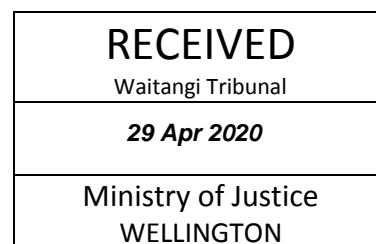


Household Economic Survey 2018-19

High-level findings for Māori households

March 2020



These findings have been compiled by the Ministry of Housing and Urban Development for WAI2750. These findings are based on data tables provided by Stats NZ which are available at <https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-warm-and-dry-including-maori-households>**Error! Hyperlink reference not valid.** and <https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-economic-wellbeing-including-maori-households>. This report can be read together with the latest information releases from Stats NZ, available on www.stats.govt.nz.

High-level findings for Māori households

This analysis provides a point-in-time snapshot of the experiences of Māori households as reported in the Household Economic Survey for the year ended 30 June 2019. The data request covers aspects of economic wellbeing and housing warmth and dryness, comprising:

Economic wellbeing – data tables available

from <https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-economic-wellbeing-including-maori-households>

- Housing costs to household income ratio by region
- Housing costs to household income ratio by tenure
- Housing costs to household income ratio by household composition
- Household material standard of living by tenure
- Household composition by tenure

Warm and dry - data tables available from

<https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-warm-and-dry-including-maori-households>

- Reports of problems with damp, mould, heating or keeping warm in houses
- Whether households can afford to adequately heat accommodation
- Whether households can afford to pay electricity, gas, rates, or water bills on time
- Whether households can afford to pay the rent or mortgage on time

Please note:

- The data described below are for Māori households. The data tables released on www.data.govt.nz include data for non-Māori households, as well as the total New Zealand population.
- Where percentages add to less than 100, the difference is attributed to households who did not respond or responded “I don’t know” to a question.

Caveats and limitations

- Self-rated variables:** One person aged 18 and over in each household is randomly selected to answer material wellbeing questions in the HES survey, including the questions selected in this report – such as whether the household has enough money, or whether the house is damp. That rating is then assigned to the household. While some of the questions apply to the whole household or dwelling, other questions relate to the individual answering the questions. For example, life satisfaction is widely used to measure wellbeing, but any rating applies to the individual and may not be indicative of the wellbeing levels of the wider household. Figures relating to the material wellbeing of the household need to be treated with caution.
- Approach to reporting:** The figures within these findings are reported as a proportion of total respondents, rather than the standard analysis of figures as a proportion of total stated responses. In other words, ‘total respondents’ includes respondents who did not answer the question. This approach to reporting is consistent with the customised data request from the Household Economic Survey published on www.data.govt.nz in 2017-2018, and we do not believe that this approach makes a material difference to the figures. Because of this approach, figures on responses to a single question will not necessarily add to 100%, because of non-responses and respondents selecting “I don’t know”.
- Definitions of renter and owner:** For the purposes of this report, ‘owners’ are defined as ‘owners who pay a mortgage’ and renters are defined as ‘renters who pay rent’.
- Confidence intervals:** Stats NZ have calculated 95% confidence intervals for figures reported in the Warm and Dry tables. This confidence interval means that if this survey repeatedly measured the same thing, in the same time period, 95% of the results would fall within the stated upper and lower confidence intervals. Māori households are a subset of the total population, and therefore some of the figures reported in these tables have very wide confidence intervals. Figures with a wide confidence interval need to be treated with caution. The statistical significance testing required to enable comparisons of results for one sub-population with another sub-population has not been undertaken. The tables published on www.data.govt.nz should be referred to in order to check confidence intervals and sampling errors before comparing figures between sub-populations. Error bars showing confidence intervals have been included on graphs. The error bars represent the 95% confidence interval of the estimate. Where error bars overlap, there is no statistical difference between the two figures.
- Sampling errors:** Sampling errors have been stated in the Economic Wellbeing tables, and asterisks identify high sampling errors in the Warm and Dry tables. Sampling error provides a measure of the difference between the estimated measure based on a sample (i.e. households who were selected to be surveyed) and the measure if the whole target population had been surveyed (i.e. all households in Aotearoa New Zealand). Some of the figures reported in these tables have very large sampling errors. Figures with large sampling errors need to be treated with caution. The statistical significance testing required to enable comparisons of results for one sub-population with another sub-population has not been undertaken. The tables

published on www.data.govt.nz should be referred to in order to check confidence intervals and sampling errors before comparing figures between sub-populations. Error bars showing sample error have been included on graphs. The error bars represent relative sample error of the estimate. Where error bars overlap, there is no statistical difference between the two figures.

- **Multiple sources of information regarding warmth and dryness:** The Household Economic Survey is one of several sources of information collected in 2018 regarding household experiences of warmth and dryness. These sources are likely to have different results due to differences in wording and sampling frames. HUD has a programme of work to understand these sources and how they may be used in future to monitor housing quality for New Zealand households.
- **Survey population:** The target population for the Household Economic Survey is the usually resident New Zealand population aged 15 years and over, whose usual residence is private dwellings on the North Island, South Island, or Waiheke Island. The survey population excludes:
 - New Zealand usual residents temporarily overseas who do not return within the survey period;
 - New Zealand usual residents temporarily staying elsewhere in New Zealand (including other permanent and temporary private dwellings, institutions and non-private dwellings, and people who have no fixed abode but stay at private dwellings) who do not return within the survey period;
 - New Zealand usual residents who live in remote areas that are costly or difficult to access;
 - people residing in non-permanent dwellings (i.e. in tents or caravans not permanently sited); and
 - people residing at a wharf or landing place (i.e. people in ships, boats).

Some of the types of dwellings that are excluded because they are temporary or non-private are:

- retirement units that are not independent;
- camps, communal staff quarters, hospitals, and institutional complexes;
- vehicles;
- backpackers, guest accommodation, hotels, motels, youth hostels; and
- marae.

TABLES - HUD-HES1819-HOUSING-COSTS¹**1. Overall housing cost and income data**

- The average annual housing costs, including rents, mortgages, property rates and building-related insurance, for Māori households was \$17,487.
- The average annual household disposable income was \$81,208.
- The ratio of housing costs to household disposable income for Māori households was 21.5 percent.

1.1 Housing costs and income for regions – see Table 2 HUD-HES1819-HOUSING-COSTS

- The ratio of housing costs to household disposable income for Māori households was highest in Canterbury at 24.4 percent, followed by Auckland at 23.8 percent, and the Wellington region at 23.3 percent.
- The average annual housing costs, including rents, mortgages, property rates and building-related insurance, for Māori households was highest in Auckland \$23,093, followed by the Wellington region \$21,255 and Canterbury \$19,175.
- The average annual household disposable income for Māori households was highest in Auckland \$96,901, followed by the Wellington region \$91,053 and Southland \$85,618.

1.2 Housing costs and income by tenure – see Table 3 HUD-HES1819-HOUSING-COSTS

- The ratio of housing costs to household disposable income for Māori households was highest for renters at 27.7 percent. For Māori households renting, the average annual housing costs were \$18,468 and average annual disposable income was \$66,784.
- The ratio of housing costs to household disposable income for Māori households living in owner-occupied households who make mortgage payments was 23.8 percent. For Māori households occupying their own home, the average annual housing costs were \$24,675 and average annual disposable income was \$103,720.

1.3 Housing costs and income by household composition – see Table 4 HUD-HES1819-HOUSING-COSTS

- The Māori household type with the highest ratio of housing costs to household disposable income was single-parent households at 35.9 percent, followed by one person households at 30.6 percent, and couples with one child at 24.1 percent.

¹ Copy of workbook available at: <https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-economic-wellbeing-including-maori-households>

2. Life satisfaction – see Table 6 HUD-HES1819-HOUSING-COSTS

(Note that one respondent answered this question on behalf of the household)

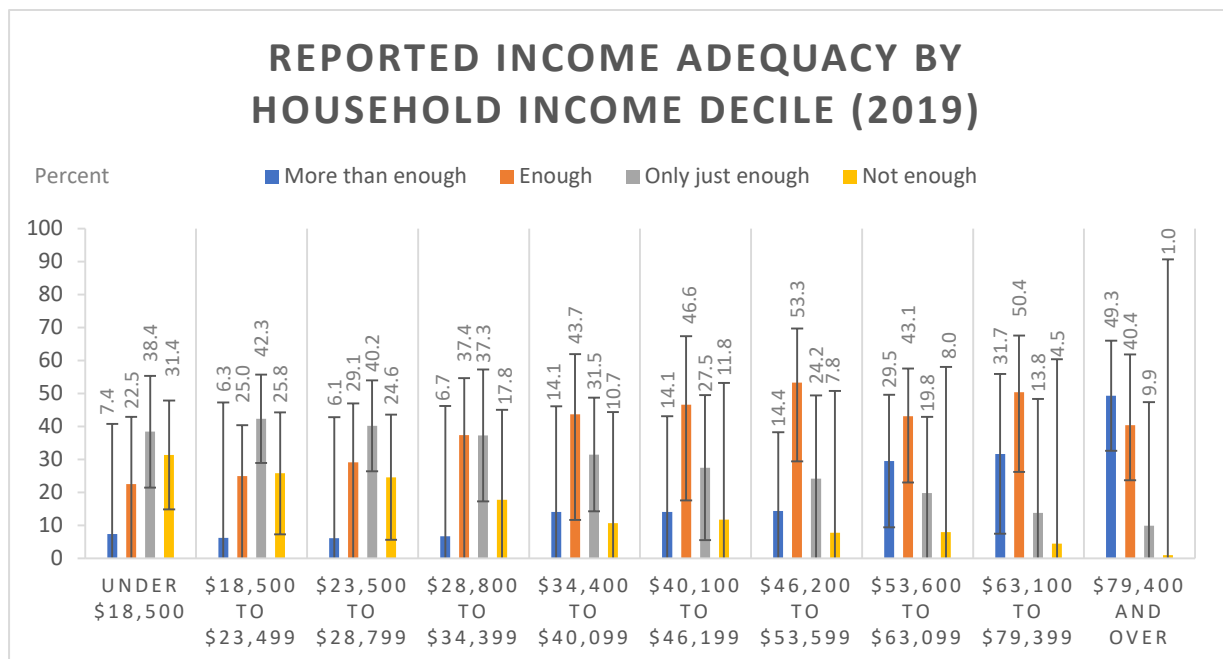
- In three-quarters (74.9 percent) of Māori households, the respondent said they were satisfied or very satisfied with their life in general; 16.5 percent were neither satisfied nor dissatisfied and 8.1 percent were dissatisfied or very dissatisfied.

3. Tenure and household composition – see Table 7 HUD-HES1819-HOUSING-COSTS

- Just over half (51.5 percent) of Māori households were renters, and 25.5 percent of Māori households were in owner-occupied dwellings paying a mortgage.
- The Māori household type with the largest proportion of renters was single-parent households. 77.5 percent of single-parent households were renters, while 15.1 percent were owner-occupiers and paying a mortgage.
- Māori households that consisted of couples with children had the highest proportion of households living in owner-occupied dwellings and paying a mortgage.
 - 45.4 percent of couples with one child were in this situation,
 - 40.5 percent of couples with two children, and
 - 34.5 percent of couples with three or more children.

4. Income adequacy by household income decile – see Table 5 HUD-HES1819-HOUSING-COSTS

(Note that reported income adequacy uses equivalised incomes²)



Note: Error bars present relative sampling error.

² A useful way to understand the income available to households is to adjust the income by the number of people in the household – this is called “equivalised income”.

APPENDIX B

- Just over half (53.3 percent) of all Māori households rated their income as enough or more than enough to meet their everyday needs for items such as accommodation, food, clothing and other necessities.
- 30.5 percent of Māori households rated their income as only just enough to meet their everyday needs, while 16.1 percent rated their income as not have enough.
- 31.4 percent of Māori households with equivalised household disposable incomes less than \$18,500 rated their income as not enough to meet their everyday needs, and a further 38.4 percent felt that they had “only just enough”.

TABLES – HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

5. Overall warm and dry data³

- 51.5 percent of Māori households reported living in a warm, dry home.
- 7.7 percent of Māori households reported living in a home with a major problem with dampness or mould, and a major problem with heating and/or keeping warm in winter.

5.1 Warm and dry by tenure – see Table 3A HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Over 60 percent (61.6 percent) of Māori households living in owner-occupied dwellings who make mortgage payments reported living in warm and dry homes.
- Less than half (40.8 percent) of Māori households living in rented dwellings reported living in warm and dry homes.
- 11.3 percent of Māori households paying rent reported major problems with warmth and dryness.
- 3.1 percent of Māori households living in owner-occupied dwellings paying a mortgage also reported major problems with warmth and dryness.

5.2 Warm and dry by household composition – see Table 3B HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

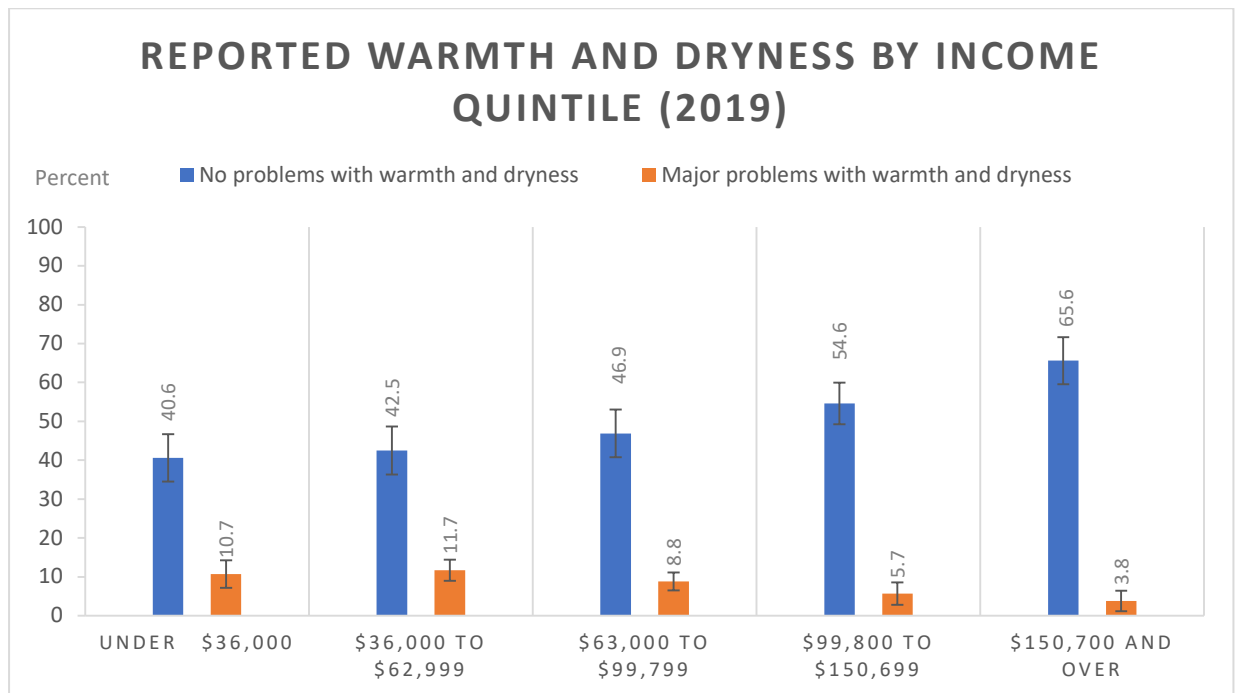
- Within Māori households, 66.0 percent of couple-only households reported living in a warm and dry home. 56.5 percent of couples with one dependent child, 55.2 percent of couples with two dependent children, and 52.8 percent of one person households reported living in a warm and dry home.
- Fewer than one in five single-parent Māori households (13.1 percent) reported living in a home with major problems with dampness or mould; and a major problem with heating and/or keeping warm in winter. This was reported to be the case for 8.9 percent of one-person households and 8.8 percent of households of couples with three or more dependent children.

³ Note: Within the Household Economic Survey, respondents are asked two question relating to the warmth and dryness of their home:

- Does your accommodation, have no problem, a minor problem or a major problem with dampness or mould?
- Does your accommodation, have no problem, a minor problem or a major problem with heating and/or keeping warm in winter?

For the purposes of this report, a “warm, dry home” means that the respondent reported that their accommodation has no problems with dampness or mould, **and** no problems with heating and/or keeping warm in winter. We also present data showing respondents who have reported a major problem with both dampness or mould **and** a major problem with heating and/or keeping warm in winter. We have not presented data on homes where respondents have reported other combinations of problems (eg. minor problems with dampness and major problems with heating). Data on these combinations is available in the data tables at www.data.govt.nz.

5.3 Warm and dry by household income quintile – see Table 3C HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

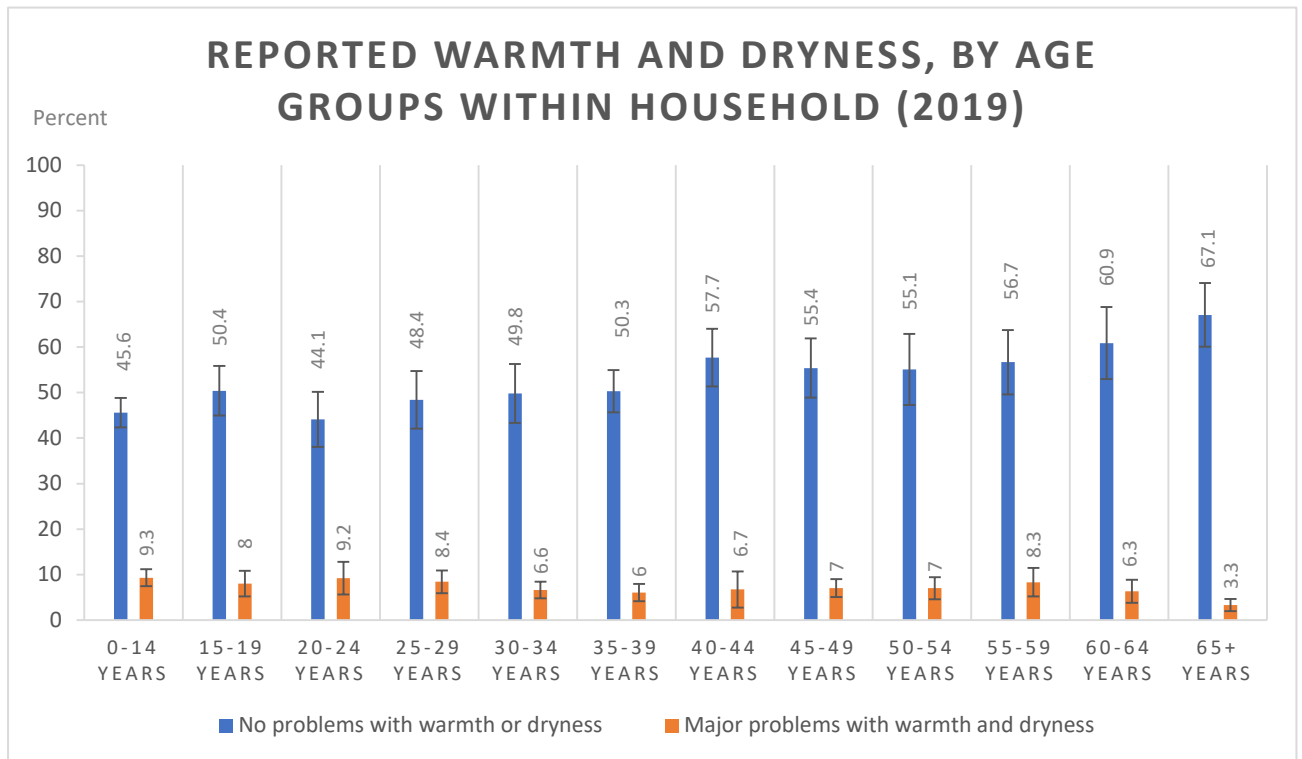


Note: Error bars present 95% confidence limits

- Across all income quintiles, over 40 percent of Māori households reported no problems with warmth or dryness in their home.
- 10.7 percent of Māori households with a household income under \$36,000 reported major problems with both warmth and dryness in their home.
- 3.8 percent of Māori households with a household income of \$150,700 or over reported major problems with both warmth and dryness in their home.

5.4 **Warm and dry by age group** – see Table 3D HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

(Note that there can be multiple age groups within each household)



Note: Error bars present 95% confidence limits

- Across all age groups, over 40 percent of Māori households reported no problems with warmth or dryness in their home.
- Nearly one in ten (9.3 percent) of Māori households including people 0 to 14 years old reported major problems with warmth and dryness.
- Few Māori households (3.3 percent) including people aged 65 and over reported major problems with warmth and dryness.

6. Overall heating affordability

- Most Māori households (87.1 percent) said they were able to afford to keep their home adequately warm. 12.2 percent of Māori households said they were not able to afford to keep their home adequately warm.

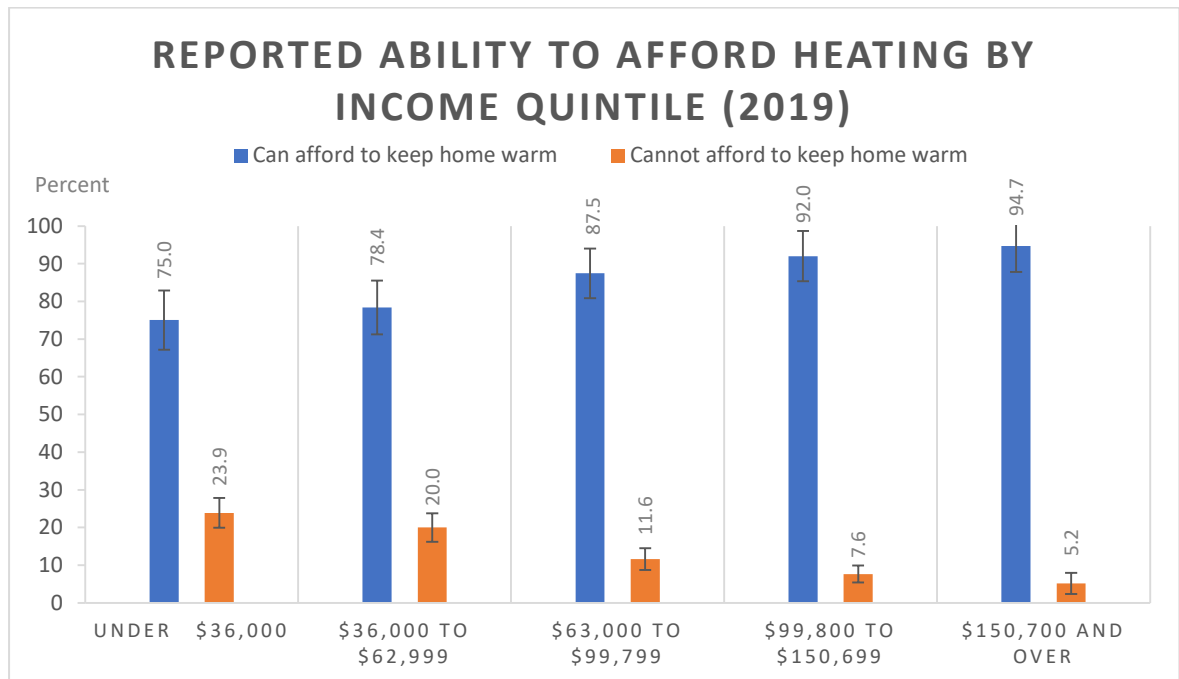
6.1 Heating affordability by tenure – see Table 4A HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Most Māori households (94.2 percent) who were living in owner-occupied dwellings paying a mortgage said that they were able to afford to keep their home adequately warm. This was also the case for 79.9 percent of Māori households paying rent.
- Approximately one in 20 (5.5 percent) Māori households living in owner-occupied dwellings paying a mortgage said that they were not able to afford keep their home adequately warm. This was also the case for 18.8 percent of Māori households paying rent.

6.2 Heating affordability by household composition – see Table 4B HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Māori household types most likely to report that they were able to afford to keep their home adequately warm were couples (94.6 percent) and couples with one (91.3 percent) or two (94.8 percent) dependent children.
- Māori household types most likely to report that they were not able to afford to keep their home adequately warm were single parent households (28.0 percent) and single adult households (22.9 percent).

6.3 Heating affordability by household income quintile⁴ – see Table 4C HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS



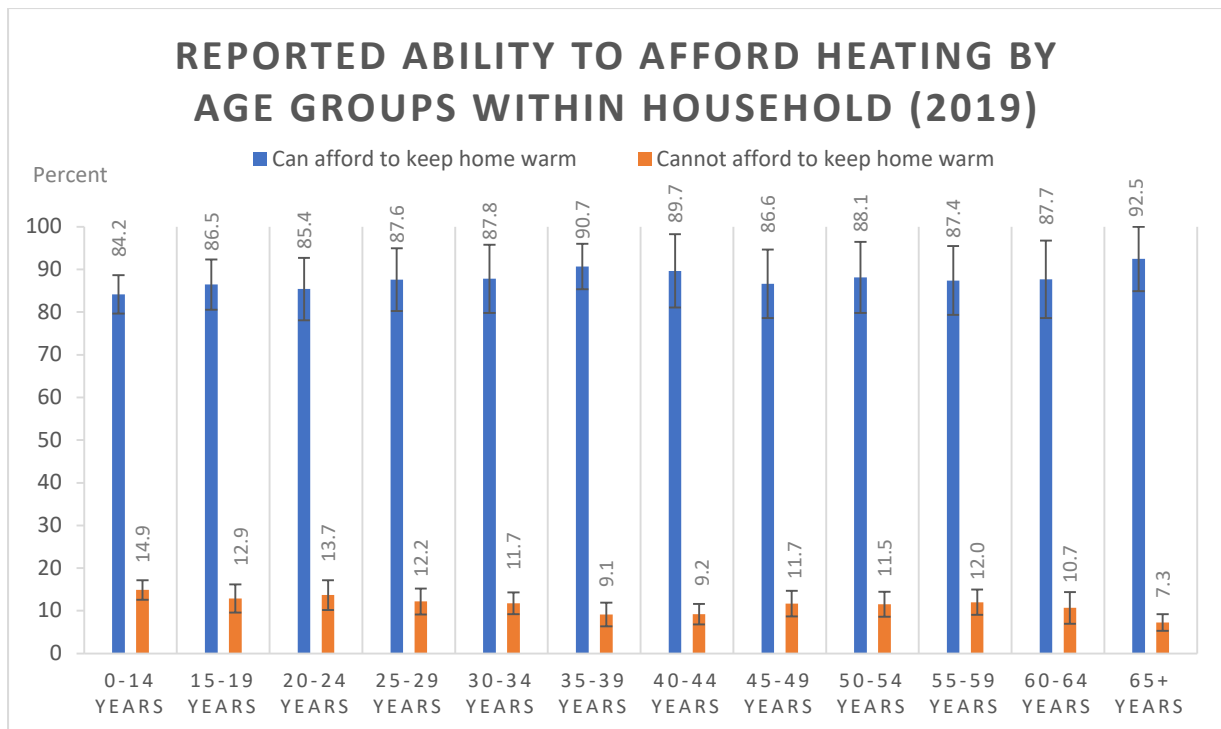
Note. Error bars present 95% confidence limits

- As income increases, so does the ability of Māori households to afford to keep their home warm. Nearly a quarter of Māori households (23.9 percent) in the lowest income quintile reported being not able to afford to keep their home adequately warm.

⁴ Income quintile is based upon gross household income.

6.4 **Heating affordability by age group** – see Table 4d HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

(Note that there can be multiple age groups within each household.)



Note: Error bars present 95% confidence limits

- Respondents in Māori households including people aged 65 years and over were most likely to say that they were able to afford to keep their home adequately warm (92.5 percent).
- Respondents in Māori households including people aged 0 to 14 years were most likely to say that they were not able to afford to keep their home adequately warm (14.9 percent).

7. Overall utilities affordability⁵

- 79.2 percent of Māori households reported being able to pay utility bills on time in the last 12 months.
- 7.7 percent of Māori households reported being unable to pay utility bills once, and 12.6 percent were unable to pay utility bills more than once in the last 12 months due to a shortage of money.

7.1 Utilities affordability by tenure – see Table 5A HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

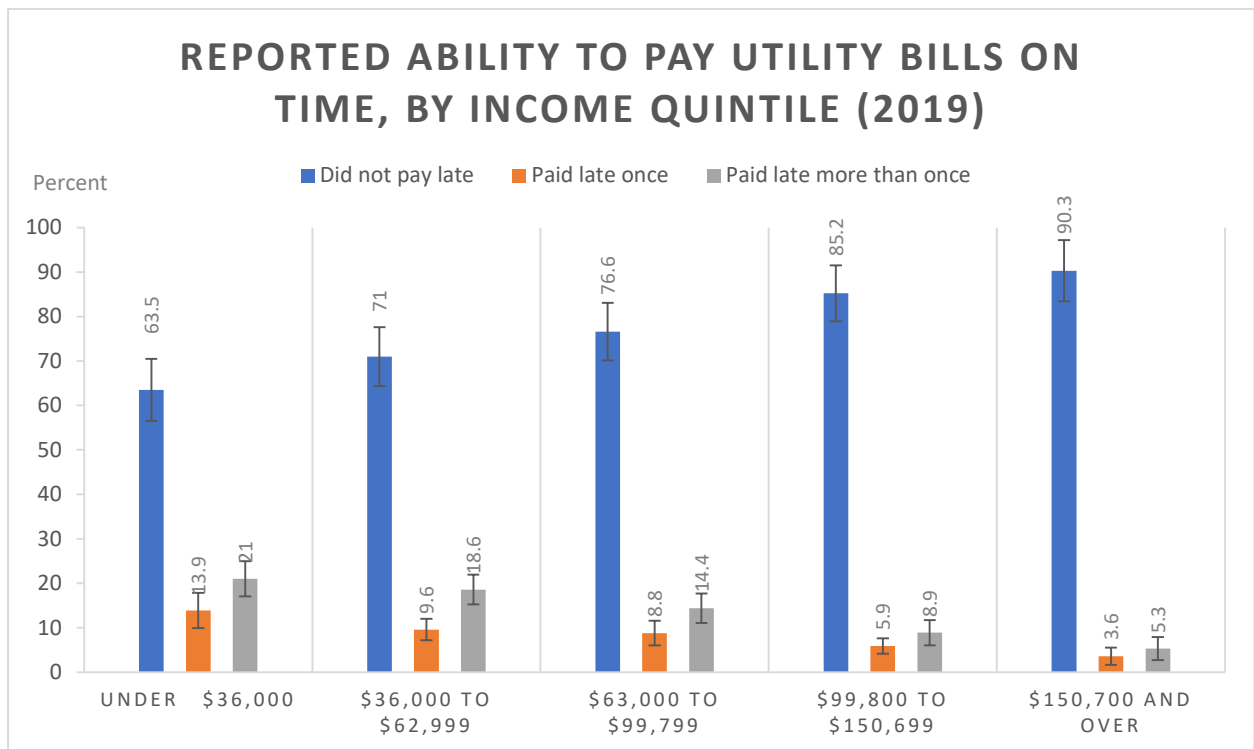
- Nearly one in five (18.6 percent) Māori households paying rent reported not being able to pay utility bills more than once in the last 12 months. This was also the case for 6.4 percent of Māori owner-occupier households who make mortgage payments on their dwelling.
- Most Māori owner-occupier households who make mortgage payments (88.3 percent) on their dwelling did not report paying their bills late due to a shortage of money. Many Māori households paying rent (69.6 percent) also did not report paying their bills late due to a shortage of money.

7.2 Utilities affordability by household composition – see Table 5B HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Many Māori households comprising a couple only (89.4 percent), and comprising a couple with one dependent child (85.3 percent), reported being able to pay utility bills on time in the last 12 months.
- 60.1 percent of Māori households comprising a single parent with dependent children reported being able to pay utility bills on time in the last 12 months, which was the lowest percentage out of all household composition types. These households were most likely to report paying utility bills late in the last 12 months once (14.2 percent) or more than once (25.4 percent) due to a shortage of money.

⁵ “Utility bills” refers to electricity, gas, rates or water bills.

7.3 Utilities affordability by household income quintile – see Table 5C HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

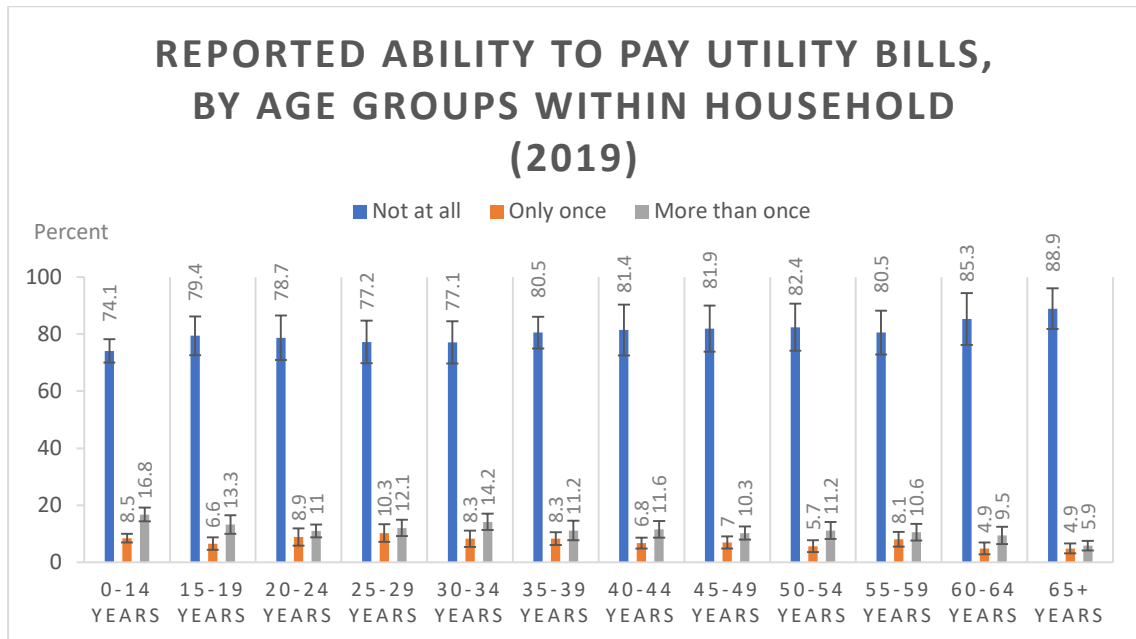


Note: Error bars present 95% confidence limits

- As income levels increase, so does the likelihood of a household to be able to pay utility bills on time in the last 12 months. For Māori households in the highest income quintile of \$150,700 and over, 90.3 percent paid utility bills on time in the last 12 months.
- Around one in five (21.0 percent) Māori households in the lowest income quintile, under \$36,000, reported paying utility bills late more than once in the last 12 months due to a shortage of money.

7.4 **Utilities affordability by age group** – see Table 5D HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

(Note that there can be multiple age groups within each household.)



Note: Error bars present 95% confidence limits

- Respondents in Māori households including people aged 65 and over were most likely (88.9 percent) to report paying utility bills on time in the last 12 months.
- Respondents in Māori households including people aged 25-29 years were most likely (10.3 percent) to report paying utility bills late once in the last 12 months due to a shortage of money.
- One in six respondents (16.8 percent) in Māori households including people aged between 0-14 years reported paying utility bills late more than once in the last 12 months due to a shortage of money.

8. Overall rent or mortgage affordability

- Approximately nine out of ten Māori households (88.9 percent) reported not missing any rent or mortgage payments in the previous 12 months. 4.3 percent reported missing one payment and 6.3 percent reported missing these payments more than once in the 12-month period.

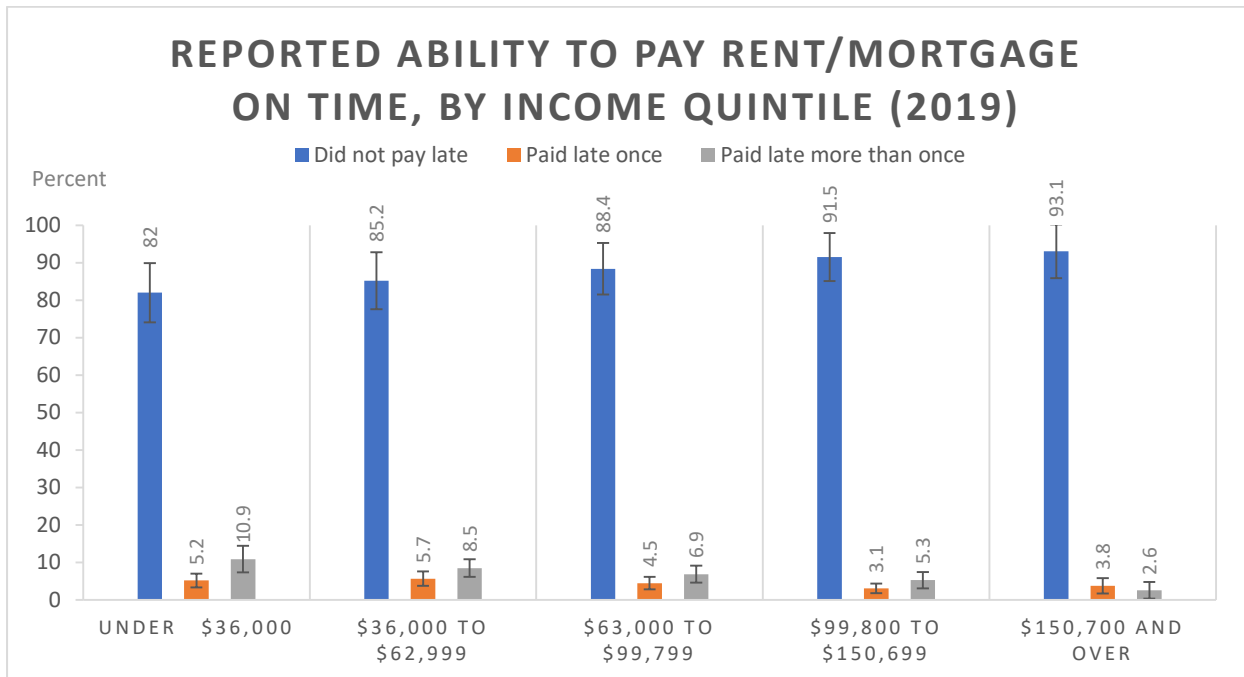
8.1 Rent or mortgage affordability by tenure – see Table 6A HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Of Māori households who make mortgage payments on their dwelling, 94.5 percent reported not missing any payments in the previous 12 months. 82.8 percent of Māori households paying rent also reported not missing any payments in that period.
- 2.7 percent of Māori households currently making mortgage payments reported missing more than one payment in the previous 12 months. 10.0 percent of Māori households paying rent for their home reporting missing more than one payment in the period.

8.2 Rent or mortgage affordability by household composition – see Table 6B HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

- Māori households comprising a couple only, or couples with fewer than three dependent children, were least likely to report missing any mortgage or rent payments.
- Most (84.9 percent) Māori single parent households did not report missing any rent or mortgage payments in the past 12 months, while 9.4 percent reported missing a rent or mortgage payment more than once in the past twelve months.
- Of Māori households comprising a couple with three or more children, 85.2 percent reported missing no payments and 7.1 percent reporting missing more than one payment.

8.3 Rent or mortgage affordability by household income quintile – see Table 6C HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

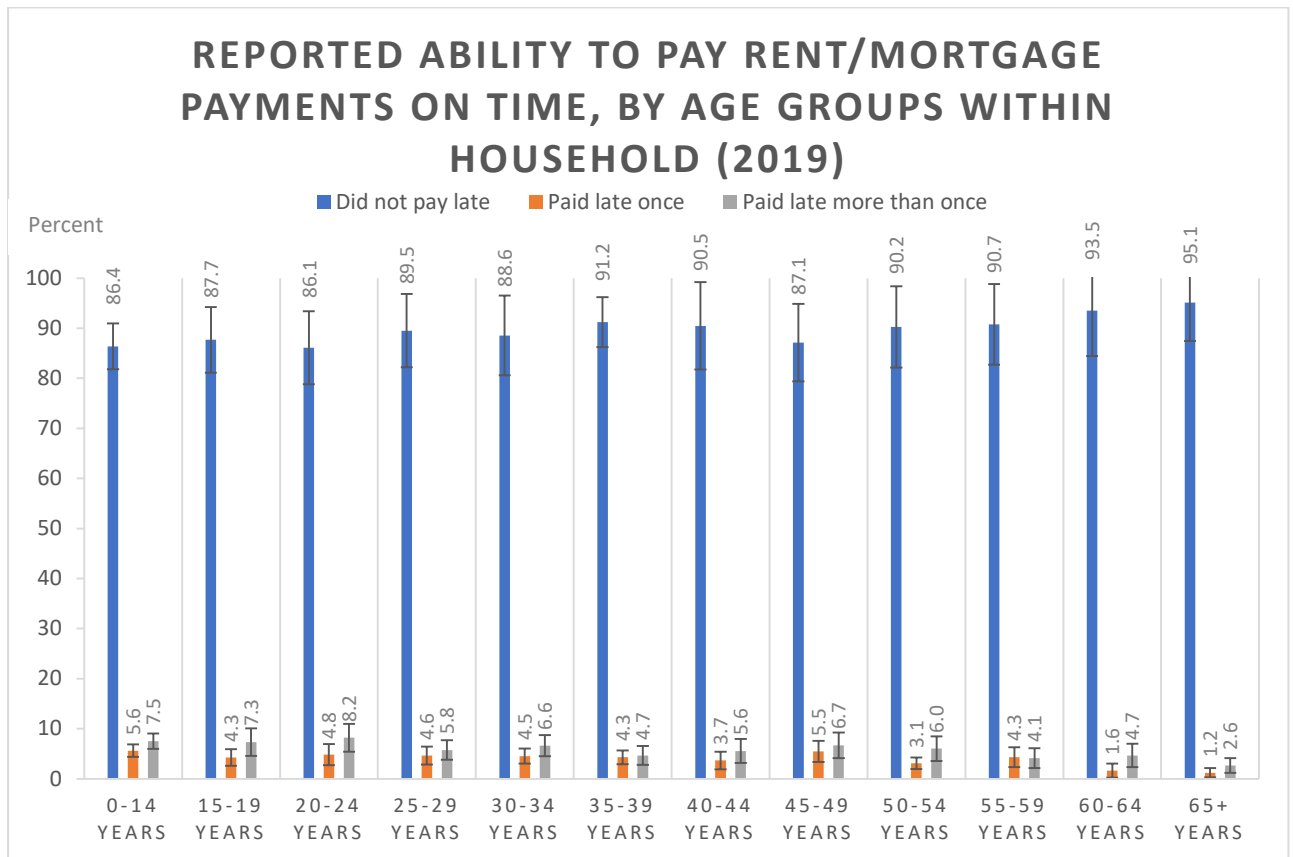


Note: Error bars present 95% confidence limits

- Around one in ten (10.9 percent) Māori households with a household income below \$36,000 (lowest quintile) reported missing rent or mortgage payments more than once in the previous 12 months.
- Only 2.6 percent of Māori households with a household income above \$150,700 (highest quintile) reported missing rent or mortgage payments more than once in the previous 12 months.

8.4 Rent or mortgage affordability by age group - see Table 6D of HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

(Note that there can be multiple age groups within each household.)



Note: Error bars present 95% confidence limits

- Māori households including people aged 20-24 were most likely to report missing more than one rent or mortgage payment in the previous twelve months (8.2 percent). 7.5 percent of Māori households including people aged 0-14 also reported missing more than one rent or mortgage payment in the previous twelve months. There is likely to be considerable overlap between these two groups, (ie. households with children under 14 may also include adults aged from 20-24).
- Māori households including people aged over 65 were the least likely to have missed any payments.
- All Māori households, except for households including people aged 55-59, were more likely to have missed more than one payment, than to have just missed one payment.

Appendix One – List of tables available through data.govt.nz***Economic Wellbeing tables - HUD-HES1819-HOUSING-COSTS***⁶

<https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-economic-wellbeing-including-maori-households>

Table1_Housing costs to household disposable income ratios, by region,

Table2_Housing costs to household disposable income ratios, by detailed region

Table3_Housing costs to household disposable income ratios, by household tenure

Table4_Housing costs to household disposable income ratios, by household composition

Table5_Household material standard of living, by household equivalised disposable income decile

Table6_Household material standard of living, by household equivalised disposable income decile

Table7_Household tenure by household composition

Warm and Dry tables - HES-2018-19-WARM-DRY-INCLUDING-MAORI-HOUSEHOLDS

<https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-warm-and-dry-including-maori-households>

Table1a_tenure_DampOrMould

Table1b_hhcomp_DampOrMould

Table1c_hhincome_DampOrMould

Table1d_agegroup_DampOrMould

Table1e_ethnicity_DampOrMould

Table2a_tenure_KeepHouseWarm

Table2b_hhcomp_KeepHouseWarm

Table2c_hhincome_KeepHouseWarm

Table2d_agegroup_KeepHouseWarm

Table2e_ethnicity_KeepHouseWarm

Table3a_tenure_WarmDry

Table3b_hhcomp_WarmDry

Table3c_hhincome_WarmDry

Table3d_agegroup_WarmDry

Table3e_ethnicity_WarmDry

Table4a_tenure_KeepWarm

Table4b_hhcomp_KeepWarm

Table4c_hhincome_KeepWarm

Table4d_agegroup_KeepWarm

Table4e_ethnicity_KeepWarm

Table5a_tenure_Uilities

Table5b_hhcomp_Uilities

Table5c_hhincome_Uilities

Table5d_agegroup_Uilities

Table5e_ethnicity_Uilities

Table6a_tenure_RentMortLate

Table6b_hhcomp_RentMortLate

Table6c_hhincome_RentMortLate

Table6d_agegroup_RentMortLate

Table6e_ethnicityRentMortLate

⁶ Copy of workbook available at: <https://catalogue.data.govt.nz/dataset/household-economic-survey-2018-19-economic-wellbeing-including-maori-households>