

## Outcome

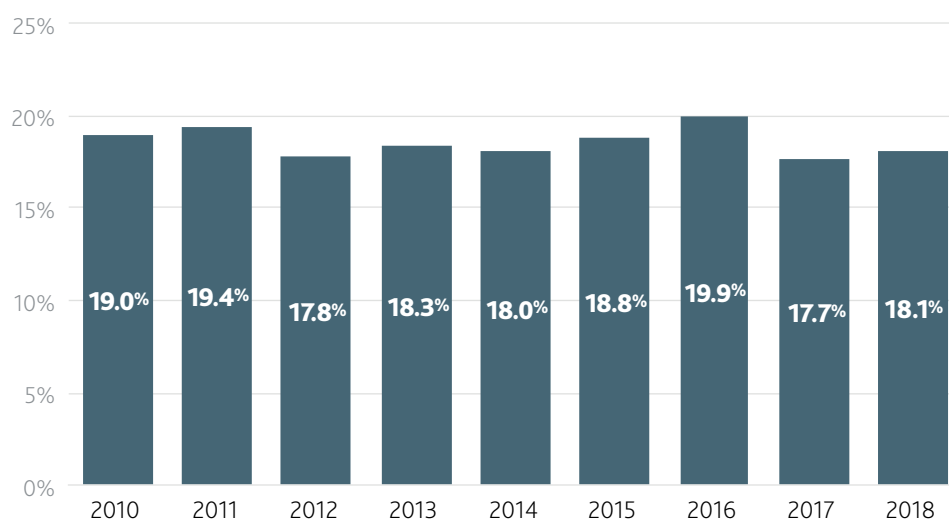


# Homes and Places

### Measure 3

## Housing costs as a percentage of household income

### Housing costs to total household income (%)



#### Data

Auckland average household annual expenditure on housing costs and average household total (gross) annual income.

#### Source

Statistics New Zealand, HES Household Economic Survey and HES (Income).

#### Frequency

Annual.

#### Availability

Published on Statistics New Zealand website.

#### Note

All dollars are nominal (not adjusted for inflation), and include survey error margins of up to 10%. Values are averages (not medians) of households in the Auckland region. Household income includes wages and salary, self-employment, investments and government benefits, and superannuation. Housing costs include rent and mortgages, property rates and building-related insurance.

#### Relevance

Although this ratio is a common indicator of housing cost stress, the household income component depends on many things, including household size and number of income earners, which can sometimes change in response to financial pressures and compensate for them, but does not alleviate them. Also, housing affordability can be affected by the interplay of a wide range of factors including, taxation and fiscal policy, planning and regulatory requirements and costs; industry practice and productivity, migration and demographic changes. These factors affect housing costs for a very broad cross-section of society. It should also be remembered that people who already owned (or inherited) property prior to the price rises, were largely unaffected or even benefited from the price rises.

#### Baseline (2018)

In 2018 housing costs as a percentage of total household income was 18.1%.

#### Analysis

Between 2010 and 2018 expenditure on housing costs as a percentage of total household income remained stable at between 17 to 20%.

#### (—) Trend

From 2010 to 2018 no significant change.