



# RESEARCH BRIEF

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## **“Landlords wouldn’t give my application a second look.” Discrimination exacerbates inequalities in access to private rental housing**

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### **Key insights**

This report and the key insights are based on findings from a housing survey that was conducted with 800 residents in neighbourhoods in Auckland, Hamilton and Christchurch.

- Perceptions of unfairness in Aotearoa’s housing sector are widespread. Renters, Māori, younger people and low-income groups as well as residents in neighbourhoods with high levels of housing deprivation are most likely to think that people are treated unfairly when trying to rent or buy a home in Aotearoa.
- Nearly one in three respondents reported having experienced discrimination when trying to rent or buy a home in Aotearoa. Renters, Māori, younger people and low-income groups as well as residents in neighbourhoods with high levels of housing deprivation are most likely to report experiences of discrimination.
- Advantage and disadvantage in securing a home are determined by a combination of interlocking factors, including income and employment status, age, family status, and race/ethnicity or skin colour. These patterns suggest widespread experiences of potentially unlawful housing discrimination.
- People strategically try to avoid and mitigate discrimination. Expectations of being discriminated against and of being advantaged influence where and how home seekers search for housing. This finding signals that experiences of rejection play a role in constraining people’s housing choices.
- The survey findings suggest that discrimination, as part of tenant selection, contributes to housing precarity and inequalities in access to rental housing. Therefore, this research points to an urgent need to address housing discrimination, especially in the context of high levels of residential mobility among renters and intense competition for rental properties.

## Introduction: Why study housing discrimination in Aotearoa?

In Aotearoa, inequalities in people's housing outcomes are well-documented. For instance, we know that private sector renters, especially whānau Māori and aiga Pasifika are more likely to live in poor-quality housing and in overcrowded conditions and to spend increasingly large shares of their incomes on housing costs (Brown & Norris, 2023; Stats NZ, 2020).

We also know that renters move frequently. In part, this residential mobility is the result of poor legislative protection of renters' security of tenure. It is thus critical to understand people's experiences of searching for and securing a home. This is even more urgent amid a critical shortage of affordable housing for both buyers and renters because "accessing suitable housing has become a much bigger struggle for some people than others" (Royal Society Te Apārangi, 2021, p. 6) – leading to greater inequalities.

International research has consistently demonstrated that discrimination shapes people's access to housing (Auspurg et al., 2019; Flage, 2018). Housing discrimination exists when applicants are granted or denied a tenancy based on protected categories, such as race and ethnicity, age, or family and employment status (Tenancy Services, 2024). While much research has focused on ethnic discrimination, it has also highlighted that often several categories intersect in discrimination (Faber, 2022; Wolifson et al., 2023). While we commonly associate discrimination with disadvantage, it also manifests as advantage because "discrimination often occurs as differential favouring" of the majority or in-group (Ghekiere et al., 2023, p. 15). Researchers have shown that discrimination can take different forms (see, for instance Ghekiere et al., 2023). Statistical discrimination, for instance, takes place when landlords and property managers make presumptions about someone in the absence of sufficient information. In short, they stereotype. Gatekeepers to housing may also exercise customer and client taste-based discrimination. For instance, they may assume that neighbouring residents prefer to live with co-ethnic residents, or property managers may act on behalf of landlords who express discriminatory preferences.

Compared to this substantial international body of dedicated housing discrimination research, what

we know about housing discrimination in Aotearoa is limited to insights from broader social surveys, as well as anecdotal evidence and the New Zealand Human Rights Commission's complaints statistics (Farha, 2020, p. 9–10). For instance, the New Zealand General Social Survey (2016) has shown that 3% of respondents had experienced discrimination when "trying to rent housing" in the 12 months prior to the survey. According to the New Zealand Health Survey, which asked respondents whether they had "ever been treated unfairly when renting or buying housing *because of [their] ethnicity in New Zealand*", close to 9% of Māori, 6% of Pasifika and 5% of Asian respondents reported such experiences (Ministry of Health, 2023, p. 11). Finally, in a recent study of tenants' experiences of the private rental sector, 29% of renters reported experiences of having been "unfairly turned down by a landlord" (Witten et al., 2022, p. 6).

As part of the WERO research programme, we examined discrimination in relation to people's housing experiences, outcomes, journeys, and aspirations through a bespoke housing survey with residents in neighbourhoods in three New Zealand cities and in interviews with property managers and housing providers. This research brief presents key survey findings which signal that discrimination and racism contribute to housing precarity and inequalities. The findings suggest a need to address discrimination in the housing market to counter housing precarity, especially for renters.

## Study design

This study was conducted with a housing survey, which was designed to capture insights into people's housing outcomes and experiences, their past residential trajectories and experiences of securing a home – including experiences of discrimination – and their housing aspirations and plans. The survey was open to residents of seven neighbourhoods across three cities: Devonport, New Lynn and Māngere in Tāmaki Makaurau Auckland; Rototuna and Fairfield in Kiriikiriroa Hamilton; and Fendalton and Aranui in Ōtautahi Christchurch. These neighbourhoods were selected based on housing deprivation statistics and include neighbourhoods that have high and low levels of housing deprivation in each city.

A total of 800 responses were included in the analysis. In brief<sup>1</sup>, the sample included:

- Tenure: 42% renters ( $n = 336$ ) and 58% owner-occupiers ( $n = 464$ )
  - Of all renters, 32% were public housing tenants and 65% rented in the private sector. A further 3% did not know who their landlord was. Of all owner-occupiers, 52% were paying a mortgage and 48% were mortgage-free.
- Age: 29% of respondents were between the ages of 18-44; 34% between the ages of 45-64; 21% were aged 65 or older. 17% chose not to indicate their age.
- Annual household income: 24% of respondents earned up to \$70,000; 20% between \$70,001 and \$150,000; and 23% had an annual household income of \$150,001 or more. 33% of respondents chose not to disclose their household income.
- Ethnicity: 60% of respondents were European, 17% Māori, 8% Pacific Peoples, 3% Asian, 1% MELAA; 2% Other. 17% chose not to indicate their ethnicity. Respondents were able to identify with multiple ethnicities and totals add up to more than 100%.

In this brief, we show combined data for European/Other as most 'Other' responses were New Zealander responses and for Asian/MELAA due to low response numbers.

The findings presented in this research brief are based on descriptive analysis of quantitative data and thematic analysis of responses to open-ended questions.

## Key findings

### Perceptions of unfairness and experiences of discrimination in Aotearoa's housing sector are widespread

The survey revealed a pronounced sense of unfairness in the housing market. Only 11% of all respondents ( $n = 800$ ) thought that people were treated very fairly when trying to rent or buy a home in Aotearoa, while more than one in five respondents (22%) thought home seekers were treated very unfairly (see Figure 1 in the next section).

Corresponding with this perception of unfairness are common experiences of discrimination. Of all those who responded to a question about their experiences when trying to rent or buy a home in Aotearoa ( $n = 672$ ), nearly one in three (32%) reported having experienced discrimination.

As outlined in the following sections, both perceptions of unfairness and experiences of discrimination were unevenly distributed, with marked differences by form of tenure, as well as ethnicity, age, income and location.

### Unfairness and discrimination are most pronounced in the private rental sector

As shown in the graph below, renters were much more likely than owner-occupiers to perceive the housing sector as unfair.

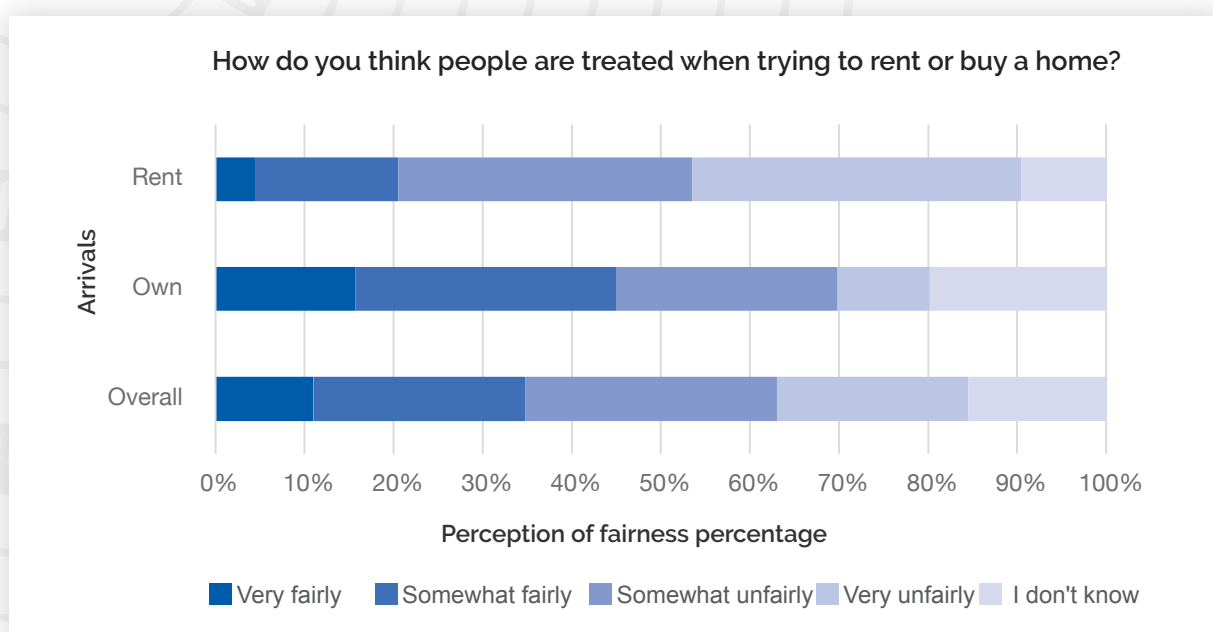


Figure 1: Perceptions of fairness when trying to rent or buy a home.

1 A more detailed overview of the sample, including a discussion of data quality will be available in a forthcoming research report.

Renters were also more than twice as likely as owner-occupiers to have experienced discrimination: close to half of all renters (46%) reported experiences of discrimination, compared to 21% of owner-occupiers.

Two further findings suggest that the private rental sector is the foremost site of experiences of discrimination. For one, those respondents who had experienced discrimination most commonly identified real estate agents/property managers (77%) and homeowners/private landlords (56%) as responsible for discrimination. Secondly, when asked for examples of experiencing discrimination, owner-occupiers and renters alike mostly shared stories about securing private rentals at some time in their lives. A much smaller number of responses relayed experiences of discrimination in the process of buying a home.

### **Māori, younger, and low-income respondents most likely to experience discrimination**

The data reveals notable differences in reported experiences of discrimination for respondents from different ethnic groups, age groups, and income bands:

- More than half of all Māori respondents (54%) reported experiences of discrimination, as did 41% of Asian/MELAA and 37% of Pasifika respondents. Respondents identifying as European/Other were least likely to report having experienced discrimination at 24%.
- While 42% of those between the ages of 18 and 44 reported having experienced discrimination, only 12% of those over 65 years old did so.
- With increasing income, experiences of discrimination were less common. For example, 45% of respondents with a personal annual income below \$30,000 reported experiences of discrimination, compared to 13% of those earning more than \$100,000 a year.

### **Discrimination is associated with location**

This study also revealed prominent discrepancies in experiences of discrimination between respondents from different neighbourhoods. As shown below, respondents who live in low-deprivation neighbourhoods, such as Fendalton (Christchurch) and Devonport (Auckland) were much less likely to have experienced discrimination than respondents who live in neighbourhoods that

rank high in deprivation statistics. For instance, more than half of all respondents (54%) from Aranui (Christchurch) reported having experienced discrimination compared to 13% of Fendalton respondents. The percentage of respondents who reported experiences of discrimination in each neighbourhood were as follows:

<b>Auckland:</b>	<b>Hamilton:</b>	<b>Christchurch:</b>
• Devonport: 19%	• Rototuna: 26%	• Fendalton: 13%
• New Lynn: 41%	• Fairfield: 41%	• Aranui: 54%
• Māngere: 40%		

### **Unfairness and discrimination are intersectional, but racism looms large**

The housing survey demonstrates that unfairness and discrimination are intersectional, meaning that several factors combine to create disadvantage for home seekers. Notably, the survey findings also demonstrate that racism is a common experience.

When asked on what basis home seekers were being treated unfairly ( $n=548$ ), income was the most commonly chosen response option (70%). Notably, almost as many respondents (69%) thought that race and ethnicity played a role in unfair treatment. These factors were followed by employment status (67%), age (63%), and family status (61%). More than half of all respondents thought that home seekers were treated unfairly based on their credit history (58%), skin colour (57%), and dress or appearance (55%).

When asked on what basis they had been discriminated against,

- half of all respondents to this question ( $n = 210$ ) identified income (50%),
- followed by roughly 40% each selecting family status (42%), employment status (39%), age (39%), and race and ethnicity (38%), and
- approximately 30% selecting credit history (33%), dress or appearance (29%), and skin colour (27%).

Respondents were asked to indicate any number of reasons for experiencing discrimination, and 81% of all respondents indicated more than one factor. The majority of respondents (63%) indicated between two and five factors. The complex intersections between multiple factors in shaping home seekers' chances of securing a property

are also evident in respondents' examples of experiences of discrimination, such as the ones below:

*When I was a single mother, landlords wouldn't give my application a second look. Also being a person of brown skin color, I find that I get rejected more often than if my partner who is European applies on our behalf.*

*Several real estate agencies I visited didn't even allow me to apply for a rental when I enquired. I was asked a few questions, which I answered and was told simply, 'we have no vacancies.' I'm Māori, a single parent and was (at the time) receiving a winz benefit.*

### **Anticipation of discrimination shapes where and how people search for homes**

The survey revealed that an expectation of experiencing discrimination shaped the housing search of nearly a quarter (24%) of all respondents ( $n = 751$ ).

This finding is significant because it highlights the effects of subjective perceptions and experiences of discrimination on home seekers' search behaviours. Examples from respondents show that securing a home required various strategies to mitigate discrimination. Some respondents obscured their ethnicity by changing their names or by sending European or lighter-skinned relatives to property viewings. Others felt forced to comply with expectations of landlords' or property managers' ideal notions of tenants by preparing CVs and dressing professionally.

*Our whānau is multicultural. I would purposely take on the role of finding a rental myself as I am Māori but fair skinned. This meant I had a better chance to secure a rental property. When doing this jointly with a partner of Pacific heritage it was very difficult - even at a time when we both worked full time.*

*Discriminated against based on my husband's ethnic name. When applying for the house I currently live in I basically made CV and cover letter to give us more of an advantage thoroughly explaining our situation which did work in my favour.*

*My husband is a lawyer. We learned to use his work email, and send him to viewings in a suit, not send me with the preschool child in tow.*

The survey findings demonstrate, once more, substantial differences between renters and owner-occupiers, between respondents of different ethnicities, between younger and older respondents, low and higher-income respondents, and between residents of different neighbourhoods.

Who had altered their search due to an expectation of being discriminated against?

- 42% of renters, compared to 12% of owner-occupiers;
- 49% of Māori respondents and 37% of Pasifika respondents, compared to 19% of Asian/MELAA and 17% of European/Other respondents;
- 34% of respondents between the ages of 18 and 44, compared to 9% of those over 65 years of age;
- 35% of respondents in the lowest personal income band (up to \$30,000), compared to 11% in the highest income band (\$100,001 or more),
- Between 33% and 39% of respondents in each of the four neighbourhoods with the highest levels of housing deprivation, compared to between 9% and 16% in the three most affluent neighbourhoods.

### **Taking account of advantage**

While the focus of much existing research is on discrimination as a practice of disadvantaging certain home seekers, it is useful to consider advantage to gain more comprehensive insights into expressions of unfair treatment. We therefore asked survey respondents whether they had ever experienced being advantaged when trying to rent or buy a home in Aotearoa. If they answered yes, respondents were asked on what basis this occurred, and whether an expectation of being advantaged had ever shaped where and how they searched for housing.

Overall, 25% of respondents to this question ( $n = 670$ ) reported having been advantaged when trying to rent or buy a home. Notably, there are no notable differences between renters and owner-occupiers, though renters in the private sector (29%) were more likely to report having been advantaged than public housing tenants (17%).

The differences between ethnic groups are also less pronounced. Respondents identifying as European/ Other were most likely to report having experienced being advantaged (27%), compared to 24% of Māori and 19% of Pasifika respondents. Asian/MELAA respondents were the least likely to report experiences of being advantaged (9%).

Higher income earners and respondents with tertiary education qualifications were more likely to report having been advantaged when trying to rent or buy a home. For instance, 34% of respondents with a personal annual income above \$100,000 reported having been advantaged, compared to 21% of respondents with a personal income of \$30,000 or less.

As with discrimination, advantage is the result of a combination of factors. When asked on what basis they had been advantaged,

- 62% of all respondents ( $n = 162$ ) identified income,
- close to half (48%) identified skin colour and employment status (45%),
- followed by credit history (38%), race and ethnicity (37%), age (35%), dress or appearance (34%), and family status (33%).

Aligning with experiences of discrimination, the examples below illustrate that respondents understand advantage to be determined by a number of interlocking factors:

*Both times when renting with many applicants I was given the tenancy. I present well, nice car, professional job, two children. I know these factors advantage me and it was very successful. I am grateful but aware I am fortunate.*

*Married, white, hetero couple with good jobs and incomes. Easy to find a rental when there were very very few around – post-quake Christchurch.*

*Landlord once literally said to my partner and I we weren't "Chinesey". We were the only white people at a viewing of 70+ people. We got the house. He was disgusting but we needed a house asap.*

One in five respondents (20%) indicated that an expectation of being advantaged shaped their housing search ( $n = 750$ ). Even though we saw no differences between renters and owner-occupiers in experiences of advantage, renters were more likely to report that an expectation of being advantaged had shaped where and how they searched for a home (28% vs 14% for owner-occupiers).

While the differences between neighbourhoods as well as ethnic, age, and income groups are less pronounced than we saw for expectations of discrimination, it is important to note the overlap between expectations of discrimination and advantage as respondents from two neighbourhoods with high levels of housing deprivation (Māngere and New Lynn), Māori and Pasifika, younger people and low-income households were most likely to report that an expectation of being advantaged had shaped where and how they searched for housing. As such, advantage is sought out to mitigate the effects of discrimination.

## Implications and recommendations

This research signals a need to address discrimination in tenant selection processes to reduce inequalities in access to private rental housing. In the long term, working towards equitable housing outcomes is not possible without considering how housing financialisation and a reliance on the private rental sector for providing the majority of housing for New Zealanders have produced existing inequities and enable discriminatory tenant selection practices. The below recommendations are offered as possibilities for short to medium-term solutions that can contribute to alleviating housing precarity and inequalities.

- Legislate greater security of tenure to reduce involuntary residential mobility as well as the associated experiences of repeated, protracted and costly housing searches that expose all home seekers to repeated scrutiny and many to repeated rejections. Greater security of tenure can be achieved through:

- sufficiently long notice periods that give renters enough time to find an alternative suitable home;
  - prioritising tenants when a property is sold (e.g., selling a property with sitting tenants, rather than ending tenancies automatically if a home is being sold);
  - permanently abolishing 90-day no-cause evictions as detrimental to security of tenure;
  - regulating rent increases to make housing costs more predictable for renters.
- Strengthen supply of public housing and genuinely affordable housing to address housing need and lower competition for private rental housing.
  - Regulate the property management industry as well as private landlords to ensure professionalisation and adherence to legislation and codes of conduct.
- Consider opportunities for Fair Housing legislation and enforcement. Any recommendation to address discrimination among landlords and property managers needs to acknowledge the difficulties of enforcing anti-discrimination legislation. Because in discretionary decision-making the lines between lawful and unlawful discrimination easily blur (Bate, 2020), efforts to curb discrimination would need to focus on outcomes rather than on decision-making processes (Reosti, 2020, p. 621).
  - Review and regulate on what basis rental applicants are considered. Prospective tenants are experiencing an “unprecedented level of scrutiny” (Reosti, 2020, p. 622) that far exceeds their ability to pay rent, and tenant screening technologies and discretionary tenant selection need to be examined for their potential to heighten discrimination against protected classes.

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