (2004). : *Housing Tenure Aspirations and Attainment in New Zealand.* A Report for the Centre for Housing Research Aotearoa New Zealand.



The log of the odds ratio runs from minus to plus infinity as p increases from 0 to 1. Thus, while the probabilities are bounded, the logits are unbounded. Thus it follows that:

$$(3) \quad p = e^{\alpha + \beta X} / 1 + e^{\alpha + \beta X}$$

The predicted probabilities for the weighted least squares regression can be found by substituting for α and β in (3). In summary the exploration of falling home ownership rates in New Zealand is approached through the use of the logit model applied to a cross tabulation of data from the last five censuses.

A large number of studies analyse housing market outcomes at a national level. This implies a national housing market, however New Zealand it is more likely there are a number of housing markets spread around the country based on urban rates which are influenced by a number of national and local housing market drivers. Consequently, each of the geographical areas included in the analysis were assessed separately to remove any locational property market bias from the results.

The data used was coded are a series of dummy variables. These are summarised in Table 7.1.

Table 7.1: Data Variables

Code	Variable
Census Results	
Census1991	Census 1991
Census1996	Census 1996
Census2001	Census 2001
Census2006	Census 2006
Census2013	Census 2013
Age of the reference person	
Agemid	Midpoint of the age range (for example age range 20 to less than 25 = 22.5 yrs)
Agemidsquare	The midpoint of the age range squared
Household Income	
Q1	Household income less than 25 th percentile
Q2	Household income between 25 th and 50 th percentile
Q3	Household income between 50 th and 75 th percentile
Q4	Household income over 75 th percentile
Household Composition	
CWO	Couples without children
CWith	Couples with children
OneParent	One parent with children
OnePerson	One person
Other	Other configurations
Dwelling Typology	
Standalone	Standalone dwellings
Multi-unit	Complexes with more than one attached dwellings



7.3 Auckland Metropolitan Area

Census data from the 1991 to 2013 censuses for the Auckland metropolitan area was coded and analysed using logit regression across a number of household variables to estimate the probability of owner occupation. The analysis included the following combination of variables:

- Age of the reference person and census;
- Age of the reference person, census, and household income;
- Age of the reference person, census, household income and household composition; and
- Age of the reference person, census, and dwelling typology.

Table 7.2 presents the results of the logit regression analysis estimating the probability of owner occupation for the Auckland metropolitan area for the 1991 to 2013 census by age of the reference person.

Table 7.2: Logit Regression Results - Auckland by Census and Age of the Reference Person

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.155	0.001	246.791	0.00	0.154	0.156
	agemidsquare	-0.001	0	-194.378	0.00	-0.001	-0.001
	Census1996	-0.238	0.006	-39.957	0.00	-0.250	-0.227
	Census2001	-0.509	0.006	-88.288	0.00	-0.520	-0.497
	Census2006	-0.782	0.006	-137.325	0.00	-0.794	-0.771
	Census2013	-0.997	0.006	-176.468	0.00	-1.008	-0.986
	Intercept	-3.297	0.015	-213.813	0.00	-3.312	-3.281
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		5534.208		63	0.00	

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases; and
- Has fallen with each successive census.



Figure 7.1 presents the probability of ownership estimates for Auckland metropolitan area by age of the reference person (midpoint of the age range) and censuses between 1991 and 2013.

Figure 7.1: Auckland – Probability of Owner Occupation by Census and Age of the Reference Person

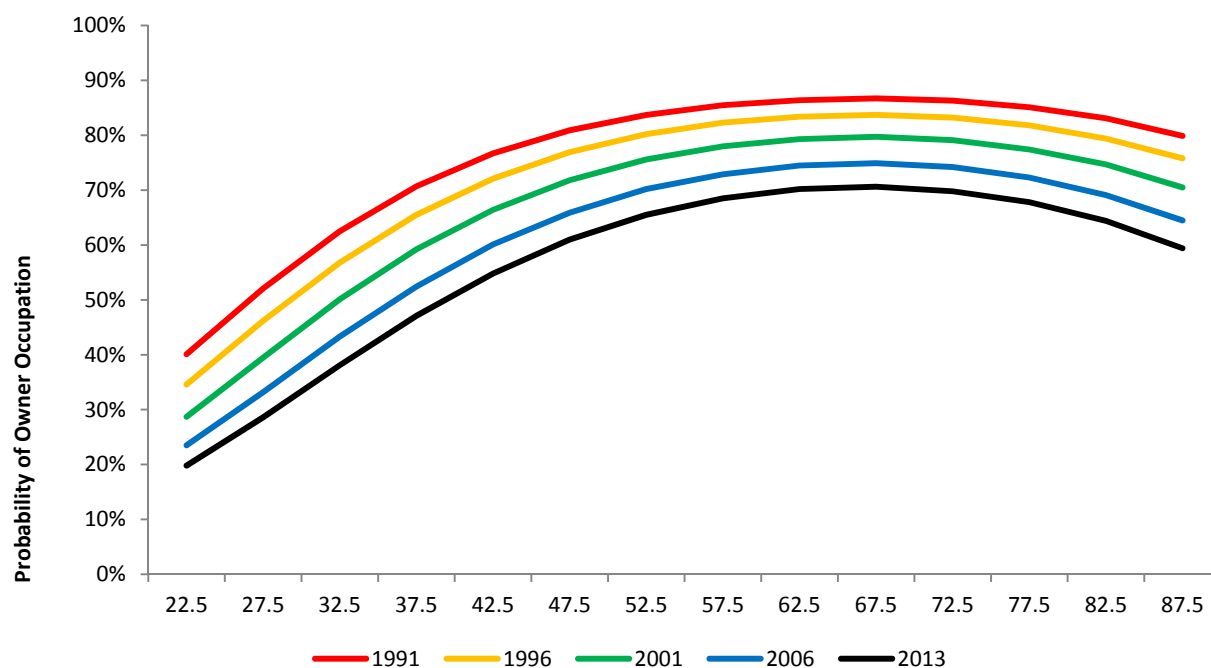


Figure 7.1 demonstrates the trend in relative decline in the probability of owner occupation estimates with each successive census. The probability of owner occupation fell by 19.6 percentage points between 1991 and 2013. The probability of owner occupation fell between each successive census. The average probability of owner occupation across all age groups between the:

- 1991 to 1996 census fell by 4.1 percentage points;
- 1996 to 2001 census fell by 5.1 percentage points;
- 2001 to 2006 census fell by 5.6 percentage points; and
- 2006 to 2013 census fell by 4.7 percentage points.

Table 7.3 presents the results of the logit regression analysis estimating the probability of owner occupation for the Auckland metropolitan area for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).



Table 7.3: Logit Regression Results - Auckland by Census, Age of the Reference Person and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.142	0.001	194.131	0.000	0.140	0.143
	agemidsquare	-0.001	0.000	-134.389	0.000	-0.001	-0.001
	Census1996	-0.220	0.007	-32.790	0.000	-0.233	-0.207
	Census2001	-0.487	0.007	-74.736	0.000	-0.500	-0.474
	Census2006	-1.048	0.007	-153.003	0.000	-1.062	-1.035
	Census2013	-1.081	0.006	-158.572	0.000	-1.103	-1.081
	Q2	0.501	0.006	89.479	0.000	0.490	0.512
	Q3	0.990	0.006	168.608	0.000	0.978	1.001
	Q4	1.330	0.006	217.079	0.000	1.318	1.342
	Intercept	-3.862	0.018	-212.202	0.000	-3.880	-3.843
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		28430.543	270	0.000		

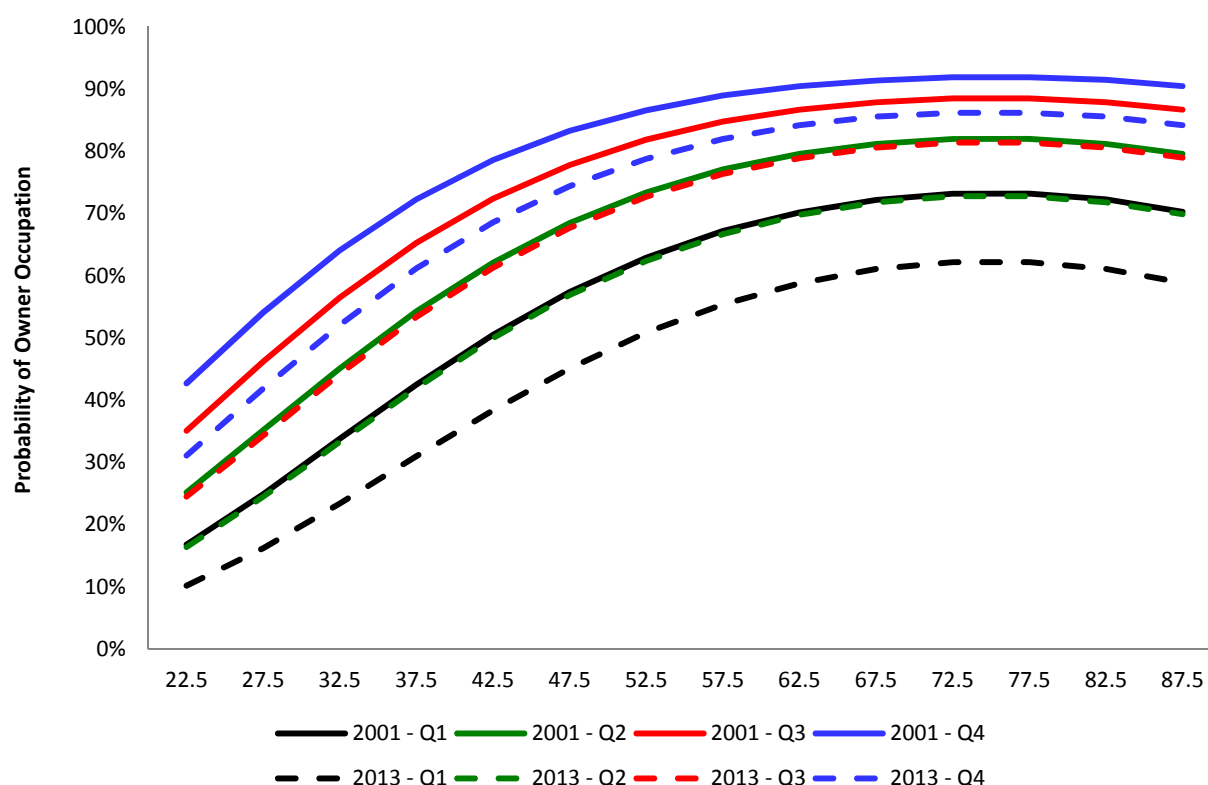
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census although the difference in the coefficient estimate is smaller between the 2006 and 2013 censuses in this analysis when compared to the results presented in Table 7.2; and
- Is higher as the level of household income increases.



Figure 7.2 presents the probability of ownership estimates for Auckland metropolitan area by age of the reference person (midpoint of the age range), household income (quartiles) and the 2001 and 2013 censuses.

Figure 7.2: Auckland – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Household Income



The estimates of the probability of ownership by age and household income demonstrate a significant fall across all household income groups and age. The fall in the probability is higher for the lower household income groups. The fall in the probability of owner occupation was highest in the younger age groups across all income bands. However in households with higher incomes the older age groups experienced smaller declines in the probability of owner occupation. Overall, households earning less than 25th percentile household income experienced an average 11 percentage point fall in the probability of owner occupation across all age groups while households earning more than the 75th percentile household income experienced an 8 percentage point fall.



Table 7.4 presents the results of the logit regression analysis estimating the probability of owner occupation for the Auckland metropolitan area for the 1991 to 2013 census by age of the reference person, household composition and household income (by quartiles).

Table 7.4: Logit Regression Results - Auckland by Census, Age of the Reference Person, Household Composition and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.132	0.001	174.79	0.000	0.130	0.133
	agemidsquare	-0.001	0.000	-112.27	0.000	-0.001	-0.001
	Census1996	-0.194	0.007	-28.55	0.000	-0.208	-0.181
	Census2001	-0.445	0.007	-67.24	0.000	-0.458	-0.432
	Census2006	-0.977	0.007	-140.82	0.000	-0.991	-0.964
	Census2013	-0.985	0.006	-154.50	0.000	-0.998	-0.973
	Q2	0.402	0.006	69.92	0.000	0.391	0.414
	Q3	0.789	0.006	128.73	0.000	0.777	0.801
	Q4	1.096	0.007	168.38	0.000	1.083	1.109
	Cwith	0.278	0.006	48.09	0.000	0.267	0.290
	OneParent	-0.642	0.007	-88.67	0.000	-0.656	-0.628
	OnePerson	-0.536	0.006	-84.63	0.000	-0.548	-0.523
	Other	-0.697	0.008	-88.46	0.000	-0.712	-0.681
	Intercept	-3.408	0.019	-182.10	0.000	-3.426	-3.389
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		35859.718	1381	0.00		

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census;
- Is higher as the level of household income increases; and
- Household composition impacts on the probability of owner occupation. Relative to couples without children, couples with children had higher probability of owner occupation, one parent households and one person households had lower probability of ownership.



Table 7.5 presents the results of the logit regression analysis estimating the probability of owner occupation for the Auckland metropolitan area for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.5: Logit Regression Results - Auckland by Census, Age of the Reference Person and Dwelling Typology

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.13	0.001	192.594	0.00	0.129	0.131
	agemidsquare	-0.001	0.000	-134.131	0.00	-0.001	-0.001
	Census1996	-0.26	0.006	-41.553	0.00	-0.273	-0.248
	Census2001	-0.429	0.006	-69.148	0.00	-0.441	-0.416
	Census2006	-0.776	0.006	-128.476	0.00	-0.787	-0.764
	Census2013	-0.995	0.006	-166.624	0.00	-1.006	-0.983
	Multi-unit	-1.495	0.004	-348.977	0.00	-1.503	-1.486
	Intercept	-2.424	0.017	-146.187	0.00	-2.44	-2.407
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		8345.669		132	0.00	

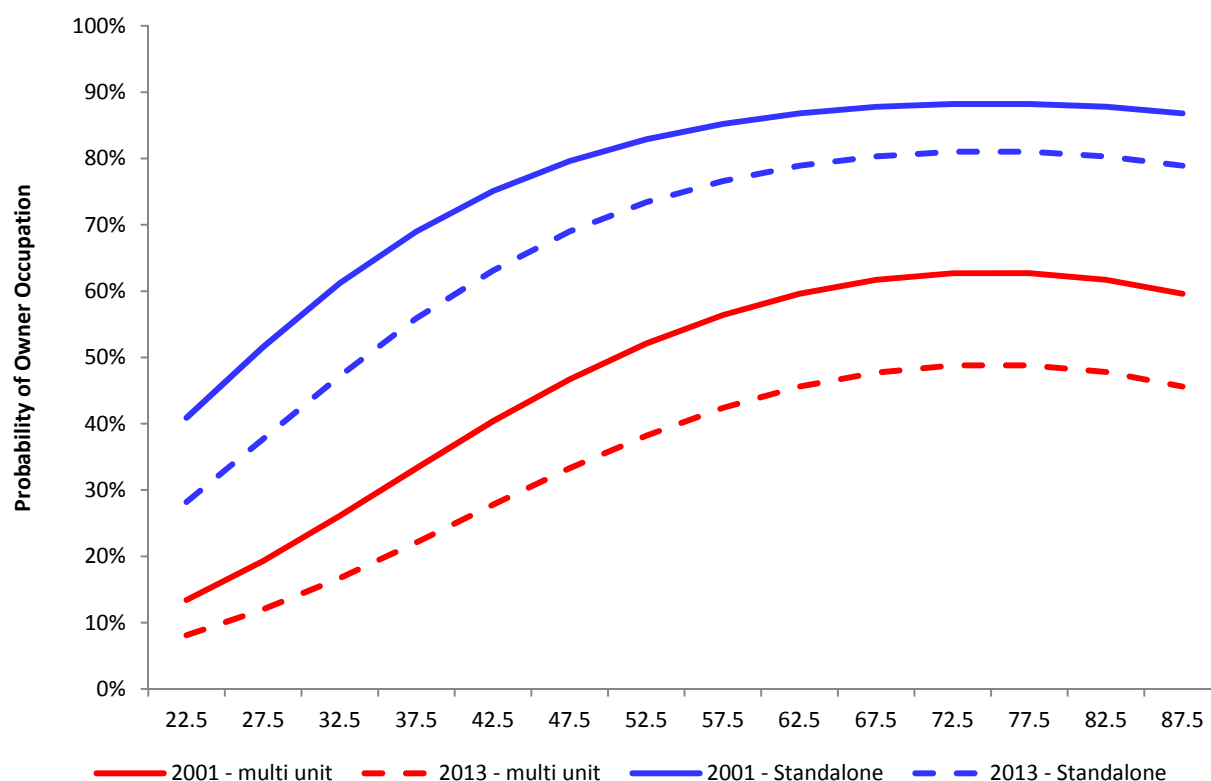
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census; and
- Is lower for households in multi-unit dwellings compared to those living in standalone dwellings.

Figure 7.3 presents the probability of ownership estimates for Auckland metropolitan area by age of the reference person (midpoint of the age range), dwelling typology (multi-unit or standalone) and the 2001 and 2013 censuses.



Figure 7.3: Auckland – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Dwelling Typology



The probability of owner occupation fell between 2001 and 2013 for households living in both standalone and multi-unit dwellings. The probability of owner occupation was higher for standalone dwellings compared to multi-unit dwellings across all age groups in both 2001 and 2013. The fall in the probability of owner occupation was greater for multi-unit (the un-weighted average across all age groups fell by 12 percentage points between 2001 and 2013) than standalone dwellings (the un-weighted average across all age groups fell by 10 percentage points between 2001 and 2013).



7.4 Wellington Metropolitan Area

Census data from the 1991 to 2013 censuses for the Wellington metropolitan area was coded and analysed using logit regression across a number of household variables to estimate the probability of owner occupation. The analysis included the following combination of variables:

- Age of the reference person and census;
- Age of the reference person, census, and household income;
- Age of the reference person, census, household income and household composition; and
- Age of the reference person, census, and dwelling typology.

Table 7.6 presents the results of the logit regression analysis estimating the probability of owner occupation for the Wellington metropolitan area for the 1991 to 2013 census by age of the reference person.

Table 7.6: Logit Regression Results - Wellington by Census and Age of the Reference Person

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.197	0.001	183.851	0.000	0.195	0.2
	agemidsquare	-0.002	0	-151.027	0.000	-0.002	-0.002
	Census1996	-0.127	0.01	-12.797	0.000	-0.146	-0.107
	Census2001	-0.355	0.01	-36.543	0.000	-0.374	-0.336
	Census2006	-0.601	0.01	-62.257	0.000	-0.620	-0.582
	Census2013	-0.76	0.01	-78.924	0.000	-0.779	-0.741
	Intercept	-4.384	0.026	-168.942	0.000	-4.410	-4.358
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		5396.778		63	0.000	

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases; and
- Has fallen with each successive census.



Figure 7.4 presents the probability of ownership estimates for Wellington metropolitan area by age of the reference person (midpoint of the age range) and census between 1991 and 2013.

Figure 7.4: Wellington – Probability of Owner Occupation by Census and Age of the Reference Person

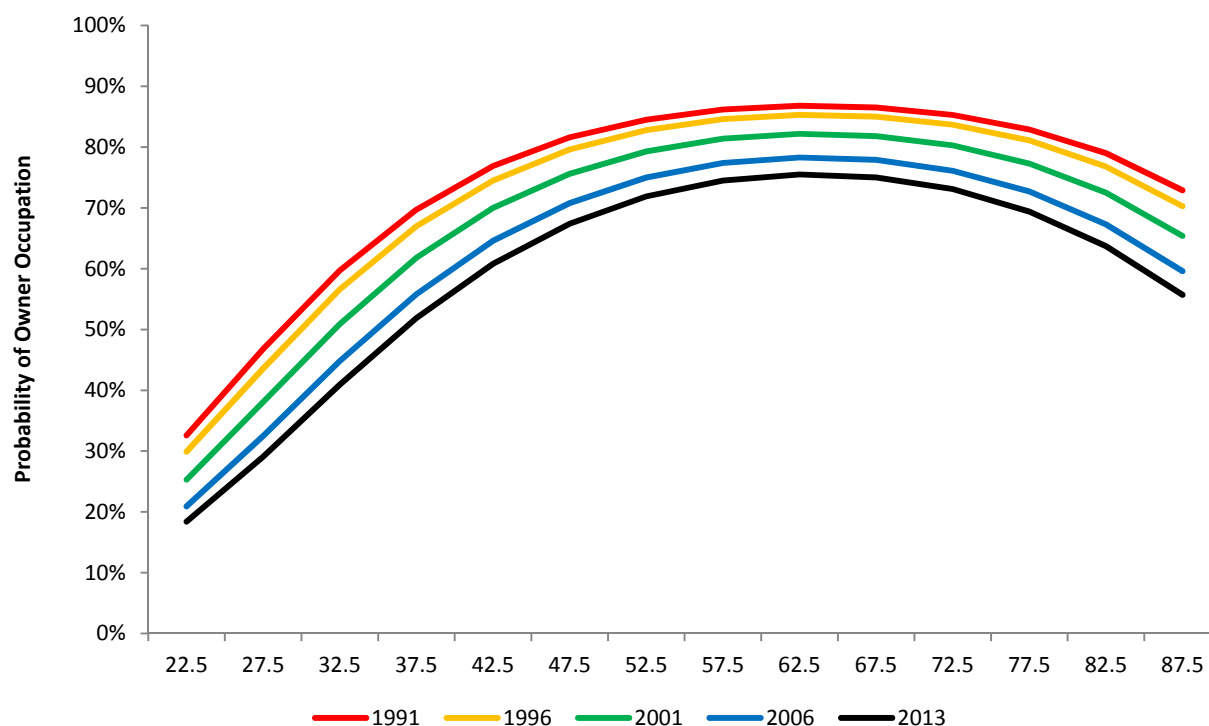


Figure 7.4 demonstrates the trend in relative decline in the probability of owner occupation estimates with each successive census. The probability of owner occupation fell by 14.6 percentage points between 1991 and 2013. The probability of owner occupation fell between each successive census. The average probability of owner occupation across all age groups between the:

- 1991 to 1996 census fell by 2.2 percentage points;
- 1996 to 2001 census fell by 4.2 percentage points;
- 2001 to 2006 census fell by 4.9 percentage points; and
- 2006 to 2013 census fell by 3.3 percentage points.



Table 7.7 presents the results of the logit regression analysis estimating the probability of owner occupation for the Wellington metropolitan area for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.7: Logit Regression Results - Wellington by Census, Age of the Reference Person and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.178	0.001	144.102	0	0.175	0.180
	agemidsquare	-0.001	0.000	-105.302	0	-0.001	-0.001
	Census1996	-0.135	0.011	-12.211	0	-0.157	-0.113
	Census2001	-0.349	0.011	-32.016	0	-0.370	-0.328
	Census2006	-0.781	0.011	-72.689	0	-0.802	-0.760
	Census2013	-0.908	0.012	-78.195	0	-0.930	-0.885
	Q2	0.682	0.010	71.228	0	0.663	0.701
	Q3	1.193	0.010	118.623	0	1.173	1.212
	Q4	1.476	0.010	141.516	0	1.456	1.497
	Intercept	-4.96	0.030	-162.681	0	-4.990	-4.929
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		30951.454	270	0.00		

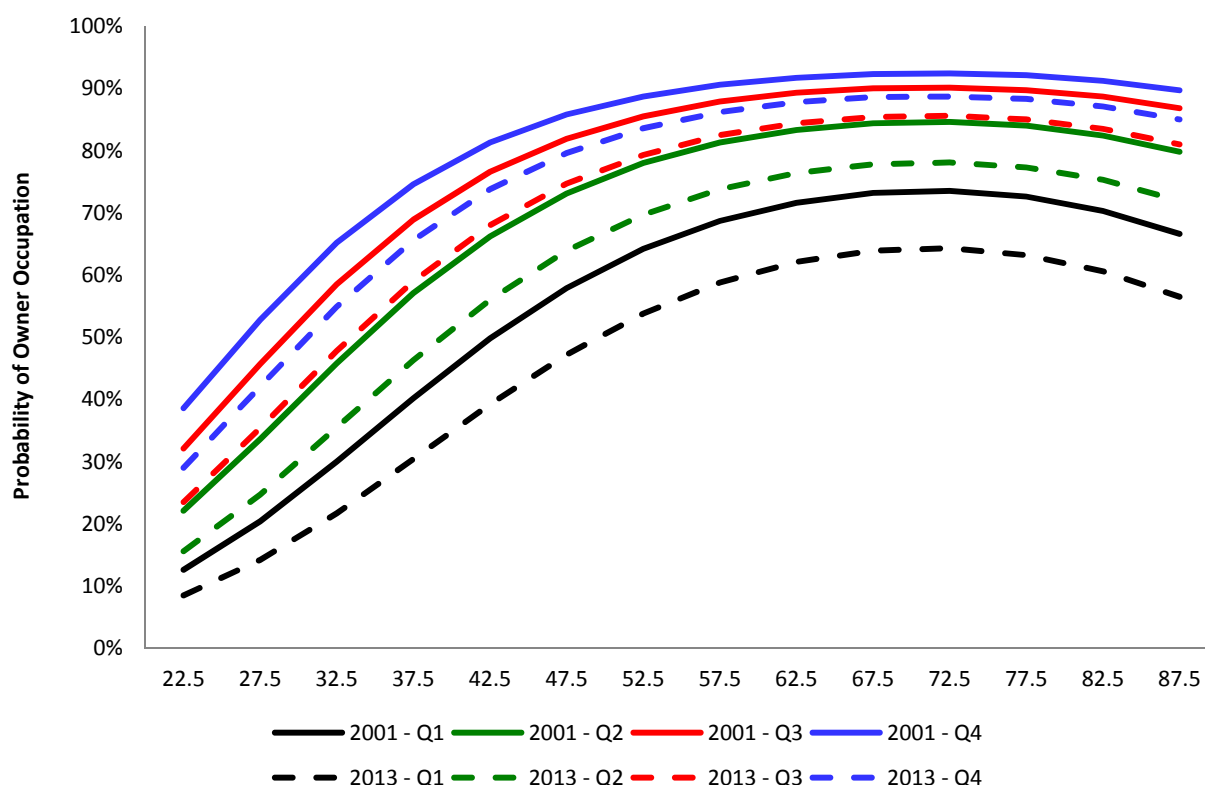
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census although the difference in the coefficient estimate is smaller between the 2006 and 2013 census in this analysis when compared to the results presented in Table 7.7; and
- Is higher as the level of household income increases.



Figure 7.5 presents the probability of ownership estimates for Wellington metropolitan area by age of the reference person (midpoint of the age range), household income (quartiles) and the 2001 and 2013 censuses.

Figure 7.5: Wellington – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Household Income



The estimates of the probability of ownership by age and household income demonstrate a significant fall across all household income groups and age. The fall in the probability is higher for the lower household income groups. The fall in the probability of owner occupation was highest in the younger age groups across all income bands. However in households with higher incomes the older age groups experienced smaller declines in the probability of owner occupation. Overall, households earning less than 25th percentile household income experienced an average 9.1 percentage point fall in the probability of owner occupation across all age groups while households earning more than the 75th percentile household income experienced a 6.2 percentage point fall.



Table 7.8 presents the results of the logit regression analysis estimating the probability of owner occupation for the Wellington metropolitan area for the 1991 to 2013 censuses by age of the reference person, household composition and household income (by quartiles).

Table 7.8: Logit Regression Results - Wellington by Census, Age of the Reference Person, Household Composition and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.150	0.001	117.86	0.000	0.148	0.153
	agemidsquare	-0.001	0.000	-78.20	0.000	-0.001	-0.001
	Census1996	-0.052	0.011	-4.66	0.000	-0.074	-0.030
	Census2001	-0.245	0.011	-22.22	0.000	-0.267	-0.224
	Census2006	-0.703	0.012	-59.68	0.000	-0.726	-0.679
	Census2013	-0.783	0.011	-63.07	0.000	-0.805	-0.762
	Q2	0.502	0.010	51.23	0.000	0.482	0.521
	Q3	0.869	0.011	82.75	0.000	0.849	0.890
	Q4	1.099	0.011	98.61	0.000	1.077	1.121
	Cwith	0.504	0.010	50.42	0.000	0.484	0.524
	OneParent	-0.561	0.013	-44.64	0.000	-0.586	-0.536
	OnePerson	-0.632	0.010	-61.59	0.000	-0.652	-0.612
	Other	-0.941	0.014	-67.64	0.000	-0.969	-0.914
	Intercept	-4.104	0.031	-131.14	0.000	-4.136	-4.073
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		35859.718	1381	0.00		

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census; and
- Is higher as the level of household income increases; and
- Household composition had an impact on the probability of owner occupation. Relative to couples without children couples with children had higher probability of owner occupation, one parent households and one person households had lower probability of ownership.



Table 7.9 presents the results of the logit regression analysis estimating the probability of owner occupation for the Wellington metropolitan area for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.9: Logit Regression Results - Wellington by Census, Age of the Reference Person and Dwelling Typology

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.166	0.001	137.790	0.000	0.164	0.169
	agemidsquare	-0.001	0.000	-103.731	0.000	-0.001	-0.001
	Census1996	-0.171	0.011	-15.777	0.000	-0.192	-0.150
	Census2001	-0.277	0.011	-25.508	0.000	-0.298	-0.256
	Census2006	-0.625	0.011	-58.815	0.000	-0.646	-0.604
	Census2013	-0.785	0.011	-73.930	0.000	-0.805	-0.764
	Multi-unit	-1.997	0.007	-272.496	0.000	-2.011	-1.982
	Intercept	-3.125	0.029	-107.199	0.000	-3.154	-3.096
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		5304.898		132	0.000	

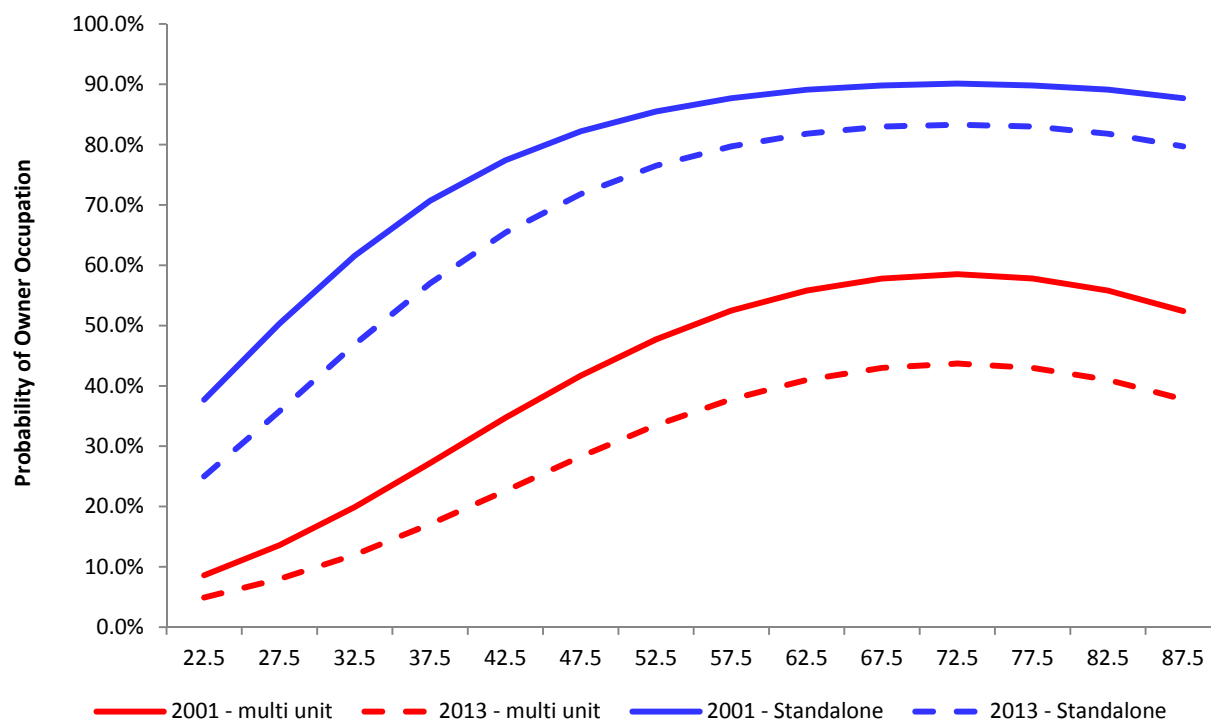
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census; and
- Is lower for households in multi-unit dwellings compared to those living in standalone dwellings.



Figure 7.6 presents the probability of ownership estimates for Wellington metropolitan area by age of the reference person (midpoint of the age range), dwelling typology (multi-unit or standalone) and the 2001 and 2013 censuses.

Figure 7.6: Wellington – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Dwelling Typology



The probability of owner occupation fell between 2001 and 2013 for households living in both standalone and multi-unit dwellings. The probability of owner occupation was higher for standalone dwellings compared to multi-unit dwellings across all age groups in both 2001 and 2013. The fall in the probability of owner occupation was greater for multi-unit (the un-weighted average across all age groups fell by 11 percentage points between 2001 and 2013) than standalone dwellings (the un-weighted average across all age groups fell by 8 percentage points between 2001 and 2013).



7.5 Christchurch Metropolitan Area

Census data from the 1991 to 2013 censuses for the Christchurch metropolitan area was coded and analysed using logit regression across a number of household variables to estimate the probability of owner occupation. The analysis included the following combination of variables:

- Age of the reference person and census;
- Age of the reference person, census, and household income;
- Age of the reference person, census, household income and household composition; and
- Age of the reference person, census, and dwelling typology.

Table 7.10 presents the results of the logit regression analysis estimating the probability of owner occupation for the Christchurch metropolitan area for the 1991 to 2013 censuses by age of the reference person.

Table 7.10: Logit Regression Results - Christchurch by Census and Age of the Reference Person

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.181	0.001	174.009	0.000	0.179	0.183
	agemidsquare	-0.001	0	-144.145	0.000	-0.001	-0.001
	Census1996	-0.203	0.01	-19.62	0.000	-0.224	-0.183
	Census2001	-0.454	0.01	-45.032	0.000	-0.474	-0.434
	Census2006	-0.688	0.01	-68.87	0.000	-0.707	-0.668
	Census2013	-0.949	0.01	-94.07	0.000	-0.968	-0.929
	Intercept	-3.727	0.026	-145.484	0.000	-3.753	-3.702
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		5048.109		63	0.000	

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases; and
- Has fallen with each successive census.



Figure 7.7 presents the probability of ownership estimates for area by age of the reference person (midpoint of the age range) and census between 1991 and 2013.

Figure 7.7: Christchurch– Probability of Owner Occupation by Census and Age of the Reference Person

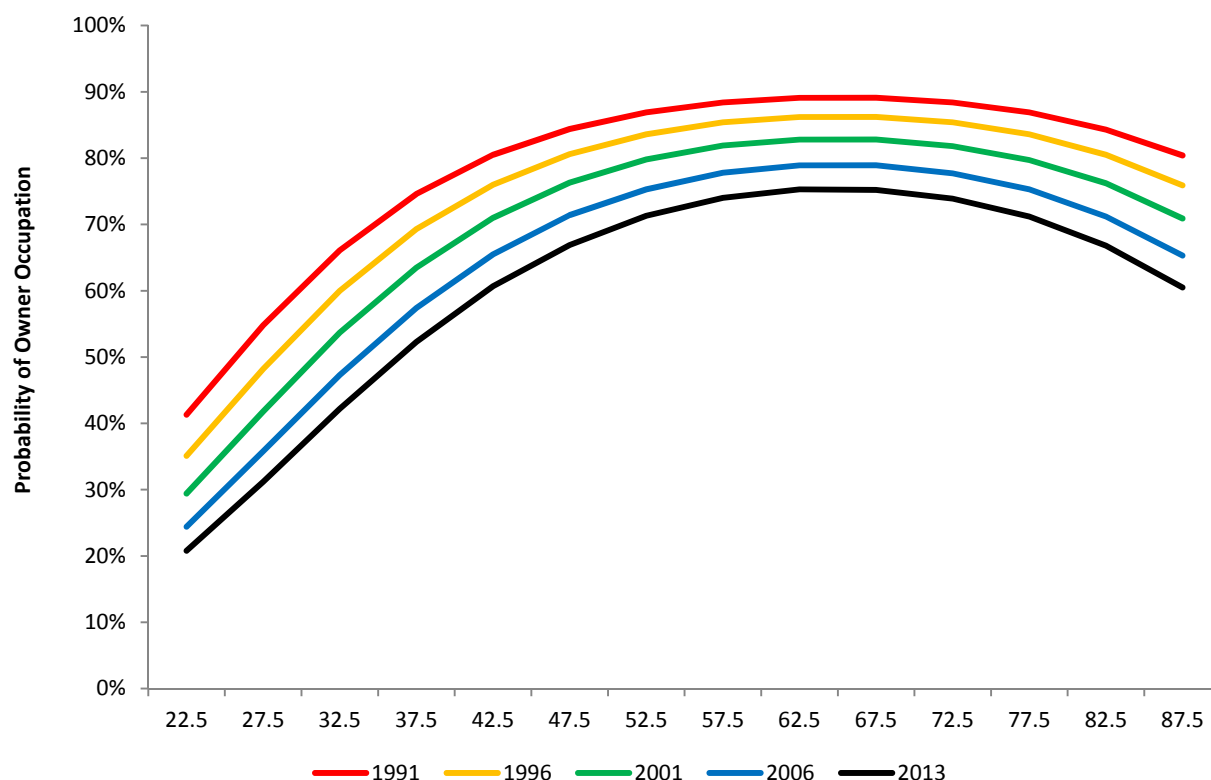


Figure 7.7 demonstrates the trend in relative decline in the probability of owner occupation estimates with each successive census. The probability of owner occupation fell by 18.1 percentage points between 1991 and 2013. The probability of owner occupation fell between each successive census. The average probability of owner occupation across all age groups between the:

- 1991 to 1996 census fell by 4.2 percentage points;
- 1996 to 2001 census fell by 4.6 percentage points;
- 2001 to 2006 census fell by 5.0 percentage points; and
- 2006 to 2013 census fell by 4.3 percentage points.



Table 7.11 presents the results of the logit regression analysis estimating the probability of owner occupation for the Christchurch for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.11: Logit Regression Results - Christchurch by Census, Age of the Reference Person and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.166	0.001	140.391	0.00	0.164	0.169
	agemidsquare	-0.001	0	-103.582	0.00	-0.001	-0.001
	Census1996	-0.246	0.012	-21.243	0.00	-0.269	-0.224
	Census2001	-0.495	0.011	-43.61	0.00	-0.517	-0.472
	Census2006	-0.886	0.012	-76.974	0.00	-0.908	-0.863
	Census2013	-0.993	0.011	-88.232	0.00	-1.015	-0.971
	Q2	0.575	0.009	61.127	0.00	0.557	0.594
	Q3	1.125	0.01	111.905	0.00	1.105	1.145
	Q4	1.467	0.011	138.98	0.00	1.447	1.488
	Intercept	-4.357	0.03	-145.805	0.00	-4.387	-4.327
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		15280.109	270	0.00		

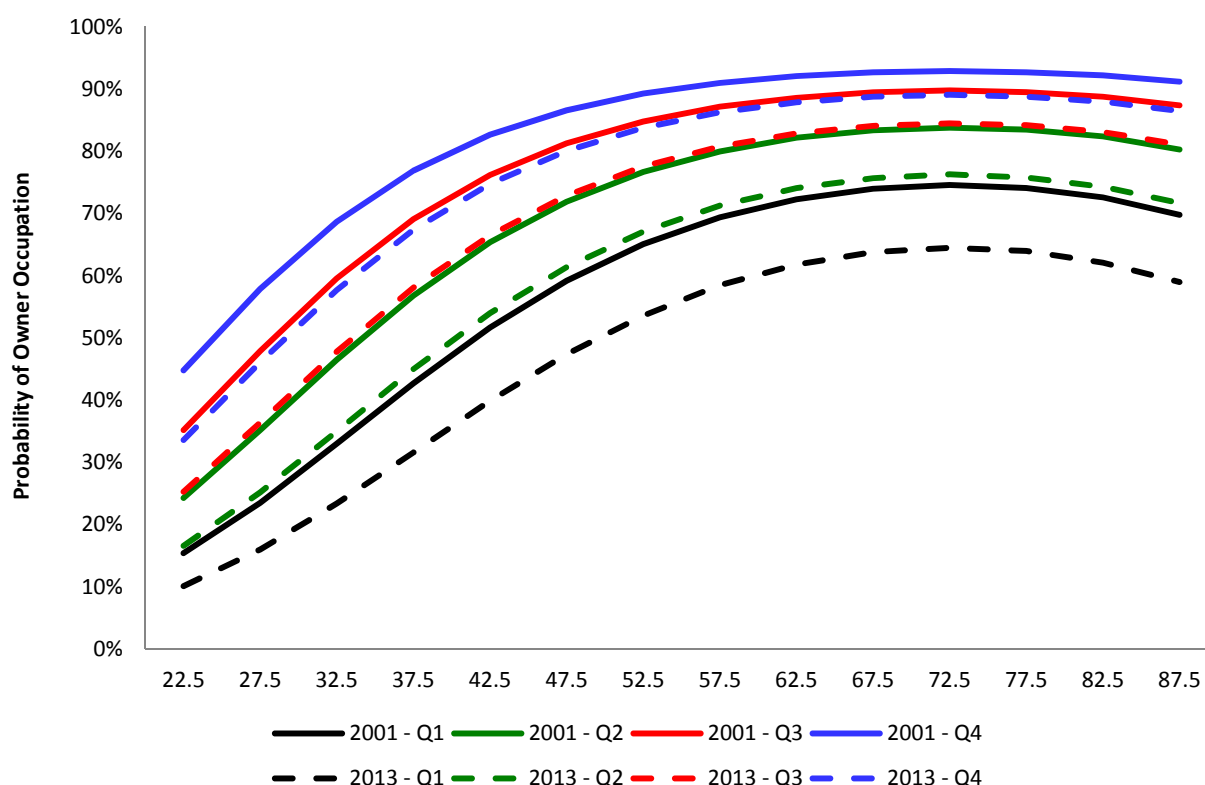
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census although the difference in the coefficient estimate is smaller between the 2006 and 2013 census in this analysis when compared to the results presented in Table 7.10; and
- Is higher as the level of household income increases.



Figure 7.8 presents the probability of ownership estimates for area by age of the reference person (midpoint of the age range), household income (quartiles) and the 2001 and 2013 censuses.

Figure 7.8: Christchurch– Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Household Income



The estimates of the probability of ownership by age and household income demonstrate a significant fall across all household income groups and age. The fall in the probability is higher for the lower household income groups. The fall in the probability of owner occupation was highest in the younger age groups across all income bands. However in households with higher incomes the older age groups experienced smaller declines in the probability of owner occupation. Overall, households earning less than 25th percentile household income experienced an average 10.1 percentage point fall in the probability of owner occupation across all age groups while households earning more than the 75th percentile household income experienced a 6.6 percentage point fall.

Table 7.12 presents the results of the logit regression analysis estimating the probability of owner occupation for the Christchurch metropolitan area for the 1991 to 2013 censuses by age of the reference person, household composition and household income (by quartiles).



Table 7.12: Logit Regression Results - Christchurch by Census, Age of the Reference Person, Household Composition and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.149	0.001	121.62	0.000	0.146	0.151
	agemidsquare	-0.001	0.000	-83.99	0.000	-0.001	-0.001
	Census1996	-0.149	0.012	-12.73	0.000	-0.172	-0.126
	Census2001	-0.375	0.011	-32.70	0.000	-0.398	-0.353
	Census2006	-0.737	0.012	-63.37	0.000	-0.760	-0.714
	Census2013	-0.903	0.011	-79.62	0.000	-0.925	-0.880
	Q2	0.391	0.010	40.12	0.000	0.372	0.410
	Q3	0.765	0.011	72.08	0.000	0.744	0.786
	Q4	1.025	0.011	89.43	0.000	1.002	1.047
	Cwith	0.412	0.010	39.48	0.000	0.392	0.433
	OneParent	-0.696	0.012	-56.87	0.000	-0.720	-0.672
	OnePerson	-0.745	0.010	-72.83	0.000	-0.765	-0.725
	Other	-1.003	0.014	-71.04	0.000	-1.031	-0.975
	Intercept	-3.584	0.031	-115.61	0.000	-3.615	-3.553
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		15131.1	1338	0.00		

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census;
- Is higher as the level of household income increases; and
- Household composition impacts on the probability of owner occupation. Relative to couples without children, couples with children had higher probability of owner occupation, one parent households and one person households had lower probability of ownership.



Table 7.13 presents the results of the logit regression analysis estimating the probability of owner occupation for the Christchurch metropolitan area for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.13: Logit Regression Results - Christchurch by Census, Age of the Reference Person and Dwelling Typology

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.16	0.001	140.130	0.000	0.158	0.162
	agemidsquare	-0.001	0.000	-103.419	0.000	-0.001	-0.001
	Census1996	-0.261	0.011	-23.538	0.000	-0.282	-0.239
	Census2001	-0.437	0.011	-39.639	0.000	-0.458	-0.415
	Census2006	-0.78	0.011	-72.537	0.000	-0.801	-0.758
	Census2013	-1.07	0.011	-98.396	0.000	-1.091	-1.049
	Multi-Unit	-1.799	0.008	-233.124	0.000	-1.814	-1.783
	Intercept	-2.887	0.028	-103.037	0.000	-2.915	-2.859
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		4881.069		132	0.000	

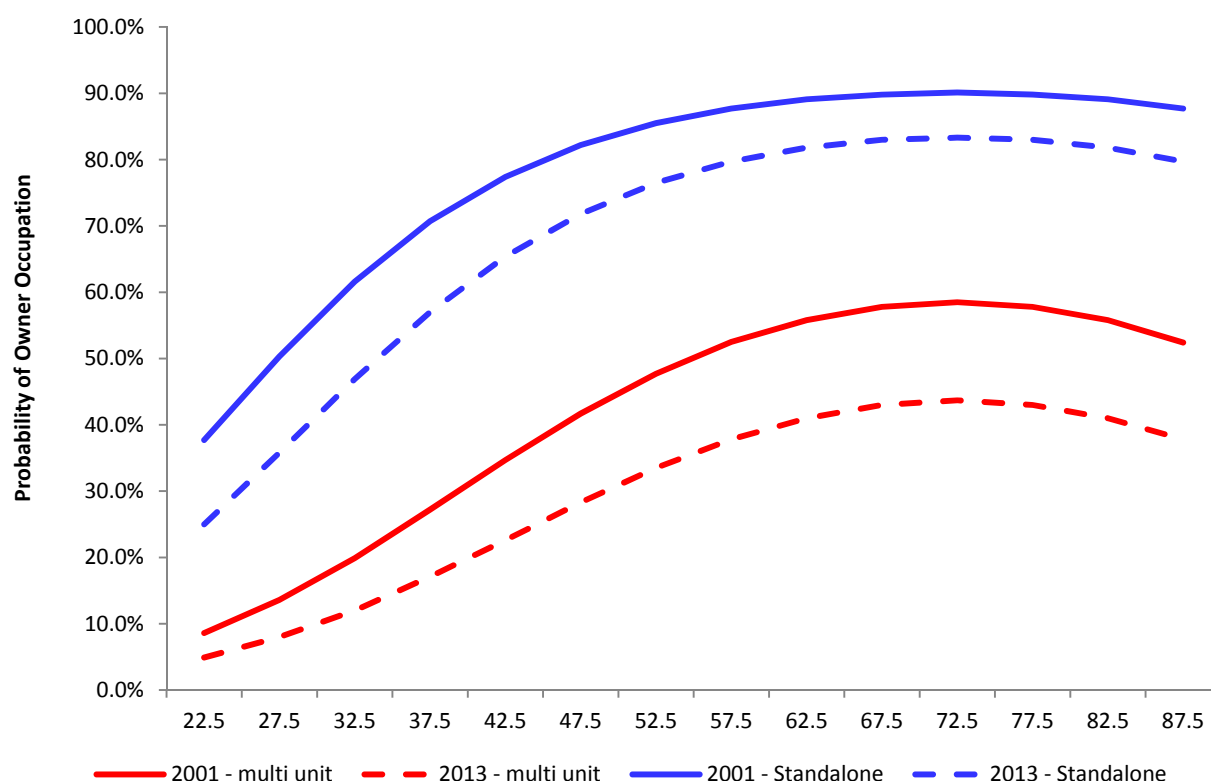
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census; and
- Is lower for households in multi-unit dwellings compared to those living in standalone dwellings.



Figure 7.9 presents the probability of ownership estimates for the Christchurch metropolitan area by age of the reference person (midpoint of the age range), dwelling typology (multi-unit or standalone) and the 2001 and 2013 censuses.

Figure 7.9: Christchurch– Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Dwelling Typology



The probability of owner occupation fell between 2001 and 2013 for households living in both standalone and multi-unit dwellings. The probability of owner occupation was higher for standalone dwellings compared to multi-unit dwellings across all age groups in both 2001 and 2013. The fall in the probability of owner occupation was greater for multi-unit (the un-weighted average across all age groups fell by 12 percentage points between 2001 and 2013) than standalone dwellings (the un-weighted average across all age groups fell by 10 percentage points between 2001 and 2013).



7.6 Other Urban Areas Combined

Census data from the 1991 to 2013 censuses for the other urban areas¹⁶ (excluding Auckland, Wellington and Christchurch) area was coded and analysed using logit regression across a number of household variables to estimate the probability of owner occupation. The analysis included the following combination of variables:

- Age of the reference person and census;
- Age of the reference person, census, and household income;
- Age of the reference person, census, household income and household composition; and
- Age of the reference person, census, and dwelling typology.

Table 7.14 presents the results of the logit regression analysis estimating the probability of owner occupation for the other urban areas combined for the 1991 to 2013 censuses by age of the reference person.

Table 7.14: Logit Regression Results - Other Urban Areas Combined by Census and Age of the Reference Person

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.177	0.001	315.775	0.000	0.176	0.178
	agemidsquare	-0.001	0	-260.789	0.000	-0.001	-0.001
	Census1996	-0.263	0.006	-46.814	0.000	-0.274	-0.252
	Census2001	-0.522	0.005	-95.02	0.000	-0.533	-0.511
	Census2006	-0.777	0.005	-142.489	0.000	-0.788	-0.767
	Census2013	-0.985	0.005	-182.206	0.000	-0.995	-0.974
	Intercept	-3.651	0.014	-262.819	0.000	-3.665	-3.638
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		12283.172		63	0.000	

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases; and
- Has fallen with each successive census.

¹⁶ Other urban areas also includes secondary urban centres as defined by statistics New Zealand



Figure 7.10 presents the probability of ownership estimates for other urban areas combined by age of the reference person (midpoint of the age range) and censuses between 1991 and 2013.

Figure 7.10: Other Urban Areas Combined– Probability of Owner Occupation by Census and Age of the Reference Person

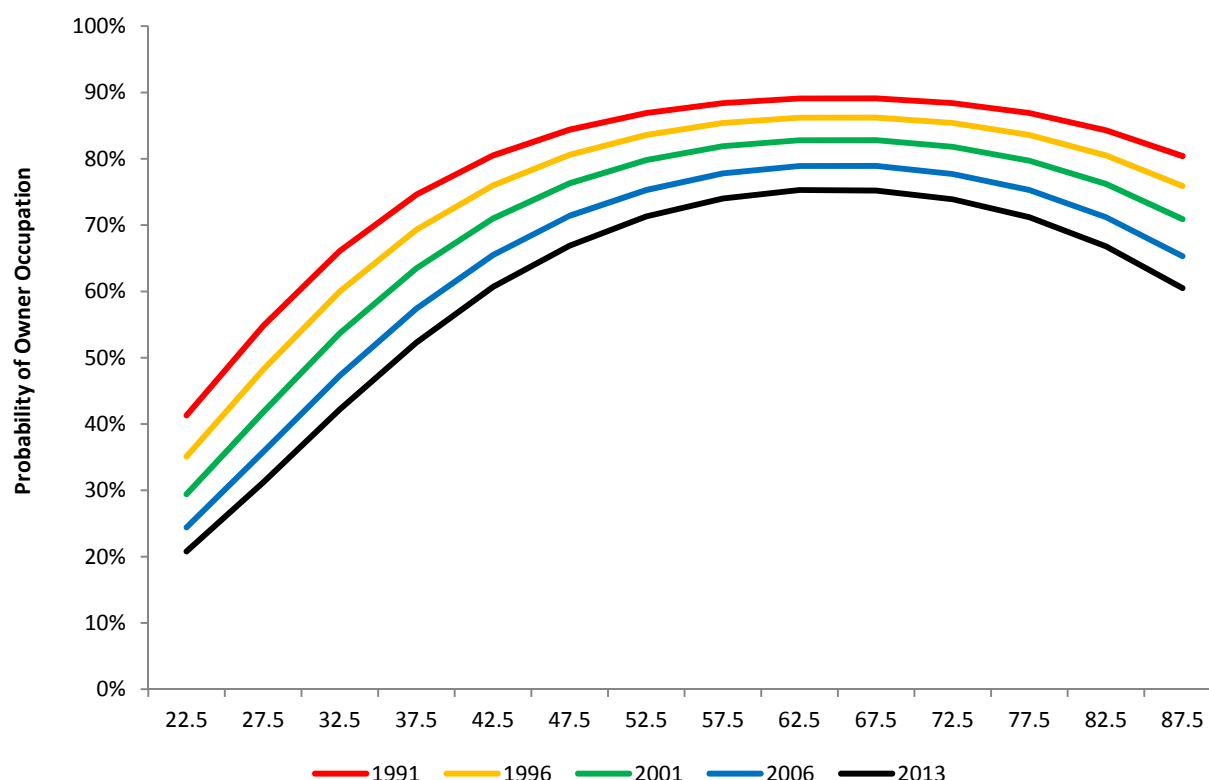


Figure 7.4 demonstrates the trend in relative decline in the probability of owner occupation estimates with each successive census. The probability of owner occupation fell by 18.1 percentage points between 1991 and 2013. The probability of owner occupation fell between each successive census. The average probability of owner occupation across all age groups between the:

- 1991 to 1996 census fell by 4.2 percentage points;
- 1996 to 2001 census fell by 4.6 percentage points;
- 2001 to 2006 census fell by 5.0 percentage points; and
- 2006 to 2013 census fell by 4.3 percentage points.



Table 7.15 presents the results of the logit regression analysis estimating the probability of owner occupation for the other urban areas combined for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.15: Logit Regression Results - Other Urban Areas Combined by Census, Age of the Reference Person and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.16	0.001	250.699	0.00	0.159	0.161
	agemidsquare	-0.001	0	-183.925	0.00	-0.001	-0.001
	Census1996	-0.296	0.006	-46.909	0.00	-0.308	-0.283
	Census2001	-0.55	0.006	-88.724	0.00	-0.562	-0.538
	Census2006	-0.936	0.006	-149.164	0.00	-0.949	-0.924
	Census2013	-1.027	0.006	-169.468	0.00	-1.038	-1.015
	Q2	0.568	0.005	112.368	0.00	0.558	0.578
	Q3	1.096	0.005	203.237	0.00	1.086	1.107
	Q4	1.497	0.006	262.279	0.00	1.486	1.509
	Intercept	-4.197	0.016	-260.251	0.00	-4.213	-4.181
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		44676.994	270	0.00		

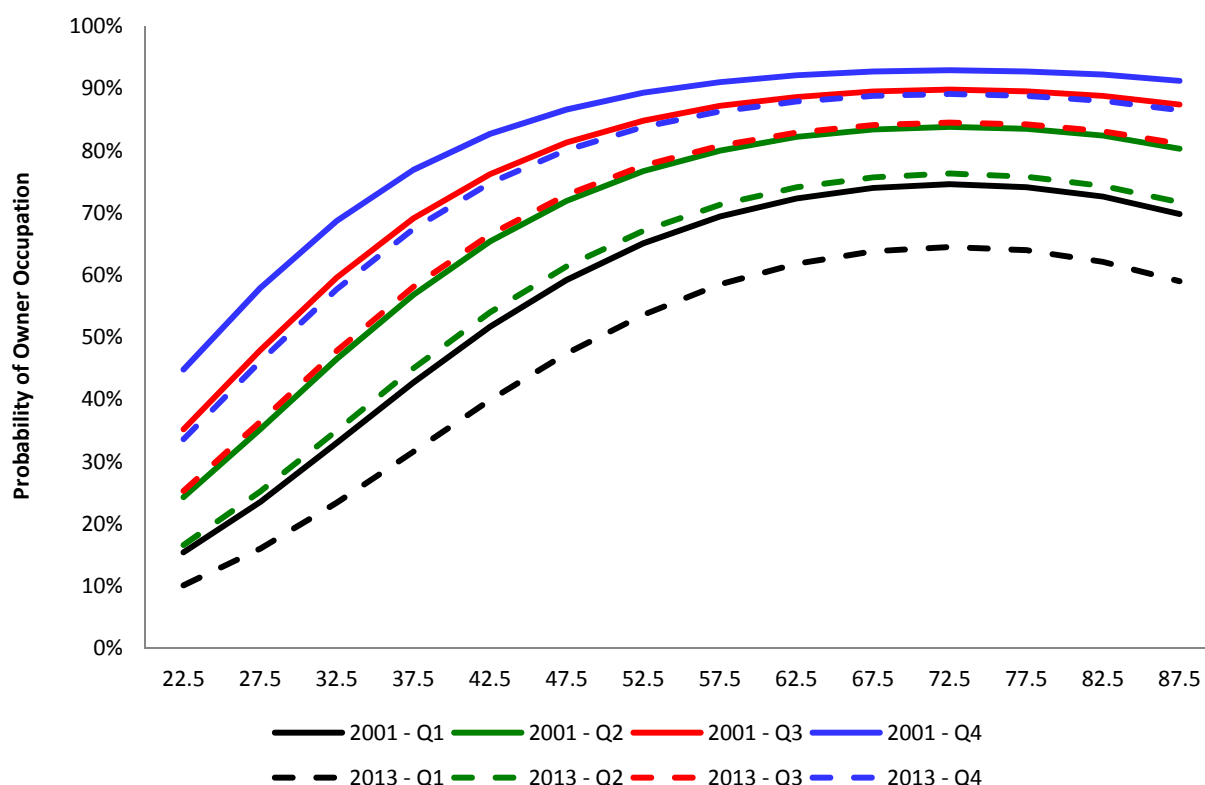
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census although the difference in the coefficient estimate is smaller between the 2006 and 2013 census in this analysis when compared to the results presented in Table 7.14; and
- Is higher as the level of household income increases.



Figure 7.11 presents the probability of ownership estimates for other urban areas combined by age of the reference person (midpoint of the age range), household income (quartiles) and the 2001 and 2013 censuses.

Figure 7.11: Other Urban Areas Combined – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Household Income



The estimates of the probability of ownership by age and household income demonstrate a significant fall across all household income groups and age. The fall in the probability is higher for the lower household income groups. The fall in the probability of owner occupation was highest in the younger age groups across all income bands. However, in households with higher incomes the older age groups experienced smaller declines in the probability of owner occupation. Overall, households earning less than 25th percentile household income experienced an average 10.1 percentage point fall in the probability of owner occupation across all age groups while households earning more than the 75th percentile household income experienced a 6.6 percentage point fall.



Table 7.16 presents the results of the logit regression analysis estimating the probability of owner occupation for the other urban areas combined for the 1991 to 2013 censuses by age of the reference person, household composition and household income (by quartiles).

Table 7.16: Logit Regression Results - Other Urban Areas Combined by Census, Age of the Reference Person, Household Composition and Household Income

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.151	0.001	230.83	0.000	0.149	0.152
	agemidsquare	-0.001	0.000	-161.62	0.000	-0.001	-0.001
	Census1996	-0.215	0.006	-33.53	0.000	-0.228	-0.202
	Census2001	-0.446	0.006	-70.73	0.000	-0.459	-0.434
	Census2006	-0.806	0.006	-126.40	0.000	-0.819	-0.794
	Census2013	-0.938	0.006	-152.98	0.000	-0.950	-0.926
	Q2	0.361	0.005	67.93	0.000	0.351	0.372
	Q3	0.716	0.006	124.43	0.000	0.705	0.727
	Q4	1.021	0.006	163.07	0.000	1.009	1.034
	Cwith	0.337	0.006	58.80	0.000	0.326	0.348
	OneParent	-0.795	0.007	-120.77	0.000	-0.807	-0.782
	OnePerson	-0.774	0.006	-137.02	0.000	-0.785	-0.763
	Other	-1.082	0.008	-129.84	0.000	-1.099	-1.066
	Intercept	-3.559	0.017	-209.09	0.000	-3.576	-3.542
Chi-Square Tests							
			Chi-Square	dfa	Sig.		
LOGIT	Pearson Goodness-of-Fit Test		37275.355	1378	0.00		

The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census;
- Is higher as the level of household income increases; and
- Household composition impacts on the probability of owner occupation. Relative to couples without children couples with children had higher probability of owner occupation, one parent households and one person households had lower probability of ownership.



Table 7.17 presents the results of the logit regression analysis estimating the probability of owner occupation for the other urban areas combined for the 1991 to 2013 censuses by age of the reference person and household income (by quartiles).

Table 7.17: Logit Regression Results - Other Urban Areas Combined by Census, Age of the Reference Person and Dwelling Typology

Parameter		Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
LOGIT ^a	agemid	0.157	0.001	258.030	0.000	0.156	0.159
	agemidsquare	-0.001	0.000	-188.738	0.000	-0.001	-0.001
	Census1996	-0.323	0.006	-54.121	0.000	-0.335	-0.311
	Census2001	-0.491	0.006	-82.566	0.000	-0.503	-0.479
	Census2006	-0.844	0.006	-144.727	0.000	-0.855	-0.832
	Census2013	-1.087	0.006	-188.250	0.000	-1.098	-1.076
	Multi-Unit	-1.865	0.005	-387.201	0.000	-1.874	-1.855
	Intercept	-3.003	0.015	-199.909	0.000	-3.018	-2.988
Chi-Square Tests							
			Chi-Square		dfa	Sig.	
LOGIT	Pearson Goodness-of-Fit Test		17989.551		132	0.000	

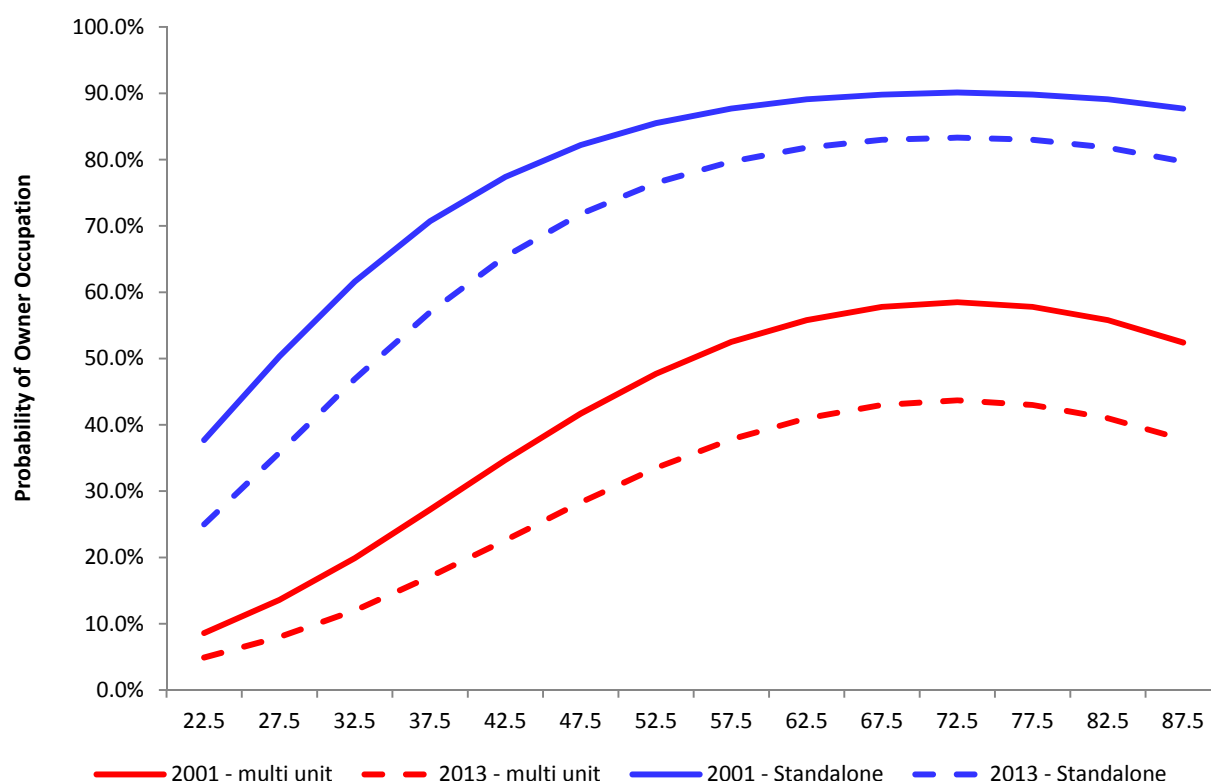
The results of the analysis were statistically significant. These results suggest the probability of owner occupation:

- Increases as the age of the reference person increases;
- Has fallen with each successive census; and
- Is lower for households in multi-unit dwellings compared to those living in standalone dwellings.



Figure 7.12 presents the probability of ownership estimates for other urban areas combined by age of the reference person (midpoint of the age range), dwelling typology (multi-unit or standalone) and the 2001 and 2013 Census.

Figure 7.12: Other Urban Areas Combined – Probability of Owner Occupation by Census (2001 and 2013), Age of the Reference Person and Dwelling Typology



The probability of owner occupation fell between 2001 and 2013 for households living in both standalone and multi-unit dwellings. The probability of owner occupation was higher for standalone dwellings compared to multi-unit dwellings across all age groups in both 2001 and 2013. The fall in the probability of owner occupation was greater for multi-unit (the un-weighted average across all age groups fell by 12 percentage points between 2001 and 2013) than standalone dwellings (the un-weighted average across all age groups fell by 10 percentage points between 2001 and 2013).



7.7 Summary

There are a number of common trends across the Auckland, Wellington and Christchurch metropolitan areas and other urban areas combined, although the quantum of the rate of change varies. The common trends are that the probability of owner occupation has:

- Declined with each successive census;
- Declined for all income groups although the rate of decline is lower for higher income households when compared to lower income households;
- Declined for households living in standalone and multi-unit dwellings. Households living in multi-unit dwellings had lower probability of ownership and experienced larger falls in the probability of owner occupation between 2001 and 2013 than households living in standalone dwellings.



8. The Geographical Distribution of Low Income Private Sector Renters

8.1 Introduction

This section of the report presents analysis on the regional trends in growth for the number of households, renter households, household income, median rents, and renter housing affordability. Low income renters typically have the most significant affordability challenges. Consequently the analysis has a particular emphasis on low income private sector renters¹⁷ between 2001 and 2013 and includes sub regional analysis of the following regions:

- Auckland;
- Greater Hamilton;
- Napier/Hastings;
- Wellington; and
- Nelson/Tasman.

This analysis uses both analysis of the number households and location quotient to track trends in the different housing markets. Location quotient is the ratio of the concentration of a sub group of households relative to the market wide average. For example the location quotient for social renters in suburb A is:

$$\text{Location Quotient social renters in suburb A} = \frac{(\text{number of social renters in suburb A}) / (\text{total households in suburb A})}{((\text{number of social rents in the region}) / (\text{total households in the region}))}$$

If the location quotient is greater than one this implies that the concentration of social renters in suburb A is higher than the regional average. If the location quotient is less than one then the concentration of social renters is lower than the regional average.

8.2 Regional Trends in Renters, Household Income, Market Rents and Renter Housing Affordability

The number of renter households has increased by approximately 26% over the last 12 years (2001 to 2013). The rate of increase in renter households has been almost double the growth in total households (26% compared to 15%). The distribution of the growth has varied between regions. The strong growth in demand from renter households has also placed upward pressure on rents. Between 2001 and 2013 median rents nationally increased by 75%, 14 percentage points faster than median household income.

¹⁷ Low income private sector renter is defined as a household renting from a private sector landlord and earning less than 80% of the region's median household income.



Table 8.1 presents a comparison of the growth in renter and total households by region and the growth in median household incomes compared to median rents by region between 2001 and 2013.

Table 8.1: Comparison of Growth in Total households to Renters and Median Household Income to Rent Between 2001 and 2013

Region	Total households		Renters		Diff Hhld - Renters	Median Hhld Income		Median Rent		Diff Inc - Rent
	2013	Chge 01/13	2013	Chge 01/13		2013	Chge 01/13	2013	Chge 01/13	
Northland	58,944	16%	15,045	31%	14%	\$46,900	55%	\$230	64%	9%
Auckland	469,497	20%	154,347	32%	12%	\$76,500	56%	\$350	59%	3%
Waikato	150,174	19%	44,589	32%	13%	\$59,600	55%	\$250	67%	11%
Bay of Plenty	102,270	18%	29,280	32%	14%	\$54,600	59%	\$260	63%	4%
Gisborne	15,993	5%	5,118	11%	6%	\$50,500	63%	\$200	67%	3%
Hawke's Bay	57,642	10%	16,122	18%	7%	\$53,200	59%	\$240	71%	13%
Taranaki	43,014	12%	10,395	24%	12%	\$58,400	70%	\$230	92%	21%
Mana-Wang	87,003	7%	24,624	14%	7%	\$50,000	53%	\$200	67%	13%
Wellington	176,133	13%	53,931	21%	8%	\$74,300	56%	\$300	67%	11%
Tasman	18,261	19%	3,678	26%	7%	\$53,500	63%	\$260	86%	23%
Nelson	18,540	16%	5,103	18%	2%	\$54,300	62%	\$300	76%	15%
Marlborough	17,676	18%	4,191	31%	13%	\$55,200	64%	\$250	79%	14%
West Coast	13,284	13%	3,069	20%	6%	\$55,000	94%	\$200	100%	6%
Canterbury	204,843	11%	54,084	20%	9%	\$65,000	80%	\$280	87%	7%
Otago	78,912	14%	20,880	20%	6%	\$56,400	70%	\$250	92%	22%
Southland	37,449	8%	8,625	31%	23%	\$57,400	64%	\$180	80%	16%
New Zealand	1,549,890	15%	453,135	26%	11%	\$63,800	61%	\$280	75%	14%

Source: Statistics New Zealand

Southland, Northland Auckland and Marlborough experienced the highest growth rate difference between the increase in the total number of households compared to the growth in renter households between 2001 and 2013. Over the same time period, Nelson, Gisborne, and the West Coast had the lowest growth differential.

The regions with the largest differences in the growth in median household income relative to the growth in median rents were Tasman where rents increased 23 percentage points faster than household incomes. The regions with the lowest growth differential included Auckland, Gisborne and Bay of Plenty.



Table 8.2 presents the median rent paid as a percentage of median household income by region between 2001 and 2013.

Table 8.2: Ratio of Median Rent to Median Household income

Region	Annual Rent as a % of Median Hhld Income			Change		
	2001	2006	2013	01 to 06	06 to 13	01 to 13
Northland	24.1%	20.7%	25.5%	-3.4%	4.8%	1.4%
Auckland	23.3%	23.0%	23.8%	-0.4%	0.8%	0.4%
Waikato	20.3%	18.9%	21.8%	-1.4%	2.9%	1.5%
Bay of Plenty	24.2%	22.9%	24.8%	-1.3%	1.9%	0.6%
Gisborne	20.2%	19.0%	20.6%	-1.2%	1.6%	0.4%
Hawke's Bay	21.7%	20.0%	23.5%	-1.7%	3.5%	1.7%
Taranaki	18.2%	17.4%	20.5%	-0.7%	3.0%	2.3%
Manawatu-Wanganui	19.1%	18.9%	20.8%	-0.2%	1.9%	1.7%
Wellington	19.7%	18.3%	21.0%	-1.4%	2.7%	1.3%
Tasman	22.2%	23.0%	25.3%	0.8%	2.3%	3.1%
Nelson	26.3%	24.9%	28.7%	-1.4%	3.9%	2.4%
Marlborough	21.7%	20.6%	23.6%	-1.1%	3.0%	1.9%
West Coast	18.3%	17.9%	18.9%	-0.4%	1.0%	0.6%
Canterbury	21.5%	21.7%	22.4%	0.2%	0.7%	0.9%
Otago	20.4%	22.3%	23.0%	1.9%	0.8%	2.7%
Southland	14.8%	15.3%	16.3%	0.5%	1.0%	1.5%
New Zealand	21.0%	20.2%	22.8%	-0.8%	2.6%	1.8%

Source: Statistics New Zealand

The regions with the highest rent to income ratios included Nelson (at 28.7%) Tasman (at 25.3%), and Northland (at 25.5%). The regions with the lowest rent to income ratios were Southland, (at 16.3%), West Coast (at 18.9%) Wellington (at 21.0%) and Taranaki (at 20.5%).

The ratio of rents to household incomes increased by 1.8 percentage points nationally between 2001 and 2013. The regions experiencing the highest percentage point increase included Taranaki (up 2.3 percentage points) Tasman (up 3.1 percentage points) and Otago (up 2.7 percentage points). The regions with the smallest change included Auckland (up 0.4 percentage points), Bay of Plenty (up 0.6 percentage points), Gisborne (up 0.4 percentage points), and West Coast (up 0.6 percentage points)



Table 8.3 presents the proportion of renter households by household income paying more than 30% of their gross household income in rent¹⁸ as at 2013.

Table 8.3: Percentage of Renters by Household Income Paying More than 30% of Gross Household Income in Rent in 2013

Region	Gross Household Income			Renters ¹⁹ Paying more than 30% of Gross Hhld Income in Rent
	Less than \$30,000	\$30,000 to \$50,000	\$50,000 to \$70,000	
Northland	62.5%	44.4%	9.7%	37.1%
Auckland	72.7%	75.2%	50.4%	39.6%
Waikato	63.0%	46.2%	13.8%	32.7%
Bay of Plenty	66.8%	54.8%	18.3%	38.2%
Gisborne	55.3%	30.3%	4.3%	29.7%
Hawke's Bay	60.4%	45.1%	11.0%	35.2%
Taranaki	59.1%	39.3%	10.9%	31.4%
Manawatu-Wanganui	52.4%	26.8%	5.0%	28.7%
Wellington	63.5%	57.8%	31.8%	32.2%
Tasman	66.3%	52.6%	23.6%	40.6%
Nelson	69.6%	68.3%	31.6%	46.6%
Marlborough	66.9%	44.4%	7.2%	33.7%
West Coast	51.6%	25.1%	4.4%	25.4%
Canterbury	61.5%	52.1%	24.6%	31.3%
Otago	62.4%	46.3%	16.4%	34.9%
Southland	49.7%	13.7%	1.2%	20.8%
New Zealand	64.5%	55.2%	28.6%	35.1%

Source: Modelled estimates based on data sourced from Statistics New Zealand

Nelson (at 46.6%), Tasman (at 40.6%) and Auckland (at 39.6%) had the highest portion of renters paying more than 30% of their household income in rent. The regions with the lowest proportion of renter households paying more than 30% of their household income in rent included Southland (at 20.8%), West Coast (at 25.4%) and Manawatu-Wanganui (at 28.7%).

Auckland has the highest proportion of renters earning between \$50,000 and \$70,000 that are paying more than 30% of their household income in rent followed by Wellington and Nelson. This reflects the higher market rents in these regions.

¹⁸ A commonly used housing affordability bench mark is to estimate the number and proportion of households where housing costs (in this case rents) exceed more than 30% of gross household income.

¹⁹ All renters combined (all income bands).



8.3 Auckland Housing Market

For the purposes of this report Auckland's housing market encapsulates the whole of Auckland Council's boundaries. The market had a total population of 1,415,550 people and 469,497 households in 2013. Figure 8.1 presents the sub regional boundaries for Auckland,

Figure 8.1: Auckland Sub regional Boundaries

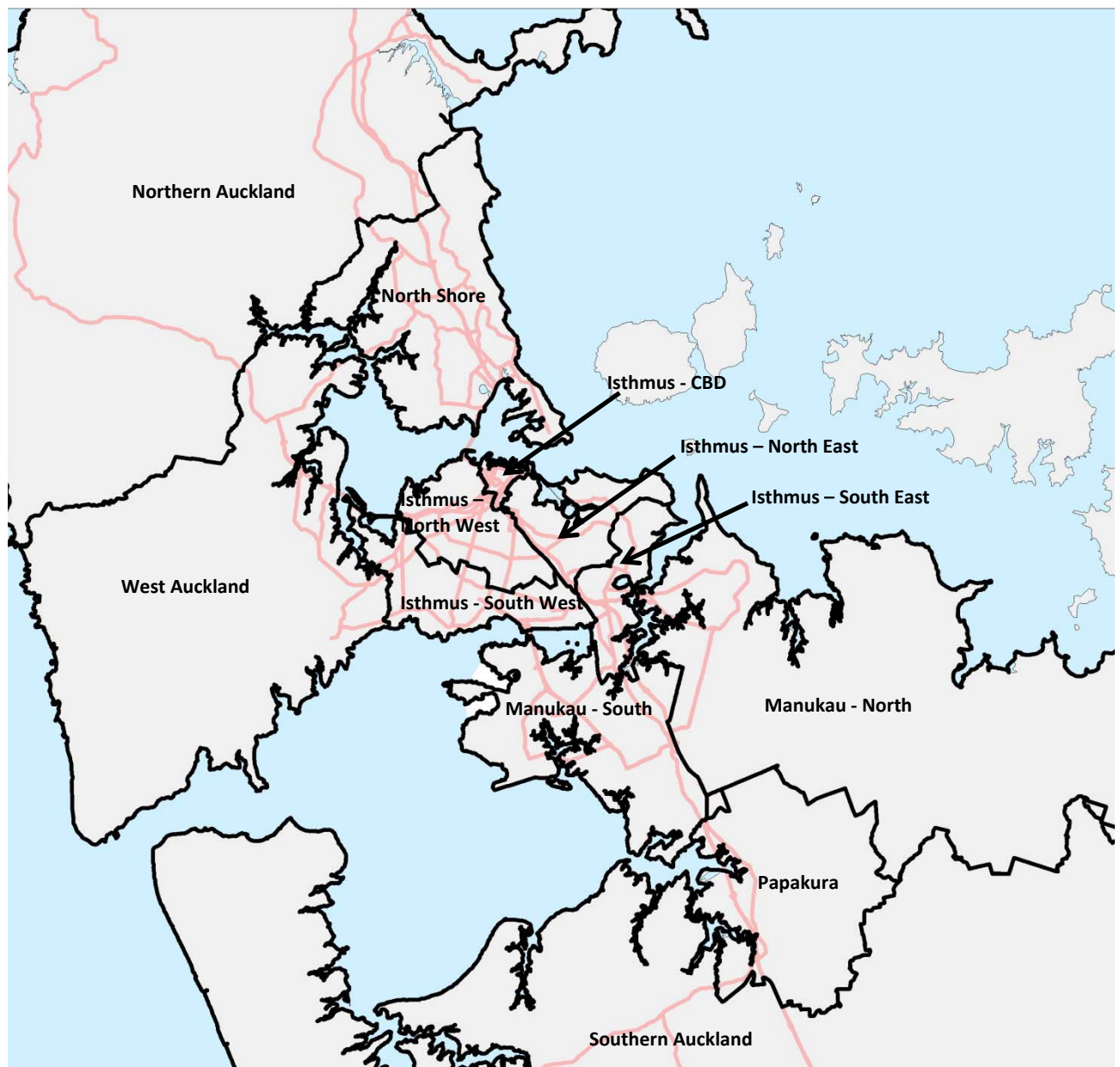




Table 8.4 summarises the composition of the Auckland housing market by tenure in 2013 combined with low income private renter households as a percentage of all households (tenure stated) in 2001 and 2013.

Table 8.4: Auckland Housing Market by Tenure

Auckland Suburb	Number of Households 2013					LIPR ²⁰ Hhlds as a % of Total Hhlds		
	Owner Occupiers	Private Renters	Low Inc Private Renters	Total Renters	Total (tenure Stated)	2001	2013	Chge
Northern Auckland	25,503	7,623	3,666	8,199	33,702	9.4%	10.9%	1.5%
West Auckland	39,375	14,730	6,820	19,254	58,629	8.9%	11.6%	2.7%
North Shore	50,442	17,766	6,514	20,817	71,259	8.3%	9.1%	0.8%
Isthmus								
- CBD	2,340	6,837	3,220	8,883	11,223	18.6%	28.7%	10.1%
- North West	21,102	13,683	4,468	16,662	37,764	11.1%	11.8%	0.7%
- North East	21,021	8,496	2,437	10,443	31,464	7.4%	7.7%	0.3%
- South West	21,894	10,455	3,981	15,534	37,428	8.6%	10.6%	2.0%
- South East	9,819	5,904	2,624	9,252	19,071	11.3%	13.8%	2.5%
Manukau - North	34,197	10,425	3,663	12,219	46,416	5.8%	7.9%	2.1%
Manukau - South	20,721	12,312	5,055	22,437	43,158	8.7%	11.7%	3.0%
Papakura	10,227	4,338	1,966	5,847	16,074	8.5%	12.2%	3.7%
Southern Auckland	11,496	3,501	1,550	4,140	15,636	7.5%	9.9%	2.5%
Total	268,137	116,070	45,964	153,687	421,824	8.7%	10.9%	2.2%

Source: Statistics New Zealand

Low income renters as a percentage of total households increased by 2.2 percentage points between 2001 and 2013. This growth was unevenly distributed across the Auckland region. The strongest growth was experienced in the CBD (up 10.1 percentage points to 28.7% of all households in 2013), Papakura (up 3.7 percentage points to 12.2% of all households in 2013), Manukau South (up 3.0 percentage points to 11.7% of all households in 2013), and West Auckland (up 2.7 percentage points to 11.6% of all households in 2013). North Shore, Isthmus north-west and north east experienced the slowest growth in low income renters.

²⁰ LIPR – Low income private renters



Table 8.5 presents the trend in the number of low income private sector renters in Auckland between 2001 and 2013.

Table 8.5: Auckland - Low Income Private Sector Renters by Sub Region Areas - 2001 and 2013

Suburb	2001		2013		Change 2001 to 2013	
	Hhlds	% of Total	Hhlds	% of Total	Hhlds	% of Total Change
Northern Auckland	2,322	7.6%	3,666	8.0%	1,344	8.8%
West Auckland	4,469	14.5%	6,820	14.8%	2,351	15.4%
North Shore	5,080	16.5%	6,514	14.2%	1,434	9.4%
Isthmus - CBD	607	2.0%	3,220	7.0%	2,613	17.2%
Isthmus - North West	3,805	12.4%	4,468	9.7%	663	4.4%
Isthmus - North East	2,039	6.6%	2,437	5.3%	398	2.6%
Isthmus - South West	2,972	9.7%	3,981	8.7%	1,009	6.6%
Isthmus - South East	1,925	6.3%	2,624	5.7%	699	4.6%
Manukau - North	2,084	6.8%	3,663	8.0%	1,579	10.4%
Manukau - South	3,383	11.0%	5,055	11.0%	1,672	11.0%
Papakura	1,173	3.8%	1,966	4.3%	793	5.2%
Southern Auckland	869	2.8%	1,550	3.4%	681	4.5%
Total	30,728	100.0%	45,964	100.0%	15,236	100.0%

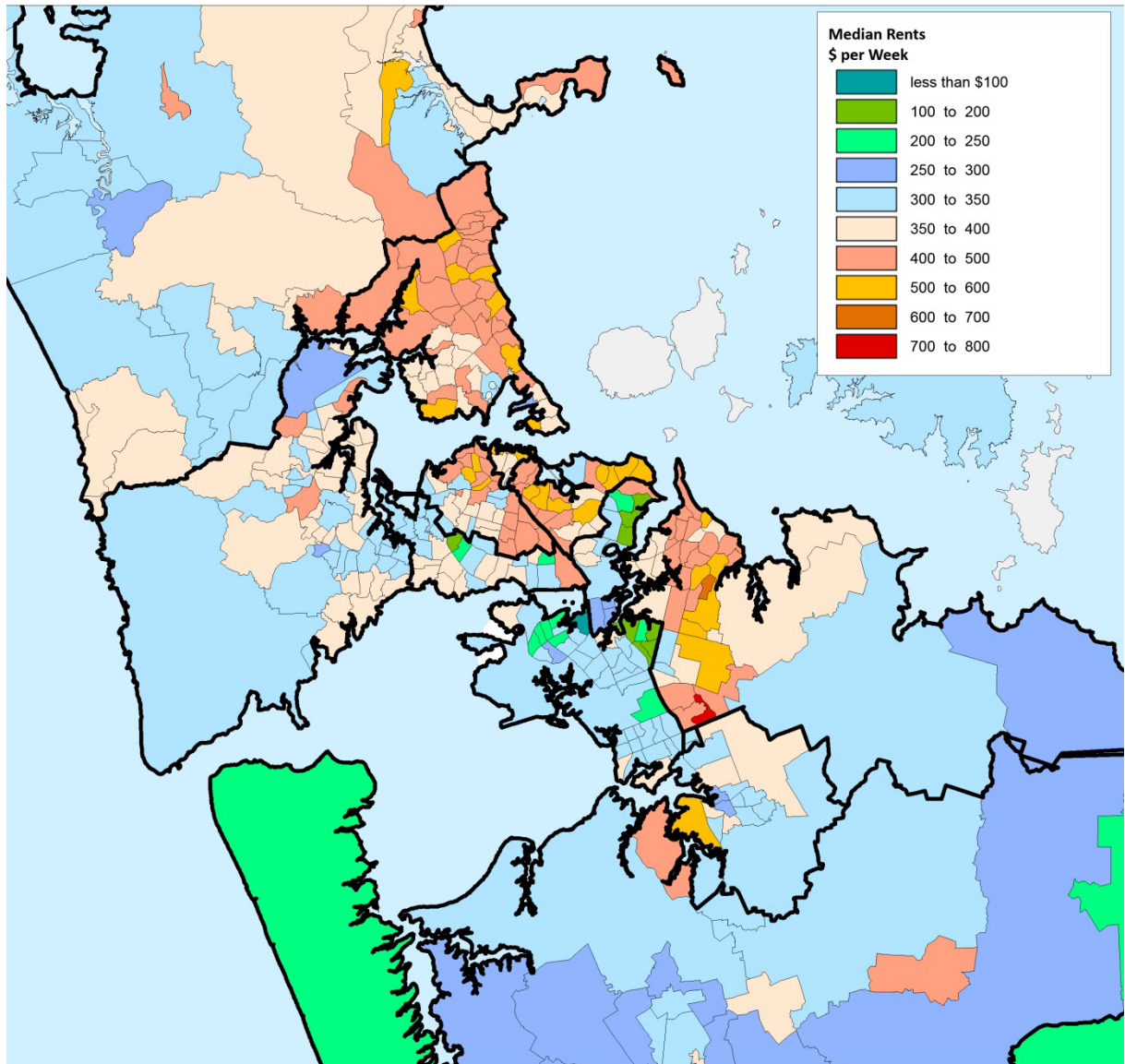
Source: Statistics New Zealand – 2001 and 2013 Census

All sub regional areas experienced an increase the number of low income renters. However the rate of growth was unevenly distributed within the Auckland region. The sub regional areas experiencing the strongest growth in the number of low income renters included West Auckland (up 15.4%), CBD (up 17.2%), Manukau North (up 10.4%) and Manukau South (up 11.0%). Sub regional areas on the isthmus (excluding the CBD), all experienced low growth.

Figure 8.2 and 8.3 present the distribution of median residential rents by area unit in 2013 and the growth in median rents between 2001 and 2013 respectively.



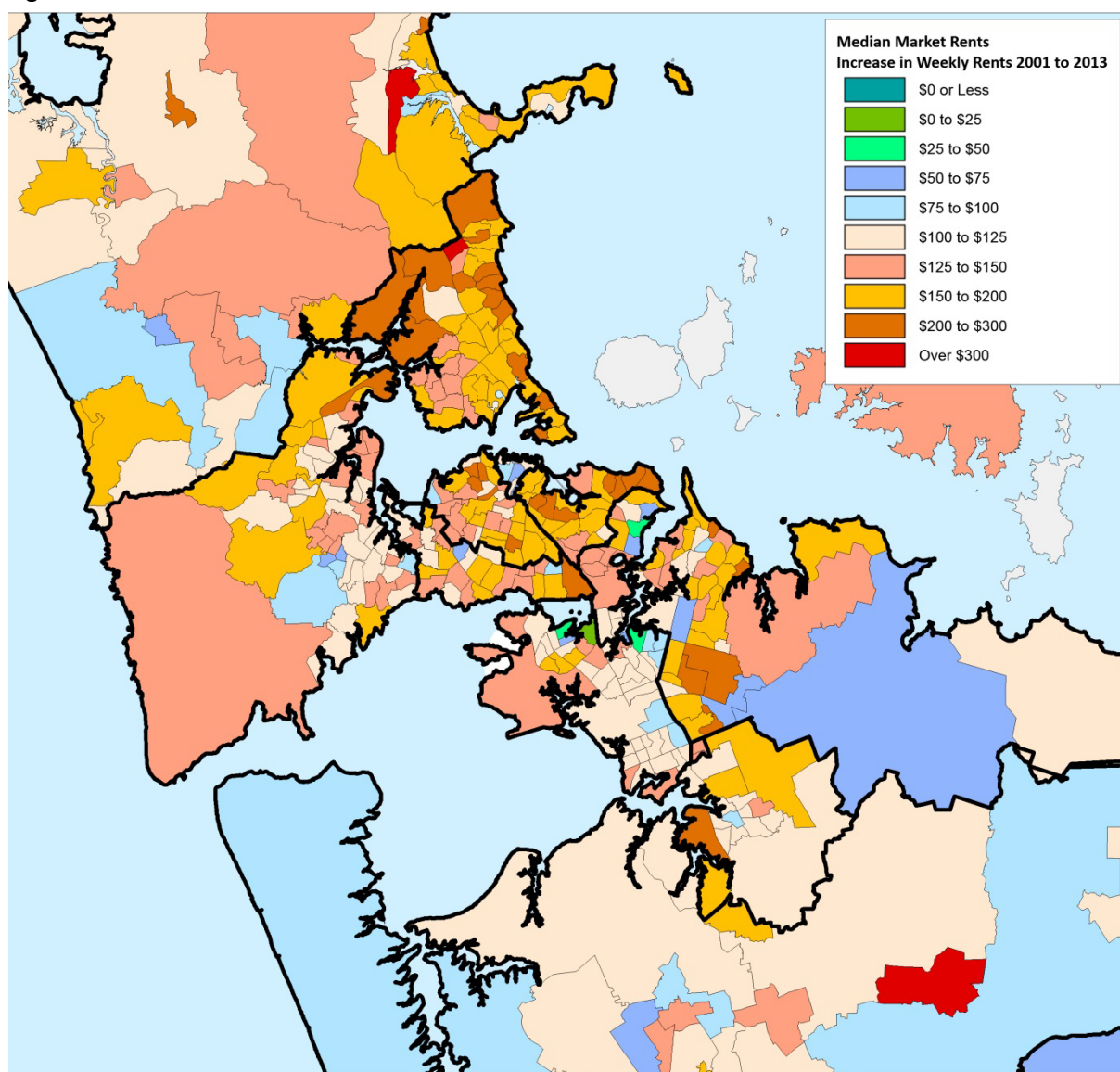
Figure 8.2: Auckland Median Residential Rents – 2013



Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.3: Auckland Growth in Median Residential Market Rents – 2001 to 2013



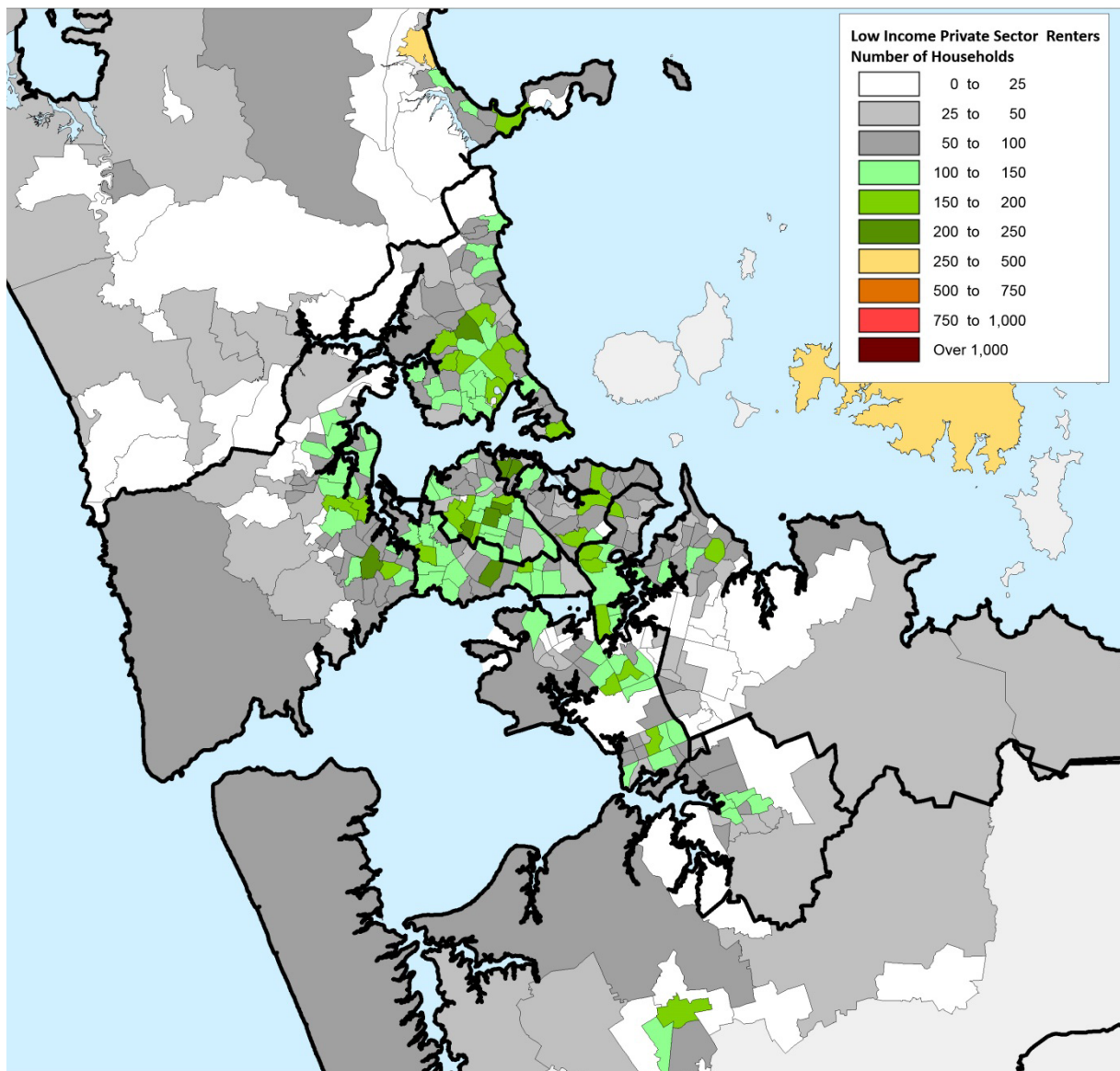
Source: Based on analysis of data provided by Statistics New Zealand

Rents experienced significant growth across the metropolitan area with the majority of area units experiencing growth in weekly rents between 2001 and 2013 of \$110 per week to \$160 per week (or 52% to 74%). The CBD in particular experienced lower growth in rents however to some extent this may reflect a change in the composition of dwellings being let as the stock experienced significant growth between 2001 and 2013. Locations with lower median rents generally experienced lower growth in median rents.



Figure 8.4 presents the geographical distribution of Auckland's low income private sector renter households in 2001.

Figure 8.4: Auckland – Number of Low Income Private Sector Renter Households in 2001



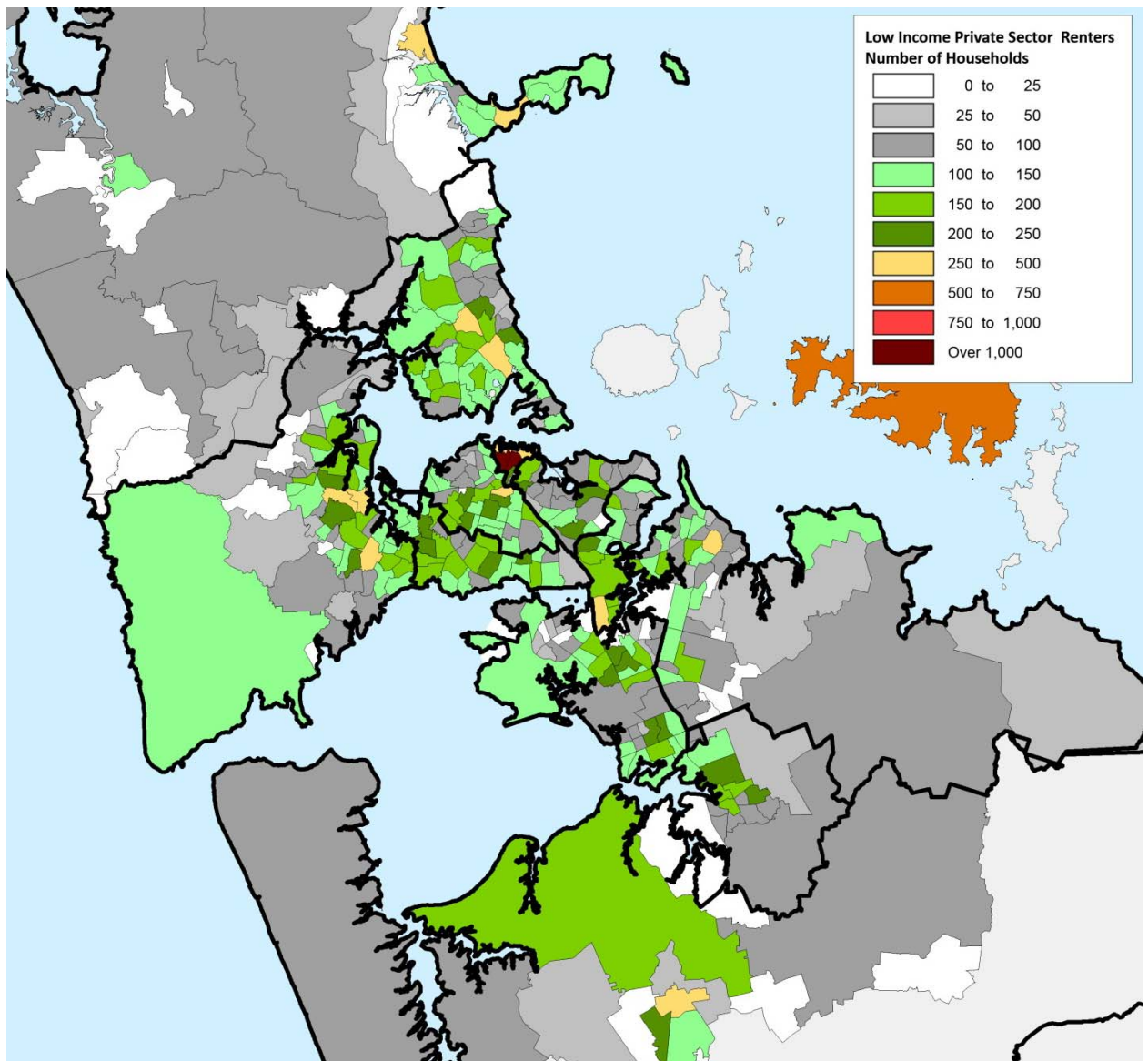
Source: Based on analysis of data provided by Statistics New Zealand

The highest concentration in low income private sector renters is in the central city. Other locations with a significant count of low income private sector renter households focus on locations with lower housing costs.



Figure 8.5 presents the geographical distribution of Auckland's low income private sector renter households in 2013.

Figure 8.5: Auckland – Number of Low Income Private Sector Renter Households in 2013



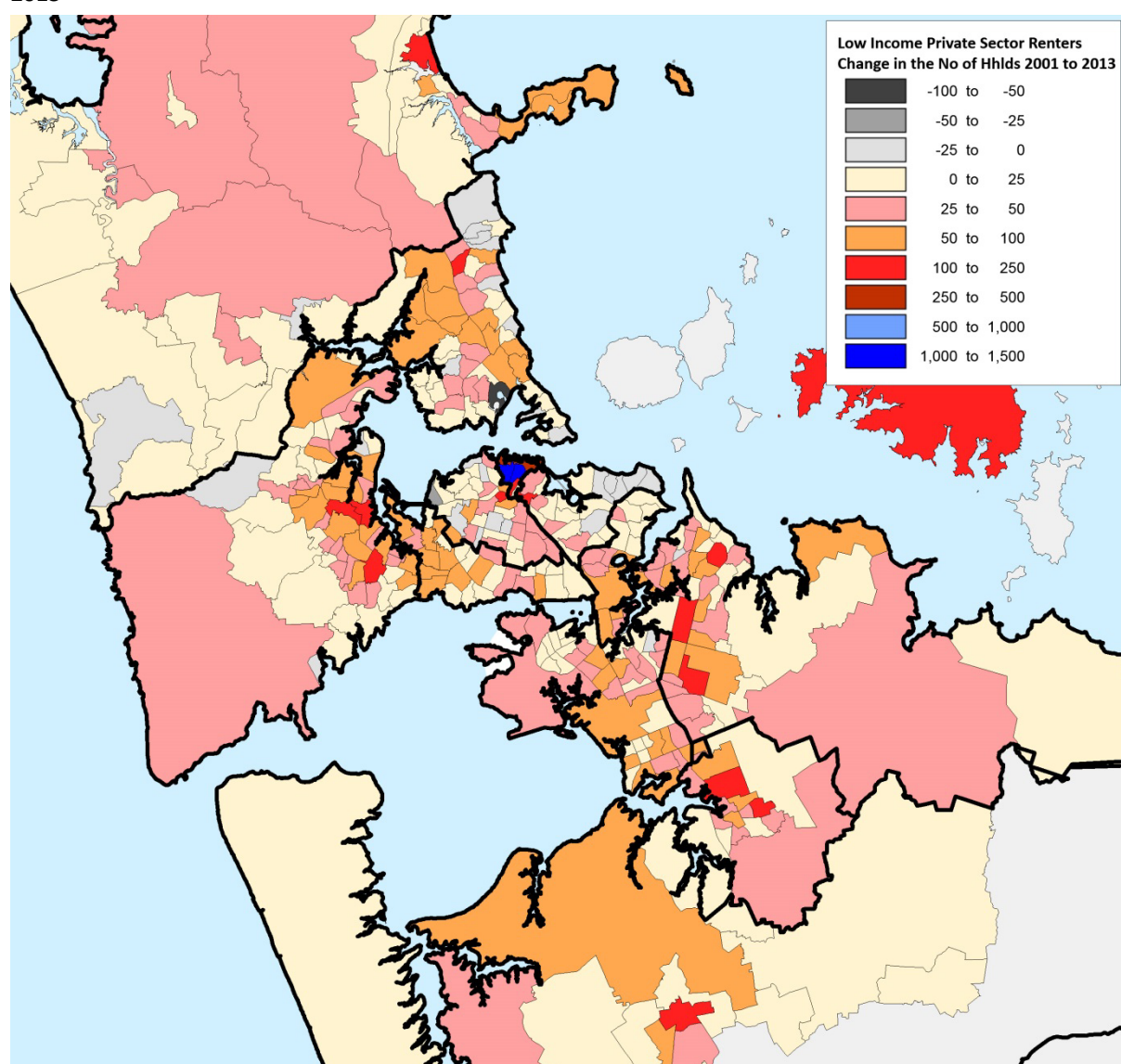
Source: Based on analysis of data provided by Statistics New Zealand



The central city has the highest concentration of low income private sector renters with significant other concentrations in North Shore, Waiheke, West Auckland, southern isthmus, and Manukau South.

Figure 8.6 presents the change in the geographical distribution of Auckland's low income private sector renter households between 2001 and 2013.

Figure 8.6: Auckland – Change in the Number of Low Income Private Sector Renter Households - 2001 to 2013



Source: Based on analysis of data provided by Statistics New Zealand

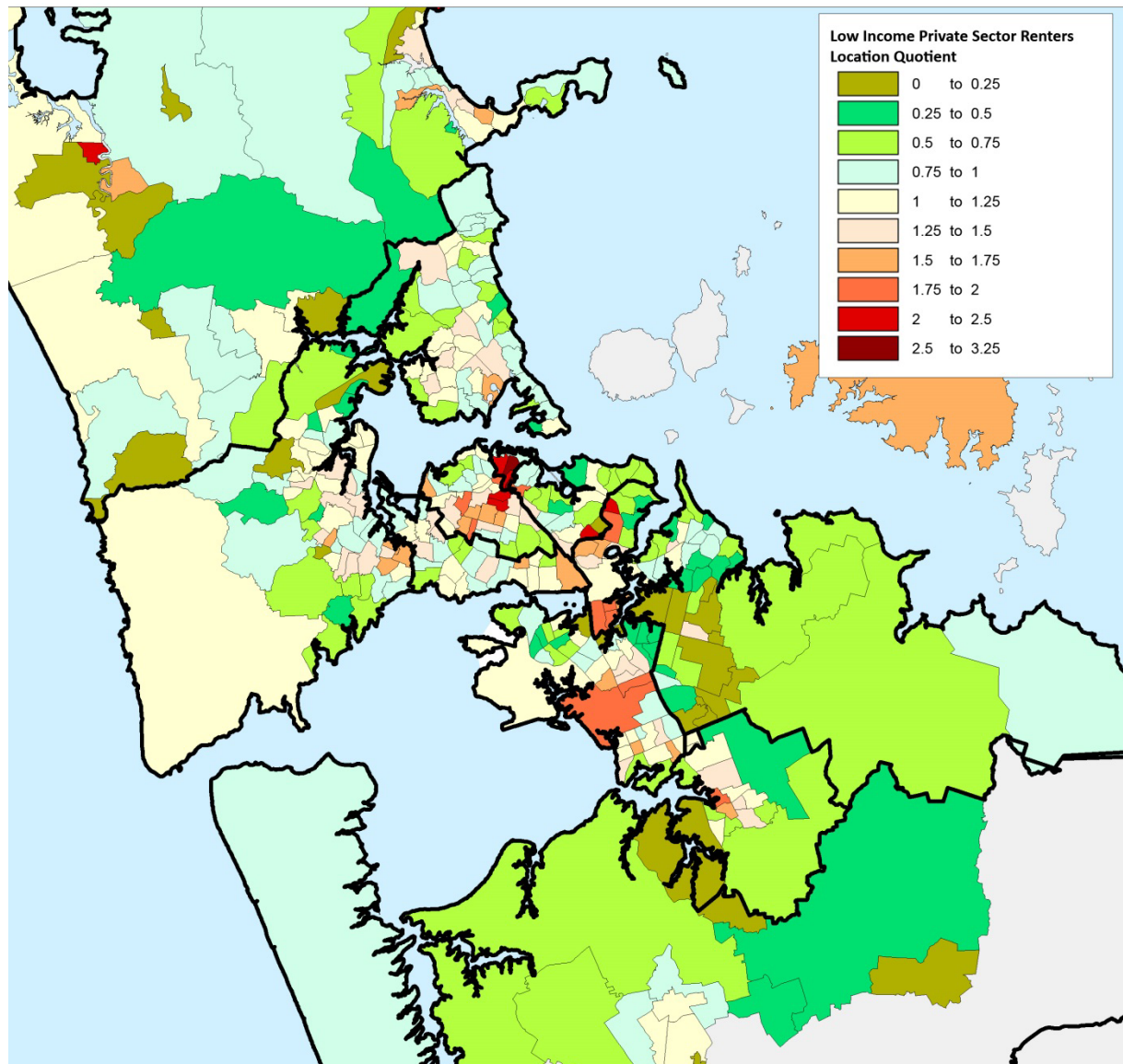
Overall the number of low income renters has increased across the metropolitan area. The strongest growth in the number of low income private sector renters has been in the central city. Other areas experiencing significant growth include inland North Shore, Wangaparora, West Auckland, Manukau, Papakura and South



Auckland. This pattern of growth suggests with the exception of the central city the majority of growth is occurring outside the isthmus.

Figure 8.7 presents the location quotient for Auckland's low income private sector renter households in 2001.

Figure 8.7: Auckland – Location Quotient for Low Income Private Sector Renter Household in 2001



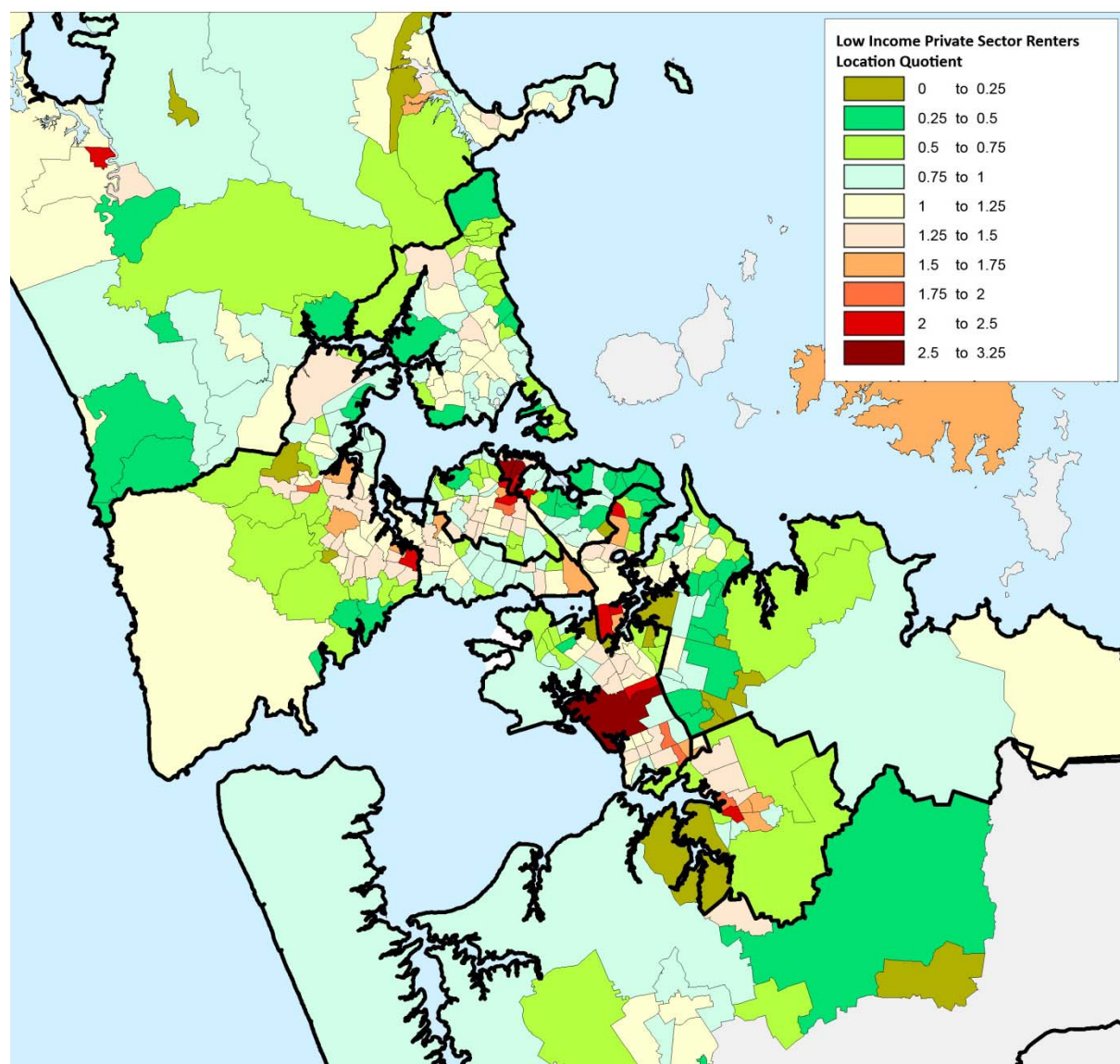
Source: Based on analysis of data provided by Statistics New Zealand

There were some significant concentrations (as a proportion of total households) of low income renters. These included the central city, Parts of north-west and south-east Isthmus, and Manukau South. Manukau North and Isthmus north east had relatively lower concentrations of low income private sector renters.



Figure 8.8 presents the location quotient for Auckland's low income private sector renter households in 2013.

Figure 8.8: Auckland Low Income Private Sector Renters Location Quotient in 2013



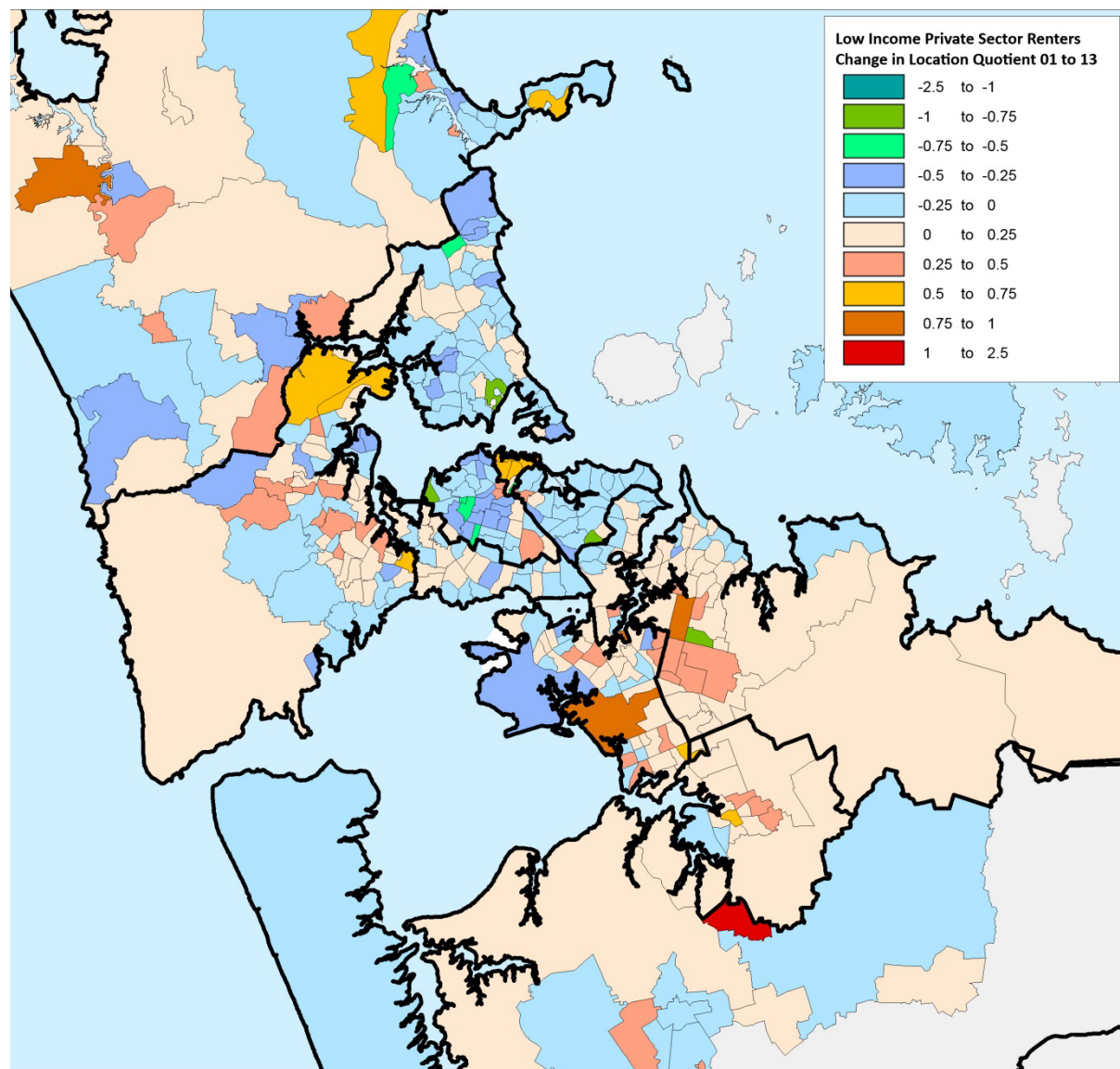
Source: Based on analysis of data provided by Statistics New Zealand

The pattern of distribution changed between 2001 and 2013 with the relative concentration of low income private sector renters falling in the Isthmus north west and south east. At the same time the relative concentration increased in West Auckland, Manukau South, and Papakura.

Figure 8.9 presents the change in location quotient for Auckland's low income private sector renter households between 2001 and 2013.



Figure 8.9: Auckland – Change in the Location Quotient for Low Income Private Sector Renter Household between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand

The pattern of change is clear with the location quotients generally falling in the Isthmus (exception being the central city) and increasing in West Auckland, Manukau (South and North) Papakura, and parts of South Auckland.

Tables 8.6 and 8.7 present the sub-regional trend in the number of low income private sector renters between 2001 and 2013 by age of the household reference person and household composition respectively.



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Table 8.6: Auckland – Sub-regional Trend in Low Income Private Sector renters by Age of the Reference Person Between 2001 and 2013

	Less than 30 years old				30 to 39 Years old				40 to 64 Years Old				Over 65 Years old				Total Households			
	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge
Northern Auckland	447	393	-54	-12%	679	619	-60	-9%	682	1495	813	119%	271	576	305	113%	2363	3707	1344	57%
West Auckland	1284	1164	-120	-9%	1465	1634	169	12%	1066	2628	1562	147%	197	540	343	174%	4471	6822	2351	53%
North Shore	1124	1013	-111	-10%	1555	1352	-203	-13%	1633	2756	1123	69%	408	667	259	63%	5080	6514	1434	28%
Isthmus																				
- CBD	385	1964	1579	410%	94	671	577	614%	67	472	405	604%	5	56	51	1020%	607	3220	2613	430%
- North West	1065	977	-88	-8%	1189	1111	-78	-7%	1113	1612	499	45%	257	317	60	23%	3805	4468	663	17%
- North East	501	390	-111	-22%	591	481	-110	-19%	679	945	266	39%	172	230	58	34%	2084	2486	402	19%
- South West	614	633	19	3%	961	960	-1	0%	1017	1641	624	61%	164	408	244	149%	2928	3933	1005	34%
- South East	477	448	-29	-6%	599	624	25	4%	640	1062	422	66%	108	265	157	145%	1925	2624	699	36%
Manukau - North	385	447	62	16%	642	751	109	17%	607	1395	788	130%	199	357	158	79%	2090	3666	1576	75%
Manukau - South	929	1101	172	19%	1124	1411	287	26%	809	1547	738	91%	135	300	165	122%	3386	5057	1671	49%
Papakura	348	376	28	8%	351	446	95	27%	309	724	415	134%	49	170	121	247%	1174	1966	792	67%
Southern Auckland	192	258	66	34%	245	305	60	24%	256	600	344	134%	82	171	89	109%	873	1552	679	78%
Total	7751	9164	1413	18%	9495	10365	870	9%	8878	16877	7999	90%	2047	4057	2010	98%	30786	46015	15229	49%

Source: Statistics New Zealand

NB: Blue indicates growth significantly below the regional average whilst red indicates growth significantly faster the regional average.

Source: Statistics New Zealand



Table 8.7: Auckland – Sub-regional Trend in Low Income Private Sector Renters by Household Composition between 2001 and 2013

	Couples without children				Couples with Children				One parent				One person				Other				Total Households			
	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge	2001	2013	Hhlds	% Chge
Northern Auckland	282	444	162	57%	313	528	215	69%	654	896	242	37%	804	1253	449	56%	118	114	-4	-3%	2363	3707	1344	57%
West Auckland	336	638	302	90%	762	1406	644	85%	1624	2175	551	34%	1162	1621	459	40%	294	278	-16	-5%	4471	6822	2351	53%
North Shore	531	865	334	63%	1015	1524	509	50%	1353	1551	198	15%	1619	1744	125	8%	365	257	-108	-30%	5080	6514	1434	28%
Isthmus																								
- CBD	83	777	694	836%	13	142	129	992%	24	129	105	438%	325	1323	998	307%	130	803	673	518%	607	3220	2613	430%
- North West	545	671	126	23%	535	594	59	11%	547	593	46	8%	1484	1782	298	20%	567	480	-87	-15%	3805	4468	663	17%
- North East	270	282	12	4%	244	361	117	48%	316	419	103	33%	912	981	69	8%	193	147	-46	-24%	2040	2438	398	20%
- South West	305	537	232	76%	708	1010	302	43%	641	780	139	22%	900	1033	133	15%	296	285	-11	-4%	2972	3981	1009	34%
- South East	196	394	198	101%	359	549	190	53%	502	548	46	9%	664	785	121	18%	134	160	26	19%	1925	2624	699	36%
Manukau - North	200	413	213	107%	502	919	417	83%	611	869	258	42%	470	715	245	52%	119	133	14	12%	2090	3666	1576	75%
Manukau - South	287	475	188	66%	740	1413	673	91%	1178	1506	328	28%	689	808	119	17%	274	299	25	9%	3386	5057	1671	49%
Papakura	72	130	58	81%	161	263	102	63%	438	710	272	62%	319	525	206	65%	54	75	21	39%	1174	1966	792	67%
Southern Auckland	83	134	51	61%	139	244	105	76%	280	459	179	64%	251	488	237	94%	55	67	12	22%	873	1552	679	78%
Total	3190	5760	2570	81%	5491	8953	3462	63%	8168	10635	2467	30%	9599	13058	3459	36%	2599	3098	499	19%	30786	46015	15229	49%

Source: Statistics New Zealand



Key trends for private sector low income renters included:

- The Central City had strong growth across all age groups;
- Growth in low income younger renters was below the overall average with slow growth in North Shore, West Auckland and the Isthmus. Manukau and South Auckland experienced stronger growth;
- Renters aged between 30 and 39 years experienced a similar pattern of growth;
- The number of low income private sector renters aged 40 to 64 years experienced strong growth particularly in Manukau, Papakura, South Auckland and West Auckland. Growth although strong was more muted on the isthmus;
- Households with reference people age 65 years and older experienced strong growth in all sub regional areas with the exception of the Isthmus north east and north west sub regional areas;
- The CBD experienced strong growth across all types of household composition;
- All sub-regional areas experienced strong growth in the number of couples without children except the Isthmus north east and north west;

In summary, the number of low income private sector renter households increased by 15,229 or 49% between 2001 and 2013. The growth was not evenly distributed across the urban area with the strongest growth in west Auckland, CBD, Manukau (both North and South) and Papakura. The strongest growth was in the number of households with reference people aged 40 years and older. Note, historically the low income renters struggle to become owner occupiers once they are over 40 years of age. In addition, the household types experiencing the strongest growth included couple only and couples with children.



8.4 Greater Hamilton Housing Market

For the purposes of this report Greater Hamilton housing market encapsulates six councils. The market had a total population of 314,409 people or 113,933 households in 2013. Table 8.8 summaries the composition of the market by tenure and household income in 2013.

Table 8.8: Greater Hamilton Housing Market by Tenure in 2013

Local Authority	Number of Households in 2013					Low Income Private Sector Renters as a % of total Households		
	Owner Occupiers	Private Renters	Low Inc Private Renters	Total Renters	Total Hhlds	2001	2013	Change
Waikato	10,497	4,575	2,377	6,708	22,029	9.9%	10.8%	0.9%
Matamata-Piako	5,808	2,556	1,429	4,146	12,299	10.2%	11.6%	1.4%
Hamilton	21,579	14,541	7,324	20,220	50,388	15.0%	14.5%	-0.5%
Waipa	8,523	3,564	1,800	5,052	17,526	10.0%	10.3%	0.3%
Otorohunga	1,299	693	383	1,191	3,303	10.3%	11.6%	1.3%
South Waikato	4,023	2,034	1,219	3,048	8,388	11.8%	14.5%	2.7%
Total	51,729	27,963	14,532	40,365	113,933	12.3%	12.8%	0.5%

Source: Statistics New Zealand

Proportionally Hamilton City and South Waikato had the highest relative proportions of low income private sector renters in 2013. The relative proportion of low income renter households fell in Hamilton and increased in the other local authority areas.

Table 8.9 presents the trend in the number of low income private sector renters in Greater Hamilton between 2001 and 2013.

Table 8.9: Greater Hamilton - Low Income Private Sector Renters by Local Authority 2001 and 2013

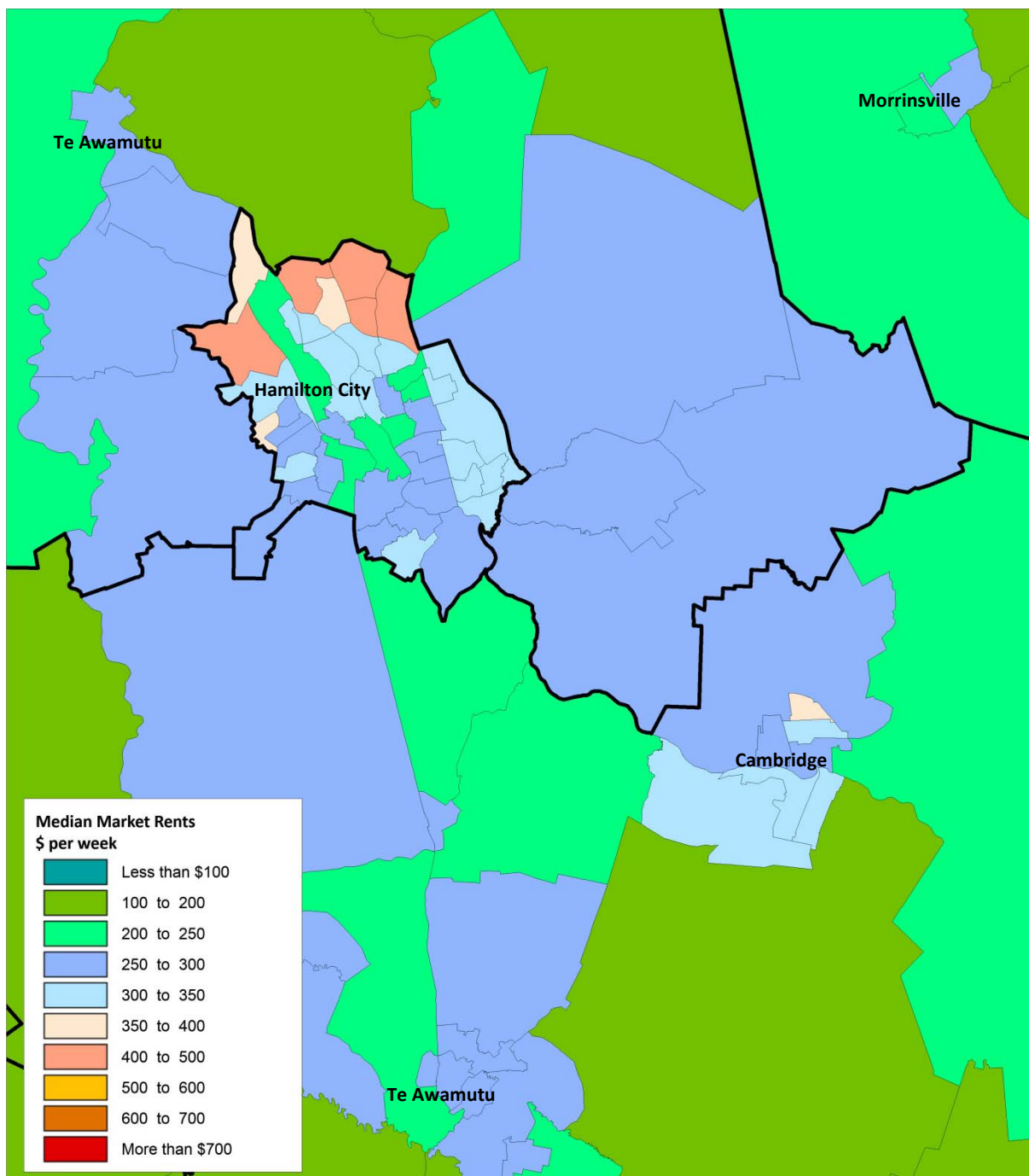
Local Authority	2001		2013		Change 2001 to 2013	
	Hhlds	% of Total	Hhlds	% of Total	Hhlds	% Change
Waikato	1,719	15%	2,377	16%	658	38%
Matamata-Paiko	1,087	9%	1,429	10%	342	31%
Hamilton	6,196	53%	7,324	50%	1,128	18%
Waipa	1,387	12%	1,800	12%	413	30%
Otorohunga	304	3%	383	3%	79	26%
South Waikato	948	8%	1,219	8%	271	29%
Total	11,641	100%	14,532	100%	2,891	25%

Source: Statistics New Zealand – 2001 and 2013 Census



Relative to its size Waikato District experienced the strongest growth in low income private sector renters between 2001 and 2013 and Hamilton City experienced slower than average growth. Figure 8.10 and 8.11 present the distribution of median residential dwelling rents by area unit and the growth in median rents between 2001 and 2013 respectively.

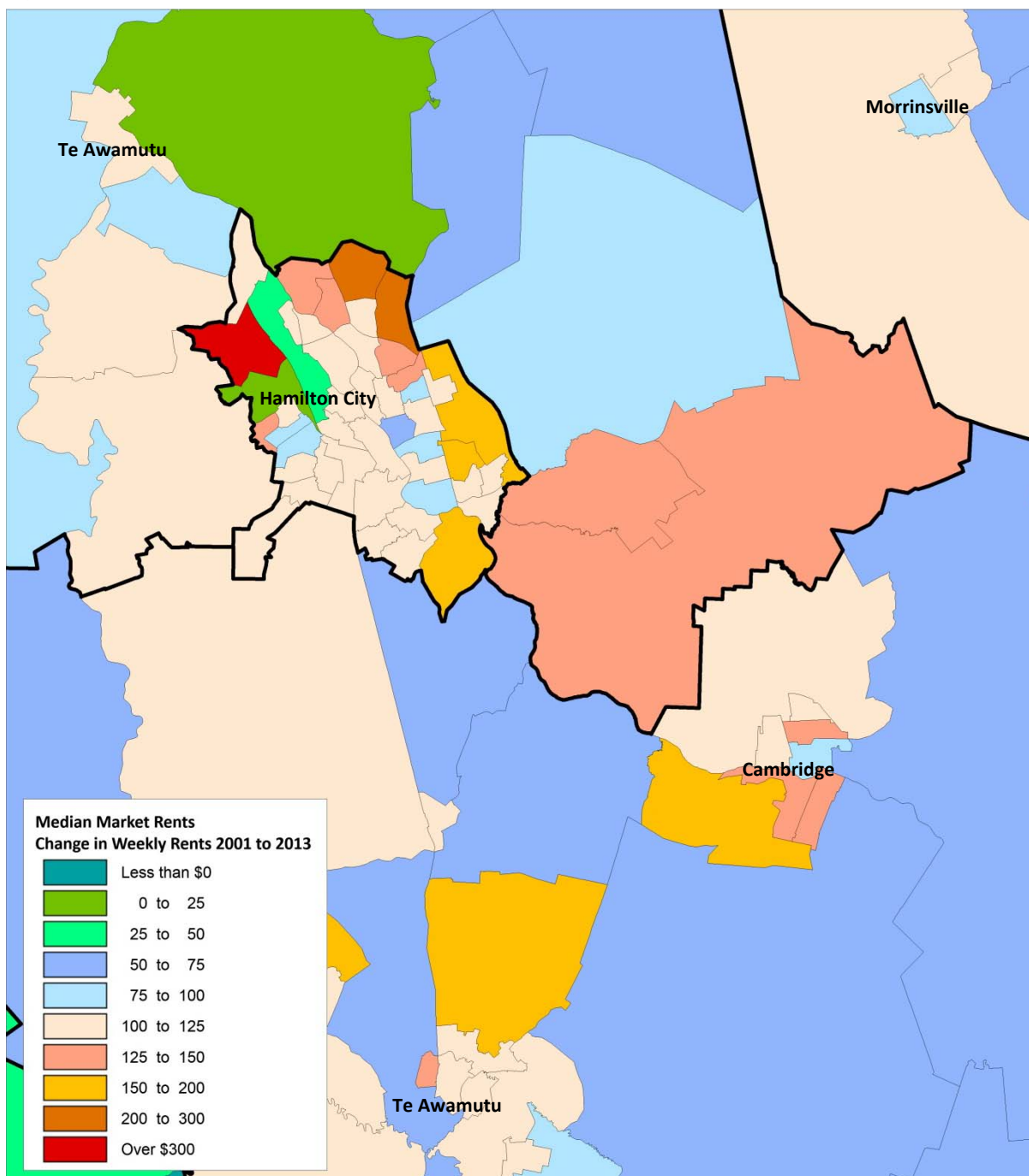
Figure 8.10: Greater Hamilton Median Residential Dwelling Rents – 2013



Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.11: Greater Hamilton Growth in Median Residential Market Rents – 2001 to 2013



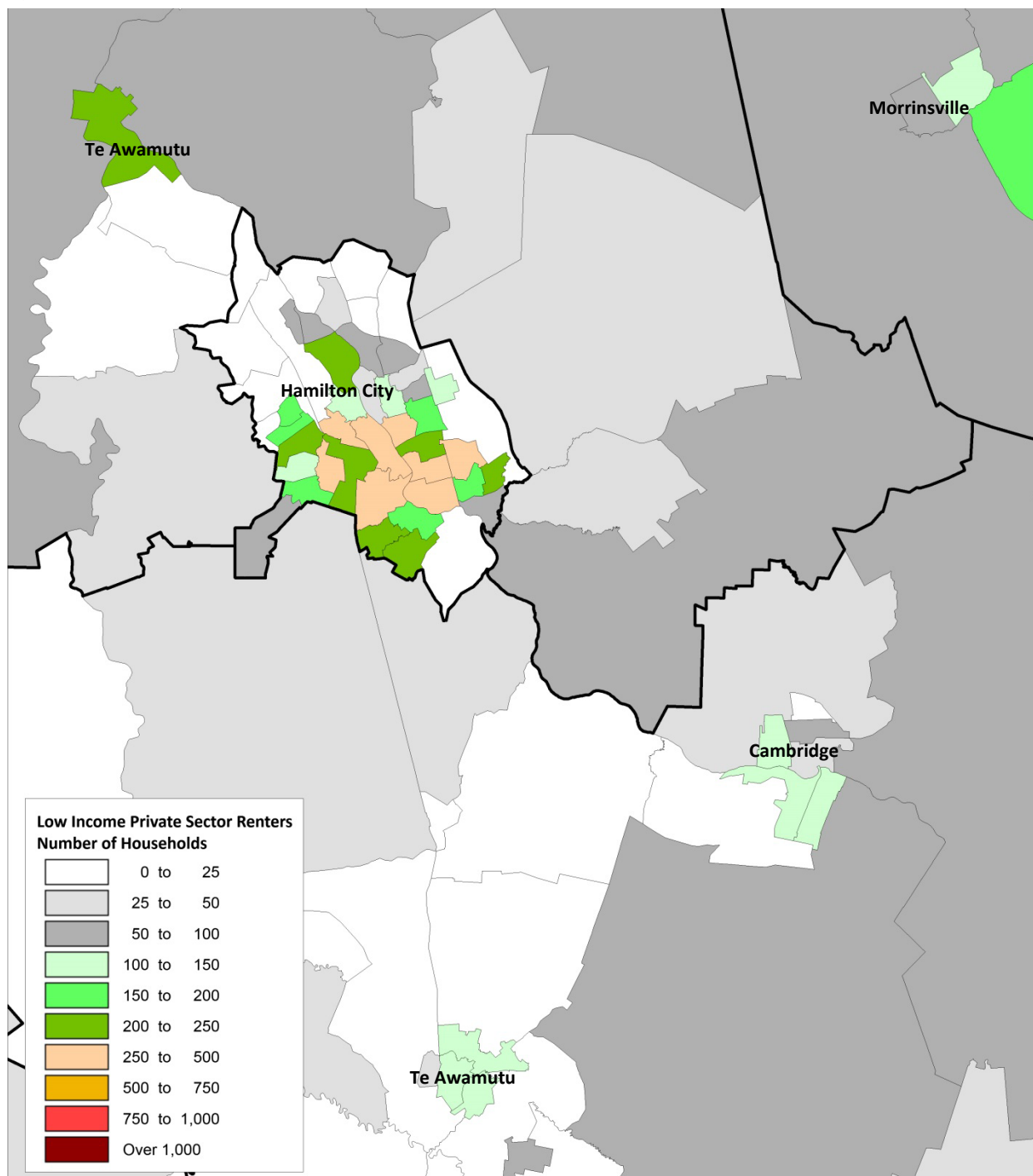
Source: Based on analysis of data provided by Statistics New Zealand

Rents experienced growth across the greater Hamilton market with the majority of area units experiencing growth in weekly rents between 2001 and 2013 of \$110 per week to \$120 per week (or 61% to 68%). Rural areas typically experienced slower growth than the urban centres.



Figure 8.12 presents the geographical distribution of Greater Hamilton's low income private sector renter households in 2001.

Figure 8.12: Greater Hamilton – Number of Low Income Private Sector Renter Households in 2001

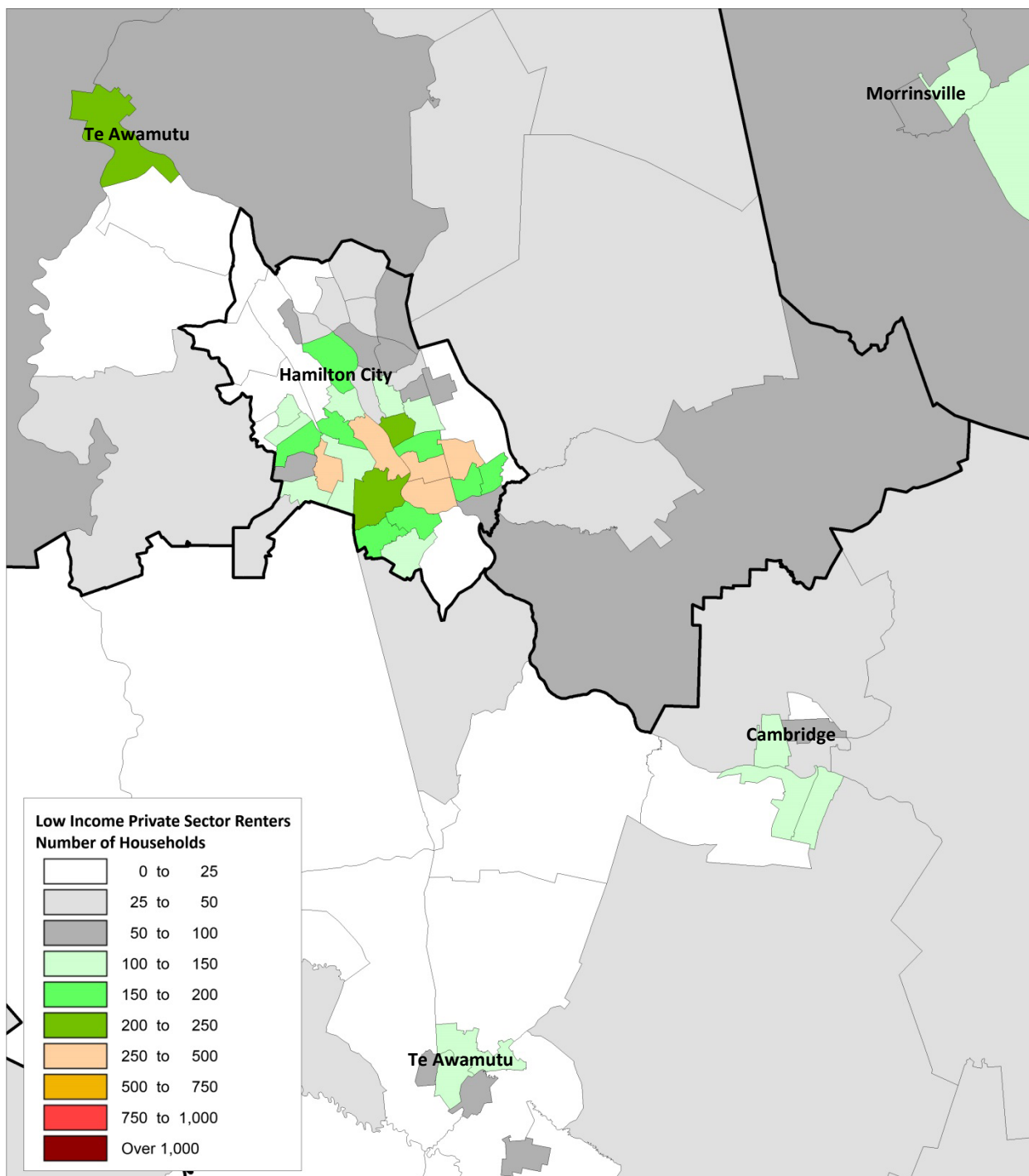


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.13 presents the geographical distribution of Greater Hamilton's low income private sector renter households in 2013.

Figure 8.13: Greater Hamilton – Number of Low Income Private Sector Renter Households in 2013

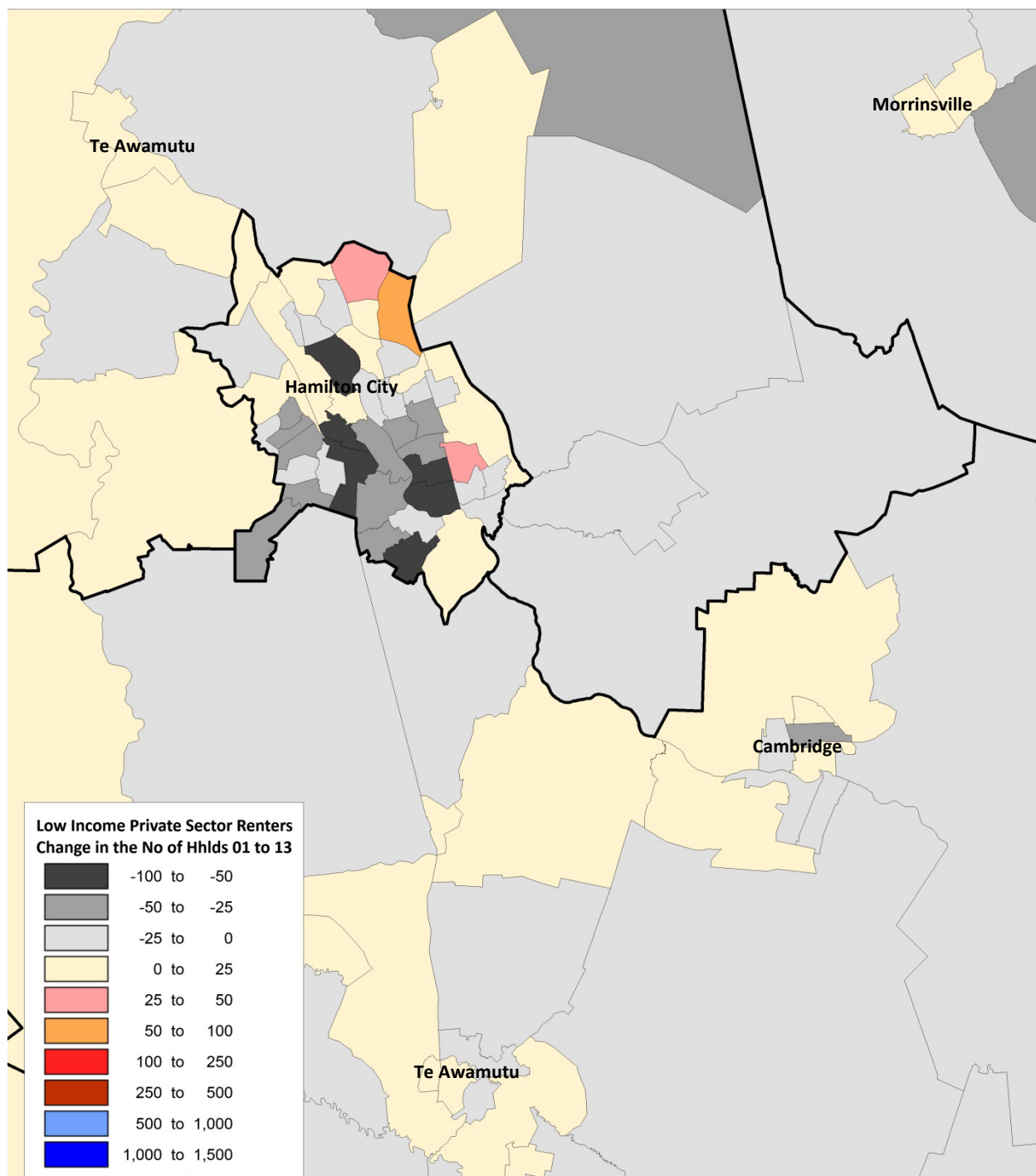


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.14 presents the change in the geographical distribution of Greater Hamilton's low income private sector renter households between 2001 and 2013.

Figure 8.14: Greater Hamilton – Change in the Number of Low Income Private Sector Renter Households between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand



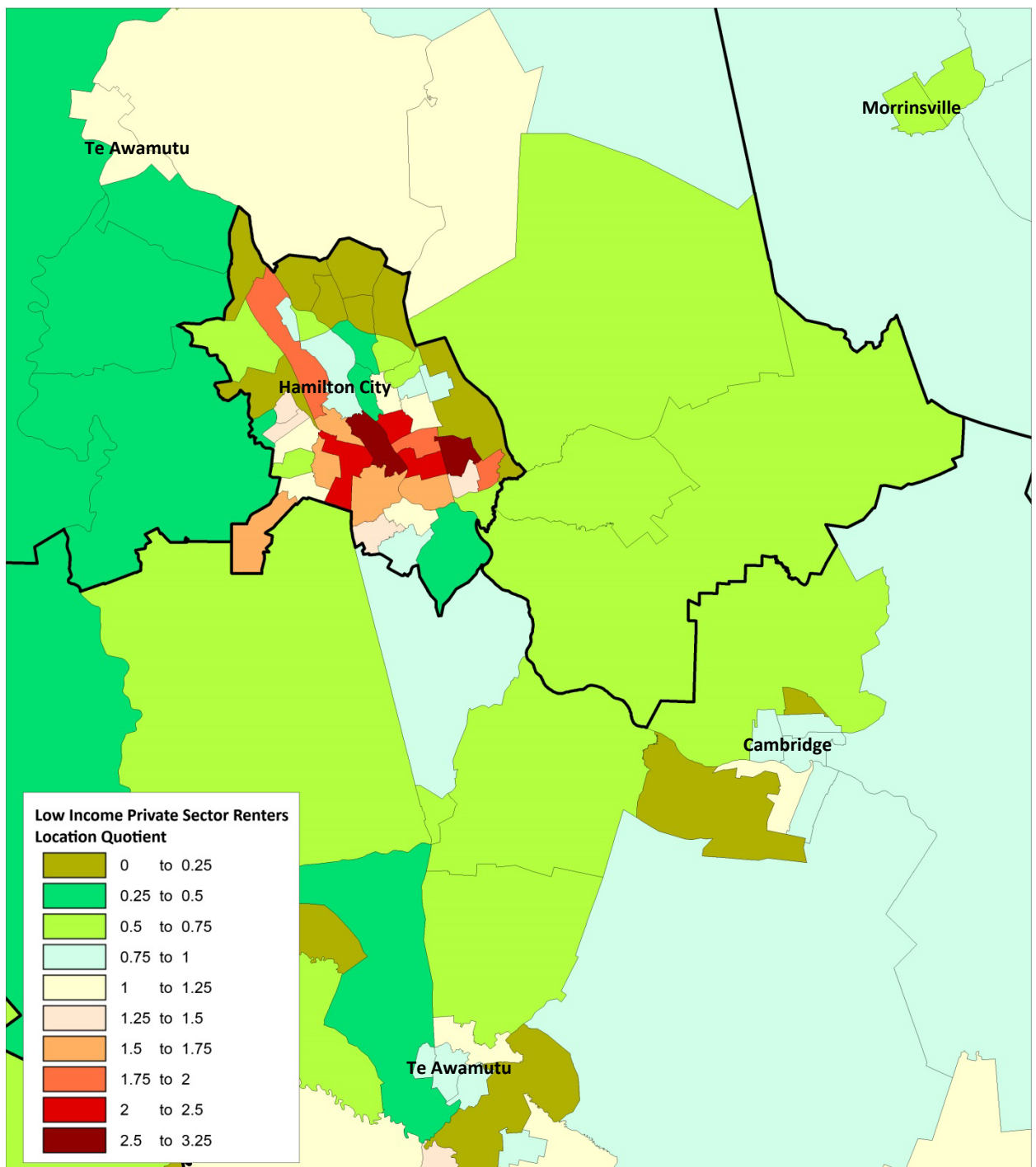
Trends in the distribution of low income private sector renters between 2001 and 2013 in greater Hamilton include:

- The highest number of low income private sector renter households are located in southern Hamilton City; and
- The area units located in southern Hamilton City also experienced a decline the absolute number of low income private sector renter households between 2001 and 2013;



Figure 8.15 presents the location quotient for Greater Hamilton's low income private sector renter households in 2001.

Figure 8.15: Greater Hamilton – Location Quotient for Low Income Private Sector Renter Households in 2001

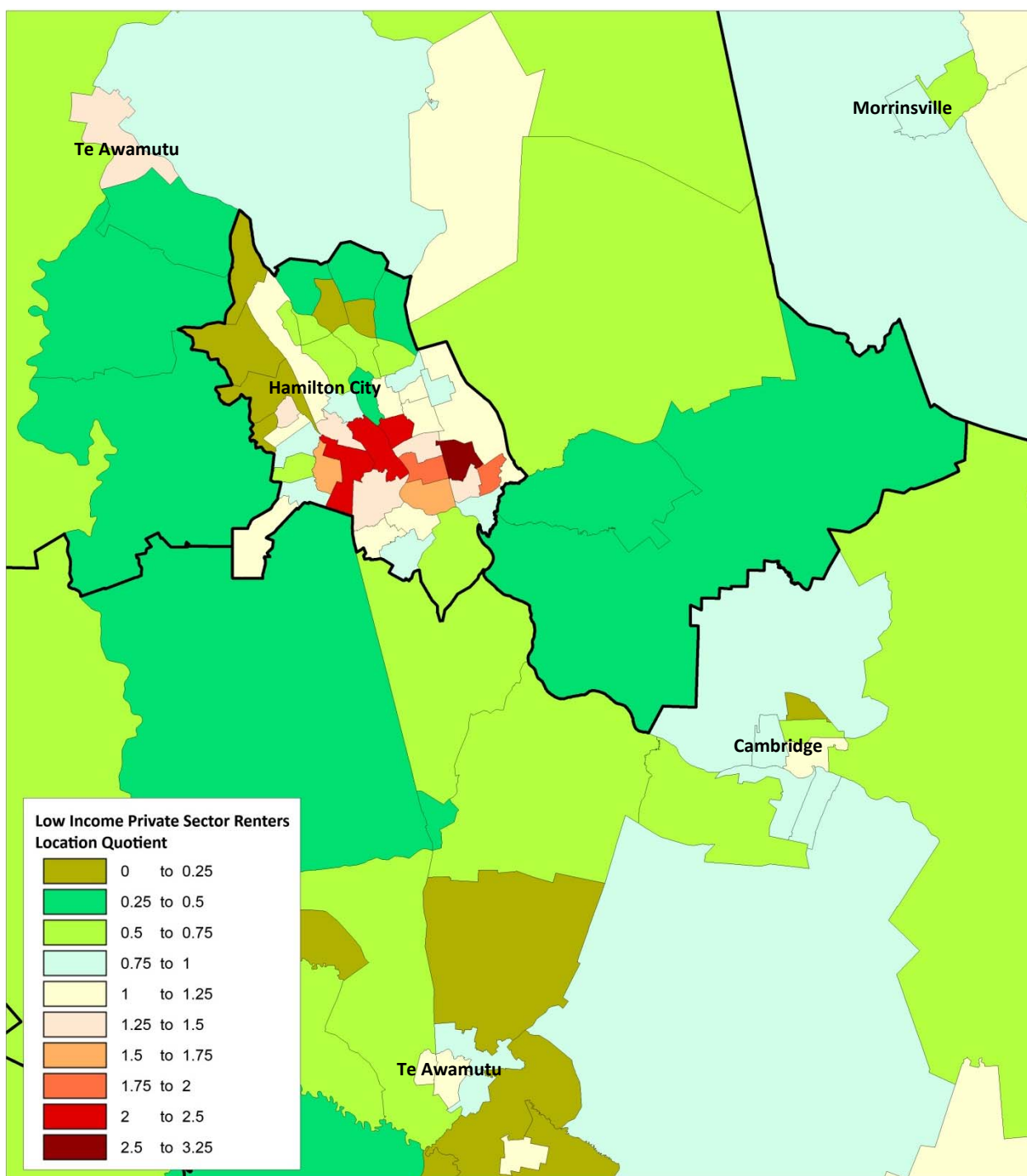


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.16 presents the location quotient for Greater Hamilton's low income private sector renter households in 2013.

Figure 8.16: Greater Hamilton – Location Quotient for Low Income Private Sector Renter Households in 2013

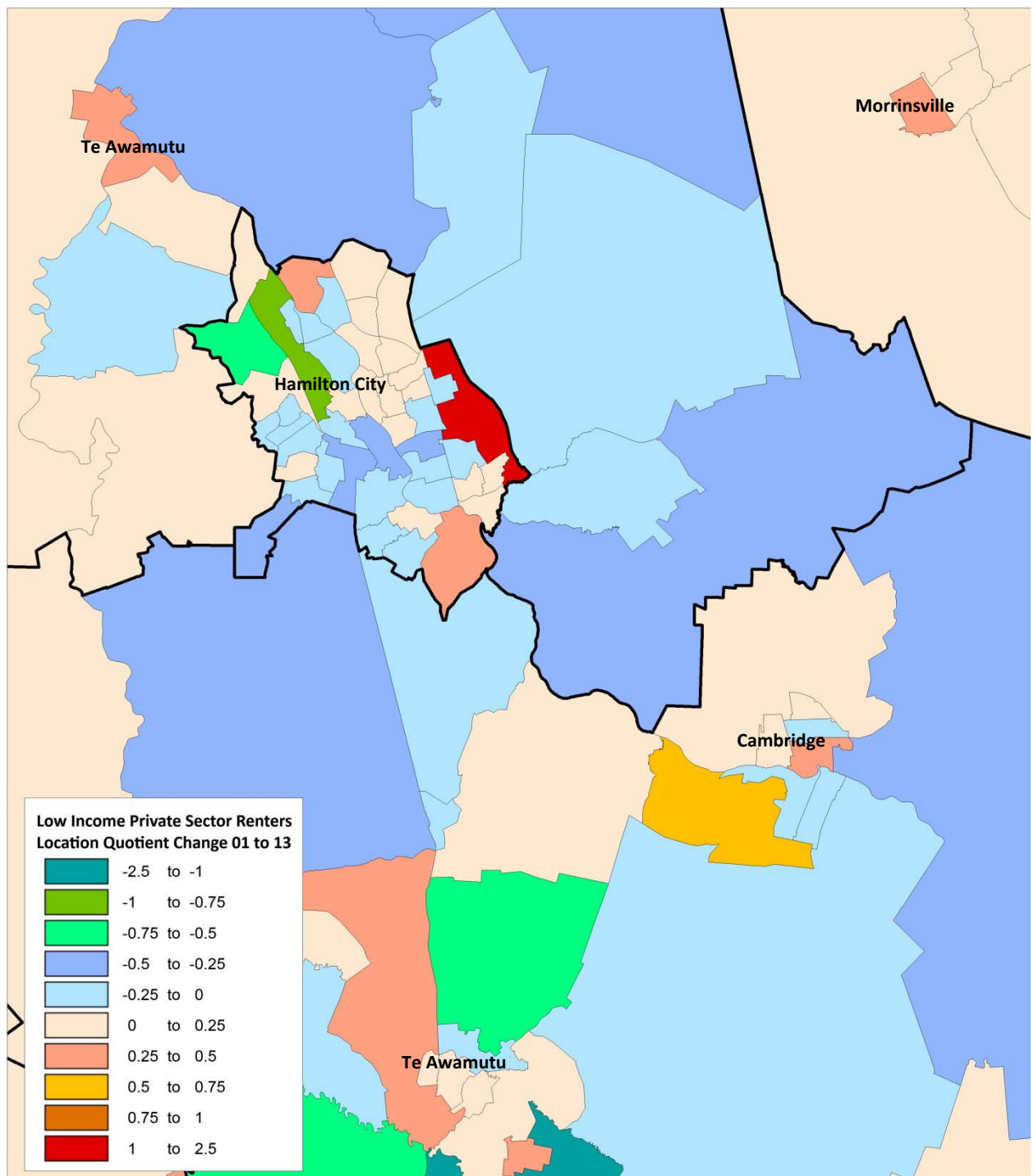


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.17 presents the change in the location quotient for Greater Hamilton's low income private sector renter households between 2001 and 2013.

Figure 8.17: Greater Hamilton – Change in the Location Quotient for Low Income Private Sector Renter Households between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand



The trends in the change in the location quotient include area units located in:

- Eastern fringe and southern Hamilton City experienced significant increases their location quotients;
- North western Hamilton experienced a significant decline in their location quotient;
- Cambridge also experienced a decline in the location quotient.

The results of this analysis suggest there has been a redistribution of low income renters around the Hamilton housing market typically to areas with lower median residential rents.

Table 8.10 presents the trend in the number of low income private sector renters by the age of the reference person and local authority area in Greater Hamilton between 2001 and 2013.

Table 8.10: Greater Hamilton Low Income Private Sector Renters by Local Authority by Age of the Reference Person between 2001 and 2013

Local Authority	Number of Households by Age of the Reference Person				
	Less than 30 years	30 to 39 years	40 to 64 years	65+ years	Total Households
Waikato					
2001	431	507	351	109	1,719
2013	381	511	771	184	2,377
Change 2001 to 2013	-50	4	420	75	658
Matamata-Piako					
2001	312	328	260	61	1,087
2013	348	298	532	112	1,429
Change 2001 to 2013	36	-30	272	51	342
Hamilton					
2001	2,766	1,504	1,328	240	6,196
2013	2,336	1,699	2,379	408	7,324
Change 2001 to 2013	-430	195	1,051	168	1,128
Waipa					
2001	357	375	308	80	1,387
2013	304	306	568	167	1,800
Change 2001 to 2013	-53	-69	260	87	413
Otorohanga					
2001	82	91	70	5	304
2013	110	78	99	23	383



Table 8.10: Greater Hamilton Low Income Private Sector Renters by Local Authority by Age of the Reference Person between 2001 and 2013 Continued

Local Authority	Number of Households by Age of the Reference Person				
	Less than 30 years	30 to 39 years	40 to 64 years	65+ years	Total Households
Change 2001 to 2013	28	-13	29	18	79
South Waikato					
2001	300	256	183	35	948
2013	257	226	379	108	1,219
Change 2001 to 2013	-43	-30	196	73	271
Total					
2001	4,248	3,061	2,500	530	11,641
2013	3,736	3,118	4,728	1,002	14,532
Change 2001 to 2013	-512	57	2,228	472	2,891

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.8. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

Key trends in the number of low income private sector renters by age of the reference person between 2001 and 2013 include:

- The number of households with a reference people aged less than 30 years declined driven primarily by a fall in in this age group in Hamilton City;
- Growth has also been low for households aged between 30 and 39 years except in Hamilton City which experienced moderate growth in the number of households;
- The number of low income private sector renter households with reference people aged 40 to 64 years increased strongly (by 112%) across greater Hamilton. The strongest growth was in Waikato, Matamata-Piako, and South Waikato Districts;
- The number of households with people aged 65 years and over increased by 89% between 2001 and 2013. All districts and Hamilton City experienced strong growth.



Table 8.11 presents the change in the number of low income private sector renter households by household composition in Greater Hamilton between 2001 and 2013.

Table 8.11: Greater Hamilton - Growth in Low Income Private Sector Renter Households by Household Composition between 2001 and 2013

Local Authority	Couples without Children	Couples with Children	One Parent	One Person	Other	Total Households
Waikato						
2001	146	339	464	410	103	1,719
2013	220	359	602	708	102	2,377
Change 2001 to 2013	74	20	138	298	-1	658
Matamata-Piako						
2001	130	236	250	334	45	1,087
2013	213	268	337	453	37	1,429
Change 2001 to 2013	83	32	87	119	-8	342
Hamilton						
2001	755	950	1,527	1,652	1,118	6,196
2013	949	1,162	1,917	2,019	870	7,324
Change 2001 to 2013	194	212	390	367	-248	1,128
Waipa						
2001	152	279	330	370	83	1,387
2013	164	255	433	547	67	1,800
Change 2001 to 2013	12	-24	103	177	-16	413
Otorohanga						
2001	40	86	73	70	15	304
2013	31	85	77	134	10	383
Change 2001 to 2013	-9	-1	4	64	-5	79
South Waikato						
2001	74	177	250	259	37	948
2013	75	197	328	380	45	1,219
Change 2001 to 2013	1	20	78	121	8	271
Total						
2001	1,297	2,067	2,894	3,095	1,401	11,641
2013	1,652	2,326	3,694	4,241	1,131	14,532
Change 2001 to 2013	355	259	800	1,146	-270	2,891

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.8. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.



Key trends in the number of low income private sector renters by household composition between 2001 and 2013 include:

- The fastest growth in household type was one person households which increased by 37% between 2001 and 2013. Waikato, Waipa, Otorohanga, and South Waikato Districts experienced the strongest relative rates of growth;
- Couple without children and one parent households both grew by 27% between 2001 and 2013. The strongest growth in these households occurred in Waikato and Matamata-Piako Districts.

In summary, the number of low income private sector renters increased by 2,891 households or 25% between 2001 and 2013. The distribution of the growth was not evenly spread across greater Hamilton with Waikato District experiencing the strongest growth (658 households or 38%) whilst Hamilton City had the slowest growth (1,128 households or 18%). At the same time some areas within Hamilton City experienced a decline in the number of low income private sector renter households.



8.5 Napier/Hastings Housing Market

For the purposes of this report the Napier/Hastings housing market encapsulates both Napier City and Hastings District councils. The market had a total population of 130,485 people or 49,533 households in 2013. Table 8.12 summarises the composition of the market by tenure and household income in 2013.

Table 8.12: Napier/Hastings Housing Market by Tenure and Household Income in 2013

	Owner Occupiers	Private Renters	Low Inc Private Renters	Total Renters	Total Hhlds	LIPR ²¹ Hhlds as a % of Total Hhlds	Median Hhld Inc
Napier	14,130	4,935	1,965	7,416	22,842	8.6%	\$51,900
Hastings	16,524	5,793	2,115	8,378	26,691	7.9%	\$55,900
Total	30,654	10,728	4,080	15,794	49,533	8.2%	\$53,600

Source: Statistics New Zealand

Hastings District is the largest local authority in the Napier/Hastings housing market with 53% of all households and 54% of all private sector renters. Proportionally, in 2013, Napier had slightly more low income private sector renters than Hastings. Table 8.13 presents the trend in the number of low income private sector renter households in the Napier/Hastings housing market between 2001 and 2013.

Table 8.13: Napier/Hastings - Low Income Private Sector Renters by Local Authority 2001 and 2013

	2001		2013		Change 2001 to 2013	
	Hhlds	% of Total	Hhlds	% of Total	Hhlds	% Change
Napier	1,602	50%	1,965	48%	363	23%
Hastings	1,599	50%	2,115	52%	516	32%
Total	3,201	100%	4,080	100%	879	27%

Source: Statistics New Zealand – 2001 and 2013 Census

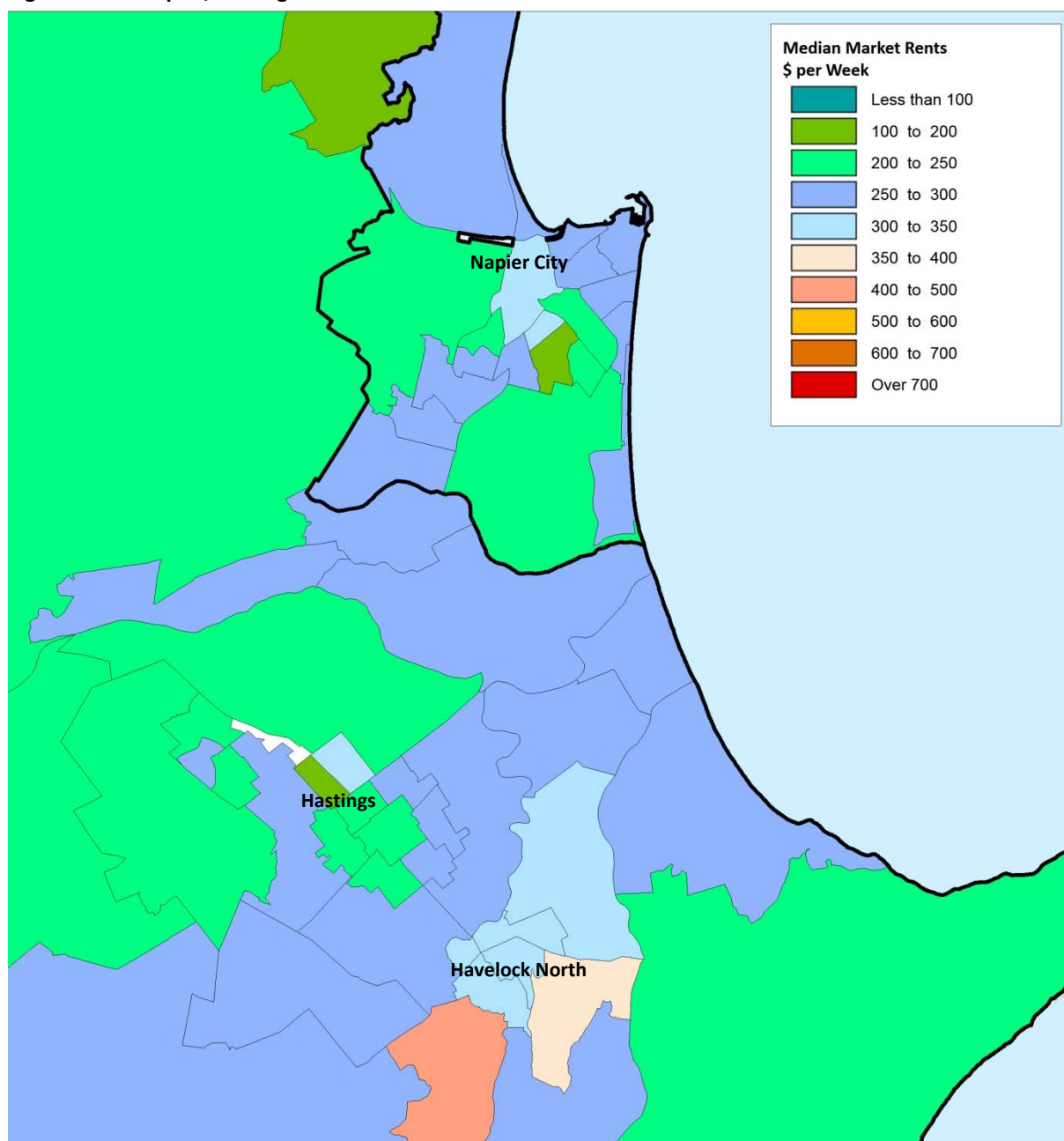
Between 2001 and 2013 the number of low income private sector renters increased by 363 households (or 23%) in Napier and 516 households (or 32%) in Hastings. The number of low income renters was evenly divided between Napier and Hastings in 2001. However by 2013, 52% of low income renters were living in Hastings compared to 48% of all low income renters in Napier.

Figure 8.18 and 8.19 present the distribution of median residential rents by area unit and the growth in median residential rents between 2001 and 2013 respectively.

²¹ LIPR – Low income private renters – Households earning less than 80% of the median household income.



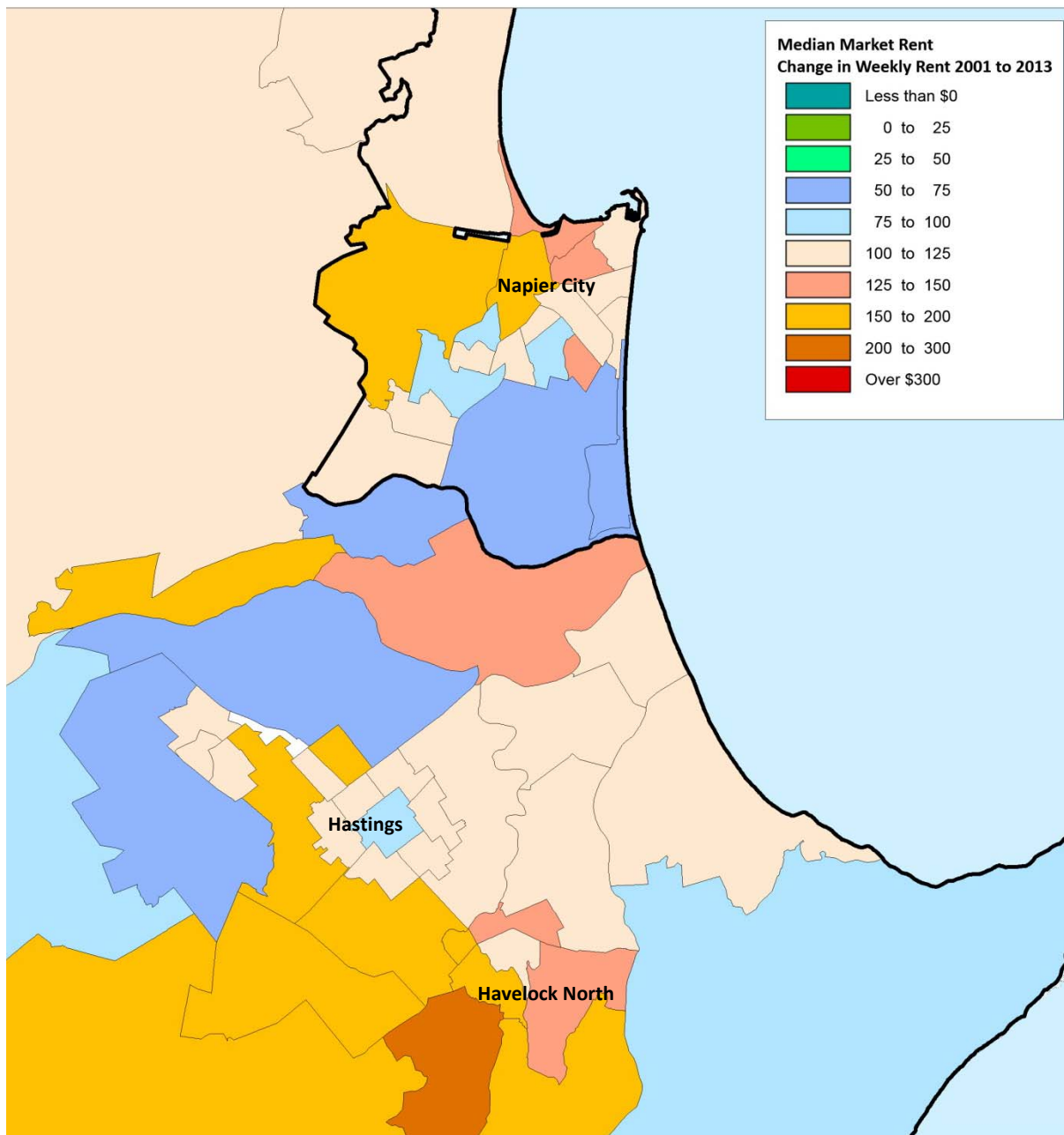
Figure 8. 18: Napier/Hastings Median Residential Rents – 2013



Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.19: Napier/Hastings Growth in Median Residential Market Rents – 2001 to 2013



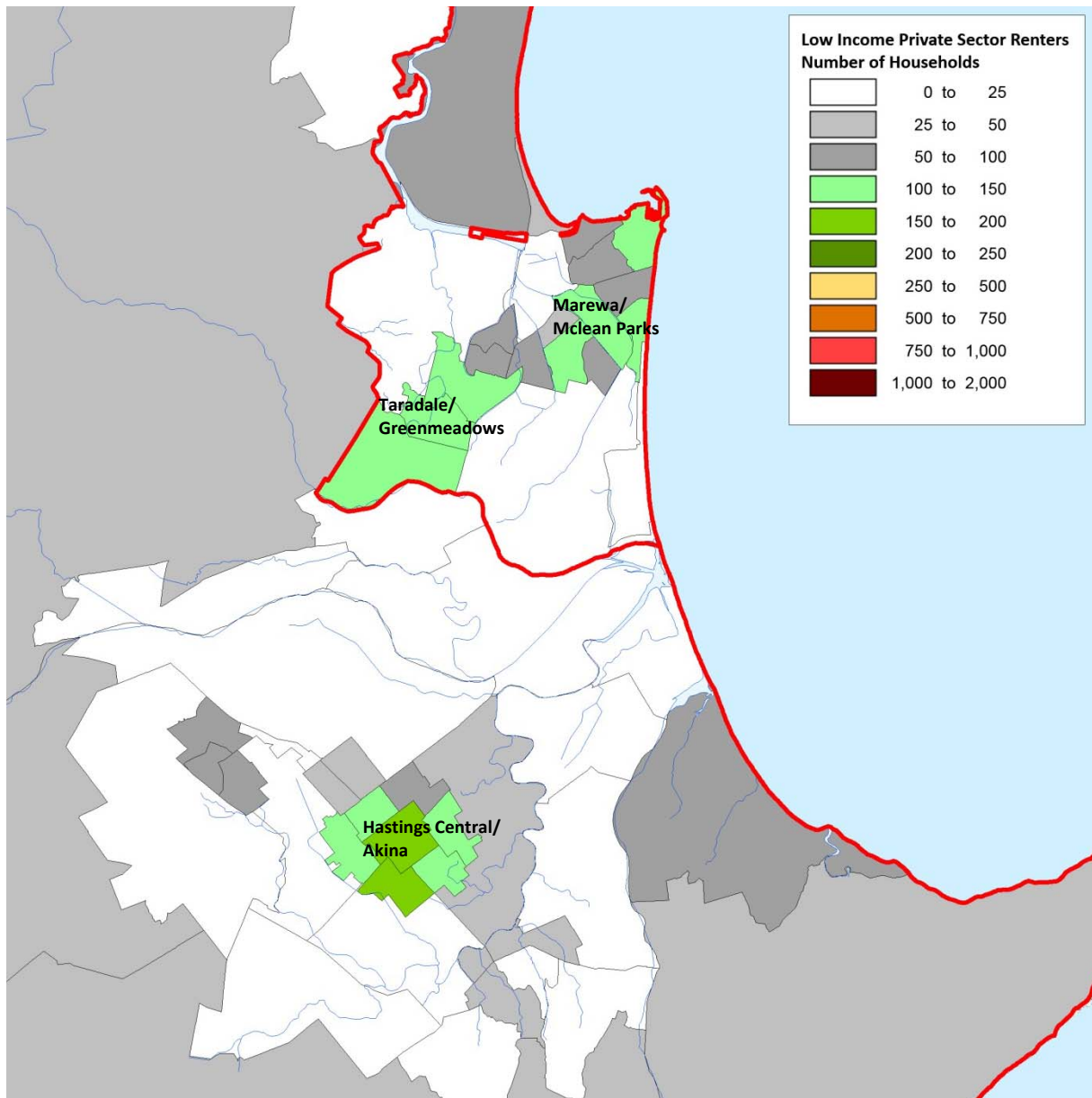
Source: Based on analysis of data provided by Statistics New Zealand

Rents experienced growth across the Napier/Hastings housing market with the majority of area units experiencing growth in weekly rents between 2001 and 2013 of \$100 per week to \$130 per week (or 64% to 100%).



Figure 8.20 presents the geographical distribution of Napier/Hastings's low income private sector renter households in 2001.

Figure 8.20: Napier/Hastings – Number of Low Income Private Sector Renter Households in 2001



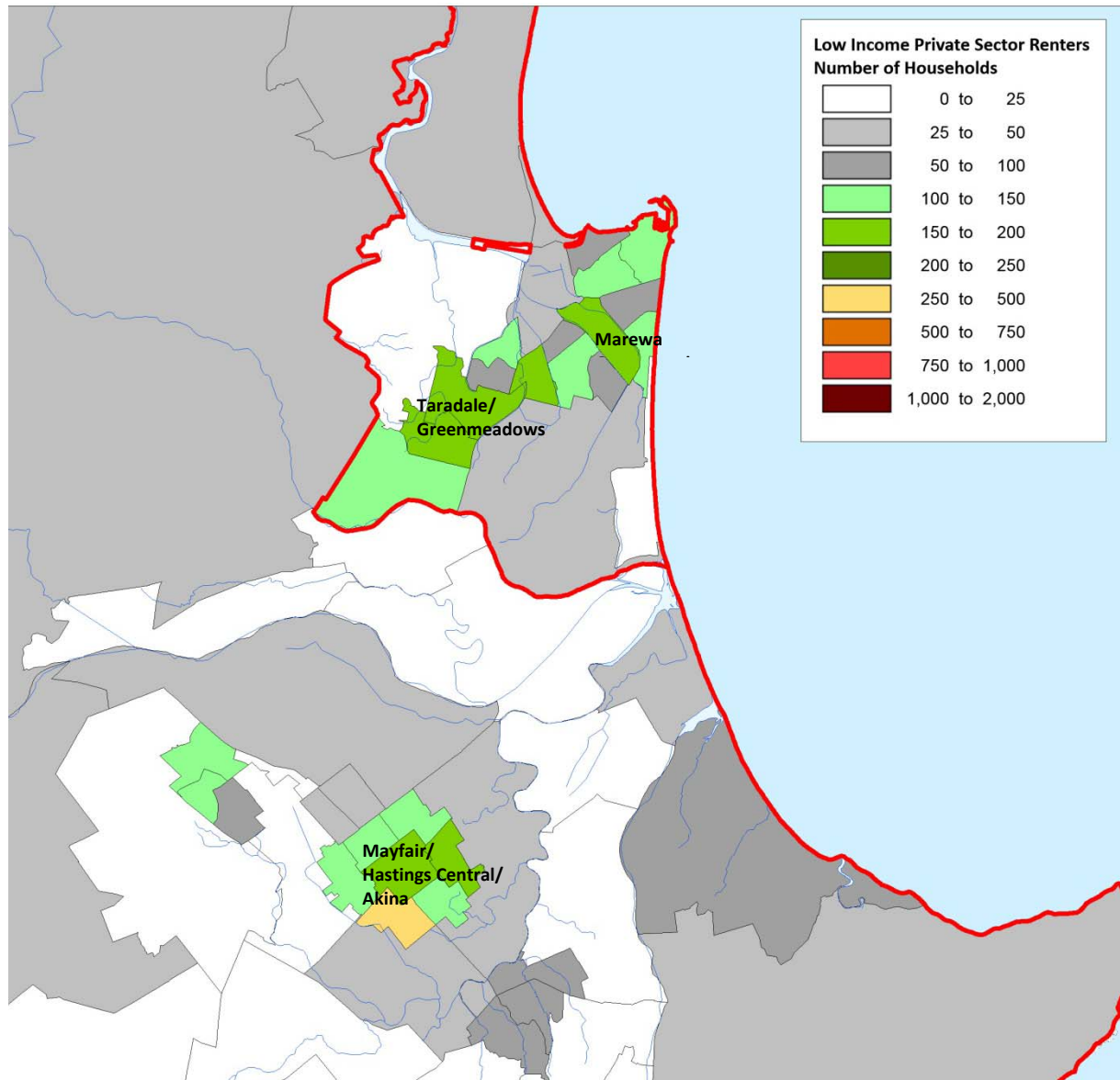
Source: Based on analysis of data provided by Statistics New Zealand

The major concentrations of low income private sector renters were in central Hastings and Napier's southern and eastern suburbs.



Figure 8.21 presents the geographical distribution of Napier/Hastings's low income private sector renter households in 2013.

Figure 8.21: Napier/Hastings – Number of Low Income Private Sector Renter Households in 2013



Source: Based on analysis of data provided by Statistics New Zealand

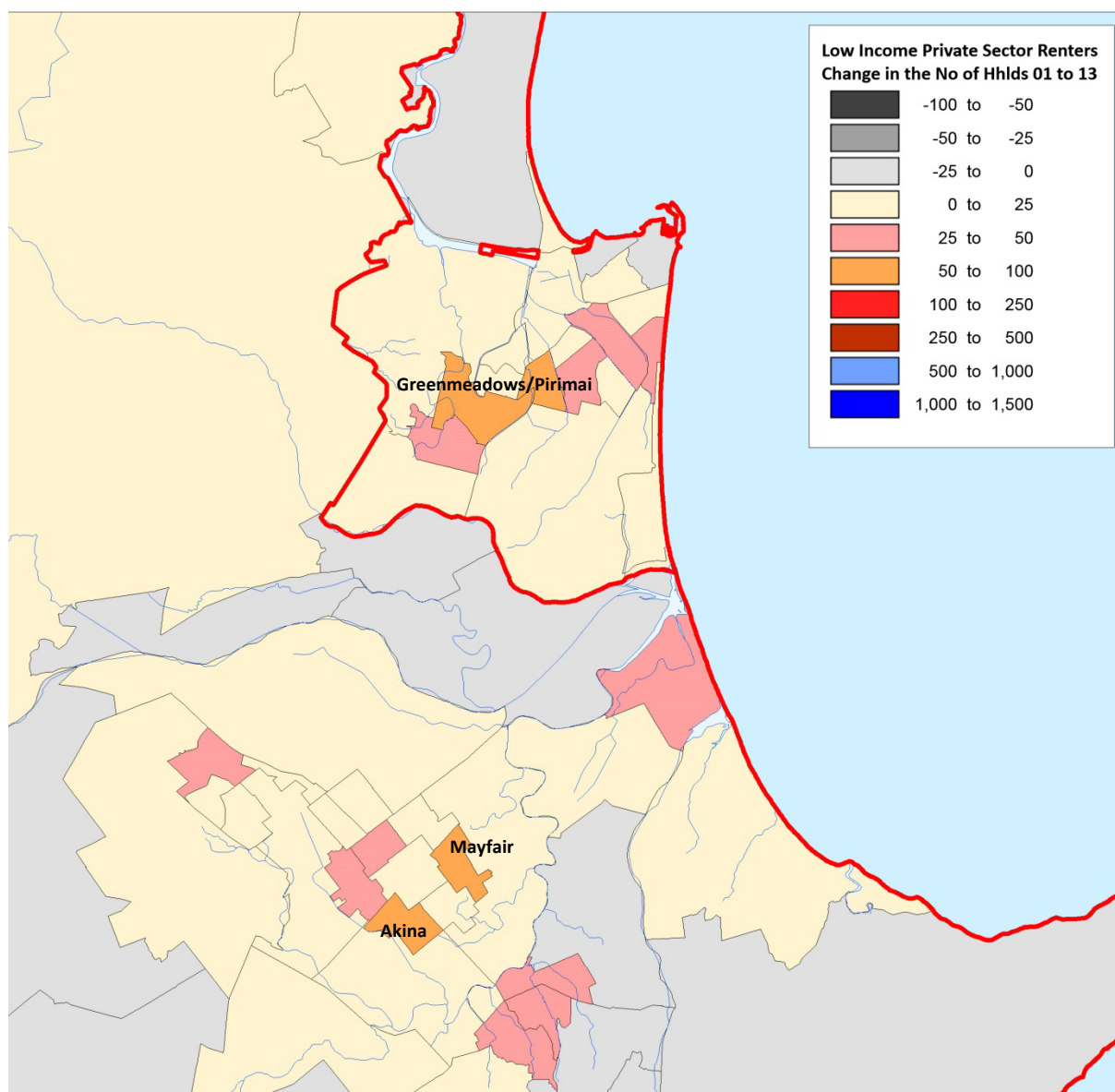
The distribution of low income private sector changes changed with an increase in their distribution across the urban area in both Hastings and Napier.



In terms of absolute number there were three main concentrations of low income private sector renter households in 2013. These were in Marewa, Taradale/Greenmeadows and Mayfair/Hastings central. These locations typically have lower than average market rents.

Figure 8.22 presents the change in the geographical distribution of Napier/Hastings's low income private sector renter households between 2001 and 2013.

Figure 8.22: Napier/Hastings – Change in the Number of Low Income Private Sector Renter Households between 2001 and 2013

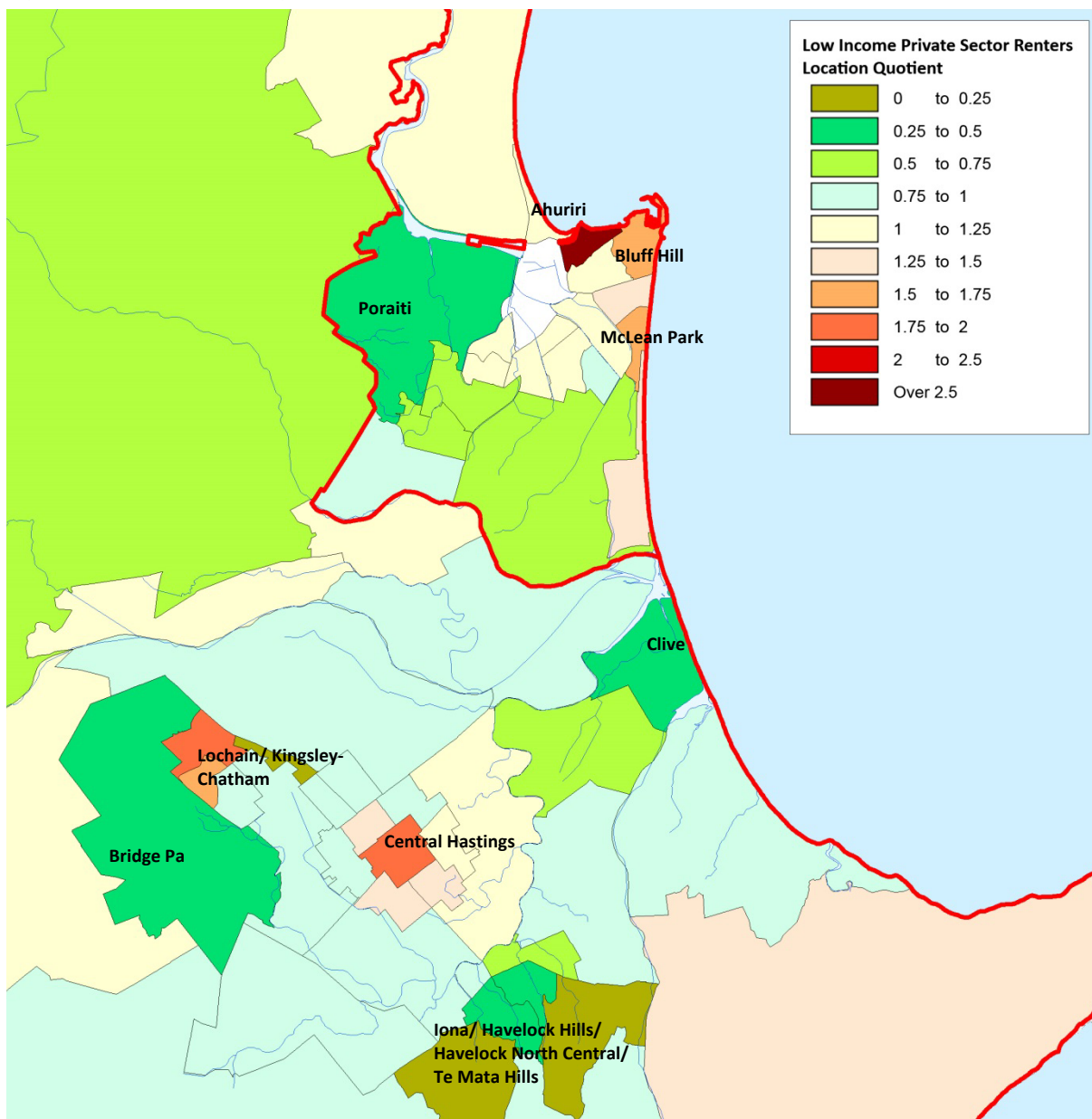


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.23 presents the location quotient for Napier/Hastings low income private sector renter households in 2001.

Figure 8.23: Napier/Hastings – Location Quotient for Low Income Private Sector Renter Households in 2001



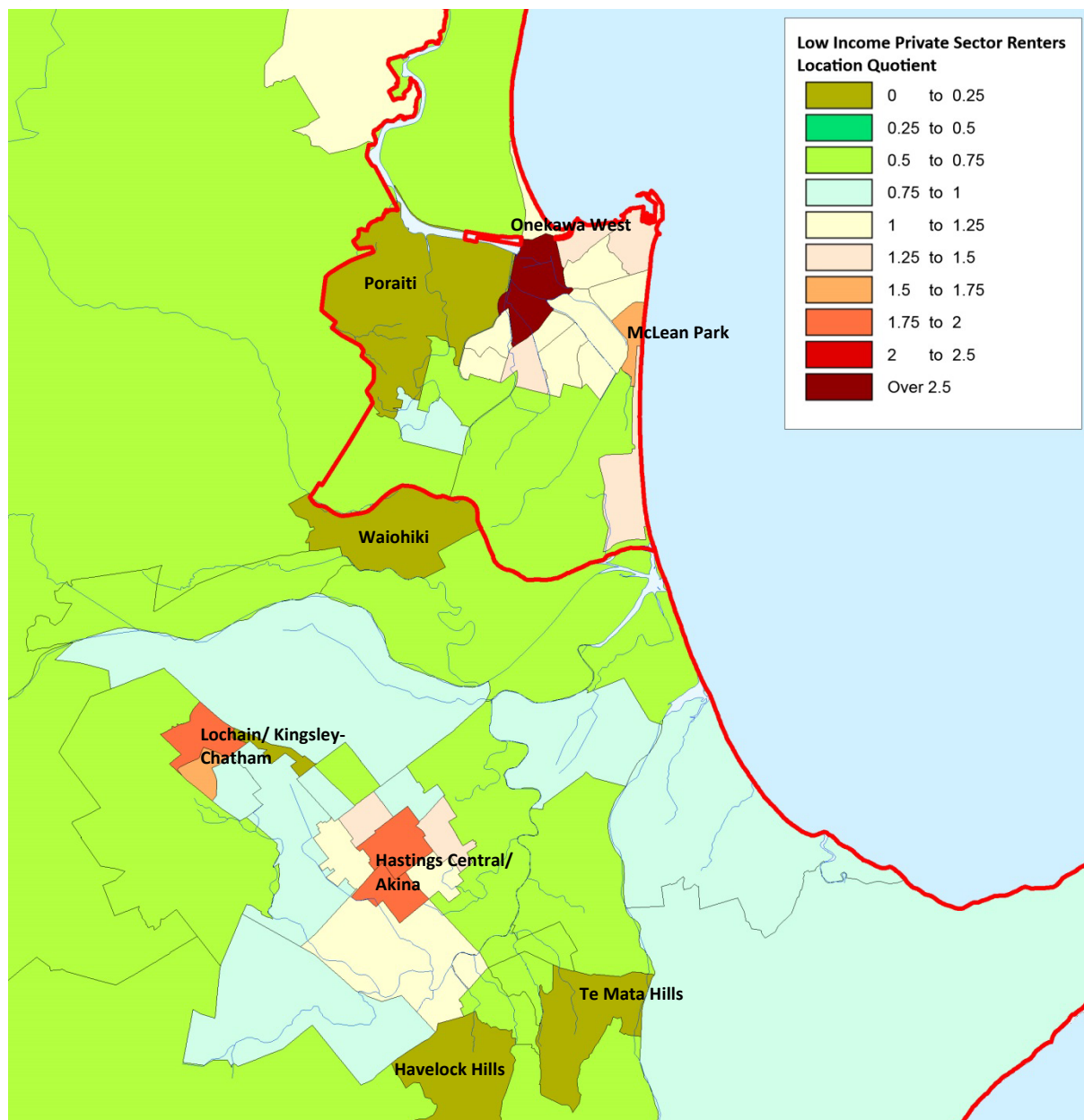
Source: Based on analysis of data provided by Statistics New Zealand

The location quotient analysis presents a different picture of the distribution of low income private sector renter households. Although central Hastings continues to have a high relative concentration of low income private sector renter households, so does Bluff Hill and Ahuriri in Northern Napier.



Figure 8.24 presents the location quotient for Napier/Hastings's low income private sector renter households in 2013.

Figure 8.24: Napier/Hastings – Location Quotient for Low Income Private Sector Renter Households in 2013



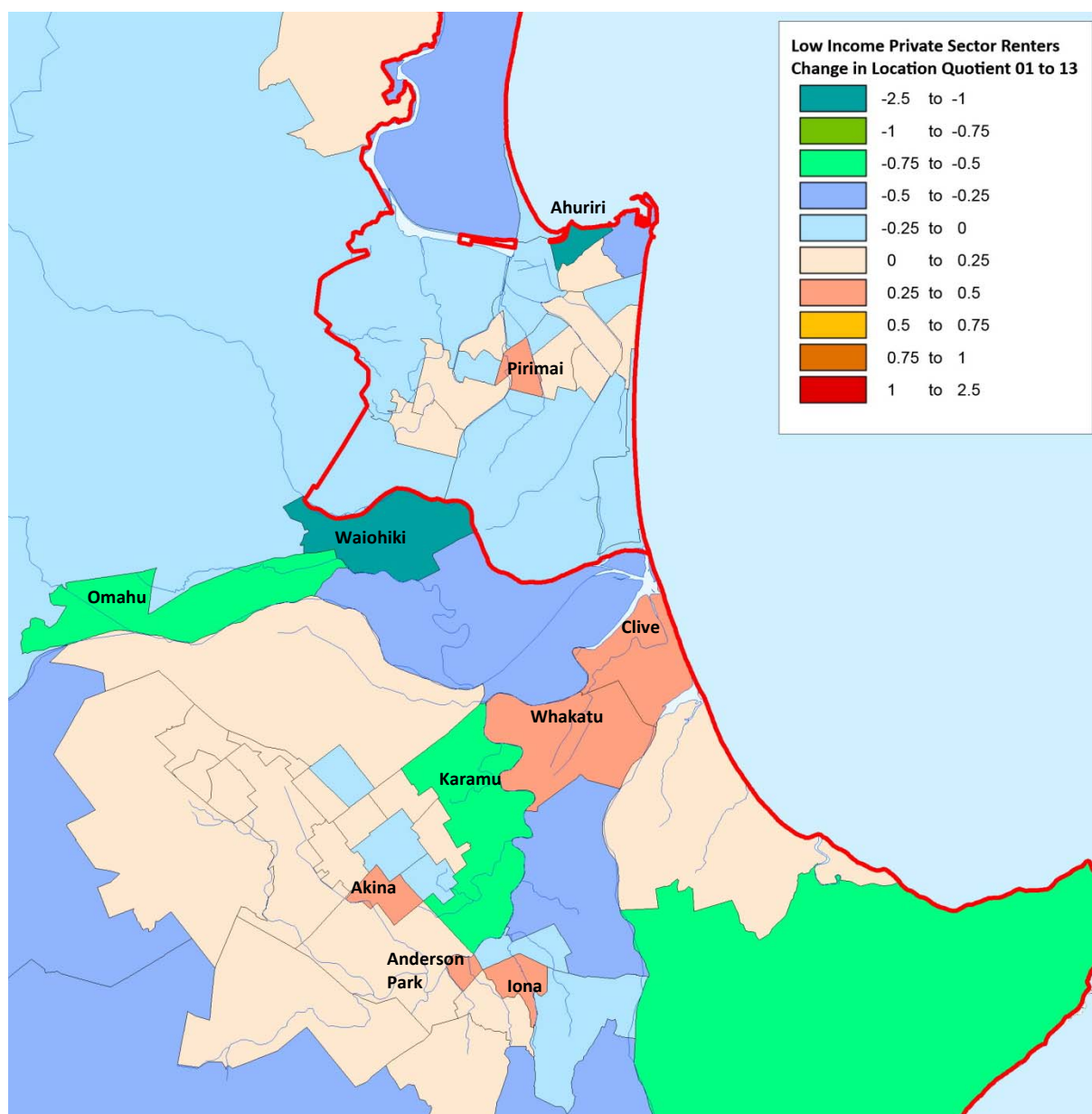
Source: Based on analysis of data provided by Statistics New Zealand

A number of locations have higher than average relative concentrations of low income private sector renters. These include Onekawa West, Hastings Central/Akina, Lochain/Kingsley. Havelock appeared to have a lower than average relative concentration of low income private sector renter households.



Figure 8.25 presents the change in the location quotient for Napier/Hastings's low income private sector renter households between 2001 and 2013.

Figure 8.25: Napier/Hastings – Change in the Location Quotient for Low Income Private Sector Renter Households between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand



The trends in the change in the location quotient include:

- Typically areas with the largest declines in the location quotient also experienced above average growth in rents, such as Ahuriri and Waiohiki, and Omahu;
- Areas experiencing low growth in rents like Hastings Central experienced an increase in location quotient.

Table 8.14 presents the trend in the number of low income private renter households by the age of the reference person and local authority area in Napier/Hastings between 2001 and 2013.

Table 8.14: Napier/Hastings Low Income Private Sector Renters by Local Authority and by Age of the Reference Person between 2001 and 2013

Age Groups	Napier			Hastings			Napier/Hastings Combined		
	2001	2013	Change	2001	2013	Change	2001	2013	Change
Less than 30 years	525	398	-127	457	440	-17	982	838	-144
30 to 39 years	448	397	-51	426	433	7	874	830	-44
40 to 64 years	419	770	351	420	776	356	839	1,546	707
65+ years	148	263	115	139	234	95	287	497	210
Total	1,602	1,965	363	1,599	2,115	516	3,201	4,080	879

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.12. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

All age groups increased in size between 2001 and 2013. Households with reference people aged:

- Less than 30 years declined in both Napier and Hastings;
- 30 to 39 years declined in Napier and increased slightly in Hastings;
- 40 to 64 years of age increased by 84% or 707 households between 2001 and 2013 across both areas; and
- 65 years and older increased by 73% or 210 households with the growth spread across both areas.



Table 8.15 presents the change in the number of low income private sector renter households by household composition in Napier/Hastings between 2001 and 2013.

Table 8.15: Napier/Hastings - Growth in Low Income Private Sector Renter Households by Household Composition between 2001 and 2013

Household Composition	Napier			Hastings			Napier/Hastings Combined		
	2001	2013	Change	2001	2013	Change	2001	2013	Change
Couple without chn	134	186	52	123	175	52	257	361	104
Couples with chn	109	167	58	139	204	65	248	371	123
One parent	625	674	49	564	688	124	1,189	1,362	173
One person	562	775	213	520	743	223	1,082	1,518	436
Other	127	191	64	120	195	75	247	386	139
Total	1,602	1,965	363	1,599	2,115	516	3,201	4,080	879

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.12. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

One person households accounted for 50% of the growth in low income private sector renters between 2001 and 2013. The second largest group was one parent households at 20%. All household compositions increased in size with the strongest proportional growth in couples with children (increased by 50% or 123 households).

In summary, the Napier/Hastings metropolitan area has experienced a significant increase in the number of low income private sector renters, up 27% or 879 households between 2001 and 2013. The increase was predominately in households with reference people aged 40 years and older and in one person households.



8.6 Wellington Housing Market

For the purposes of this report Wellington's housing market encapsulates Kapiti Coast, Porirua, Upper Hutt, Lower Hutt and Wellington City Council areas. The market had a total population of 430,194 people or 158,694 households in 2013. Table 8.16 summaries the composition of the market by tenure and median household income in 2013.

Table 8.16: Wellington Housing Market by Tenure and Median Household Income in 2013

Local Authority	Owner Occupiers	Private Sector Renters	Total Renters	Total Households	Total Hhlds as a % of Metro Area	Median Hhld Income
Kapiti Coast	14,496	3,648	4,230	20,385	13%	\$53,400
Porirua	10,044	2,976	5,328	16,827	11%	\$79,000
Upper Hutt	10,269	2,940	3,579	14,994	9%	\$68,400
Lower Hutt	22,350	7,026	10,509	35,844	23%	\$69,400
Wellington	39,837	21,735	26,082	70,644	45%	\$91,000
Metropolitan Area	96,996	38,325	49,728	158,694	100%	\$74,300

Source: Statistics New Zealand

Wellington City is the largest local authority in the metropolitan area with 45% of all households and 57% of all the private sector renters. Table 8.17 presents the trend in the number of low income private sector renters in Wellington between 2001 and 2013.

Table 8.17: Wellington Low Income Private Sector Renters by Local Authority 2001 and 2013

Local Authorities	2001		2013		Change 2001 to 2013	
	Hhlds	% of Total	Hhlds	% of Total	Hhlds	% of Total Change
Kapiti Coast	1,400	13.8%	2,065	14.2%	665	15.1%
Porirua	964	9.5%	1,280	8.8%	316	7.2%
Upper Hutt	983	9.7%	1,358	9.4%	375	8.5%
Lower Hutt	2,244	22.2%	3,017	20.8%	773	17.6%
Wellington	4,527	44.7%	6,797	46.8%	2,270	51.6%
Metropolitan Area	10,118	100.0%	14,517	100.0%	4,399	100.0%

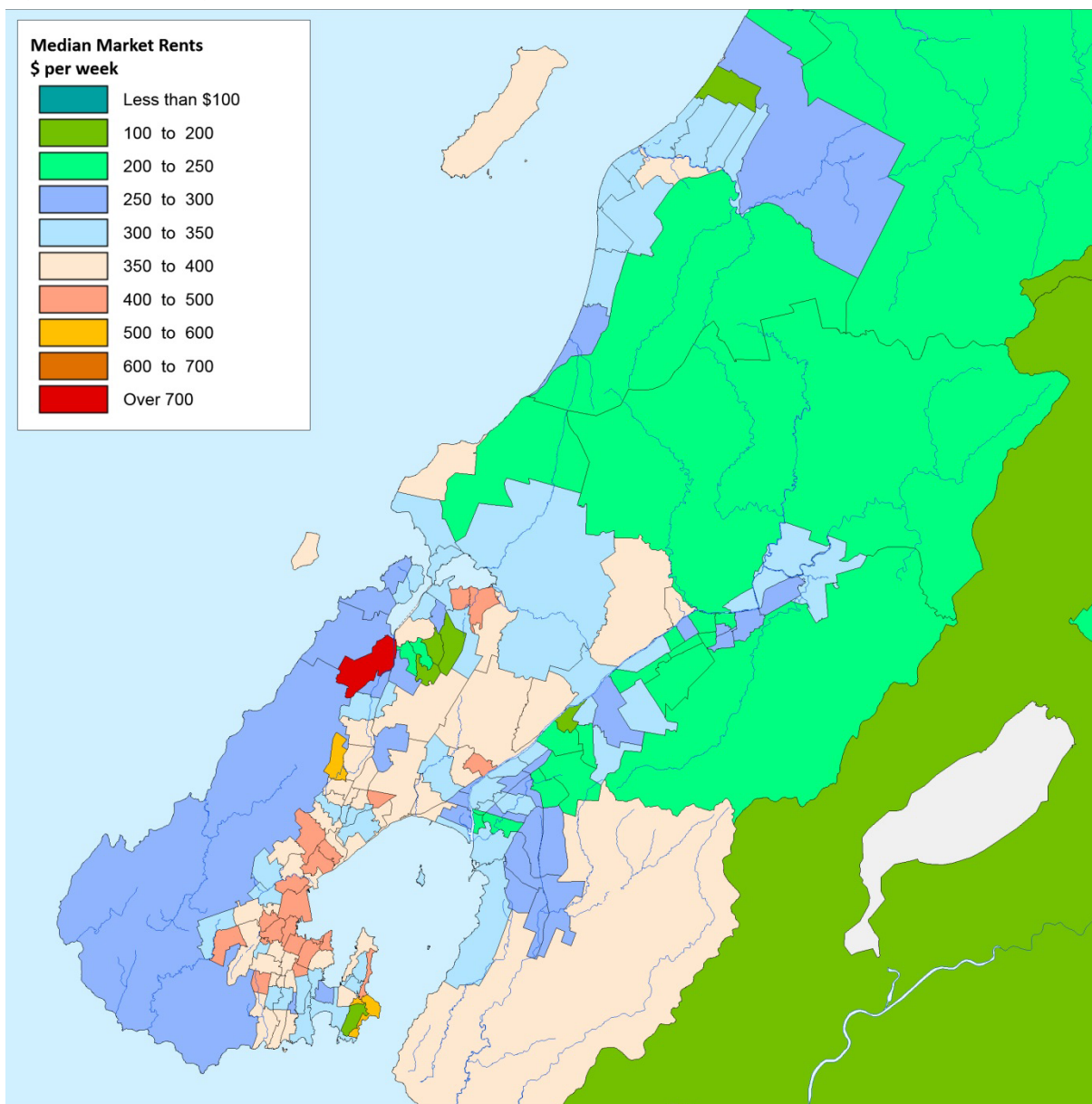
Source: Statistics New Zealand – 2001 and 2013 Census

Low income private sector renters account for 9.1% of all households in 2013 and increased by 44% between 2001 and 2013. The fastest growth was experienced in Wellington with an increase of 50% in low income private sector renters between 2001 and 2013 followed by a 48% increase in Kapiti Coast. Porirua experienced the slowest growth in low income private sector renters increasing by 33% closely followed by Lower Hutt (34% increase between 2001 and 2013) and Upper Hutt (38% increase between 2001 and 2013).



Figure 8.26 and 8.27 present the distribution of median dwelling rents by area unit and the growth in median residential rents between 2001 and 2013 respectively.

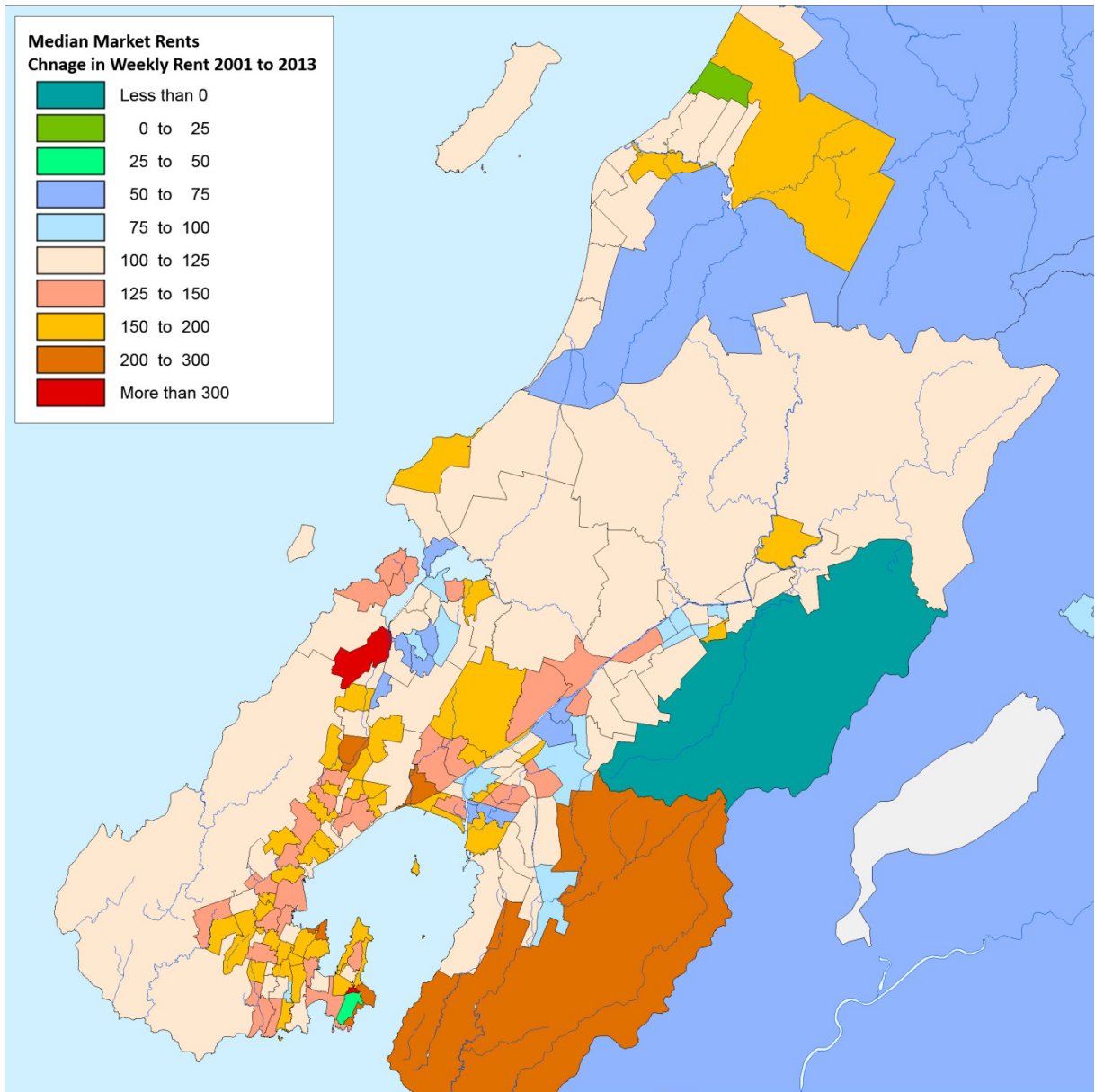
Figure 8.26: Wellington Median Residential Rents – 2013



Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.27: Wellington Growth in Median Residential Market Rents – 2001 to 2013



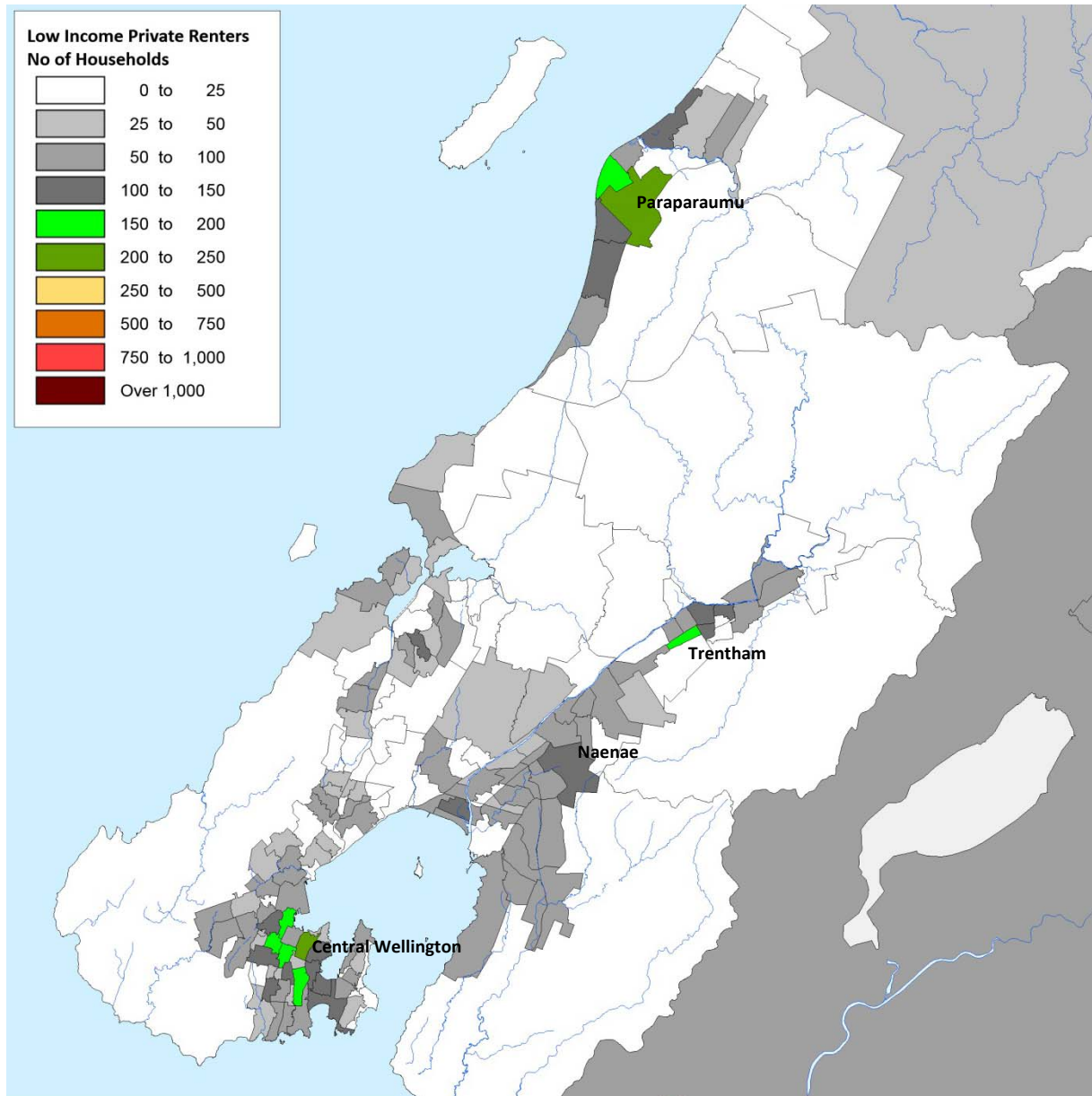
Source: Based on analysis of data provided by Statistics New Zealand

Rents generally increased across the metropolitan area. The majority of area units experienced growth in rents between 2001 and 2013 of \$100 to \$150 per week (or 54% to 80%).



Figure 8.28 presents the geographical distribution of Wellington's low income private sector renter households in 2001.

Figure 8.28: Wellington – Number of Low Income Private Sector Renter Households in 2001



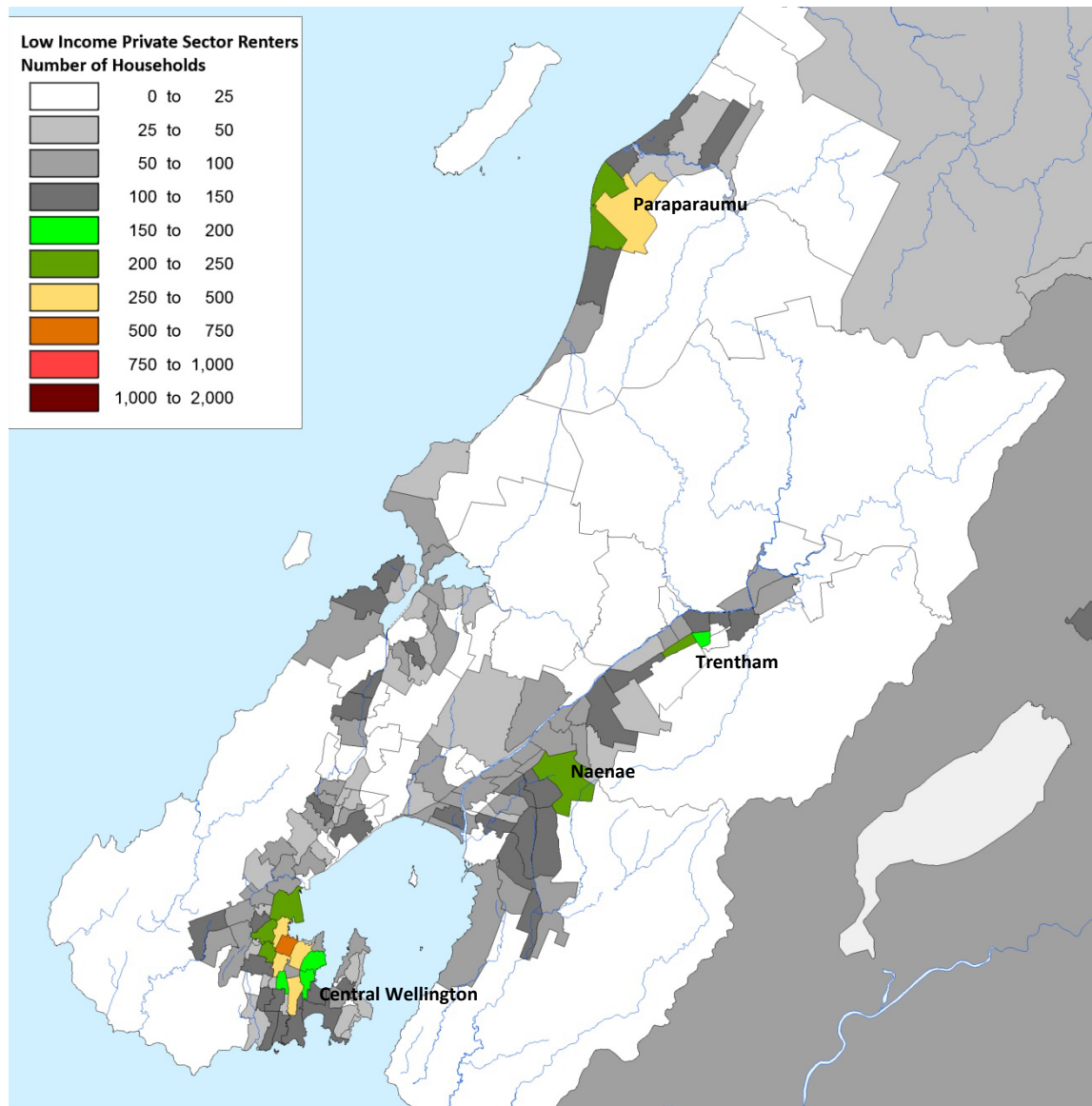
Source: Based on analysis of data provided by Statistics New Zealand

The major concentrations of low income private sector renters were in central Wellington, Trentham in Upper Hutt and on the Kapiti Coast.



Figure 8.29 presents the geographical distribution of Wellington's low income private sector renter households in 2013.

Figure 8.29: Wellington – Number of Low Income Private Sector Renter Households in 2013



Source: Based on analysis of data provided by Statistics New Zealand

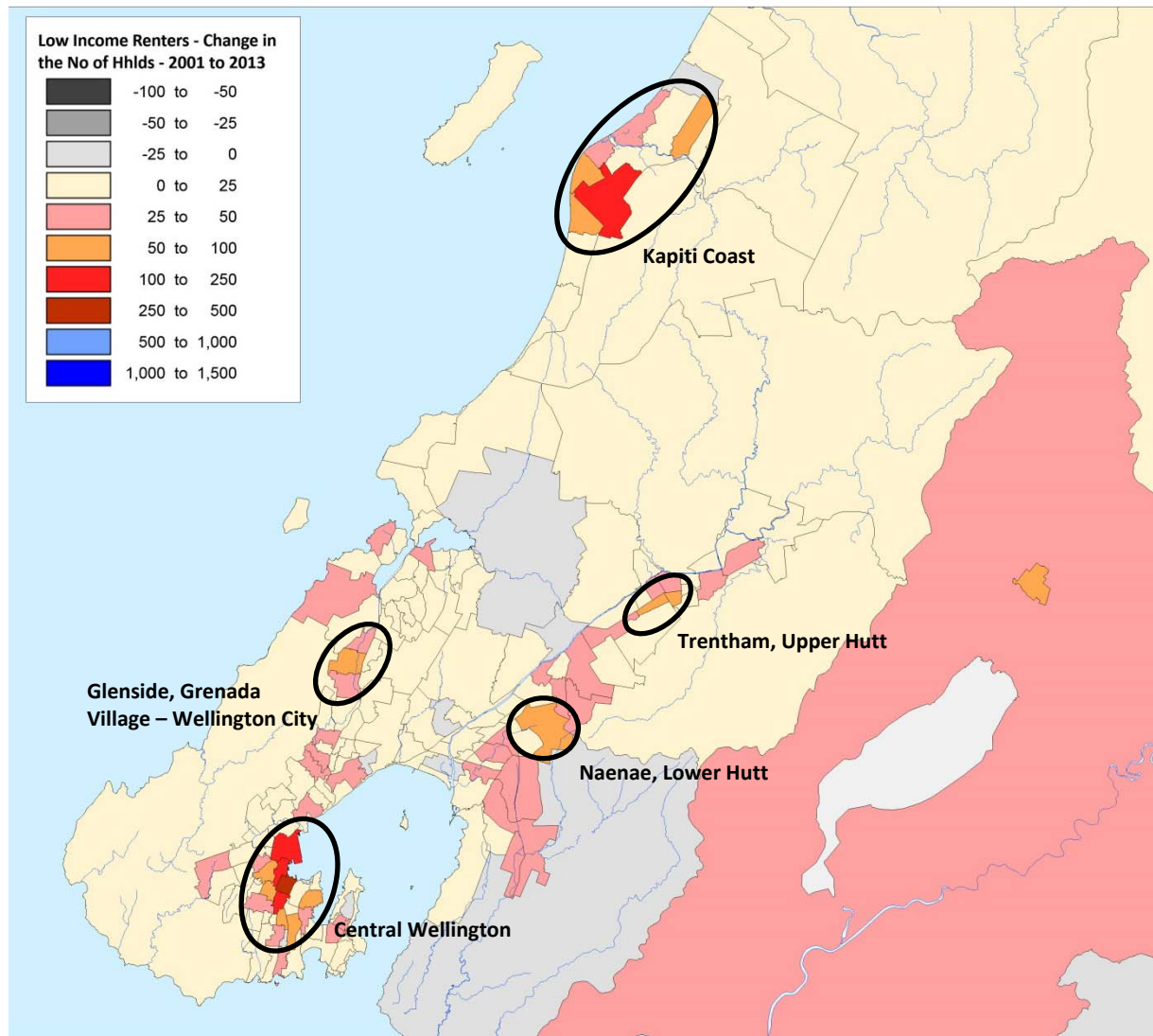
In terms of absolute numbers there were three main concentrations of low income private sector renter households in 2013. These were in Paraparaumu, Trentham, and Wellington Central. The characteristics of these households were different and can be summarised as follows:

- Paraparaumu;
- Trentham; and
- Central Wellington.



Figure 8.30 presents the change in the geographical distribution of Wellington's low income private sector renter households between 2001 and 2013.

Figure 8.30: Wellington – Change in the Number of Low Income Private Sector Renter Households between 2001 and 2013



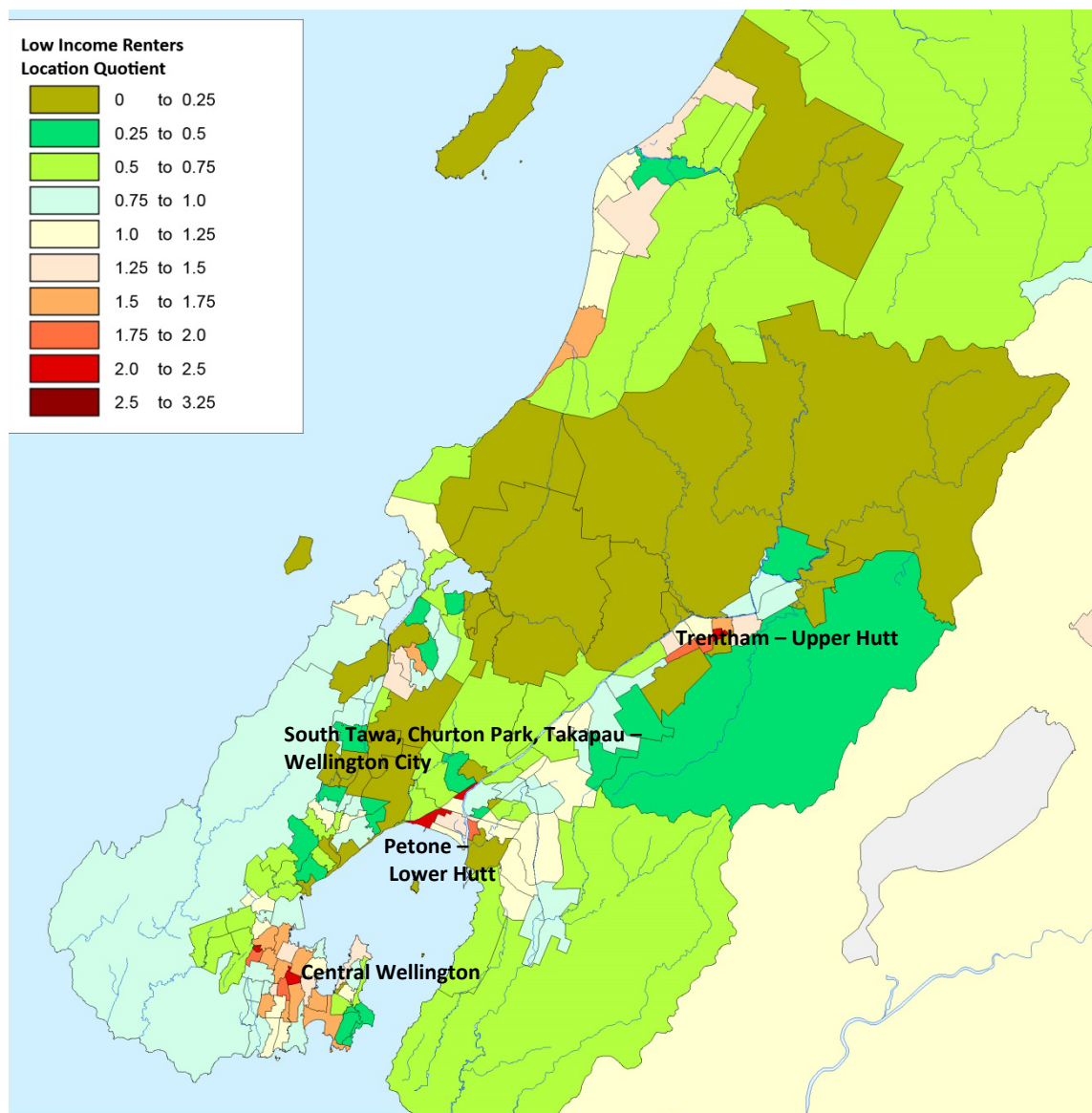
Source: Based on analysis of data provided by Statistics New Zealand

There appears to be a loose inverse relationship between the growth in rents and the number of low income private sector renters.



Figure 8.31 presents the location quotient for Wellington's low income private sector renter households in 2001.

Figure 8.31: Wellington – Location Quotient for Low Income Private Sector Renter Households in 2001

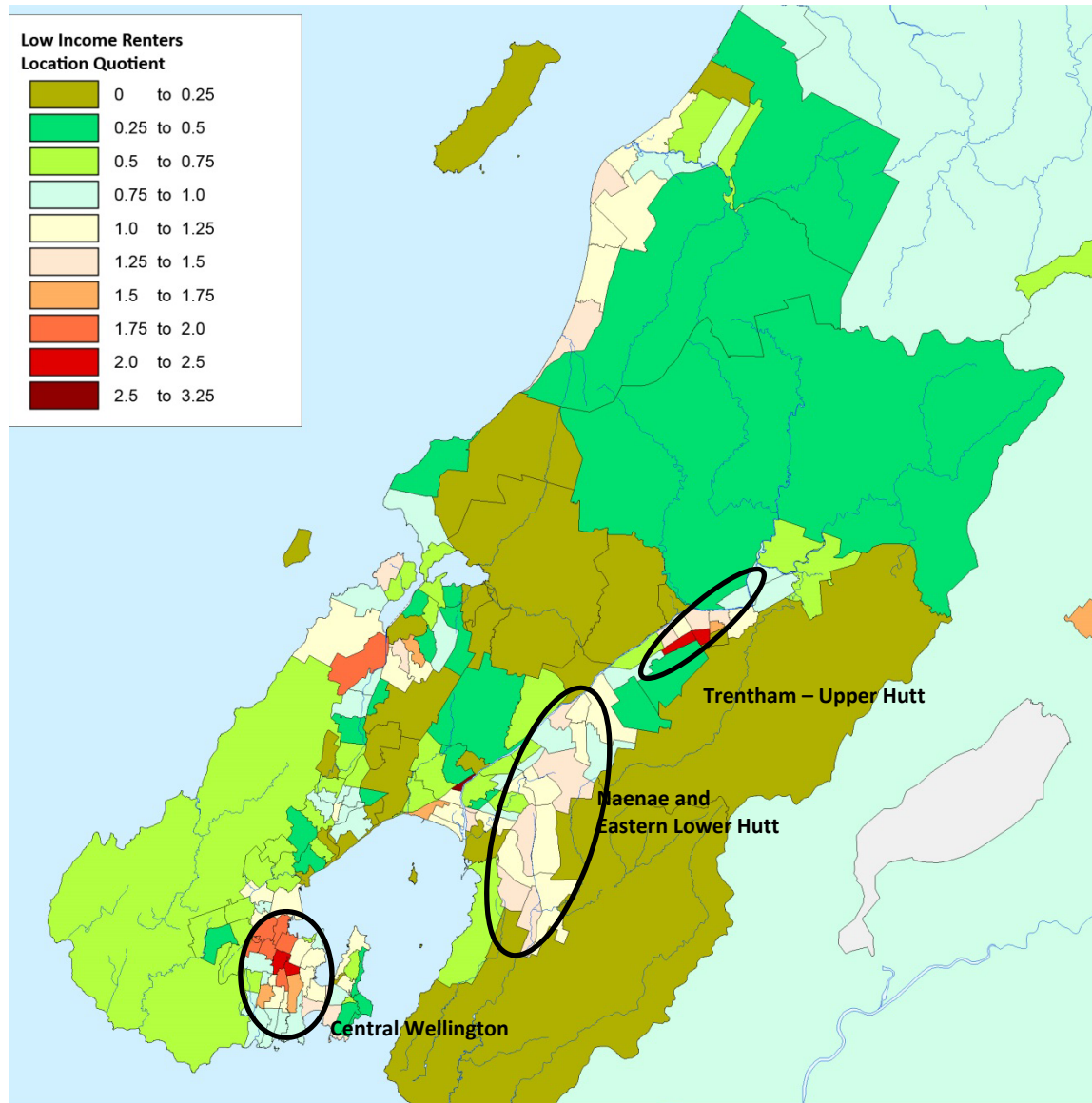


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.32 presents the location quotient for Wellington's low income private sector renter households in 2013.

Figure 8.32: Wellington – Location Quotient for Low Income Private Sector Renter Households in 2013

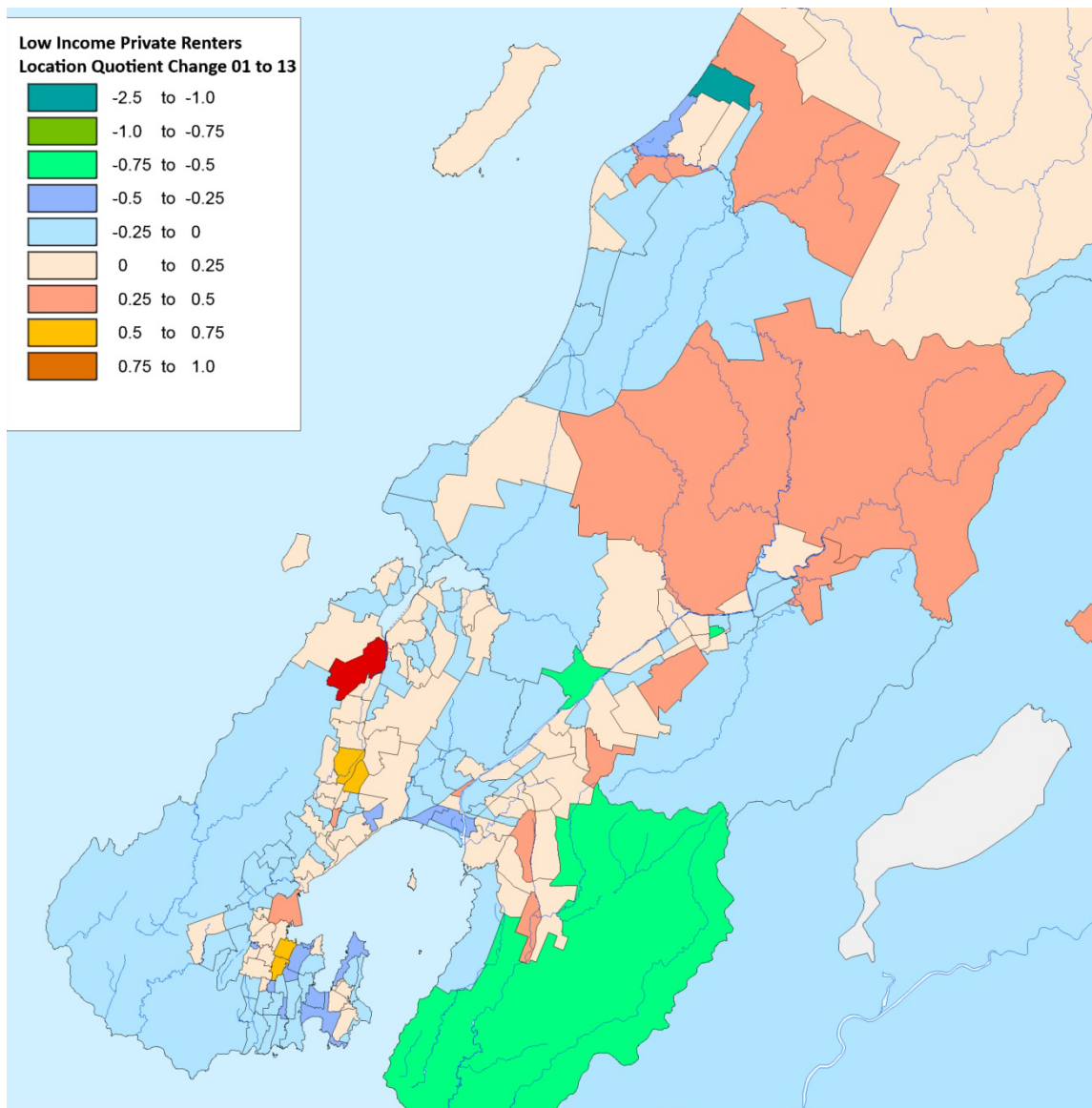


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.33 presents the change in the location quotient for Wellington's low income private sector renter households between 2001 and 2013.

Figure 8.33: Wellington – Change in the Location Quotient for Low Income Private Sector Renter Households between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand



The trends in the change in the location quotient include:

- Increase in the location quotient in central Wellington City, Glenside and Grenada Village, Hutt Valley and Wainuiomata, and parts of Porirua City. Porirua Central had a significant increase however this was due in part to the low number of renter households in 2001 and a small increase in the number of renters resulted in a large increase in location quotient; and
- Significant declines in Miramar, Haywoods/Manors Park, Upper Hutt Central and in Waikanae Beach and Peka Peka. Large areas of Wellington City also experienced smaller declines in the location quotient along with Petone/Alicetown.

Table 8.18 presents the trend in the number of low income private renters by the age of the reference person and local authority area in Wellington between 2001 and 2013.

Table 8.18: Wellington Low Income Private Sector Renters by Local Authority and by Age of the Reference Person between 2001 and 2013

Local Authority	Less than 30 yrs		30 to 39 yrs		40 to 64 yrs		65 yrs and over		Total	
	2001	2013	2001	2013	2001	2013	2001	2013	2001	2013
Kapiti Coast	104	104	169	170	150	307	48	150	523	801
Porirua	474	476	471	471	440	825	124	243	1,741	2,415
Upper Hutt	325	344	273	313	284	527	109	182	1,096	1,514
Lower Hutt	712	676	643	711	445	924	144	229	2,277	3,066
Wellington City	1,923	2,542	1,156	1,448	753	1,625	150	289	4,509	6,779
Metropolitan Wgtn	3,538	4,142	2,712	3,113	2,072	4,208	575	1,093	10,146	14,575

Source: Statistics New Zealand

All age groups increased in size between 2001 and 2013. Households with reference people aged

- Less than 30 years increased with nearly all the growth occurring in Wellington City;
- 30 to 39 years increased by 25% in Wellington City and 11% in Lower Hutt and 15% in Upper Hutt. Porirua and Kapiti Coast did not experience any significant growth in this age group;
- 40 to 64 years experienced strong growth across the metropolitan area by 49%;
- 65 years and over increased by 90% across the metropolitan area and by 213% on the Kapiti Coast.

Overall the Kapiti Coast and Wellington City experienced the strongest growth in low income private sector renter households increasing by 53% and 50% respectively.



Table 8.19 presents the change in the number of low income private sector renter households by age of the reference person and location between 2001 and 2013.

Table 8.19: Growth in Low Income Private Sector Renter Households by Age of the Reference Person between 2001 and 2013

	Less than 30 yrs		30 to 39 yrs		40 to 64 yrs		65 yrs and over		Total	
	Hhlds	%	Hhlds	%	Hhlds	%	Hhlds	%	Hhlds	%
Kapiti Coast	0	0%	1	1%	157	105%	102	213%	278	53%
Porirua	2	0%	0	0%	385	88%	119	96%	674	39%
Upper Hutt	19	6%	40	15%	243	86%	73	67%	418	38%
Lower Hutt										
Petone/Eastbourne	-45	-29%	-11	-8%	59	40%	20	65%	55	10%
Western Hills	-21	-31%	-12	-22%	38	224%	12	171%	49	26%
Central Lower Hutt	15	22%	-1	-1%	49	107%	8	21%	119	43%
Northern Lower Hutt	-10	-4%	57	23%	221	127%	18	29%	353	42%
Wainuiomata	25	16%	35	28%	112	181%	27	450%	213	51%
<i>Total Lower Hutt</i>	-36	-5%	68	11%	479	108%	85	59%	789	35%
Wellington City										
North West suburbs	1	1%	54	25%	181	114%	55	157%	413	58%
Western suburbs	-43	-9%	29	12%	207	156%	35	140%	346	32%
Central suburbs	663	93%	190	93%	173	141%	18	90%	1076	96%
Southern suburbs	46	15%	13	6%	129	88%	8	30%	221	29%
Eastern Suburbs	-48	-19%	6	2%	182	95%	23	53%	214	25%
<i>Total Wellington City</i>	619	32%	292	25%	872	116%	139	93%	2,270	50%
<i>Metropolitan Wgtn</i>	604	17%	401	15%	2,136	103%	518	90%	4,429	44%

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.16. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

The growth in the number of low income private sector renters with reference people aged:

- Less than 30 years and aged between 30 and 39 years of age was concentrated in the central suburbs in Wellington City;
- 40 to 64 years was spread across the metropolitan area. Strong growth was experienced in Porirua, northern Lower Hutt, Wellington's Western suburbs;
- 65 years and over experienced strong growth in Kapiti Coast and Porirua.



Table 8.20 presents the change in the number of low income private sector renter households by household composition and location between 2001 and 2013.

Table 8.20: Growth in Low Income Private Sector Renter Households by Household Composition between 2001 and 2013

Local Authority	Couple Only		Couple With Children		One Parent		One Person		Other		Total	
	2001	2013	2001	2013	2001	2013	2001	2013	2001	2013	2001	2013
Kapiti Coast	61	98	68	85	183	235	182	311	38	41	526	801
Porirua	144	200	221	361	677	754	567	764	112	127	1748	2415
Upper Hutt	85	106	133	193	338	458	451	577	76	55	1104	1514
Lower Hutt	175	265	297	460	697	821	837	1004	135	101	2282	3066
Wellington City	603	1049	372	623	690	747	1880	2542	817	1262	4522	6779
Metropolitan Wgtn	1068	1718	1091	1722	2585	3015	3917	5198	1178	1586	10182	14575

Source: Statistics New Zealand

One person households accounted for 36% of all low income private sector renters in 2013. The second largest group was one parent households at 21%. All age groups increased in size between 2001 and 2013. Household composition which experienced the strongest growth between 2001 and 2013 was:

- One person households increasing by 33% across the metropolitan area. The strongest growth was experienced on the Kapiti Coast which grew by 71% or 129 households and Wellington with an increase of 662 households or 35%;
- Couple without children households increased by 650 or 61%. The strongest growth was experienced in Wellington City (increased by 74%) and Kapiti Coast (increased by 61%);
- Couples with children households increased by 631 or 58% across the metropolitan area. The strongest growth was experienced in Wellington City (increased by 67%) and Porirua (increased by 63%);
- One person households increased by 1,281 or 33% across the metropolitan area. The strongest growth was experienced in Kapiti Coast (increased by 71%) and Porirua and Wellington City (both increased by 35%).



Table 8.21 presents the change in the number of low income private sector renters by location and household composition between 2001 and 2013.

Table 8.21: Change in the Number of Low Income Private Sector Renter households by Hhld Composition 2001 to 2013 between 2001 and 2013

	Couple Only		Couple With Children		One Parent		One Person		Other		Total	
	Hhlds	%	Hhlds	%	Hhlds	%	Hhlds	%	Hhlds	%	Hhlds	%
Kapiti Coast	37	61%	17	25%	52	28%	129	71%	3	8%	275	52%
Porirua	56	39%	140	63%	72	11%	197	35%	15	13%	667	38%
Upper Hutt	21	25%	60	45%	120	36%	126	28%	-21	-28%	410	37%
Lower Hutt												
Petone/Eastbourne	13	22%	-4	-7%	-14	-12%	19	7%	-12	-34%	53	10%
Western Hills	7	32%	2	7%	2	4%	-8	-10%	0	0%	47	25%
Central Lower Hutt	23	100%	24	104%	7	10%	25	21%	-2	-11%	118	42%
Northern Lower Hutt	38	68%	89	77%	72	25%	103	38%	-29	-53%	353	42%
Wainuiomata	9	56%	52	73%	57	32%	28	27%	9	75%	213	51%
<i>Total Lower Hutt</i>	<i>90</i>	<i>51%</i>	<i>163</i>	<i>55%</i>	<i>124</i>	<i>18%</i>	<i>167</i>	<i>20%</i>	<i>-34</i>	<i>-25%</i>	<i>784</i>	<i>34%</i>
Wellington City												
North West	58	75%	151	150%	23	10%	95	38%	-1	-2%	405	56%
West	58	38%	20	24%	10	8%	152	33%	-11	-6%	343	32%
Central City	282	161%	41	195%	11	26%	307	62%	401	110%	1,076	96%
South	40	39%	20	30%	22	18%	58	20%	36	24%	221	29%
Eastern Suburbs	8	9%	0	0%	-9	-5%	50	13%	20	31%	212	25%
<i>Total Wellington City</i>	<i>446</i>	<i>74%</i>	<i>232</i>	<i>67%</i>	<i>57</i>	<i>8%</i>	<i>662</i>	<i>35%</i>	<i>445</i>	<i>54%</i>	<i>2257</i>	<i>50%</i>
<i>Metropolitan Wgtn</i>	<i>650</i>	<i>61%</i>	<i>612</i>	<i>58%</i>	<i>425</i>	<i>17%</i>	<i>1281</i>	<i>33%</i>	<i>408</i>	<i>35%</i>	<i>4393</i>	<i>43%</i>

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.16. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

The trends in growth in the number of low income private sector renter households by household composition between 2001 and 2013 included:

- Wellington City's central suburbs experienced the strongest growth in couple only households recording growth of 282 households or 161%;
- Wellington City's north western suburbs and Porirua recorded the strongest growth in couple with children households increasing by 151 households (or 150%) and 140 households (or 63%) respectively;
- Kapiti Coast, Porirua, and Wellington City's central suburbs experienced the strongest growth in one person households increasing by 129 households (or 71%), 197 households (or 35%) and 307 households (or 62%) respectively.



In summary, the Wellington metropolitan area has experienced a significant increase in the number of low income private sector renter households. Key trends include:

- An increase from 10,118 households in 2001 (or 7.1% of all households) to 14,512 households (or 9.1% of all households) in 2013;
- Greater concentrations in central Wellington City, Glenside and Grenada Village, Hutt Valley and Wainuiomata, and parts of Porirua City. At the same time these households have decreased in Wellington City's Western, Southern and Eastern suburbs, Petone and the coastal section of Porirua and the Kapiti Coast;
- Younger households are increasing in greatest numbers in central Wellington whilst the strongest overall growth has been in households with reference people aged between 40 and 64 years of age; and
- One person households are the fastest growing household type.



8.7 Nelson/Tasman Housing Market

For the purposes of this report Nelson/Tasman housing market encapsulates both Nelson City and Tasman District councils. The market had a total population of 93,591 people or 36,666 households in 2013. Table 8.22 summaries the composition of the market by tenure and median household income in 2013.

Table 8.22: Nelson/Tasman Housing Market by Tenure and Median Household Income in 2013

Local Authority	Owner Occupiers	Private Renters	Low Inc Private Renters	Total Renters	Total Hhlds	LIPR ²² Hhlds as a % of Total Hhlds	Median Hhld Inc
Nelson	12,075	4,143	1,718	5,082	18,480	9.3%	\$54,300
Tasman	13,020	3,216	1,344	3,657	18,186	7.4%	\$53,500
Total	25,095	7,359	3,062	8,739	36,666	8.4%	\$53,900

Source: Statistics New Zealand

Nelson has proportionally more low income private sector renters than Tasman. Table 8.23 presents the trend in the number of low income private sector renter households Nelson/Tasman between 2001 and 2013.

Table 8.23: Nelson/Tasman - Low Income Private Sector Renter Households by Local Authority 2001 and 2013

Local Authority	2001		2013		Change 2001 to 2013	
	Hhlds	% of Total	Hhlds	% of Total	Hhlds	% Change
Nelson	1,300	56.0%	1,718	56.1%	418	32%
Tasman	1,022	44.0%	1,344	43.9%	322	32%
Total	2,322		3,062		740	32%

Source: Statistics New Zealand – 2001 and 2013 Census

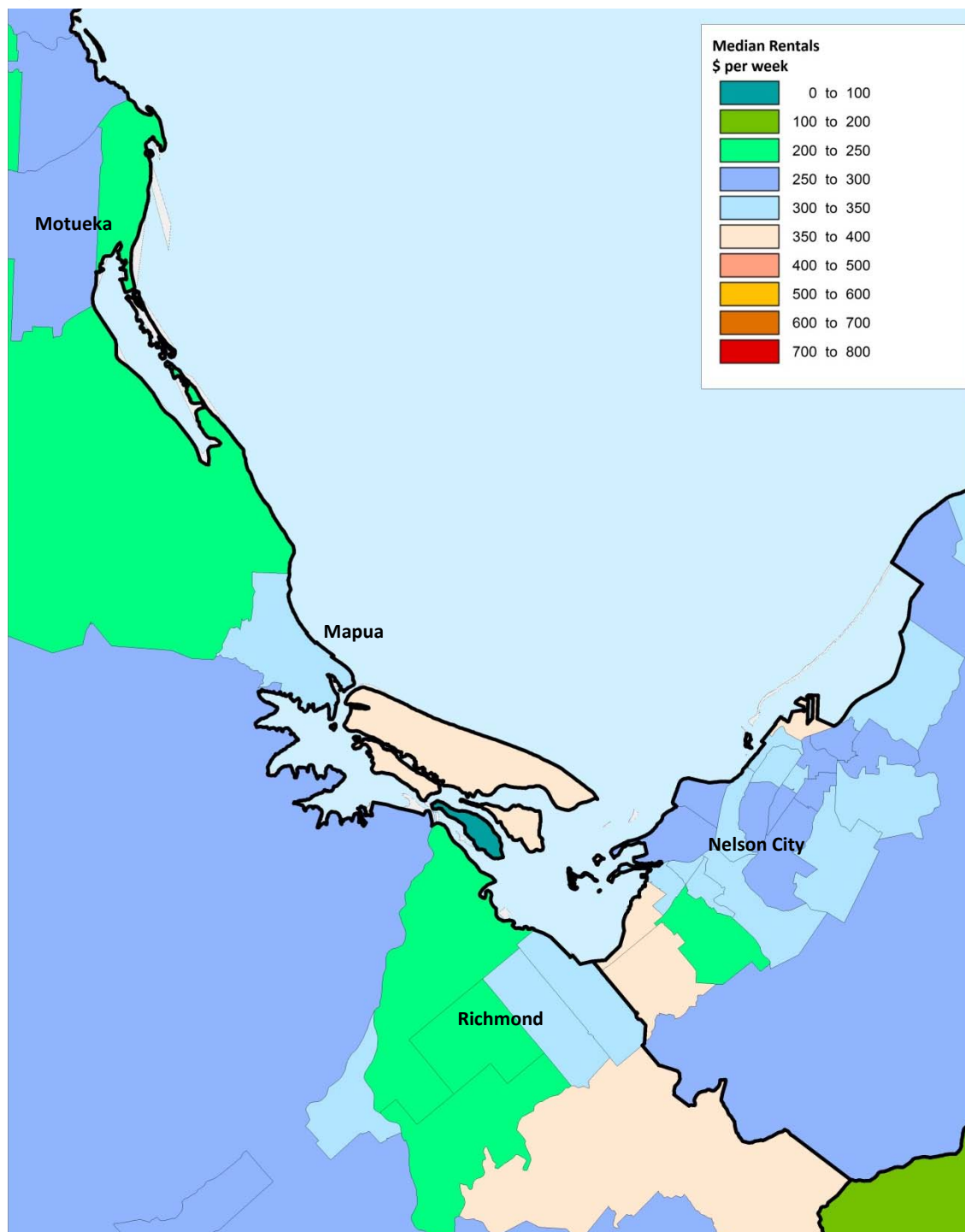
Between 2001 and 2013 the number of low income private sector renter households increased by 740 households (or 32%). The rate of growth in the number of low income private sector renter households was similar between Nelson and Tasman.

²² LIPR – Low income private renters



Figures 8.34 and 8.35 present the distribution of median dwelling rents by area unit and the growth in median residential rents between 2001 and 2013 respectively.

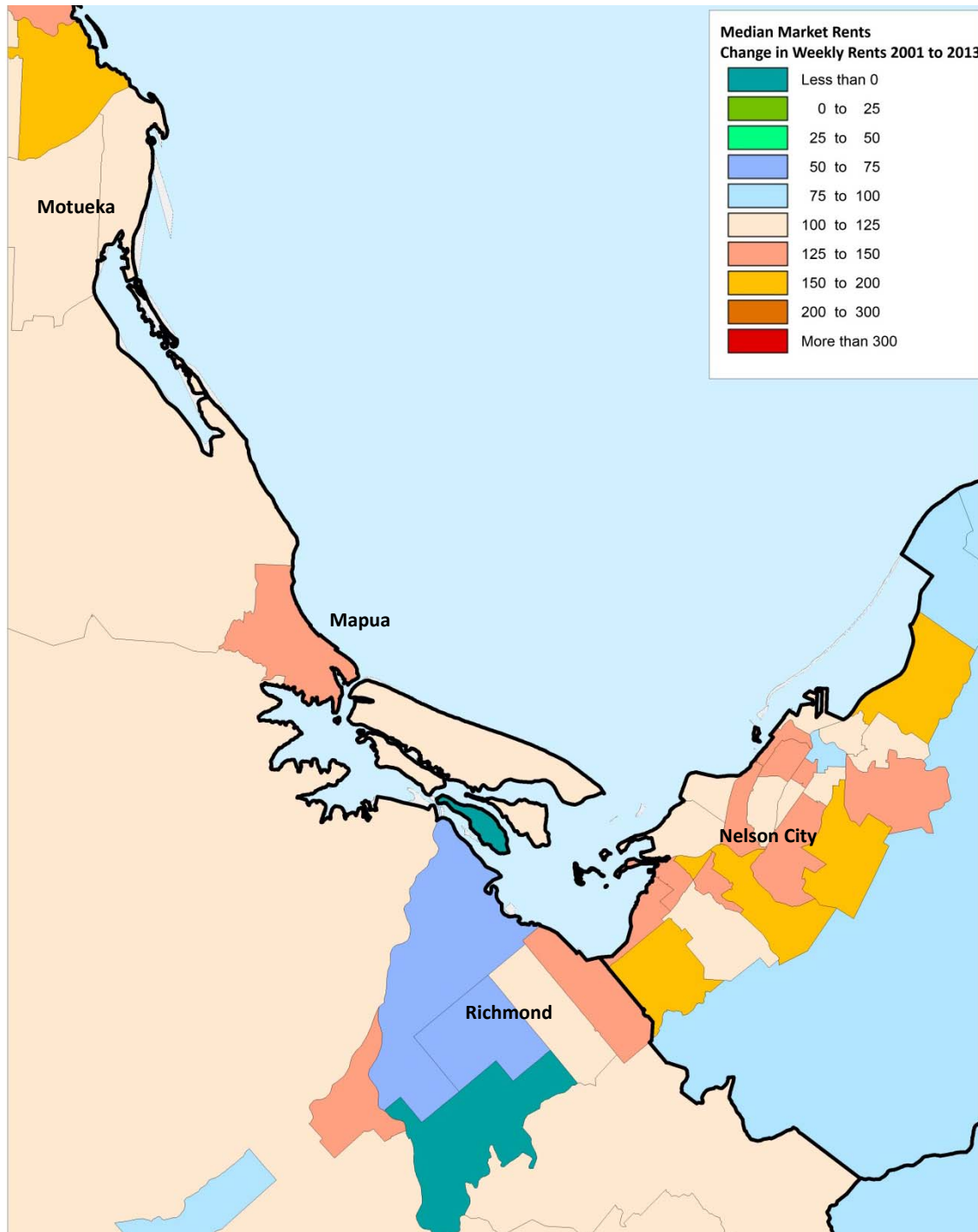
Figure 8.34: Nelson/Tasman Median Residential Rents – 2013



Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.35: Nelson/Tasman, Growth in Median Residential Rents – 2001 to 2013



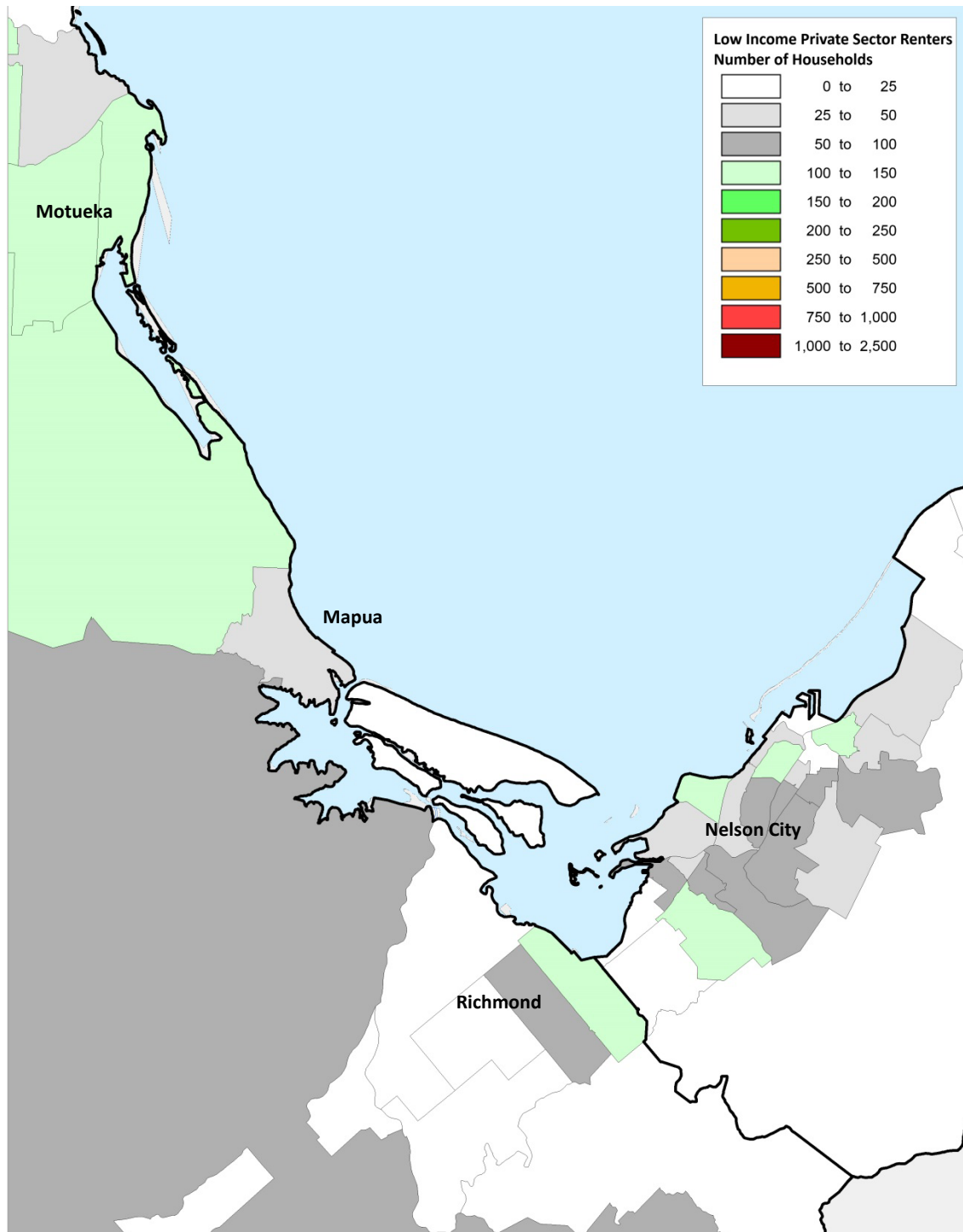
Source: Based on analysis of data provided by Statistics New Zealand

Rents generally increased across the metropolitan area. The majority of area units experienced growth in rents between 2001 and 2013 of \$90 to \$130 per week (or 60% to 83%).



Figure 8.36 presents the geographical distribution of Nelson/Tasman's low income private sector renter households in 2001.

Figure 8.36: Nelson/Tasman – Number of Low Income Private Sector Renter Households in 2001

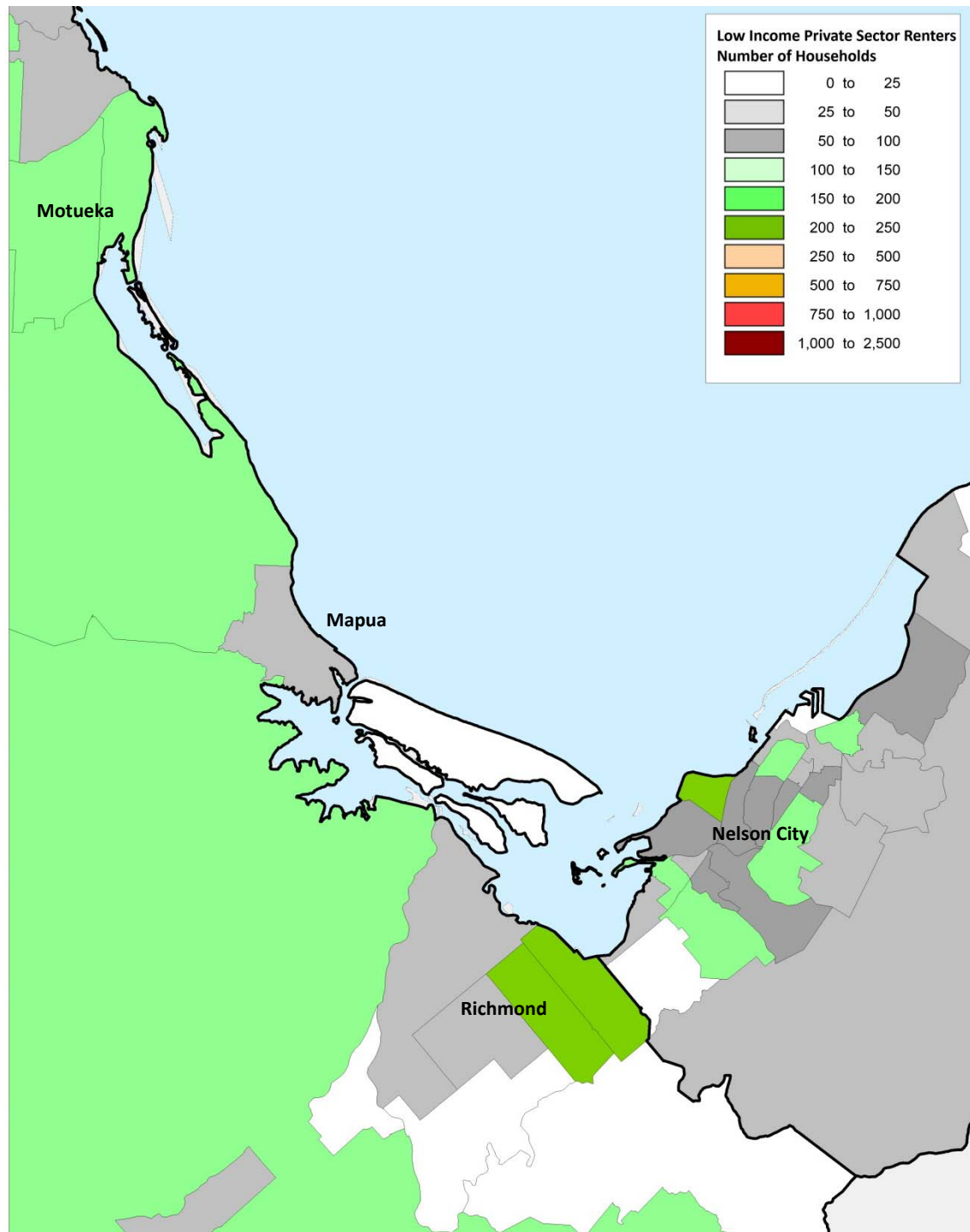


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.37 presents the geographical distribution of Nelson/Tasman's low income private sector renter households in 2013.

Figure 8.37: Nelson/Tasman – Number of Low Income Private Sector Renter Households in 2013

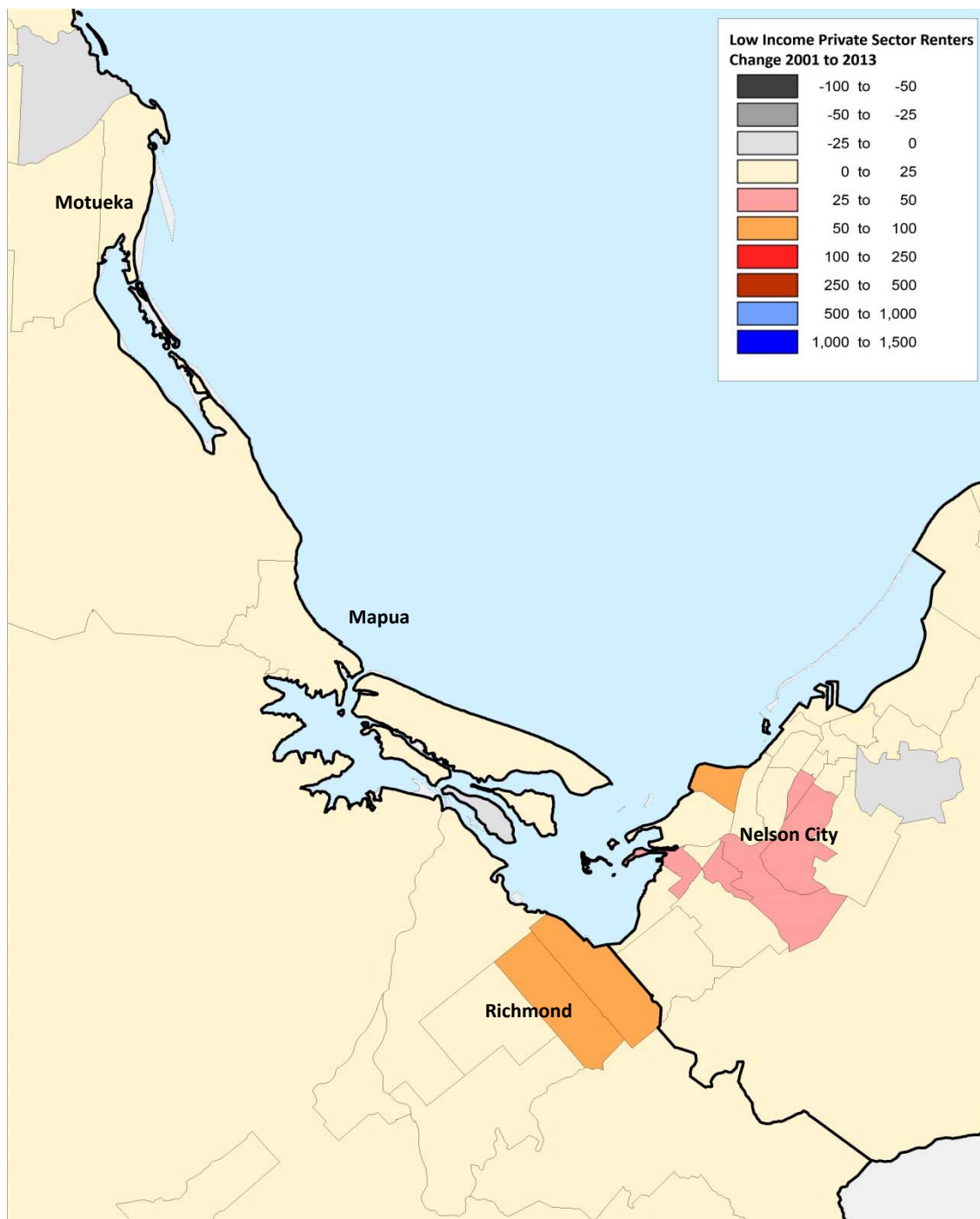


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.38 presents the change in the geographical distribution of Nelson/Tasman's low income private sector renter households between 2001 and 2013.

Figure 8.39: Nelson/Tasman – Change in the Number of Low Income Private Sector Renter Households between 2001 and 2013

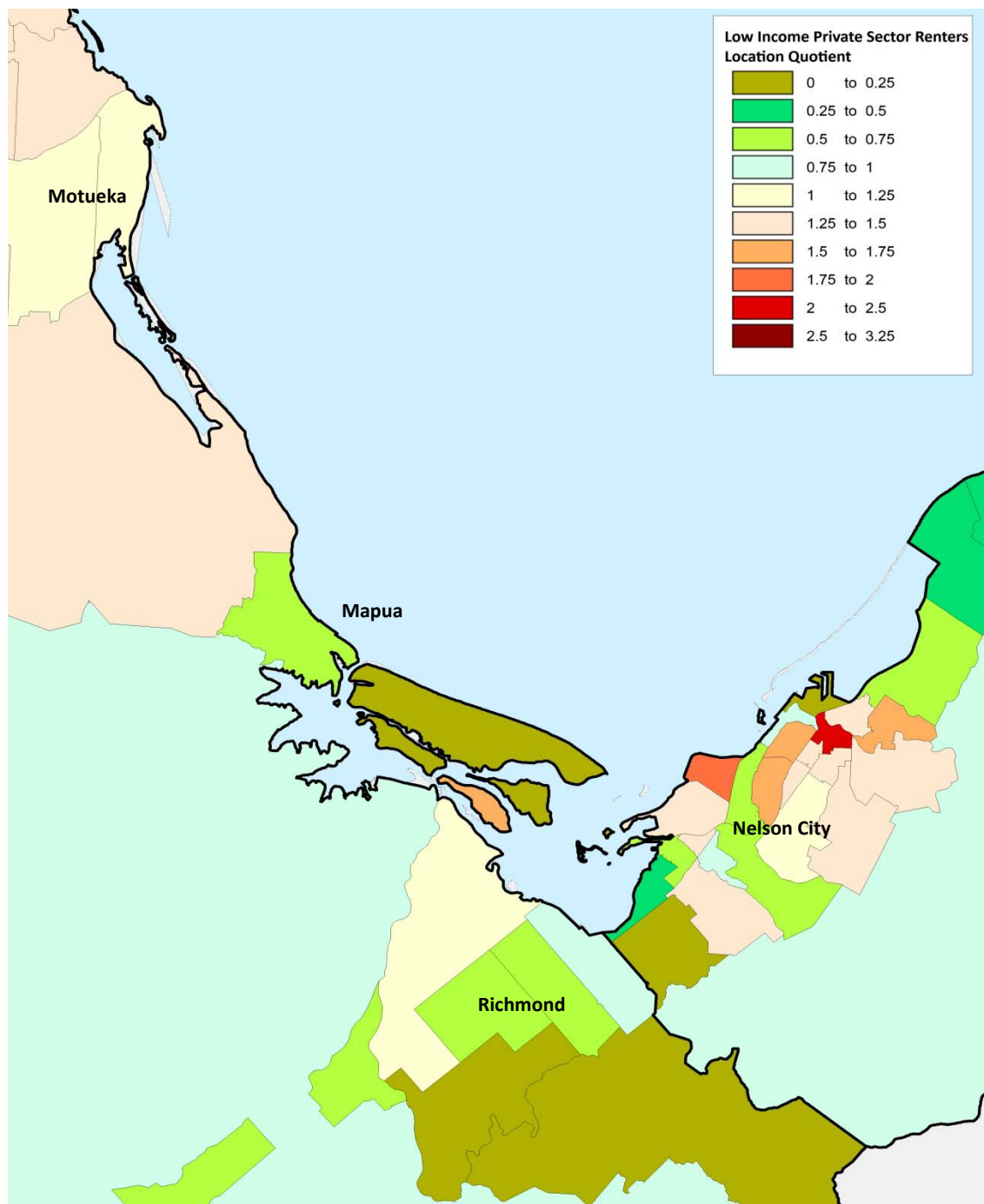


Source: Based on analysis of data provided by Statistics New Zealand



In terms of absolute numbers, there were three main concentrations of low income private sector renter households in 2013. These were in Richmond and Tahunanui. These locations also tended to have lower than average median rents. Figure 8.40 presents the location quotient for Nelson/Tasman's low income private sector renter households in 2001.

Figure 8.40: Nelson/Tasman – Location Quotient for Low Income Private Sector Renter Households in 2001

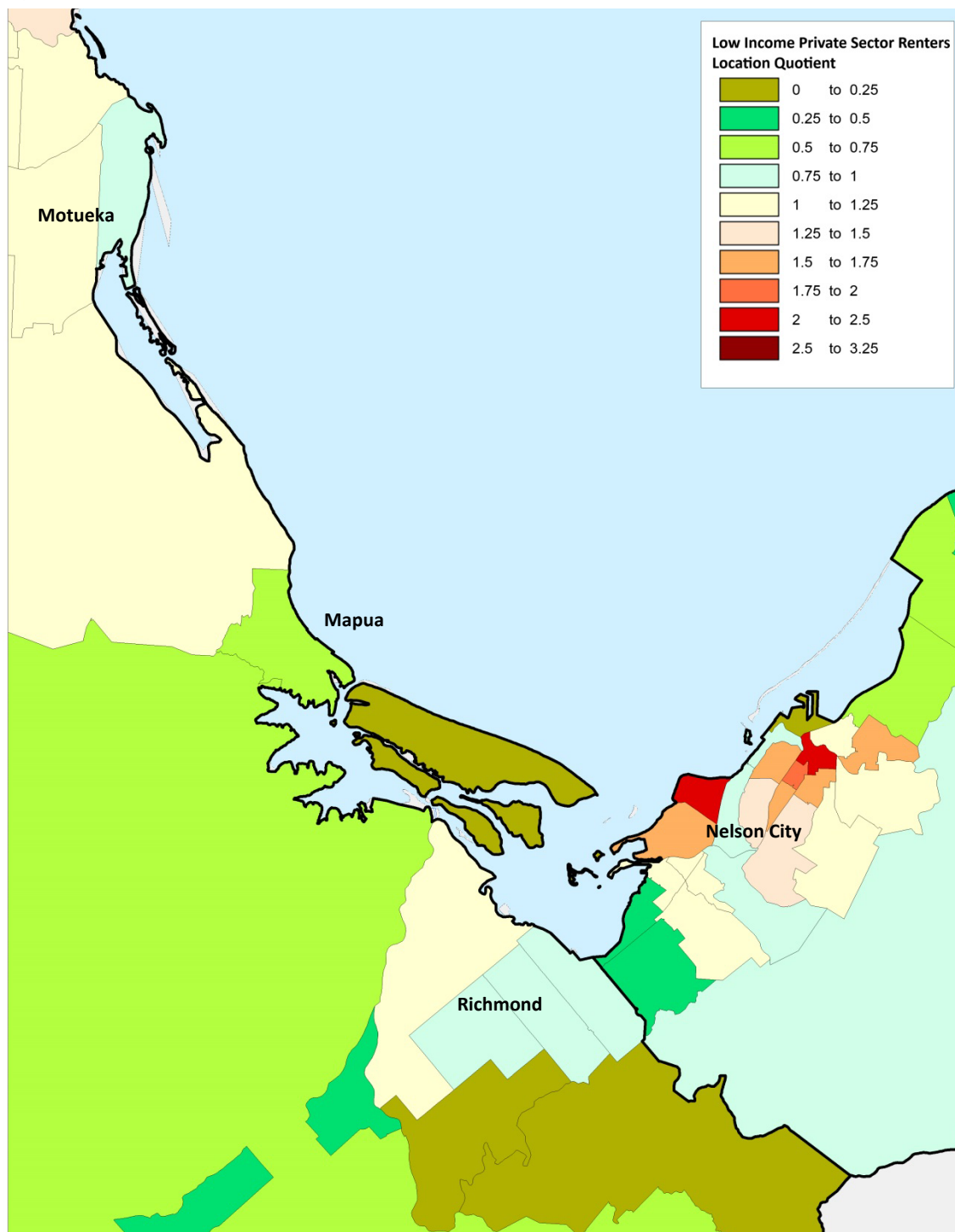


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.41 presents the location quotient for Nelson/Tasman's low income private sector renter households in 2013.

Figure 8.41: Nelson/Tasman – Location Quotient for Low Income Private Sector Renter Households in 2013

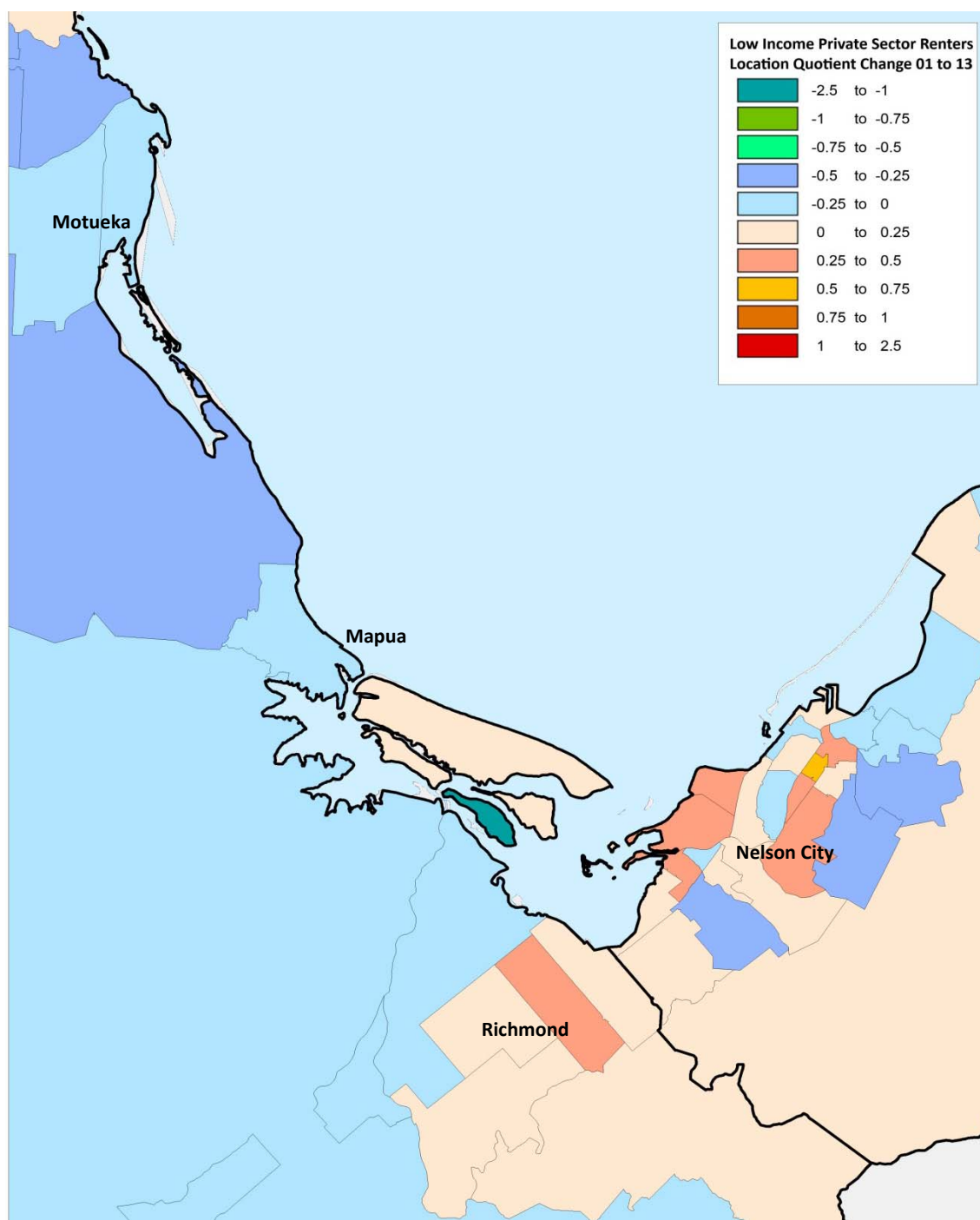


Source: Based on analysis of data provided by Statistics New Zealand



Figure 8.42 presents the change in the location quotient for Nelson/Tasman's low income private sector renter households between 2001 and 2013.

Figure 8.42: Nelson/Tasman – Change in the Location Quotient for Low Income Private Sector Renter Households between 2001 and 2013



Source: Based on analysis of data provided by Statistics New Zealand



The trends in the change in the location quotient include:

- Increase in Tahunanui/Nelson Airport, Richmond West, Central Nelson including Trafalgar, Kirks, and Broads.
- Areas with declining location quotients includes Atmore, The Brook, Isel Park in Nelson and Motueka in Tasman.

Table 8.24 presents the trend in the number of low income private renter households and by the age of the reference person and local authority area in Nelson/Tasman between 2001 and 2013.

Table 8.24: Nelson/Tasman- Low Income Private Sector Renter Households by Local Authority by Age of the Reference Person

Age of the Reference Person	Nelson			Tasman			Combined		
	2001	2013	Change	2001	2013	Change	2001	2013	Change
Less than 30 years	387	291	-96	298	169	-129	685	460	-225
30 to 39 years	356	322	-34	319	262	-57	675	584	-91
40 to 64 years	372	628	256	263	580	317	635	1,208	573
65+ years	112	174	62	103	213	110	215	387	172
Total	1,227	1,415	188	983	1,224	241	2,210	2,639	429

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.22. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

The total number of private sector low income renters increased by 20% or 429 households between 2001 and 2013. The rate of growth was higher in Tasman (increased by 25%) compared to Nelson (increase of 15%).

Households with reference people aged

- Less than 30 years declined in both Nelson and Tasman with a combined drop of 225 households (or 32%);
- 30 to 39 years also fell by 13% or 91 households;
- 40 to 64 years increased by 90% or 635 households; and
- 65 years and older increased by 80% or 172 households.



Table 8.25 presents the change in the number of low income private sector renter households by household composition in Nelson/Tasman between 2001 and 2013.

Table 8.25: Nelson/Tasman - Growth in Low Income Private Sector Renter Households and by Household Composition between 2001 and 2013

Household Composition	Nelson			Tasman			Combined		
	2001	2013	Change	2001	2013	Change	2001	2013	Change
Couple without chn	90	98	8	109	127	18	199	225	26
Couples with chn	114	163	49	126	162	36	240	325	85
One parent	439	499	60	317	401	84	756	900	144
One person	492	687	195	387	565	178	879	1252	373
Other	124	70	-54	80	57	-23	204	127	-77
Total	1,259	1,517	258	1,019	1,312	293	2,278	2,829	551

Source: Statistics New Zealand

NB: These results should be treated as indicative. The total number of income private sector renter households per local authority areas varies from Table 8.22. These figures related to the summation of area unit estimates and the variation is due to base 3 rounding used by Statistics New Zealand in customised census table outputs.

One person households accounted for 67% of the growth in the number of low income private sector renters between 2001 and 2013. The second largest group was one parent households which accounted for a further 21% of total growth. Household groups experiencing the strongest growth between 2001 and 2013 included couples with children, up 35% (or 85 households), one parent households, up 144 households (or 19%), and one person households up 373 (or 42%).

In summary, the number of low income private sector renters increased significantly between 2001 and 2013 with the growth being predominately in households with reference people aged 40 years and older, and in one person and one parent households,



9. Affordable Rental Accommodation Provider Survey

9.1 Introduction

The objective of this section of the report is to present the results of a survey of eight affordable rent providers. The goal was to undertake high level exploratory research to identify organisations' future objectives and growth goals together with the key constraints they saw in achieving those goals. The key areas incorporated in the survey included:

- The range of definitions of affordable rental used;
- The number and type of products offered;
- The providers future business goals; and
- Key constraints on the organisation achieving their goals.

9.2 Survey Results

Providers used a number of measures to assess an affordable rent. These included:

- Housing costs not exceeding a specified proportion of household income (these ranged from 25% to 35% of gross household income). This criteria was used by 87.5% of respondents;
- The rent charged should not exceed 70% of market income. This approach was used in conjunction with a housing cost to income ratio and was adopted by 25% of respondents;
- All respondents target households they considered to be low income for their location and product type. The parameters of these estimates were not able to be clearly defined.

The range of products offered included:

- Subsidised/affordable rent including social tenants (88% of responses)
- Rent to buy (25% of respondents)
- Shared ownership models (50% of respondents)

Typically, respondents' businesses offered a range of products however in most cases one style of product dominated their business.

Most respondents were ambiguous about their future business plans. A summary of the key results included:

- 87.5% of businesses had business plans or goals for strong growth over the next 5 years. One respondent's focus was only maintaining their current portfolio size and upgrading the quality of their units and their configuration to better match their perception of current and future market demand;
- The overall growth objective, in addition to assisting unmet need, was to achieve economies of scale for their business;
- 62.5% were wanting to grow the number of products they provided in terms of their tenure mix;
- 75% of businesses focus was on growing their portfolio by either developing or purchasing new dwellings rather than acquiring existing housing units;



- The key constraints on achieving these goals included a lack of capital and funding particularly since the reduction in government grants via the social housing unit (87.5% of respondents); single year rather than multi-year grants (37.5% of respondents); changes in Government policy make it difficult to plan for the future i.e. providers desire a stable policy framework (37.5%); and there appears to be a lack of government commitment to grow the affordable housing sector (62.5%).

Other comments provided by two or less respondents included:

- The transfer of social housing stock from Housing New Zealand to community housing providers will not by itself grow the number of social housing units. It may provide the opportunity for growth via the redevelopment of sites provided the units transfer at a price which reflects their social covenants;
- Government's income related rent will not necessarily provide opportunities for growth however was seen generally as a positive policy initiative;
- To successfully provide affordable units (both rental and shared ownership) in the longer term there needs to be a subsidy. The level of subsidy required is higher for affordable rental than affordable shared ownership units.

9.3 Conclusion

Affordable renter accommodation providers with (one exception), had an overriding goal to expand the level of service (units) provided in their housing markets. They indicated unsatisfied demand for affordable rental units which complimented the housing stock provided by HNZN and Council social housing units. The majority of constraints identified by the operators surveyed included:

- A lack of subsidised capital (grants) to assist them with growing their operations;
- Lack of long term government support for the sector which is reflected in ongoing changes in government policy;
- When grants were available from the Social Housing Unit of MBIE they were typically for one year terms. Operators saw multi-year funding as a more desirable strategy as it would allow them to develop an appropriate business strategy and build capacity;



10. Policy Implications

10.1 Introduction

The objective of this section of the report is to provide some high level commentary on the main issues identified in the analysis and their implications in a policy context.

10.2 Key Trends

The same underlying trends reflected in the decline in home ownership rates experienced prior to 2006, have continued through the period 2006 to 2013, with minor variations. The fall in home ownership rates has continued. The key trends identified in the analysis include:

- Home ownership rates have continued to decline;
- The fall in home ownership rates has been greatest in the younger age groups and this trend strengthened between 2006 and 2013;
- The decline in home ownership rates is progressively impacting on older cohorts;
- The decline in home ownership rates is unevenly distributed around the regions;
- An increasing proportion of the growth in households will be from renter households as home ownership rates continue to decline. This is particularly the case in Auckland;
- Households living in multi-unit dwellings have significantly lower rates of home ownership than households living in standalone dwellings;
- New Zealand has an aging population and it is uncertain whether our current stock of dwellings will meet their future requirements;
- Low income renter households have been migrating away to urban fringe locations with lower housing costs. The fastest growing groups within the low income renter households are people aged between 40 to 64 years of age; and
- Community housing providers are all planning to increase their capacity however they feel they are constrained by changing government policy, and the removal of capital grants. Furthermore when these were available the short term nature (typically one year) of the support provided limited the ability to expand and grow their housing capacity.



Key policy issues include:

- The projected growth in the number of renter households implies significant growth in demand for additional residential investment from the private sector. The level of investment required to increase the supply of dwellings to meet this demand is similar to the level of investment over the last ten years. Consequently, from a policy perspective, Government will need to finely balance the needs of tenants with the requirement for ongoing investment from the private sector;
- The growth in the number of renter occupier households is likely to increase the demand for the accommodation supplement;
- In Auckland, both the owner and renter occupier sectors of the market are expected to grow at a faster rate than the national average. Consequently, it is important that any potential supply side constraints in the Auckland housing market are minimised to ensure the housing market can effectively respond to changes in demand;
- Changes in the way in Government has attempted to assist community housing providers has changed over time. If Government wants these organisations to grow and provide greater support to households in need, Government strategy needs to provide for multi-year funding, a consistent policy environment, and a capital base which can leveraged to build capacity and grow housing stock to support needy tenants.



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