



News And Views

Issue 2

Tuesday February 18th 2014

- TPA will be at Linwood Link Tuesday and Thursday 9am to 11am. Appointments preferred.

Housing Forum Information can be found at www.christchurchhousingforum.org.nz.

You can find us on Facebook <https://www.facebook.com/tpa.chch?ref=hl>

www.tpa.org.nz

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The reality behind the housing supplement

We read with interest the article in The Press (Feb 17th) regarding the housing supplement/accommodation benefit.

The gap between market rent and "affordable rent" continues to widen. The market response of families and households faced with ever increasing rent is to seek solutions by living in crowded housing and extending "shelter" by way of sheds, garages, caravans and, in some cases, tents. Private rental tenant households receiving the accommodation supplement (AS) have increased. From June 1996-Dec 2001 they rose from 112,000 to 164,000 and in 2011 they increased to 320,000 costing the taxpayer 1.197 billion in accommodation supplement costs.

The real cost of supplements for housing is distorted by the inclusion of Temporary Additional Support (TAS) and other financial supports. There are

tenants receiving both TAS and accommodation supplement (AS) because their rents are so high that the AS doesn't go far enough in assisting them.

There has been no change in the AS since 2004. The tenants, some of whom are the "working poor", in Christchurch are the same as their counterparts in Wellington and Auckland but yet receive less AS. Rent stabilization would perhaps go a long way to address the disparity especially in Canterbury. Both rent stabilization and security of tenure would help tenants feel less threatened and more able to alleviate some financial stress. An example is a single mother of 3 supporting her children (one with special needs) by working 37.5 hrs a week. She receives a reasonable hourly rate but any assistance from Work and Income drops or ceases because she is slightly above the threshold. She loses a disability allowance for herself and her son along with any

recoverable assistance from WINZ for emergency costs. AS decreases although she has had a \$50/week rent increase. This means she still has to support her children but make her income go further to cover school costs, keeping her car roadworthy and staying on top of her rent.

An increase in new housing might have a more beneficial impact for the economy than the AS.

www.stuff.co.nz/business/money/9729210/Housing-supplement-comes-up-short

www.salvationarmy.org.nz/sites/default/files/uploads/GiveMeShelter2013FinalWeb.pdf

<http://www.nzhistory.net.nz/culture/we-call-it-home/the-state-steps-in-and-out>

