

FOR IMMEDIATE RELEASE

20 May 2021

## **Major challenges in housing left unanswered**

“This is a big spending, big promising Budget that will leave many of the housing, infrastructure and climate resilience challenges left untouched, Property Council New Zealand Chief Executive Leonie Freeman says.

“There is no doubt the Government has invested heavily in this Budget. However, for many of the core issues around housing supply, climate resilience and delivering infrastructure at pace, the Budget doesn’t offer any new, alternative options.

“It’s encouraging to see the Government engaging with the community and investing \$733m in Māori housing, and our members are supportive of any initiative that increases and improves New Zealand’s housing stock. However, it would have been good to see further investment in alternative housing initiatives to help fuel our housing supply”, says Freeman.

“There is no mention of initiatives like Build-to-Rent in the Budget. At a time where all options should be on the table, Build-to-Rent offers the Government a unique opportunity to support longer term options for New Zealanders.

“Equally, support for local authorities and businesses to implement planning law reforms is critical to their success. Councils need the tools and resources to ensure the changes have a favourable outcome and remove any barriers that might exist.

“Much of the detail around the Housing Accelerator Fund is still left out, so it is hard to know how much of a difference this will make to supply. Along with significant workforce constraints, it is not clear how effective this will be in the long term in increasing supply.

“We are skeptical about the bold assumptions made regarding house price inflation. There is no clear evidence that interest deductibility and bright-line changes will lead to such a dramatic reduction in house price inflation – especially since many of the details around these policy changes are yet to be finalised or announced.

“While the additional support for the Government to roll out its plan for a carbon neutral public sector by 2025 is welcomed, there is no support for the private sector to change and adapt at the same pace. If the Government expects the private sector to reduce emissions in the built environment, they need to come to the table to support the private sector to do so. Climate change mitigation has to be a partnership.

“The Prime Minister says this Budget will set New Zealand up to ‘recover from COVID-19 and be stronger than when we entered the pandemic’. We hope that will include all the tools that are on offer that will mean New Zealand grows back stronger than before.”

**ENDS**

For more information or comment please contact:

**Kelly Taylor** | Head of Communications | 021 5757 02 | [kelly@propertynz.co.nz](mailto:kelly@propertynz.co.nz)

## NOTES TO THE EDITOR

### **About Property Council New Zealand**

Property Council New Zealand is the leading advocate for New Zealand's most significant industry - property.

A not-for-profit organisation, the Property Council connects more than 15,000 property professionals, championing the interests of over 600 member companies who have a collective \$50 billion investment in New Zealand property.

Our membership is broad and includes some of the largest commercial and residential property owners and developers in New Zealand. The property industry comes together at our 80+ Property Council events, which offer professional development, exceptional networking and access to industry-leading research.

Property Council acts as a collective voice, giving our members a seat at the table with policy makers, ensuring they make informed decisions that benefit our industry whilst enabling a strong economy and thriving communities.

[www.propertynz.co.nz](http://www.propertynz.co.nz)