

Security of Tenure Improves but Gap Remains

Security of tenure is one of the key elements to the right to a decent home. It is about people's ability to access a stable home, where they can put down roots, and be able to choose if and when they move, whether they own their home or not.

The [Right to a Decent Home Guidelines](#) define tenure security as the guarantee of legal protection to stay in a home, including:

due process in relation to eviction, discrimination, harassment and other unfair treatment. Tenure, which has a cultural dimension, takes a variety of forms, including Māori systems of land tenure, owner-occupation, rental (public and private), individual and collective, cooperative housing, social housing and emergency housing. It should take account of the interests of children, at-risk adults, all family types, and people of all abilities, stages of life and cultures. Tenure places obligations on all parties, including tenants who have a responsibility to treat with respect other occupiers, landlords, neighbours and their community.

Evidence shows that in New Zealand, renters have significantly lower security of tenure than owner-occupiers. Renters are much more likely to move frequently and much less likely to have lived in their home for 5 or more years.

Without security of tenure, renters can be forced to move and may have little choice in the timing of that move. They may also be less likely to complain about the state of their housing for fear of eviction. Although the government has introduced standards around rental housing, the Healthy Housing Standards generally rely on education and compliance, and enforcement often requires a tenant being prepared to complain to the Tenancy Tribunal (see [housing habitability](#)). Tenants may be reluctant to do so if they are concerned about endangering their tenancy. Insecure housing tenure and poor-quality housing can go hand-in-hand, and are significant barriers to the realisation of the right to a decent home.

Tenure insecurity can affect the sense of control a household has over its housing and erode the certainty they have about future housing circumstances. For renters, tenure security refers to the “tenant's right to remain in their dwelling providing certain conditions are met” (James & Saville-Smith, quoted in Stats NZ, 2020). People who are unable to access secure housing may end up homeless.

Human rights obligations require each dimension of the right to improve over time. The tenure security dimension of the right to a decent home means that people should become more secure in their housing regardless of whether they rent or own their home. It means they should be able to choose when and if they want to move rather than be forced to move.

New Zealand renters have had very little security of tenure

New Zealand has been considered to have a very lightly regulated rental market (B James, N Saville-Smith, 2016) with minimal tenure security for renters and few opportunities for long-term tenancies. The exception has been for people renting social housing provided by local or central government, community housing providers, or Iwi, hapū or Māori land trust. However, changes made from the early 1990s to the 2010s, such as the Social Housing Reform Act in 2013, brought in reviewable tenancies to Housing New Zealand (now Kāinga Ora), ending the era of a state home for life.

Indicators around tenure security show renters are more likely to move frequently

The information that we have around tenure security predates the Residential Tenancy Amendment Act 2020. We expect to update these indicators after the 2023 Census of Population and Dwellings, the 2023 Disability Survey, and the 2024 General Social Survey.

Tenure security can be measured directly – by asking people if they have been forced to move – and indirectly by comparing mobility between owners and renters and evaluating whether mobility has changed over time.

Figure 1 shows the proportion of renters who had moved in a five-year period because their tenancy had been ended by the landlord – this is considered a forced move. In the 2018/19 General Social Survey, 18 percent of movers whose last home was a rental gave tenancy being ended by the landlord as a main reason for moving. People with Asian ethnicity were significantly less likely to cite this as their main reason for moving than people with Māori, Pacific or European ethnicities. Although the differences for Māori are not statistically significant, research has shown that Māori have experienced unaffordable and poor-quality housing, and institutional racism in the rental market (F Cram & M Munro, 2020).

Figure 1

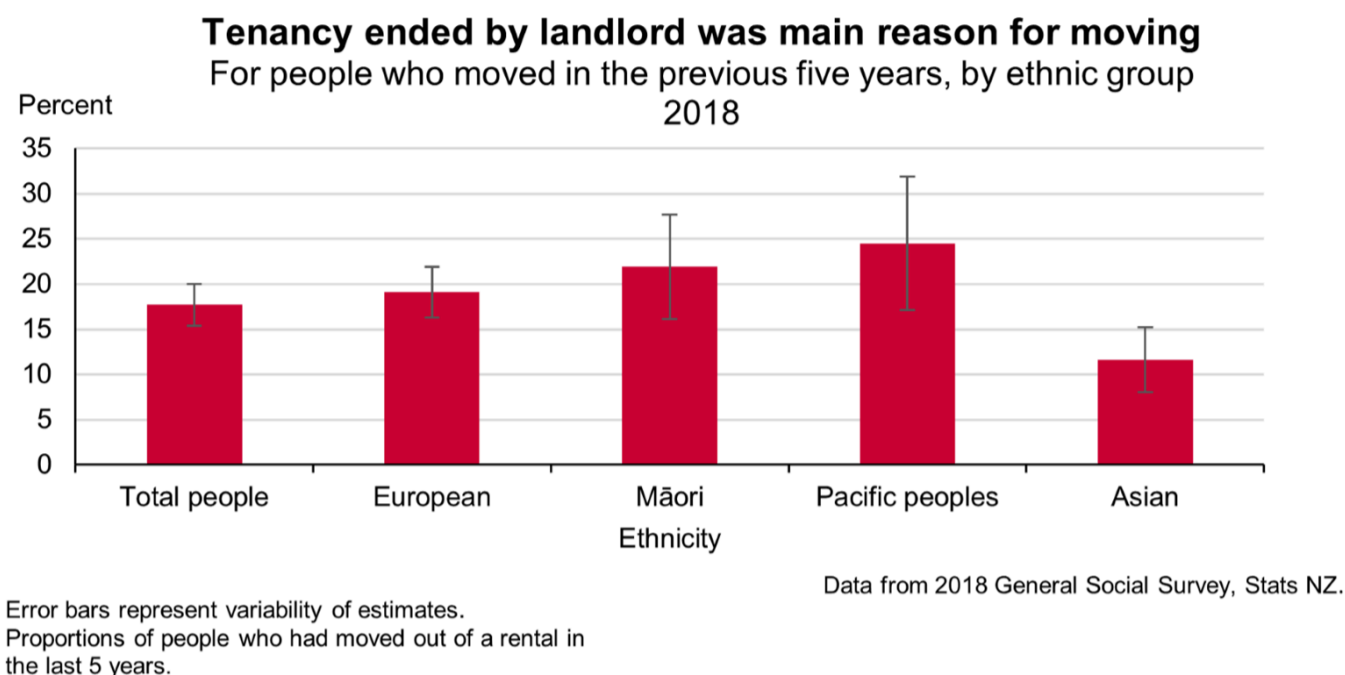
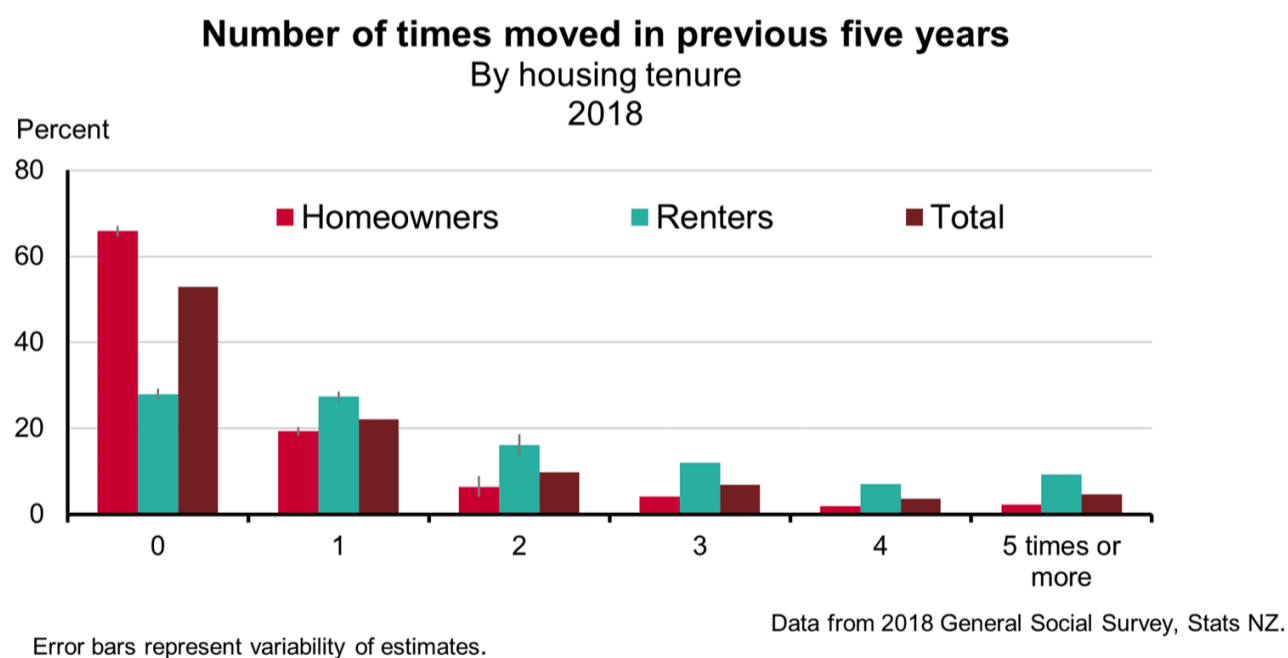


Figure 2 shows the frequency of moves in the last five years for owner-occupiers, people who didn't live in an owner-occupied house (here referred to as renters1), and the total population. We see that two-thirds of owner-occupiers hadn't moved in the last five years, compared with less than a third of renters. Almost 1 in 10 renters (9.3 percent) had moved five or more times in the last five years until 2018.

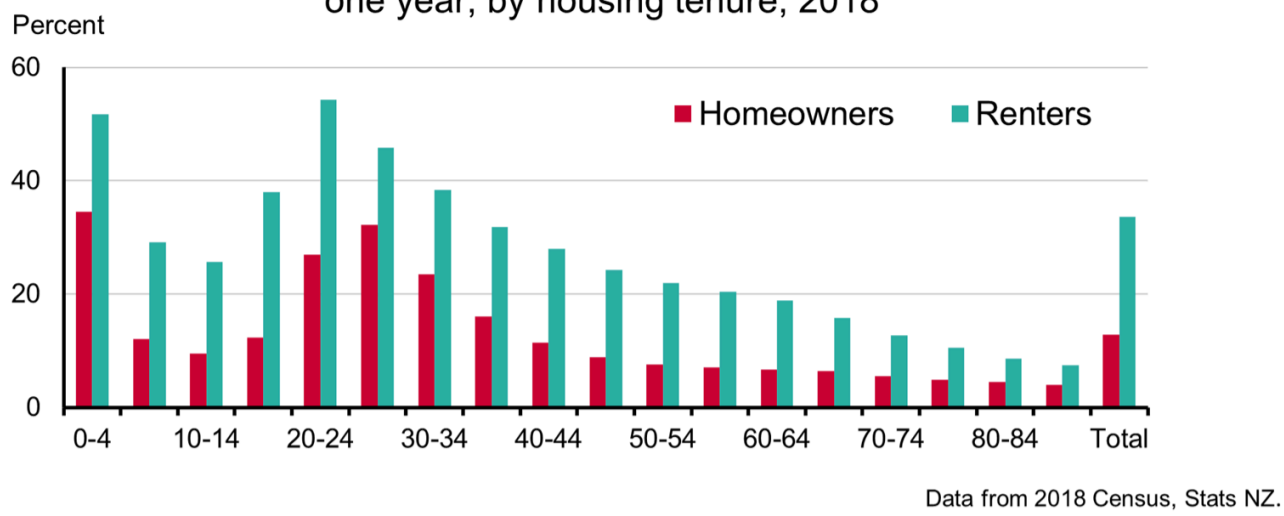
Figure 2



Research shows that frequent moves are detrimental to health and well-being (Howden-Chapman & Wilson, 1999). And people of all ages live in rental accommodation – not just younger people. Data from the 2018 Census of Population and Dwellings shows that regardless of age, people who lived in rental housing were more likely to have lived at their current home for less than a year.

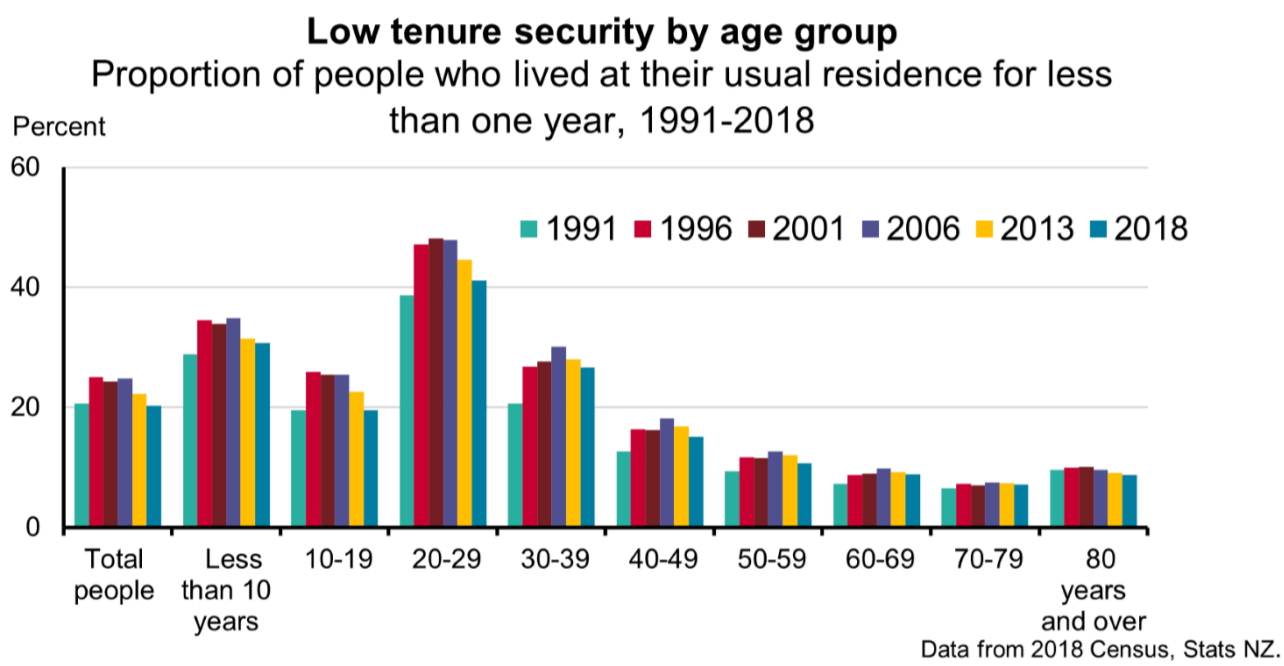
Figure 3

Low tenure security for homeowners and renters by age group
 Proportion of people who lived at their usual residence for less than one year, by housing tenure, 2018



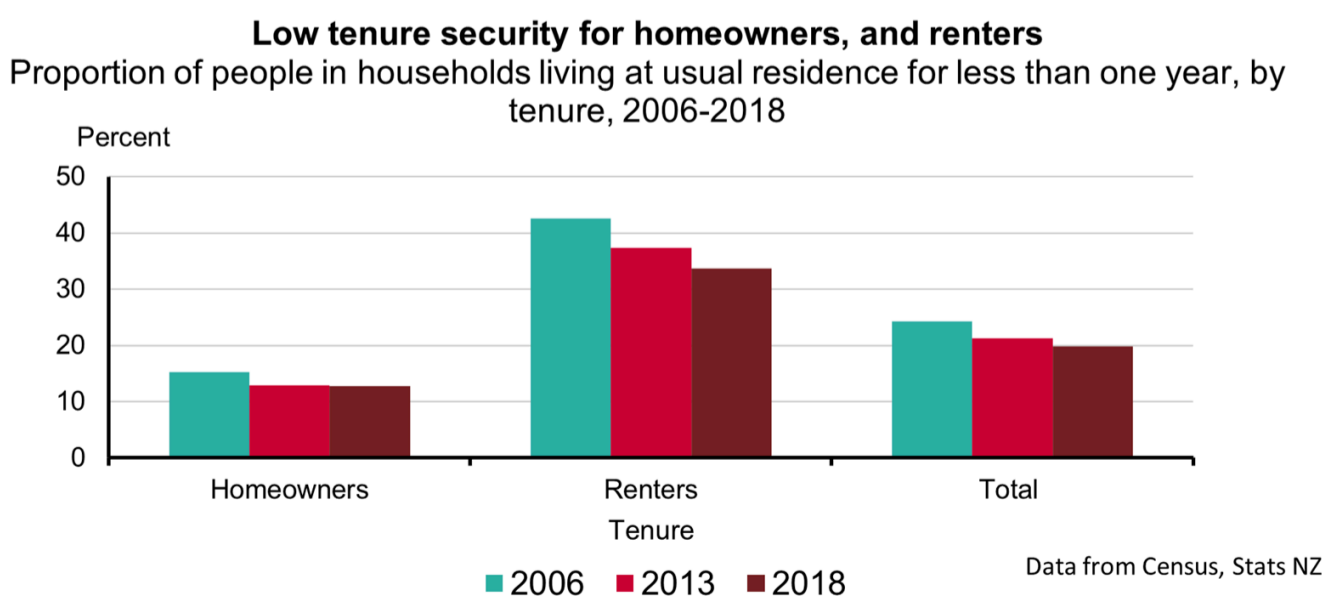
For the total population, the proportion of people who had lived in their home for less than a year increased between 1991 and 2001. However, by 2018, it had declined again to be very similar to 1991 levels. For people aged less than 40, this indicator of tenure security worsened in the 1990s, before improving from 2013 onwards. However, 20–29-year-olds and 30–39-year-olds in 2018 were more likely to have lived in their home for less than a year in 2018 compared with their counterparts in 1991.

Figure 4



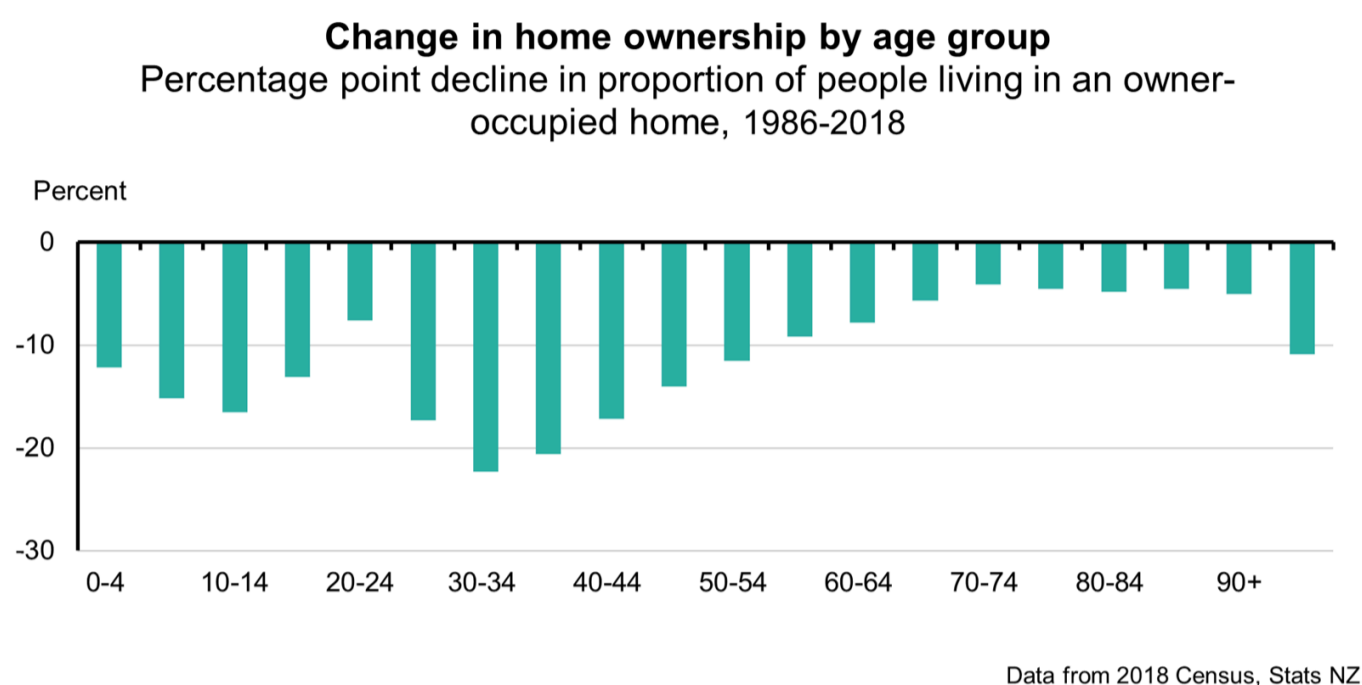
Between 2006 and 2018 the proportion of people living in their home for less than a year decreased for renters from 42.5 percent in 2006 to 33.7 percent. Owner-occupiers still have higher tenure security, but this gap has narrowed.

Figure 5



While the tenure security gap between renters and owners has narrowed, owners still benefit from better tenure security. Home ownership rates have fallen in recent years, from a peak of 73.8 percent in 1991 to 64.5 percent in 2018 (see [housing affordability](#)). People aged 30-39 were much less likely to be living in an owner-occupied house than in the late 1980s and early 1990s

Figure 6



But things are changing - law changes have improved tenure security

Recent reforms to the Residential Tenancies Act 1986, along with the Healthy Housing Standards, aim to improve life for renters. These law changes are directed at reducing the frequency of rent increases, improving tenure security, and improving the habitability of rental homes.

From 11 February 2021, landlords are not able to end a tenancy without grounds, which may improve tenure security for renters further. Other notice periods and conditions have also changed, including longer notice periods if an owner is moving into the property or it is being sold. Fixed-term tenancy agreements also now automatically convert to periodic agreements at the end of the tenancy, unless the landlord gives notice according to one of the grounds listed in the Act or the tenant gives notice.

These changes to the law give tenants more protection against no-cause tenancy terminations and short notice periods. But there are still a variety of reasons that a landlord can end a tenancy and there are few restrictions on the amount that rent can increase by so long as it falls within 'market rent' in that area. This means landlords could use rent increases to indirectly encourage a tenant out. The [Human Rights Commission has called](#) for a temporary rent increase freeze to provide an extra level of protection for tenants because of the cost-of-living crisis caused by rising inflation.

Recently the government has also proposed offering tax concessions to landlords with build-to-rent properties (defined as at least 20 dwellings on single or adjoining pieces of land), (Beehive press release August 2022). Landlords only receive the tax concessions if they offer tenants the option of a 10-year tenancy carrying a 56-day notice period, and they will need to offer more flexibility for tenants to personalise their property or have pets. This type of rental tenancy should reduce tenure insecurity and promote the idea of renting as a stable long-term living situation.

New legislation around tenure security shows an **improvement** towards the goal of progressive realisation for this dimension of the right to a decent home.

Has progressive realisation been met for this dimension?

We have seen an improvement in legislation around tenure security, which hopefully will translate into people's lived experience of rental housing. However, these tenancy changes are still being implemented and we lack recent enough data to measure any improvement. Falling home ownership rates make it imperative that improving laws around rental housing will make it as safe, healthy and secure an option as living in an owner-

occupied house. The one measure we can track – the proportion of people living in their home for less than one year – has improved, and the gap between owner-occupiers and non-occupiers has narrowed. Mobility is an indirect measure of indirect tenure security.

We note the progress indicated by mobility data, and welcome the legislative changes to strengthen tenure security for renters. New data will help to measure the success of these changes. The improvements in mobility data, and the legislative changes, indicate that progressive realisation is being achieved for security of tenure. However, progressive realisation is a continual obligation on the government and more can be done to improve security of tenure for renters. We encourage the government to improve the rental system so that it offers renters with stable long-term decent housing.

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Information around tenancy law

<https://www.tenancy.govt.nz/law-changes/phase-2/>

<https://www.consumerprotection.govt.nz/news-and-media/recent-changes-to-tenancy-law/>



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