



24 October 2024

HUD2024-005465

s 9(2)(a)

Tēnā koe s 9(2)(a)

Thank you for your email of 26 September 2024 requesting the following information under the Official Information Act 1982 (the Act):

I have another request for information about the contents of this cabinet paper.

The paper says that “*New Zealand’s housing market is amongst the least affordable in the world*” and (in para 24) that the outcome sought is “*improving housing affordabilityin urban land markets.....*”

Would you please provide me with the reports or other documentation that:

1. Establish that NZ’s housing market is one of the least affordable in the world.
2. Define what constitutes “housing affordability”.
3. Provide the target by which (if va percentage) or to which (if an absolute figure) NZ houses must drop in price from their current price to achieve “housing affordability.’

The answers to your questions are listed below:

Establish that NZ’s housing market is one of the least affordable in the world.

These statements are based on data from the Organisation for Economic Co-operation and Development (OECD) and research released by the Reserve Bank of New Zealand on house price inflation, price to income ratios and overburden rates of renters. OECD data is available on their website at: www.oecd.org/en/data/datasets/oecd-adffordable-housing-database.html. Research data is available on the Reserve Bank of New Zealand website at: www.rbnz.govt.nz/hub/publications/analytical-note/2022/an2022-06.

Define what constitutes “housing affordability”.

There isn’t a single definition of “housing affordability.” The Government Policy Statement on Housing and Urban Development document attached, contains a section titled ‘what do we mean by affordable?’ on page 21. Ways to measure housing affordability is also available on the Ministry of Housing and Urban Development website at: www.hud.govt.nz/stats-and-insights/change-in-housing-affordability-indicators/other-ways-to-measure-housing-affordability#tabset.

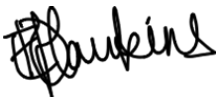
Provide the target by which (if a percentage) or to which (if an absolute figure) NZ houses must drop in price from their current price to achieve “housing affordability.

This information is refused under section 18(e) of the Act because the information requested does not exist.

You have the right to seek an investigation and review of my response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman’s website at: www.ombudsman.parliament.nz.

As part of our ongoing commitment to openness and transparency, the Ministry proactively releases information and documents that may be of interest to the public. As such, this response, with your personal details removed, may be published on our website.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'Eleisha Hawkins', with a stylized flourish at the end.

Eleisha Hawkins

General Manager, System Insights and Strategy

Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development