



Hon Megan Woods
Minister of Housing

PRESS RELEASE
14 May 2020

8,000 more public houses to be delivered

The Government will deliver an extra 8,000 new public and transitional homes through Budget 2020, in a move that will stimulate the residential construction sector, create jobs and reduce the housing shortage.

The additional housing places will be delivered by Kāinga Ora, Community Housing Providers and transitional housing providers. Kāinga Ora will finance its proportion of the additional 8000 places by increasing its borrowing over the next 4-5 years, anticipated to be approximately \$5 billion. Budget 2020 delivers \$570m of Income Related Rent Subsidy funding to support this build programme.

This investment is in addition to the 6,400 public housing homes currently being built, in the pipeline or otherwise delivered, and the 1,000 transitional homes announced in February as part of the Homelessness Action Plan. We are also providing \$100m of income related rent subsidy funding to deliver 1,650 extra places ahead of schedule over the last two and a half years.

The extra 8,000 homes announced today will be split between approximately 6,000 public housing homes and 2,000 transitional homes.

“As we have faced down COVID-19 in various degrees of lockdown, our homes have been our biggest protection. The security that decent housing gives us cannot be overestimated and we are determined to turn the tide on New Zealand’s housing issues,” Megan Woods said.

“It is a top priority of this Government to ensure New Zealanders have safe, warm housing and this latest commitment adds to our record public housing build programme. We are delivering more public housing than any other Government has in decades.”

“This takes the number of public and transitional houses funded by this Government to approximately 17,000 and represents the largest public housing building programme in recent decades.

This multi-year investment sends a strong signal to the construction sector so it can plan with certainty to secure investment, retain staff and further enhance the skills of its workforce. The economic impact of more than \$5 billion of construction activity will be significant.

“Our Government’s commitment to protecting New Zealand’s most vulnerable people is demonstrated in the \$300 million Homelessness Action Plan announced in February, and our speedy response to ensure rough sleepers were kept safe from the potential spread of COVID-19.

“Together with the help of community, iwi and council providers we urgently provided over 1,000 vulnerable people with a place to stay in motels. We recently committed \$106 million to ensure people can stay housed until long-term housing supply is available.

“Building, and providing more warm, dry and secure housing will go a long way to creating a better, fairer society for all of our people as well as helping to rebuild our economy,” Megan Woods said.

Media contact: Liz Banas 021 805 845