



Older Australians and the housing aspirations gap

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Housing aspirations and constraints for lower income Australians

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Acronyms and abbreviations used in this report

ABS	Australian Bureau of Statistics
AHA Survey	Australian Housing Aspirations Survey
AHURI	Australian Housing and Urban Research Institute Limited
AIHW	Australian Institute of Health and Welfare
CRA	Commonwealth Rent Assistance
DSP	Disability Support Pension
HACC	Health and Community Care
NRAS	National Rental Affordability Scheme
NSW	New South Wales
PRS	Private Rental sector
PTSD	Post-traumatic Stress Disorder
RSL	Return Service League
SOMIH	State-owned and managed Indigenous Housing
UK	United Kingdom
WA	Western Australia

Glossary

A list of definitions for terms commonly used by AHURI is available on the AHURI website www.ahuri.edu.au/research/glossary.

Executive summary

Key points

- This report examined the housing aspirations of older Australians, defined as households over the age of 55. The number of older Australians increased by almost 3 million between 2006 and 2016. The research collected data through a national Australian Housing Aspirations (AHA) survey, interviews and focus groups, supplemented with data from the Australian Bureau of Statistics (ABS).
- Older Australians aspire to live in a variety of different locations, with the most popular choices being the middle to outer suburbs of capital cities (around 35%) and small regional towns (around 20%). Generally, they would like to own a detached dwelling (69%) with three bedrooms (50%) although there is an appetite for two-bedroom apartments, particularly in the 75+ age group. Older Australians do not wish to be in the private rental market with 80 per cent demanding ownership.
- Aspirations are driven by a desire for long-term, stable housing. While the number of bedrooms, building quality and dwelling type are important, safety and security and having somewhere that feels like home are critical for older Australians.
- The short and longer-term housing aspirations gap (the difference between current and ideal housing) for later life Australians is not large with over 90 per cent of the 2,400 older Australians responding to the AHA survey stating their current housing meets their short-term housing aspirations, while 70 per cent reported current housing meets longer-term aspirations. There is unmet demand, or a housing aspiration gap, for dwellings in small regional towns, separate houses, two and three-bedroom dwellings and home ownership. The housing aspirations gap is larger for renters, private and social, than for home owners.
- Policy innovation could deliver the housing and housing assistance required to meet the diverse aspirations of later-life Australians through four key avenues:
 - Housing assistance to develop alternative home ownership options to improve security of tenure and facilitate ageing in place. Continued reform of the private rental sector to deliver a long-term, secure housing option.
 - Better matching of new housing supply to aspirations, especially in the private rental sector, to meet the demand for two and three-bedroom houses (including attached) located in high level amenity locations.
 - Giving social housing tenants more agency and choice in the selection of their homes, including for those caring for grandchildren.
 - A central housing information service providing information on how to plan as housing needs change in later life; dwelling development options, such as subdivision, to assist ageing

in place and broader help on navigating different sectors of the housing market as household circumstances change.

Key findings

Factors influencing housing aspirations

The housing aspirations of older Australians are shaped by both their shelter and non-shelter priorities. Home ownership, underpinned by a need for long-term, stable housing is a priority for this cohort. This was particularly the case for Indigenous Australian grandmothers given their critical role in keeping families together and providing care to grandchildren. The physical safety of a dwelling and control over the space in which they live are important and is associated with the desire to remain independent within their home and age-in-place. Continued employment and the needs of dependent children are important for a small number of older Australians in the 55–64 age category.

Important shelter aspects relate to the number of bedrooms, dwelling type, quality and security but older Australians are often willing to compromise on the physical aspects. While large back gardens are less important to older Australians, some outdoor space was considered important for those of all ages and tenures. Aspects of location which influence aspirations include the perception of safety, social connections within the community, walkability, quality public transport, access to services and amenities and proximity to family and friends.

Housing aspirations

Within this research, housing aspirations were explored through the AHA survey, where respondents selected their ideal location, number of bedrooms, dwelling type and tenure. More than 2,400 older Australians answered questions, providing a robust description of the aspirations of older Australians. The most popular outcome was to live in the middle or outer suburbs of a city, an aspiration which increased with age. Small regional towns were the second most chosen location for those aged between 55 and 74 years, while those aged 75 and over were more likely to indicate a preference for the inner suburbs of a capital city. Few older respondents aspired to live in the CBD of a capital city.

Separate dwellings were the ideal housing option for more two thirds of those aged over 55 years with an attached dwelling the second choice. Respondents aged over 75 years were more likely to select attached dwellings or apartments than the younger cohorts, presumably as a viable downsizing option. For around half of all later life Australians, three was the most popular number of bedrooms. One bedroom was an option for only a few respondents while two bedrooms was much more popular to households aged 75 and over. Home ownership remains the ideal tenure among older Australians with 8 out of 10 choosing this option. Living in an age-segregated community appealed to only a small proportion of the older population.

Older Australian home owners aspire to remain in home ownership (93%), live in three-bedroom (55%) separate dwellings (83%), in the middle to outer suburbs of a capital city (38%) or outside the metropolitan area in small regional towns (19%) or large regional cities (18%). Private renters also aspired to achieve home ownership (58%), live in separate dwellings (68%) or apartments (11%) with either three (43%) or two bedrooms (41%). This cohort also expressed a strong preference for living outside the metropolitan area in small regional towns when compared to other tenures. Public or community housing tenants—to a lesser degree than other tenures—aspired to be home owners (48%), or to remain in their current tenure (43%). Separate dwellings were their favoured housing type (68%) followed by apartments (18%). Preferred dwellings would have two (45%) or three (37%) bedrooms. Social housing tenants

aspire to live in the middle and outer suburbs (27%) with non-metropolitan locations considered less ideal than inner city suburbs (24%).

Housing aspirations gap

Almost all the older Australians who participated in the survey agreed that their current dwellings met their *short term* housing aspirations (93–96%). Renters, both public and private, were the least likely to be in housing which met such aspirations. A majority of respondents aged 55 years and over agreed that their housing met their longer-term (5–10 year) housing aspirations (69–78%, depending on specific age group). The remainder were divided equally between those who were unsure if it would meet their aspirations and those who did not think their aspirations could be met in their current dwelling.

The housing aspiration gap which does exist is being experienced by specific groups. The table below provides a summary of the gap analysis highlighting the areas where the aspirations gap is greatest. Most of the gaps (calculated by comparing current dwelling characteristics to preferred dwelling characteristics for each respondent) were small, less than 10 per cent of the total cohort, with the exception of ownership, smaller dwellings for the 75+ cohort, dwellings in small and regional towns and separate dwellings for social renters. Tenants in both private and social housing are experiencing the largest housing aspiration gap and were most likely to be in dwellings that didn't meet their longer term aspirations. Despite these gaps, older Australians are generally confident that they will be able to age-in-place and meet their housing aspirations.

To a large degree, the housing aspirations and associated gaps among older Indigenous Australian households closely mirror those of other households. Where housing aspiration gaps were significant, however, these tended to relate to deep, entrenched poverty, including intergenerational poverty and deeply embedded place-disadvantage, as well as to some additional barriers and challenges Indigenous Australian households face in responding to their housing aspirations including room for extended families and the care of grandchildren.

Summary of the housing aspiration gaps for older Australians

Age	55–64 years	65–74 years	75+ years
Location	Small unmet demand for small regional towns (9%)	Small unmet demand for small regional towns (8%)	Small unmet demand for small regional towns (7%)
Dwelling	Small unmet demand for other dwelling types (2%)	Small unmet demand for houses (1%) and ancillary dwellings (2%)	Small unmet demand for houses (2%) and alternative accommodation (5%)
# bedrooms	Medium unmet demand for two (7%) or three-bedroom dwellings (10%)	Small unmet demand for two (9%) or three-bedroom dwellings (7%)	Medium unmet demand for two (11%) or three-bedroom dwellings (2%)
Tenure	Medium unmet demand for ownership (10%) and age specific housing (5%)	Small unmet demand for ownership (5%) and age specific housing (5%)	Small unmet demand for ownership (7%)

Tenure	Home owner	Private renters	Social housing renters
Location	Small unmet demand for small towns (7%) and larger regional centres (2%)	Medium demand for small towns (13%)	Medium demand for small towns (13%) and remote communities (6%)
Dwelling	Small unmet demand for other dwelling types (4%)	Small unmet demand for houses (8%) and other dwelling types (8%)	Large unmet demand for houses (20%)
# bedrooms	Small unmet demand for two (8%) or three-bedroom (9%) dwellings	Small unmet demand for two (6%) or three-bedroom (8%) dwellings	Medium unmet demand for two, three-bedroom dwellings (18%)
Tenure	No gap	Unmet demand for ownership	Unmet demand for ownership and rental in the private sector

Classification of gap between current dwelling and ideal dwelling: Small—9% or less, Medium—10–19%, Large—20%+

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Policy development options

The project identified a number of ways in which policy innovation could be used to deliver the housing and housing assistance required to meet the diverse aspirations of later-life Australians. While noting the aspirations gap for older Australians is small, those within rental dwellings, relying on small pensions and Commonwealth Rent Assistance (CRA) to service their rent are an extremely vulnerable group of society in need of assistance.

Housing assistance

Home ownership is a key housing aspiration among older Australians, including Indigenous Australian households. Traditional finance products catering for home ownership have timeframes that are unsuitable for older Australians. Yet older Australians are working later in life and many are earning an income that could service a small, short-term mortgage. Delivering low cost, low deposit ownership products, for example through shared ownership or through a land rent type scheme, could deliver the safety, security and control characteristics of home ownership sought by older Australians. Further, two-thirds of private rental sector tenants were found to have fallen out of home ownership yet retain the aspiration of home ownership, underpinned by broader factors such as affordability, safety and security and independence. There is, therefore, a benefit in government supporting households at risk of falling out of home ownership due to financial difficulties through mechanisms such as a low cost, government-backed reverse mortgage scheme, for example.

Renters unable to service a mortgage and/or afford a deposit, but still wanting security of tenure, will need to rely on reform to the private rental sector and the willingness of landlords to offer longer-term leases. Such reform has progressed in some states, notably Victoria, and is well overdue in others. The build-to-rent sector has the potential to offer professionally managed rental accommodation with longer term lease structures. Such tenancies could suit the requirements of older renters. Partnerships between build-to-rent providers and the community housing sector could offer the same stability for low-income private renters with support services attached. A replacement for the National Rental Affordability Scheme (NRAS), which would

offer subsidised rents in return for financial incentives for landlords, could be tied to delivering long-term rental options for older tenants providing the ability to age-in-place.

Housing diversity

The diversity of new housing currently being delivered needs to more readily meet the aspirations of those who will live in them. This applies to both the ownership sector as well as the delivery of private and social rental housing. This research found an unmet demand for smaller dwellings, particularly among home owners and private renters and for larger dwellings in the social housing sector (Table above). Developers for both the private and social housing sectors need to recognise the demand for two and three-bedroom attached dwellings located in high level amenity locations; locations where shopping, recreation and allied health services are located within walking distance or a short drive from home. These dwellings need to be designed with older Australians in mind, which includes being easily adaptable when required. Strategic planning needs to deliver outcomes that reflect the demand for smaller houses within established suburbs and move away from a mind-set that apartments are the only solution to delivering smaller dwellings. Regional locations also need a greater diversity of dwelling product. Small regional towns were a popular aspiration of older Australians, but there needs to be a range of products available in these locations to meet demand. This requires a joint approach between developers and planners or the intervention of state development agencies to deliver such housing.

The research found that the current range of age-specific housing options do not suit the aspirations of a large range of older Australians, although innovation is occurring in this space. Home owners motivated by ownership were concerned that the leasehold nature of the dwelling combined with high entrance and exit fees involved in private retirement or lifestyle villages would affect their children's inheritance. Such fees also precluded tenants from the private rental and social housing sector from accessing private sector facilities. There is, however, a need to disseminate the benefits of living in age-specific housing given the extent to which it achieves the objectives of ageing in place. Innovation in this space is occurring and hopefully an improved range of products suiting the diverse needs of this cohort will be developed. Financial products that enable flexibility in relation to selling a family home and purchasing housing more suited to later-life requirements may assist older home owners achieve their aspiration of retaining the security of ownership while adapting their living arrangements. Government initiatives that seek to reduce financial penalty via taxation in later years to enable housing transitions, are generally supported by findings of this research.

The number of respondents who indicated acceptance for alternative housing arrangements was small. However, with the number of older Australians rising rapidly, there is still a viable market for many alternative housing models if the benefits are disseminated widely enough. Shared housing options, for example, are suitable for certain groups and offer a solution for many single people on very low incomes who would benefit from living in a shared space. The strong aspiration for home ownership provides opportunities to deliver new products such as land rent schemes, community land trusts and appropriately structured housing cooperatives that share the same safety and security characteristics. Properly informed, older Australians—particularly renters, may be open to a variety of housing options that can assist them to meet their aspirations.

More choice for social housing tenants

Given the growing number of older renters relying on benefits, social housing tenants are looking for greater choice over their housing. This of course requires the need for a much greater supply of housing options. However, the perception is that their aspirations are of little consequence as by living in public or community housing their control over their housing outcomes is being traded for security of tenure and others will make decisions for them. Part of

this lack of control is generated during the process of being offered a dwelling which requires a decision to be made quickly; one tenant explained that the decision had to be made in 48 hours and then a move made in 5 days. Consequently, there is little opportunity to research the dwelling, location or neighbourhood. The policies within public housing often make it difficult to achieve housing aspirations, with tenants having very little control over their housing choice (Productivity Commission 2015). Echoing the recommendations of recent research, a social housing exchange platform could be one avenue to assisting households to meet their aspirations in addition to better stock utilisation and enhancement of employment opportunities (Sharam, Byford et al. 2018).

Central housing information service

To further assist older Australians meet their housing aspirations, there is an opportunity for a *central housing information service* that guides households through their changing housing needs and provides information on accessing housing through different sectors.

Some households have planned for housing in later life, others were unsure of what they needed or were unable to anticipate how their housing needs would change. Other home owners aspire to age-in-place and make use of the development potential in their properties but explained that they lacked the knowledge or financial capacity to do so, although not the motivation. Providing access to targeted information for this cohort of home owners would be one step towards allowing them to achieve their housing aspiration of remaining where they are, while also generating infill development. For those with limited financial capacity, a grant or partnership opportunities might go some way towards assisting this cohort to achieve their housing aspiration of ageing in place. There is a potential role for state development agencies to provide such an information service helping owners develop their land. Critically, the information needs to be targeted towards cohorts before they enter their retirement years.

Despite the high self-report understanding of the housing sector, there is evidence to suggest this understanding is limited to traditional tenures. That is, home owners understand the housing market in regard to buying and selling property, private renters may share that knowledge if they have fallen out of home ownership and also have an understanding of the private rental market, while those in social housing are generally aware of how their system works. Challenges arise when households change tenures with previous home owners reporting a lack of knowledge or understanding of the social housing sector for example. It is at this point that there is a need for more readily available information to guide households.

The study

This research is part of a wider AHURI *Inquiry into housing aspirations and constraints for lower income Australians*. Previous studies have shown that older persons have very different shelter and non-shelter priorities than younger populations, which in turn inform their housing aspirations (Beer and Faulkner 2011). While moves in earlier stages of the life course are often motivated by employment and family formation factors, post-retirement moves are more likely to be related to other factors, e.g. lifestyle choices (Gurran 2008) and the departure of adult children from the family home (Clark and Deurloo 2006). Many people, however, adapt their housing aspirations as they become increasingly exposed to vulnerabilities during the process of ageing (Annard, Lacey et al. 2015). It is important to understand about what households want from the 'housing bundle' in terms of key shelter and non-shelter aspirations as well as how, why and for whom aspirations may be constrained. This research investigated the short and long-term shelter and non-shelter aspirations of later-life Australians aged over 55 years with the view of creating an evidence base for policy innovation needed to deliver the housing and housing assistance required to match the varying aspirations of later-life Australians.

Housing aspirations were explored initially through focus groups (*n=68 participants*), used also to inform the development of the Australian Housing Aspirations (AHA) survey. The AHA survey collected responses from 7,343 Australians split across the three cohorts including 2,400 from those aged 55 years and over. The research included a focus on older Indigenous Australian households through dedicated interviews (*n=11*), informed and overseen by an Indigenous Reference Group. Interview data provided a means of comparing the housing aspirations of older non-Indigenous and Indigenous Australians. Finally, telephone interviews (*n=30*) were conducted to further explore the policy implications of the focus group and survey findings. While the survey had a national focus, qualitative research was conducted in regional and metropolitan Victoria, New South Wales and Western Australia.

The research was aimed at understanding: *How can existing and innovative policy be harnessed to assist lower income later-life Australians achieve their shelter and non-shelter housing aspirations, and improve housing opportunities?* And did so by addressing the following three critical research questions:

- What are the shelter and non-shelter aspirations of later-life Australians across their life course?
- Where lower income later-life Australians are unable to achieve their housing aspirations, what is the nature of their housing aspirations gap and how does this vary by socio-economic status, tenure and location?
- How can current and innovative housing policy solutions be harnessed to assist lower income later-life Australians meet their short, medium and long-term housing aspirations?

1 Introduction

- This project uses multiple data collection methods to examine the housing aspirations of older Australians.
 - Given the diversity of older Australians, the cohort is divided into three groups for analysis: 55–64, 65–74 and 75+
 - The Australian Housing Aspirations survey delivered data on over 2,400 older Australians. It identified respondents' current housing situation, what they want from their housing and their short and longer term housing aspirations allowing a calculation of the housing aspirations gap.
 - The project is part of the AHURI inquiry—Housing aspirations and constraints for lower income Australians.
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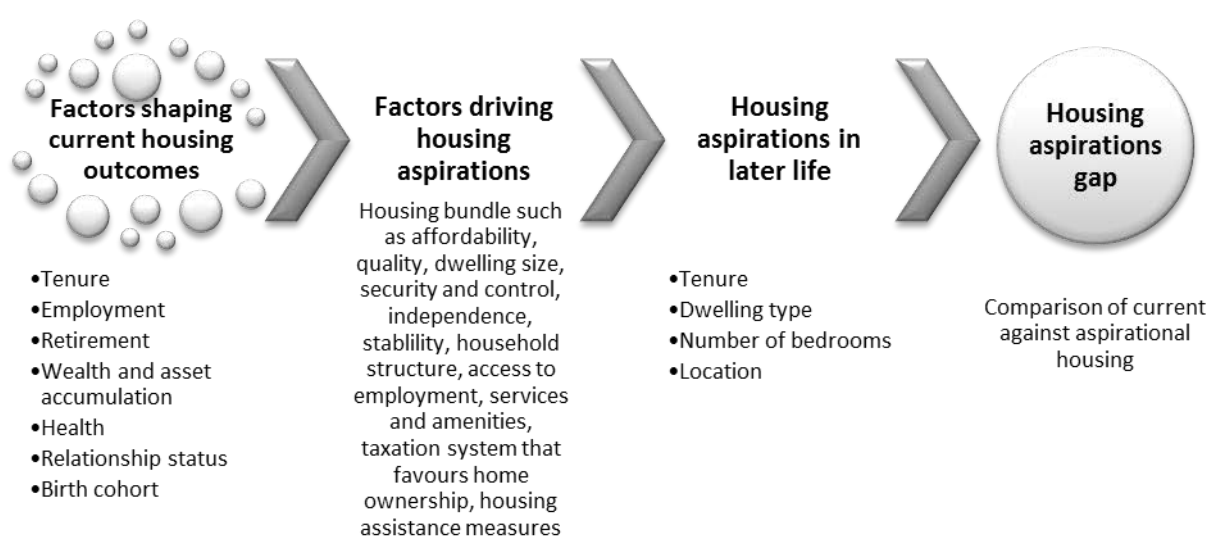
Population ageing is a significant and lasting demographic phenomenon that will usher in major social and economic transitions globally. Based on current trends in fertility, life expectancy and migration rates, the Australian Bureau of Statistics (ABS) (2013) projects that the number of persons aged 55 and over will more than double from 5.8 to 14.1 million between 2012 and 2062. Paralleled by the changes to affordability, patterns of housing consumption, an expanding private rental sector and falls in public housing investment, the Australian housing system is not meeting the needs of all Australians (Beer and Faulkner 2009, Stone, Burke et al. 2013). Many households are making trade-offs in terms of location and dwelling type to meet life stage priorities (Rowley and Ong 2012, Department of Housing 2013), falling out of home ownership (Ong, Wood et al. 2015) and increasingly residing in the private rental sector (Hodgson, James et al. 2018). Little, however, is known about the shelter and non-shelter housing aspirations of older lower income Australians. This research investigated the short and long-term shelter and non-shelter aspirations of later-life Australians aged over 55 years with the view of creating an evidence base for policy innovation needed to deliver the housing and housing assistance required to meet the diverse aspirations of later-life Australians.

The older Australian population, currently encompasses two birth cohorts—the pre-war cohort and the baby boomers. The diverse range of experiences among this population are likely to shape distinctly different housing expectations (Beer, Faulkner et al. 2006). The pre-war cohort are likely to be home owners, have limited income aside from the aged pension, and have modest expectations shaped by their experiences of the Depression and Second World War (Beer, Faulkner et al. 2006). Baby boomers, conversely, are likely to prioritise individuality and lifestyle choices over traditional norms associated with family obligations held to by their predecessors (Beer, Faulkner et al. 2006). Housing pathways can be drastically affected by adverse life events precipitating financial shocks such as bereavement and marital breakdowns (Wood, Colic-Peisker et al. 2010, Ong, Jefferson et al. 2013). While moves in earlier stages of the life course are often motivated by employment and family formation factors, post-retirement moves are more likely to be related to other factors—for example, lifestyle choices (Gurran 2008) and the departure of adult children from the family home (Clark and Deurloo 2006). Given the significant variation in the circumstances of later-life households, their housing aspirations will also vary as will the assistance required to meet those aspirations.

1.1 Conceptual framework

The research is informed by the conceptual framework from the Inquiry project—*Housing aspirations and constraints for lower income Australians* which is comprised of three projects investigating the aspirations of young Australians, aged between 18 and 34 years, mid-life Australians aged between 35 and 54 years, and this project which focuses on those in later life, aged 55 years and over. The conceptual framework links *Housing Pathways* (Clapham 2005) and *Bundles of Housing Services* (Bassett and Short 1980) to understand what households want from the suite of shelter and non-shelter attributes associated with their housing. While there is a great deal of diversity among those aged 55 years and over in terms of past and current employment, health and relationship experiences and wealth and asset accumulation (Beer and Faulkner 2011), housing aspirations in later life are influenced by key life events such as retirement, the need to downsize (or right-size) to a smaller dwelling, the decision to move into retirement housing, and could also include adult children leaving home (Beer and Faulkner 2011). These experiences shape current housing outcomes (Figure 1) and, in the case of tenure, influence the choices and opportunities of older Australians. As households age, the housing needs, priorities and expectations of their housing bundle change and influence housing aspirations (Beer and Faulkner 2011) with different factors becoming more important at different life stages. Figure 1 describes the factors shaping housing aspirations with households placing various degrees of importance on each factor. The combination of factors then determines a household’s housing aspirations, i.e. the dwelling that best delivers these factors. However, it should be acknowledged that households cannot always control their current housing outcomes. There are various factors external to the individual decision-making that shape these outcomes, for example, the tenure security of those in the private rental sector (Hodgson, James et al. 2018), taxation environments that favour home ownership (Colic-Peisker, Ong et al. 2015), and growing rates of housing stress particularly in the private rental sector (Productivity Commission 2015). The framework then compares current housing outcomes against a household’s ideal housing outcome to reveal the housing aspiration gap. Understanding this gap can help shape policy to ensure the right type of housing is delivered and appropriate assistance is provided to help households who cannot meet their aspirations in the private market.

Figure 1: Conceptual framework for later life Australians



Source: Authors.

The concept of aspirations is multidimensional (Ray 2006). Aspirations represent our preferences and expectations (Wulff and Baum 2003) but are also informed by the social, structural and economic contexts in which we live (Crawford and McKee 2018). Wulff and Baum (2003) describe three components to aspirations research—cognitive, affective and behavioural. These relate to the extent to which a person knows an opportunity exists, their preference for this opportunity or how important it is to them, and their intention to act (Wulff and Baum 2003). Individuals and households aim to keep these three components balanced to avoid a state of cognitive dissonance, that is having inconsistencies between their opinions and behaviours (Festinger 1962). For example, a household became aware of Suburb A (cognitive), liked the idea of living in suburb A (affective) and then moved to suburb A (behavioural). This household then created a balance between these three components and met their aspirations. If the household, however, become aware of limitations which might reduce their ability to meet their aspirations, they may adjust one of the three components. For example, the household might realise that the dwellings in Suburb A are beyond their financial means (cognitive), adjust their preference for living in Suburb A (affect) and decide to remain in their current suburb (behaviour).

It is the *gap* or inconsistency between the aspiration and the current scenario which will affect future behaviour (Ray 2006, Crawford and McKee 2018). In this research, the ability by households to achieve their aspirations are conceptualised as a '*housing aspirations gap*': the difference between current housing circumstances and desired housing outcomes. Aspirations are likely to be shaped by known opportunities and priorities, suggesting that the gap is likely to be tangible rather than imagined (Crawford and McKee 2018) —a critical point in relation to policy development solutions.

It is important to understand how, why and for whom aspirations may be constrained. Building upon a housing aspirations gap framework focuses on discrete attributes of housing recognising that housing provides a 'bundle of services' (Bassett and Short 1980). Policy development requires evidence about what households want from the 'housing bundle' in terms of key shelter and non-shelter aspirations. 'Shelter' includes control of occupancy, housing costs, reduced life-time housing costs, while 'non-shelter' includes factors such as stability/flexibility, psycho-social (ontological) security and wealth accumulation (Bridge, Flatau et al. 2003).

1.2 The project

This project examines these aspirations to develop policy responses that can ensure that housing choices of later-life Australians match their aspirations. It forms part of an overarching AHURI Inquiry along with two related projects, one on younger Australians (Parkinson, Rowley et al. forthcoming) and one on mid-life Australians (Stone, Rowley et al. forthcoming), and directly informs the overarching Inquiry question: *How can existing and innovative policy be harnessed to assist lower income Australians achieve their shelter and non-shelter housing aspirations, and improve housing opportunities across the life-course?*

The aim of this project is to understand how existing and innovative policy can be harnessed to assist lower income later-life Australians to achieve their shelter and non-shelter housing aspirations, and improve their housing opportunities. This is achieved by addressing three critical research questions:

- 1 What are the shelter and non-shelter aspirations of later-life Australians across their life course?
- 2 Where lower income later-life Australians are unable to achieve their housing aspirations, what is the nature of their housing aspirations gap and how does this vary by socio-economic status, tenure and location?

- 3 How can current and innovative housing policy solutions be harnessed to assist lower income later-life Australians to meet their short, medium and long-term housing aspirations?

1.3 Researching housing aspirations of older Australians

Housing aspirations were explored through a staged approach. Focus groups informed the development of the major data collection tool—the Australian Housing Aspirations (AHA) survey. This online survey of over 7,300 respondents, including 2,422 older Australians, asked questions to provide a nuanced understanding of the factors shaping later-life short, and longer term housing aspirations including important housing attributes, opportunities, constraints and trade-offs and how these link to wider life goals both pre and post-retirement. Specifically targeted interviews with Indigenous Australian older adults ensured that Indigenous Australian perspectives were explicitly included in the research. Again, these interviews identified shelter and non-shelter aspirations and specific cultural barriers to the attainment of desired housing aspirations and potential policy solutions. To explore the policy implications of the focus groups and survey analysis, interviews with a range of later-life Australians were conducted. Each of the research approaches is referenced in the report using the citation guide in Table A1.

1.3.1 Focus groups

Focus groups took place in New South Wales, Victoria and Western Australia between November 2017 and March 2018 and included 36 people from Perth, Melbourne and Sydney and 32 from regional areas such as Bunbury in WA, South Shepparton in Victoria and Bega in NSW. The size of the focus groups varied from five to ten people. Focus groups were held at a variety of venues including senior citizens centres, in local government activity rooms or libraries, at the Brotherhood of St Laurence in Melbourne, regional community centres, and in a Men's Shed in Parramatta. Participants received a \$30 Coles/Myer voucher in appreciation of their time. The focus groups explored concepts around current shelter and non-shelter outcomes; short to long-term housing aspirations; perceived constraints and adaptations in attaining future aspirations; as well as housing assistance needed to attain future aspirations. Further details of focus group participants can be found in Box A1 and topic guides are available on request.

1.3.2 Interviews with older Indigenous Australian households

The research included a dedicated focus on Indigenous Australian households. Interview data provided a means of comparing the housing aspirations of older non-Indigenous and Indigenous people. Following the formation of an Indigenous Australian research reference group¹, 11 interviews were conducted across three states. Four interviews with Indigenous older Australians took place in metropolitan and regional Victoria and Western Australia respectively, and three in New South Wales. Interviews were conducted between April 2018 and September 2018 with participants aged 50 and over (five years younger than non-Indigenous older Australians) recruited via a range of methods including through organisations, professional and personal contacts as well as via flyer distribution. A \$50 Coles voucher was given to each interviewee to thank them for their participation. Interviews took place at various locations including private homes, on basketball courts, and at community centres, for example, in Newtown, Redfern and Woolomooloo). There were nine female and two male participants, mostly

¹ An Indigenous research reference group was established for this project in order to guide and advise on the Indigenous aspects of this project, including the cultural appropriateness of the research methodology and the findings. Advisory group members were recruited from Victoria, NSW and WA where the research took place. Five people (three of whom are Indigenous Australians) agreed to be part of the reference group. Interviews received human research ethics approval through the Curtin University Human Research Ethics Committee

with incomes in the lowest two quintiles. (See Box A2 for a profile of participants. Interview guides are available on request.)

One of the key challenges was finding older Indigenous Australian men who would agree to be interviewed. As the interviewer was female there were limitations to the groups that could be accessed. For example, cultural norms had to be taken into account when approaching groups of men in informal settings (such as fishing, gathering in open ground) without an introduction, making it more difficult to interview older male participants. By contrast the women were much more accessible and visible, for example at the community centres and in locations where they could be approached more easily.

1.3.3 Australian Housing Aspirations (AHA) survey

The Australian Housing Aspirations survey collected responses from 7,343 Australians split across three age cohorts (young, mid-life and older Australians) including 2,400 from those aged 55 years plus, 305 of which were received from older Indigenous Australians. The survey captured details on current housing and household circumstances and the housing required to meet the changing needs of the household including preferences and trade-offs. Housing was considered as a bundle of attributes (tenure, dwelling types, physical characteristics, location, amenities and financial components) and the importance of each was explored. Once identified, these attributes were reassembled to identify the housing that would meet aspirations and the aspirations gap.

Participants were recruited through a panel data company with quotas in place around age groups (in this case 55 years and over), state population and gender, although the majority of respondents were representing households. With the project's focus on low-income households, the majority of responses in older age groups are in the moderate to very low-income categories, with some higher income respondents to allow comparison. Resource constraints limited the number of quotas put in place which, in turn, has implications for how representative the survey sample is of the overall population—in this case households over 55. The broad quotas around age and location could not guarantee responses that were closely representative of the older population in terms of household and dwelling type, nationality and tenure, particularly given how different the characteristics of the three older cohorts—55–64, 65–74 and 75+.

A decision was made to report responses for the individual age groups and across tenures, where relevant, rather than weight responses, which would need to be done across a number of different variables to deliver a fully representative sample.

Table A2 describes the major characteristics of the survey sample. The main differences from the overall population of 55+ are the underrepresentation of 75+ households and overrepresentation of 65–74. Due to the low number of 75+ households, the responses from these categories should be treated with some caution. There are also more outright owners in the sample than the population as a whole. While not fully representative, the size of the sample does allow us to draw some robust conclusions for older Australian households but, as with all surveys, caution should be applied when making statements about the population as a whole.

The survey was designed over a period of several months with reference to previous housing surveys conducted by the authors (Department of Housing 2013, Cassells, Duncan et al. 2014, Duncan, James et al. 2016, Rowley and James 2018), the ABS Survey of Income and Housing, the British Household Panel Survey and the broad literature around aspirations. The focus groups conducted as part of the research also informed the development of the questions. The draft survey was piloted across a range of individuals including academics and previous research participants and modifications made. The survey was then released by the panel data company, Qualtrics, and the first 100 responses used as a pilot to ensure the survey was

working as intended. Further minor modifications were made after collection of the first 10 per cent of responses.

1.3.4 Interviews with later life households

To further explore the policy implications of the focus group and survey findings, 30 telephone interviews with later-life Australians were conducted with participants in regional and metropolitan Victoria, New South Wales and Western Australia.² The interviews were recorded, transcribed and analysed thematically. A \$50 Coles Myer voucher was given to participants to thank them for their time. The participants were from a range of tenure types and age groups. The majority were female (83%) with the age ranges of all interviewees equally divided between 55–64 and 65–74 years. Participant incomes were largely under \$60,000—47 per cent had annual incomes of under \$31,000 and 37 per cent had incomes between \$31,000 and \$59,999 a year. The remainder were either above \$60,000 or not stated. The low incomes are a reflection of the large proportion of retired (47%) or semi-retired (7%) respondents. A third still participate in the labour force in full or part-time capacities. Almost half of the interviewees relied on the pension (33%) or a part pension (13%) as their source of income. Newstart and the Disability Support Pension (DSP) were the source of income for around 23 per cent and almost a third were in paid employment or were self-employed (27%). Half the respondents were living in their own homes as either outright owners (40%) or with a mortgage on their property (13%). The other half were renting their property through the private rental sector (33%) or through community housing, including cooperative rental housing (13%). Interview guides are available on request.

1.4 Structure of the report

The first chapter of this report has described the project, conceptual framework and methodology. Chapter 2 focuses on the changing housing circumstances of older Australians. This is undertaken first through an analysis of secondary data to understand the diversity, the changing occupancy and the expressed demand of the cohort. The chapter then reviews the literature on housing for older people and discusses the role of tenure and residential mobility on housing outcomes in later life. Chapter 3 draws on the AHA survey, focus groups and interviews to explore the shelter and non-shelter factors that shape the housing aspirations of later-life Australians. These factors then build a picture of what older Australians want from their housing. Chapter 4 then investigates both the residential mobility intentions of older Australians and their ideal housing aspirations, which are considered by age and tenure. The gap between older Australians' current and ideal housing is explored in Chapter 5. It considers the extent to which older Australians are living in dwellings that meet their long and short-term housing aspirations and identifies which aspects are not meeting their aspirations in terms of location, dwelling type and the number of bedrooms and tenure. It also considers the housing aspiration gap for older Indigenous Australian households. Chapter 6 focuses on ways to close the housing aspiration gap for this cohort. It identifies barriers to meeting longer term housing aspirations, as well the capacity of older Australians to achieve them in relation to those factors that might need to be traded off. It also examines what kind of useful assistance would assist them to achieve their aspirations. Chapter 7 identifies solutions to bridge the housing aspiration gap for older Australians.

² Interviews received human research ethics approval through the Curtin University Human Research Ethics Committee.

2 Housing circumstances of Australians in later life

- The number of persons aged over 55 years grew by 1.55 million during the period 2006–2016 with the proportion of the total population rising from 32 to 35 per cent.
 - Compared to 10 years ago, the 55–64 year old age group are working until later in life. This will affect their demand for housing.
 - Rates of outright ownership are falling quickly leaving more older Australians with mortgages to service into retirement. The proportion of older Australians in the private rented sector has risen slightly in the last 10 years and is likely to see an accelerated increase over the next 10 years.
 - There has been a big increase in the number of older Australians occupying four or more bedroom homes and a fall in the number occupying two and three-bedroom dwellings.
 - In the AHA survey sample, two-thirds of private renters over the age of 65 were previously home owners. Most were forced into renting rather than moving through choice.
-

2.1 Diversity among older Australians

The literature highlights the diversity of experiences for those aged 55 years and over. Such diversity is a function of past experiences including employment trajectories; retirement from the workforce; accumulation of assets; changes to health and/or family commitments—all of which influence and produce a range of housing aspirations among older Australians. The older population currently encompasses two birth cohorts—baby boomers and the pre-war cohort—with distinctly different housing expectations (Ong, Wood et al. 2015). Beer and Badcock (2000) argue that housing aspirations may be influenced by the social and economic dynamics within a given period. For example, the pre-war cohort may have their aspirations shaped by the optimistic conditions following the end of the war. By contrast, baby boomers increasingly prioritise individuality and lifestyle choices over traditional norms associated with family obligations held by their predecessors (Beer and Faulkner 2011).

Although older Australians are relatively wealthy as a collective, there exists significant variation within this group. For older people, and more particularly the baby boomers, changes in relationships including separation, re-partnering—potentially multiple times throughout their adult life—has changed the way in which this cohort consumes, and aspires to consume, housing (Flatau, Hendershott et al. 2003, Beer and Faulkner 2011). Traditionally, older people would exit the workforce and remain in the family home which was, by retirement, owned outright or substantially paid off (Beer and Faulkner 2011). Subsequently, aged pensions could be kept low while still remaining adequate (Colic-Peisker, Ong et al. 2015, Morris 2016). In the last decade, however, the proportion of older people who own their homes outright has decreased (Colic-Peisker, Ong et al. 2015). Coupled with an increasing cohort of older people who have been unable to achieve or have fallen out of home ownership, in a policy environment of decreasing opportunities within public housing, has resulted in an increase in older people residing in the private rental sector (Jones, Bell et al. 2007, Beer and Faulkner 2011, Morris 2016). Jones, Bell et al. (2007) note the diversity in housing experiences, needs and

preferences among older Australians and identified four cohorts of older renters—long-term tenants, those forced into the sector following adverse circumstances, those who have chosen to live in age-specific rental housing, and finally, a cohort with marginal attachment to housing. Older renters constitute a significant minority who will be adversely affected by asset poverty in old age (Faulkner and Bennett 2002, Colic-Peisker, Ong et al. 2015). Given the variation in the circumstances of later-life households, housing aspirations and assistance to meet those aspirations, such as welfare support, will also vary (Beer and Faulkner 2011: 93).

2.1.1 Changing patterns of occupancy and expressed demand by older Australians

This section uses ABS census data to outline key data relating to older households, describing major changes in the ten years between 2006 and 2016. It highlights the diversity within the 55+ older cohort. These trends around population, employment and income are important because they offer some explanation of the changing nature of effective housing demand across older Australians. These trends also provide background to the subsequent aspirations data from the survey presented in Chapters 3 to 5. This chapter also draws on some questions from the AHA survey to explore affordability and the number of households in the rental sector that have fallen out of home ownership.

The number of persons aged 55 years and over grew by over 1.5 million in the 10 years from 2006. The proportion of the total population in the 65–74 age category increased from 9 per cent to 11 per cent in that same period while the proportion of the total population aged over 75 also grew (Table 1).

Table 1: Population of older Australians

	2016	2006	2016	2006
	Total population		Proportion of population	
18–24	2,144,968	1,919,084	12%	13%
25–34	3,368,461	2,716,597	19%	18%
35–44	3,144,950	2,962,254	17%	19%
45–54	3,105,014	2,786,534	17%	18%
55–64	2,753,738	2,214,482	15%	15%
65–74	2,076,712	1,387,096	11%	9%
75+	1,600,055	1,276,764	9%	8%
Total	18,193,898	15,262,811	100%	100%
Proportion over 55	35%	32%		

Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Employment patterns also changed during this 10-year period. Table 2 below shows how the proportion of older Australians in the workforce increased significantly with people remaining in the workforce longer and retiring later. In the 55–64 age group the number of people not in the workforce fell by almost 8 per cent.

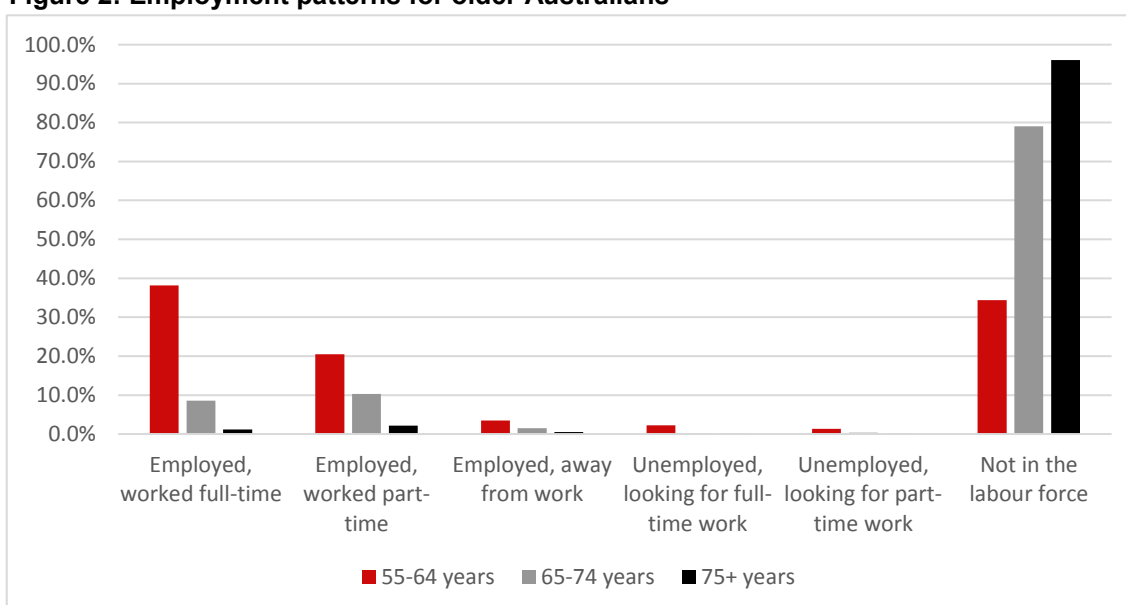
Figure 2 below shows how there are now more 55–64-year-olds employed full-time than not in the labour force, whereas the opposite was true in 2006. With employment patterns changing, this will feed through into incomes and therefore housing decisions.

Table 2: Change in employment by age 2006–2016

	Employed, worked full-time	Employed, worked part-time	Employed, away from work ³	Unemployed, looking for full-time work	Unemployed, looking for part-time work	Not in the labour force
55–64 years	3.4%	3.3%	-0.4%	0.8%	0.5%	-7.6%
65–74 years	2.3%	3.4%	0.1%	0.1%	0.2%	-6.2%
75+ years	0.1%	0.7%	0.0%	0.0%	0.0%	-0.8%
Total	1.4%	2.4%	-0.2%	0.3%	0.3%	-4.2%

Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Figure 2: Employment patterns for older Australians

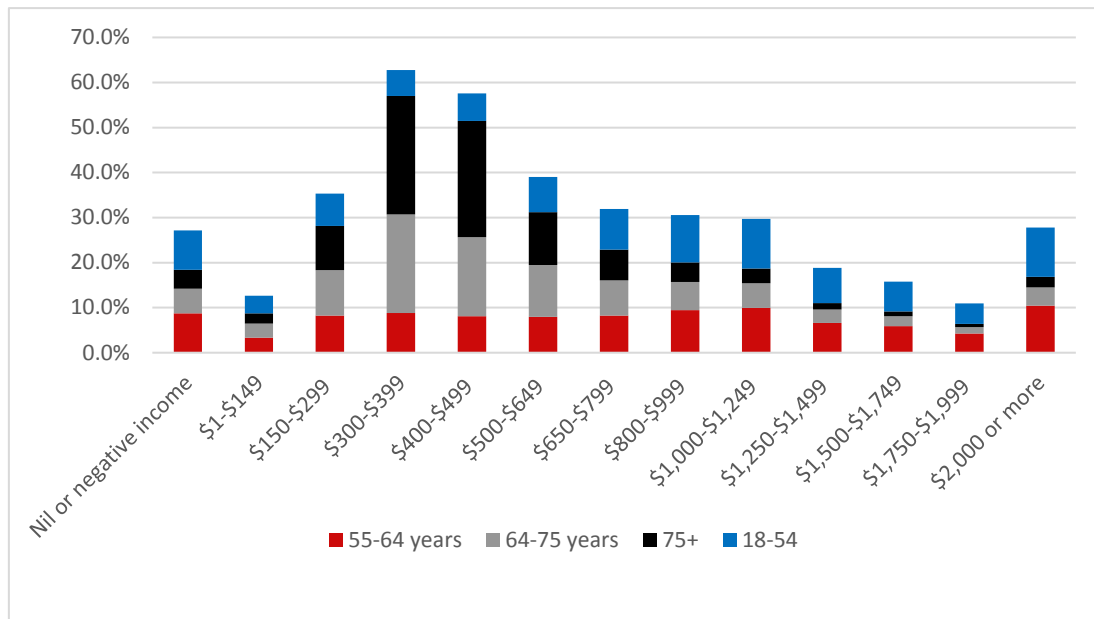


Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Figure 3 below contrasts the income of older age groups with those aged between 18 and 54. It is clear that incomes for those in the older age groups are clustered in the lower income bands. For those aged 75 years and over, 68 per cent had an income of less than \$500 per week in 2016 and 91 per cent less than \$1,000 with the equivalent figures for the 18–54 age group being 51 per cent and 76 per cent per cent. The 55–64 age group fare much better given the proportion still in the workforce with income distributions quite similar to the 18–54 age group. The income patterns of 64–75-year-olds have more in common with the 75 and over group than the 55–64 group given the much greater proportion who have retired. The income patterns provide justification for examining the three groups separately rather than in one 55 and over group and highlight the diversity of the older cohort and the potential for housing aspirations and decisions to be very different.

³ Employed, away from work includes those who stated they worked but who did not state the number of hours.

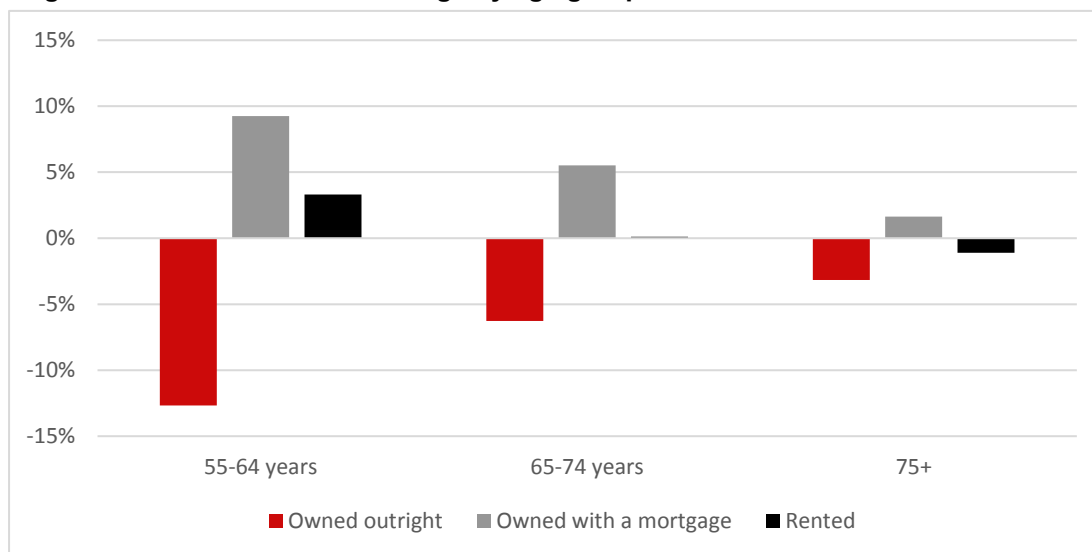
Figure 3: Income distribution by age group



Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Switching to housing characteristics, there have been changes in tenure between 2006 and 2016 as shown in Figure 4 below. In 2016, 60 per cent of Australians over 55 owned their dwelling outright, ranging from 45 per cent of 55–64-year-olds up to 75 per cent of those over 75. Fifteen per cent of older Australians are renters. Thirty-five per cent of 55–64-year-olds have a mortgage compared to just 8 per cent of those over 75. Since 2006, the proportion of outright owners has fallen dramatically in the 55–64 year group, with falls still significant, but less dramatic, in the other two groups. A greater proportion of households now have a mortgage and the proportion of the 55–64-year-old group in the private rental sector has increased by 3 per cent. The trend away from outright ownership in retirement is significant and concerning given the number of older households on low incomes that need to sustain mortgage or rental payments. The growing cohort of older private renters constitutes a minority whose ontological security is adversely affected by asset poverty in old age (Colic-Peisker, Ong et al. 2015).

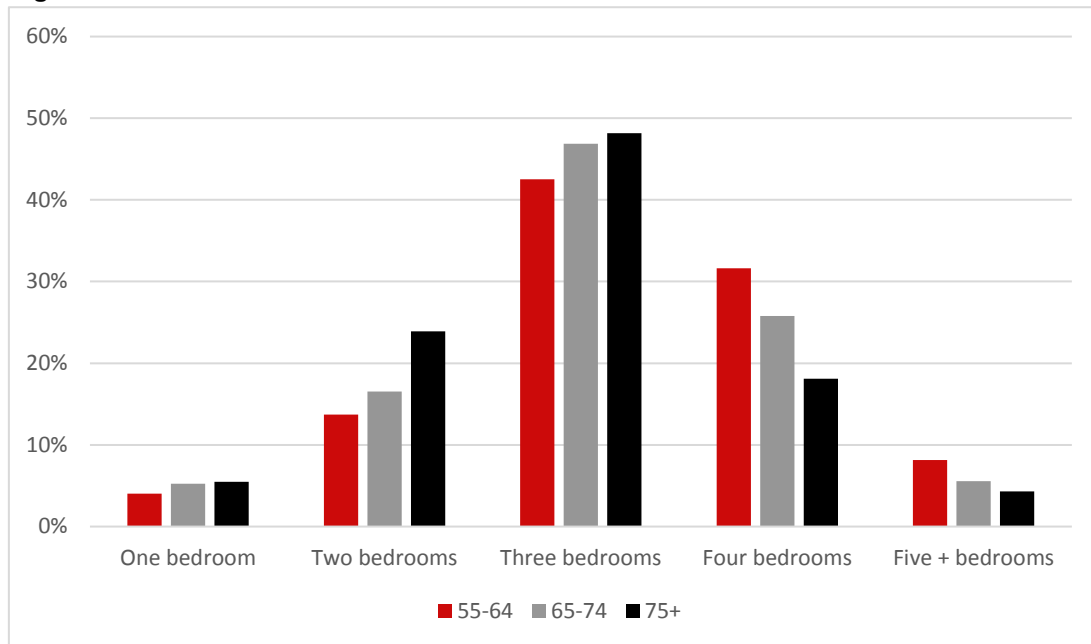
Figure 4: Household tenure change by age group: 2006 to 2016



Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

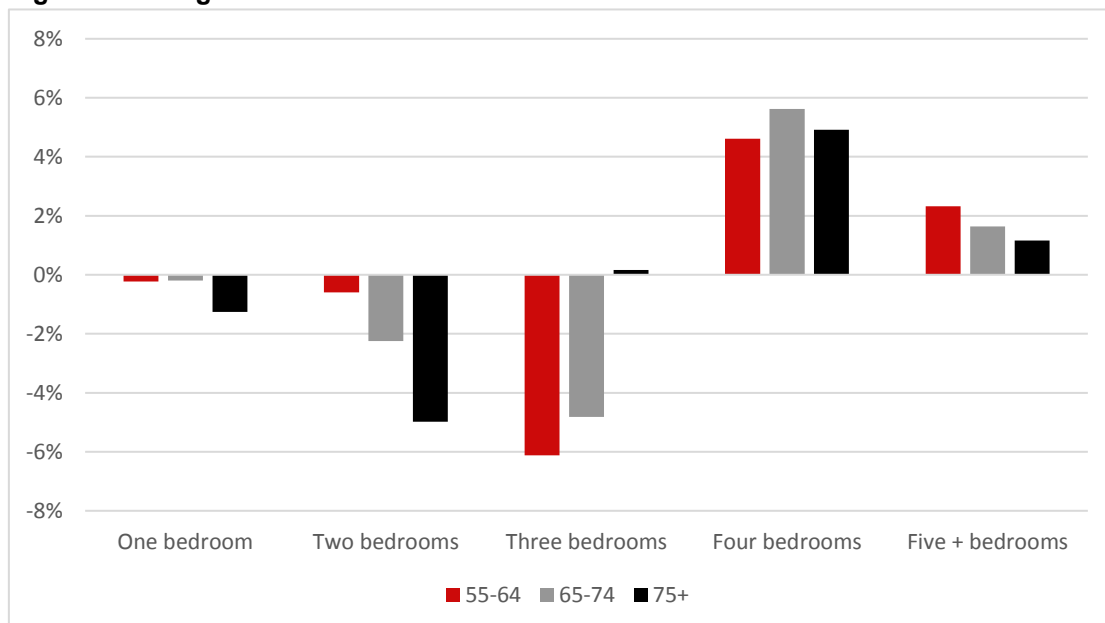
Older Australians are more likely to live in three-bedroom dwellings with almost half of all those over 75 in such a dwelling (Figure 5). There has been a significant shift in the last 10 years (Figure 6) with the proportion of 55–64-year-olds in three-bedroom dwellings falling from 49 per cent to 43 per cent and the number of 65–74-year-olds living in a dwelling with four bedrooms rising from 20 per cent to 26 per cent in just 10 years. The shift from smaller to larger dwellings evident from Figure 6 is at odds with the housing preferences of older Australians identified in Chapter 4 of this report where two and three-bedroom dwellings were the overwhelming preference. This analysis identifies a dislocation between what is available on the market and what older households actually want.

Figure 5: Number of bedrooms 2016



Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Figure 6: Change in the number of bedrooms 2006–2016



Source: (ABS 2006, 2016) Census of Population and Housing, TableBuilder pro

Switching to data from the AHA survey, Table 3 below explores affordability. The question asked was whether households had enough money left over after paying direct housing-related costs for the three types of expenditure shown below. Essential expenditure was defined as expenditure necessary for day-to-day living including bills, basic food and drink, clothes, transport, for example, while non-essential expenditure covered items such as social activities, holidays, pay TV, non-essential food and drink such as alcohol etc. Finally, respondents were asked if they had enough money left over to save or invest. Across the three age groups almost all households could cover essential expenditure, but around a quarter did not have enough left for non-essential purchases. Around half could save or invest after paying direct housing costs. Across tenures, owners and those in age-specific housing were much better off than private renters and social housing tenants. There is a clear affordability gap between older Australians in ownership and those in the rental sector.

Table 3: Affordability

	Essential expenditure	Non-essential expenditure	Savings or investment
55–64	93%	72%	53%
65–74	95%	77%	48%
75+	96%	75%	52%
Ownership	96%	80%	59%
Private rental	92%	62%	41%
Social housing	87%	57%	35%
Age specific housing	96%	86%	49%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Finally, the AHA survey asked those in the rental sector whether they had previously owned a dwelling. Around two-thirds of respondents reported to have fallen out of home ownership and into the rental sector (Table 4). Table 5 below lists the many reasons (respondents could choose more than one) for the switch from ownership to rental with most forced into the position rather than switching by choice. Relationship breakdown was the most common reason followed by financial hardship. A choice to switch tenures becomes more common with age as households seek alternative options to release equity to help fund retirement.

Table 4: Previous ownership

	Proportion
55–64	53%
65–74	67%
75+	69%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table 5: Reasons for selling dwelling

	55–64	65–74	75+
I/we own a home but rent it out	10%	5%	5%
Sold as part of a marriage/partnership dissolution	32%	19%	9%
Sold to help fund retirement	2%	6%	7%
Chose to downsize	3%	9%	27%
Sold for financial reasons	23%	32%	25%
Chose to sell and move elsewhere	11%	13%	22%
Forced to sell due to health reasons	5%	5%	4%
Other	13%	12%	9%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

2.2 The influence of tenure

One of the key factors likely to shape the future housing aspirations of lower income older households is their current tenure. Home ownership in later life is argued to reflect the opportunities and experiences of the household including socio-economic and demographic factors, such as marital status (Connolly 2012). Similarly, Morris (2013) describes the trajectory of older people in the private rental sector as being shaped by a history of inconsistent employment, low incomes and, particularly in the case of women, the dissolution of marriage or the death of a spouse. While past experiences will shape aspirations, research has found that tenure is also a significant factor in providing older people with the ability to make shelter and non-shelter choices in later life (Beer and Faulkner 2011, Morris 2016). What is it specifically about these different tenures which will shape housing aspirations in later life?

2.2.1 Older home owners

Low-income older home owners are generally perceived to be in an advantageous position in retirement (Faulkner and Bennett 2002, Ong, Wood et al. 2015, Morris 2016). There is a commonly held expectation that—having followed a predictable housing career through rentals, home purchase and eventually outright ownership—as older Australians exit the workforce, their housing costs will be significantly reduced and it is possible to live decently on a lower income (Ong, Wood et al. 2015, Morris 2016). Outright home ownership in later life offers security of tenure (Freilich, Levine et al. 2014), lower living costs, the ability to alter the housing situation through modification or leverage the asset to finance moves to age-specific housing (Faulkner and Bennett 2002). As long as housing costs are low, the Australian Government Age Pension is adequate for a decent standard of living (Morris 2016). Research in WA found that older home owners were satisfied with the financial independence their home ownership offered and had little desire to move, although a few had considered downsizing (Freilich, Levine et al. 2014, Duncan, James et al. 2016). More likely than those in the Private Rental Sector (PRS) to hold onto superannuation or savings, Morris (2016) also found that older home owners or those renting subsidised accommodation and in receipt of the age pension were likely to have an income adequate to live a decent life.

Research however, has shown variation in housing affordability among older home owners (Faulkner and Bennett 2002, Duncan, James et al. 2016, Morris 2016). For some, home ownership represents an asset as well as a low cost and manageable tenure but there is also a

cohort of older home owners receiving the age pension who, despite owning their home outright, struggle to modify, maintain or insure their property (Duncan, James et al. 2016, Morris 2016) and those with a mortgage who are at risk of being unable to service mortgage payments (Colic-Peisker, Ong et al. 2015). Such findings raise questions about aspirations. We know that the reported preference of older people is to age-in-place, but what does this mean for a struggling cohort?

2.2.2 Older private renters

Historically a residual tenure, the private rental sector is housing an increasing number of older Australians. Traditionally, by retirement older households owned their dwellings outright. More recently, however, disruptions in employment, low paid jobs, health issues, tenure churning, rising real house prices and relationship breakdown have contributed to the rise in the number of older people growing old in the private rental sector (PRS) (Wood, Colic-Peisker et al. 2010, Beer and Faulkner 2011, Morris 2011). Recent research has found that most older people in the PRS rent because they have no other option as they can't afford anything else (Duncan, James et al. 2016, Webb, James et al. 2018). They are largely being forced to be in the PRS as a result of past and present circumstances, rather than residing in the sector by choice. Renters are less likely to hold onto superannuation, savings or investments when compared to home owners (Colic-Peisker, Ong et al. 2015, Morris 2016). Their capacity to save is limited by a combination of low incomes and often high rents, and the ability of these households to borrow sufficient funds to enter into home ownership is hampered by traditional mortgage products of 25 years which are not suitable for older Australians. Therefore, the current structure of the housing market limit options to those renters who may aspire to be a home owner or purchaser (Hodgson, James et al. 2018). Further, many older renters are in precarious housing scenarios that could lead to premature entry into residential care, increased demand for crisis housing or homelessness (Housing for the Aged Action Group 2016).

The reality of renting in later life is a lack of security of tenure. That is, tenants are limited in their capacity to decide whether they remain in their current accommodation or move to an alternative (Freilich, Levine et al. 2014). Security of tenure is understood to impact upon physical and psychological health outcomes as well as offering social and economic benefits for those in later life (Freilich, Levine et al. 2014). Typical residential leases in Australia are around 12 months, requiring tenants to annually apply for an extension. While some landlords value the prospect of long-term tenants, others may not renew leases with the view of increasing rents. While this affects all age groups in the PRS, for older people, the prospect of being required to move suddenly or reluctantly will impact upon health and ontological outcomes. Research has found that older renters hold concerns over the prospect of eviction, the inability to find an affordable property, being forced to move away from their community and support networks or settle for sub-standard quality or inappropriate housing (Freilich, Levine et al. 2014, Morris 2016). As a result of this lack of tenure security, they have little choice as to whether or not they age-in-place (Morris 2011). In some cases, even if older renters find themselves in inadequate or poor quality housing, a combination of income and the financial, physical and emotional costs of moving make them reluctant to leave (Morris 2016) which can influence their physical and emotional health outcomes as well as their ability to remain socially engaged (Faulkner and Bennett 2002).

The cost of housing for older private renters, unlike home owners, does not diminish as the cohort exits the workforce (Colic-Peisker, Ong et al. 2015). On fixed incomes, older private renters often find their housing to be unaffordable and struggle to meet housing costs (Morris 2013, Duncan, James et al. 2016), even with the assistance of Commonwealth Rent Assistance (Morris 2011, Freilich, Levine et al. 2014). The Annual Anglicare snapshot of rental affordability found 2,983 properties for lease in Australia on a given weekend in April 2018 that would be affordable and appropriate for a couple on the age pension and 833 for a single person on the

aged pension (Anglicare Australia 2018). Colic-Peisker, Ong et al. (2015) found that household composition was an important aspect of coping with asset poverty in later life, with couples being able to achieve lifestyle aspirations more often than single people.

A shortage of affordable rental options, lack of tenure security, low fixed incomes, and increasing living costs have combined to produce a highly vulnerable older cohort in the private rental sector within a housing market that limits home ownership options to renters. Emphasised by a shortage of social housing, there is a need for greater tenure security and more affordable and appropriate housing options for older people in this sector (Morris 2011, Freilich, Levine et al. 2014, Morris 2016). These factors underscore and shape the housing choices and aspirations of older renters.

2.2.3 Older social housing tenants

Compared to older people in the private rental sector, older social housing tenants fair quite well (Morris 2016). Security of tenure, consistent housing and affordable rents produce positive outcomes for those renting from state or community housing providers (Beer and Faulkner 2011). The 2017 National Social Housing Survey found that tenants in public housing and state-owned and managed Indigenous housing (SOMIH) were largely satisfied by the services provided by their organisation, with those in community housing being the most satisfied. While the majority of dwellings were considered to be of acceptable standard, a small proportion were overcrowded, and more so for those SOMIH tenants (AIHW 2017). These experiences will shape the housing aspirations of this cohort.

2.3 Residential mobility in later life

Residential moves following retirement are likely to be related to factors such as lifestyle choices (Davies and James 2011) the departure of adult children from the family home (Clark and Deurloo 2006) or adverse life events such as bereavement and marital breakdowns (Wood, Colic-Peisker et al. 2010, Ong, Jefferson et al. 2013). It is at these times that many people adapt their housing aspirations—including decisions to stay put, modify or move dwelling (Davies and James 2011, Freilich, Levine et al. 2014, Annard, Lacey et al. 2015). Intentions to age-in-place, modify the home or move and downsize in later life are important in understanding the housing aspirations of this cohort.

The concept of ageing in place—growing old in one’s own home—has shaped the Australian policy response to the ageing population (James 2009). It is argued that this is the preference of older people (Olsberg and Winters 2005, Productivity Commission 2015) and is positive in terms of maintaining independence and other health outcomes (Wiles, Leibing et al. 2011). Ageing in place is also a financially sound direction for government by reducing the cost of publicly-provided aged care services (Davies and James 2011, Kendig, Gong et al. 2017). Since 2012, aged care reform in Australia has been driven by the need to provide housing services that meet the needs of older Australians while also being both cost effective and sustainable in their delivery (Productivity Commission 2015). For example, the Living Longer Living Better aged care reform package in 2012, designed to offer more choice and control to older people over their care arrangements from basic domiciliary support to more intensive care services, was underscored by a goal of enabling older Australians to live independently at home for as long as possible (Department of Health 2012). At a local level, governments provide age-specific transport options, health services and community inclusion activities (Davies and James 2011) as well as supportive housing to enable older people to remain within their neighbourhood and community (Kendig, Gong et al. 2017).

2.3.1 Ageing in place and the importance of location

While the concept of ageing in place has long been reported as the preference of older people, understanding what older people meant when they aspired to age in place indicated a difference of interpretation between the policy direction and the desired outcomes of older people themselves. In fact, what policy makers describe as 'ageing in place', older people often refer to as 'staying put' (Wiles, Leibing et al. 2011). Research in New Zealand, the UK and Australia have shown that attachment to place or neighbourhood may be as strong as the attachment to the dwelling itself (Faulkner and Bennett 2002, Wiles, Leibing et al. 2011, Hillcoat-Nalletamby and Ogg 2013). Wiles, Leibing et al. (2011) found that the concept of ageing in place went beyond the home and encompassed the neighbourhood including the social connectedness, community services and resources as well as the clubs, transport, other amenities and the understanding of local nuances. Wiles, Leibing et al. (2011: 365) describe this attachment to place more broadly as 'a tangible resource for aging in place'. These findings reinforce the need to explore the elements of home beyond the four walls and roof that provide shelter when considering the housing aspirations of older Australians because the neighbourhood and community in which that house is located may be just as important in the decision to move or stay in later life as the dwelling itself. In Wales, Hillcoat-Nalletamby and Ogg (2013) explored the factors which older people disliked, rather than their level of residential satisfaction to understand how this shaped their decision to move or stay. They found that dislikes of the home were more pronounced than dislikes of the neighbourhood and that dislike for factors such as dwelling design, location and maintenance requirements were precursors to the decision to move (Hillcoat-Nalletamby and Ogg 2013). Moreover, the importance of neighbourhood factors such as amenities, transport and services increase with age. The decision-making process is also shaped by the strength of relationships with neighbours and within the community more generally. Hillcoat-Nalletamby and Ogg (2013) argue that the decision to remain in situ is driven more by this attachment and the desire to remain connected to people, than the attachment to the physical dwelling itself. For Indigenous Australians the desire to remain on their Country and with their community can be vitally important.

Kendig, Gong et al. (2017) have identified factors which predicted whether or not older people who had a preference to age in place will in fact do so. Surprisingly, neither duration of residence nor the desire to age in place were significant predictors of doing so. Modelling showed that satisfaction with the neighbourhood, gender, housing tenure type and home modifications were also significant predictors. The research further 'highlights the importance of addressing the 'fit' between individuals' capacity and their living environment' (Kendig, Gong et al. 2017:9). The fit could be managed through modifications to the home and changes to the environment might make it more supportive to individual needs. Combined with tenure and financial capacity, attachment to the location and the extent to which it meets individual needs are important factors influencing housing aspirations in this life stage.

The desire to live at home will change over time, shaped by changes within the household and the extent to which the dwelling meets their needs (Hillcoat-Nalletamby and Ogg 2013). Home maintenance is one such issue that may shift long-held housing aspirations. Coleman, Kearns et al. (2016) found that declining capacity to maintain the dwelling or garden created significant stress and anxiety—particularly in situations where finances were strained and impacted on the ability to age-in-place. Therefore, as people grow older, reliance on community services increases, independence decreases or health changes so there may be justification for moving by either downsizing or relocating into an aged care facility (Hillcoat-Nalletamby and Ogg 2013, Freilich, Levine et al. 2014, Kendig, Gong et al. 2017).

2.3.2 Aspiring to relocate

Ageing in place does not always meet the aspirations of—or benefit—those in this diverse later-life cohort. Expectations or aspirations of mobility can be a useful indicator of future moves as

part of their housing aspirations (Bradley, Longino et al. 2008). Such intentions have potential implications for understanding residential mobility, including downsizing aspirations—or rightsizing (Productivity Commission 2015)—among older people. Often associated with the (in)ability to maintain the house and garden and additional lifestyle reasons and to a lesser extent financial motivations (Judd, Liu et al. 2014, Duncan, James et al. 2016) downsizing may be an aspiration for home owners and renters alike (Duncan, James et al. 2016). The major barriers to downsizing relate largely to the financial costs; a strong desire to remain in their current neighbourhood; and a lack of affordable and diverse housing options in that area (Judd, Liu et al. 2014, Annard, Lacey et al. 2015, Dockery, Duncan et al. 2015, Duncan, James et al. 2016, Altmann 2017, Daley and Coates 2017). As Annard, Lacey et al. (2015) explain, many still have a restricted view of housing for older people, believing that households should downsize into a retirement village, nursing home or an arguably similar homogenous dwelling type. The current cohort of people aged 55 years and over, however, are likely to have a much broader range of aspirations for their housing in retirement (James 2009, Beer and Faulkner 2011). That is, residential moves in retirement may not necessarily include a reduction in the number of bedrooms—the move may be for the purpose of streamlining, or downsizing, other aspects of the home including maintenance or appropriateness of the home, for example. Understanding the specifics of downsizing aspirations and how they are affected by such barriers is likely to offer insights into possible policy responses.

2.4 Summary

Older Australians, aged 55 years and over, are diverse in their expectations, their experiences and their housing needs. The number of persons in this cohort grew by over 1.5 million during the period 2006–2016 with the proportion of the population now over 55 rising from 32 to 35 per cent. Compared to 10 years ago, the 55–64-year-old age group are working until later in life, a finding which will affect their patterns of occupancy and demand for housing. Rates of outright ownership are falling quickly leaving more older Australians with mortgages to service into retirement. The proportion of older Australians in the private rented sector has risen slightly in the last 10 years. There has been a big increase in the number of older Australians occupying four or more bedroom homes and a fall in the number occupying two and three-bedroom dwellings. In the AHA survey sample, two-thirds of renters over the age of 65 were previously home owners.

Future housing aspirations of lower income older households is likely to be shaped by their current tenure and the past opportunities it reflects and the future opportunities it presents. Home owners are considered to be in an advantageous position in retirement compared to those in the private rental sector. Favourable taxation and transfer conditions, security of tenure and low housing costs provide a platform of choice for many home owners. By contrast renters potentially face insecurity of tenure, unaffordable housing outcomes and a lack of opportunity to enter the home ownership market at this stage of life, regardless of aspiration. Social housing tenants with secure and affordable housing hold a position of advantage over those in the private rental sector, despite not be able to access home ownership. The policy context shaping housing decisions is focused on the concept of ageing in place. There is, however, a dichotomy between the policy of staying in one's own home and older people's understanding of what is meant by ageing in place—which can include the neighbourhood or local area. This understanding and the desire to relocate or stay put will influence the aspirations of older Australians.

3 What factors drive the housing aspirations of older Australians?

- Older Australians want ownership, security of tenure and the ability to provide an inheritance, however, financial returns were not important to the majority.
 - Important housing attributes include the number of bedrooms, the quality of the internal and external dwelling, security of the building and the dwelling type (house over apartment). Parking should also be adequate and there should be access to high speed internet
 - Location was important in terms of safety and security, neighbours, access to amenities and services and proximity to family and friends.
 - Non-shelter factors shaping aspirations include maintaining independence, employment—past, current and future—and family responsibilities. Housing aspirations are shaped by the priorities or needs at each stage of life.
-

Housing aspirations are not generated in a vacuum. They are shaped by the needs of households, their life stage and their aspirations for the future. This chapter explores the factors influencing the housing aspirations of later life Australians drawing on the AHA survey, focus groups and interviews. It builds a picture of what older Australians want from their housing. The survey and interviews with Indigenous Australians revealed that, for the most part, the priorities and housing attribute outcomes were quite similar to the broader population. It should be noted that the views captured were largely from metropolitan areas, with limited information on those living in regional Australia.

3.1 Non-shelter factors driving housing aspirations

3.1.1 Full home ownership

What later life Australians hope to achieve from their dwelling will shape their housing aspirations. As shown in Table 6 below, *full ownership* is important to more than 70 per cent of all later life cohorts and is the most important aspect that they want from their dwelling, particularly from those aged between 64 and 74 years. Unsurprisingly, home owners indicated that this was more important than for other tenures. Nevertheless, more than a third of all renters and those in age-specific accommodation also indicated that it was important. Among interviewees, 40 per cent had achieved full ownership and the benefit that this offered in terms of not paying rent or a mortgage on a pension was recognised. As was the hard work involved in achieving home ownership:

Because it's mine. It's my house. I know it's mine. And—oh gosh. It's something that you've worked so hard for. And you've finally got it. It took a lot of hard work and it's yours. ... (71-year-old, female, home owner).

As well as the security and independence that home ownership afforded households: 'Yeah, that's important to me because I never wanted to be in that situation where I didn't have my own home, it used to worry me' (Jenny, Indigenous Australian, Regional Victoria).

Table 6: Selected priorities for dwellings

	55–64	65–74	75+
Full ownership	74%	77%	74%
Security—long-term, stable housing	67%	71%	67%
Quality—well maintained, not dangerous	65%	70%	71%
	Ownership	Private rental	Social housing
Security—long-term, stable housing	68%	72%	71%
Ability to modify the dwelling	30%	26%	19%
Full ownership	87%	41%	31%
Flexible rent or mortgage payments	6%	29%	19%
Quality—well maintained, not dangerous	69%	63%	60%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

3.1.2 Security of tenure

The stability and security that housing offers was indicated to be important by around two-thirds of survey respondents. Later life Australians indicated that security of tenure was slightly more important at this stage of life (Table 6 and Table A3) and more so for those aged between 65 and 74 years. For home owners and social housing tenants, long-term stable housing means that they can age in place and not be required to move again, as this home owner explains that they want to be able 'to stay here until I get carried out in a box' (65-year-old, female, home owner). In the same way that many home owners want to stay put and age in place, it is more important to those in the private rental sector (Table 6), as this participant pleads:

I want somewhere where I feel I can call a place home even if I don't actually financially own it but to feel secure. secure as in someone would let me live there for the rest of my life, please. ... I just want a place where I know I can stay. (61-year-old, female, private sector tenant).

The importance of long-term, stable housing is related to future planning and the cost and energy involved in moving:

Well, to feel secure and affordable, to be able to have a place that I could call my own ... It's so that I don't have to move again. I've moved 11 times in 22 years, and I'm getting tired of moving and it's expensive. So that's what's driving my aspirations. (70-year-old, female, private sector tenant)

Access to stable accommodation in the private rental sector was hampered for these interviewees by discrimination and affordability:

Some of the things that used to happen to our mob. When they'd go for private rental because of the colour of their skin and that, one minute you'd be on the phone and you'd have a house or a flat or whatever, and when you got into the real estate it'd gone just like that. It doesn't happen to me because of the colour of my skin, but I don't hide it and I won't bring it up if it's not necessary to bring up. We're all like that I think, it's the way we were brought up. (Jenny, Indigenous Australian, Regional Victoria)

I can't afford private housing anymore. At the moment I'm paying \$330 a week—I've only got \$150 a week left for groceries (Cathy, Indigenous Australian, Regional Victoria)

The insecurity of tenure in the private rental sector was not lost on some home owners who were cognisant of the insecurity associated with the tenure and recognised the psychological toll of not having a house and the cost of moving on a regular basis. Others indicated that they would seek alternative home ownership options just to ensure that they do not find themselves in the private rental sector:

I wouldn't like to do it [enter the private rental sector] at all actually. I'd rather buy something—you know, one of these tiny home things [than rent].... I'd rather go do something like that and know that I've got security of tenure and [whatever happens] then I've still got my house. I've still got my roof. (64-year-old, female, home purchaser)

One interviewee, motivated by the lack of tenure security and cost of renting, exited the sector in favour of an alternative but more secure long-term stable housing solution. They designed and purchased a mobile granny flat which is now set up on their son's property. Despite it being an alternative housing option they have found themselves to be '...very comfortable and quite happy in my little, as I call it, shoebox' (69-year-old, female, home owner).

While the social housing sector was viewed as being a secure form of tenure, for some tenants a lack of choice was offputting. For example:

I guess I'm a bit particular sometimes because of [granddaughter] ... probably at stages could've got a [public housing] unit, but what's available isn't in good areas. You don't have a choice about where you want to go—And I've heard stories where even older people in units, it's just horrific for them; a mixture of young kids and drugs and god knows what, and they don't have a choice to be out there in an ordinary suburb. (Cathy, Indigenous Australian, Regional Victoria)

3.1.3 Inheritance, not financial returns, important

Equally as interesting is what was not considered important by later life Australians in regard to their housing. Few felt that financial returns they might achieve from their housing were important. Of this group, if considered by tenure, home owners were the most likely to consider returns as being important, followed by those in the private rental sector. This is possibly associated with the desire by some homeowners or purchasers to be able to pass on an inheritance to their children, as this home owner explained: 'We'd like to leave our children—we're not unusual, just like to leave them with something' (72-year-old, male, home owner). The financial return was less important than the ability to pass on an inheritance. This was a consideration for those with full home ownership as well as those in shared ownership arrangements. One Indigenous older Australian participant in regional WA living in a shared ownership property was concerned that the property would be returned to the Department of Housing upon her death and that her children would not benefit from intergenerational home ownership:

If you've got an opportunity of buying something, do not go shared equity. I went into shared equity with this house because I couldn't get anything anywhere else. It was a 30/70. [Department of] Housing will always own it. Yes. I can gradually buy that 30 per cent, but it just takes forever. Like 30 per cent is about \$80,000. ... See when I drop dead, my family can't even have this house. It just goes back to the Housing mob. If you buy it in a 100 per cent share, that's the difference. (Pam, Indigenous Australian, Regional WA)

3.1.4 Independence, employment and family

Housing aspirations were also shaped by factors such as changing relationships status or affordability—which particularly influenced the aspirations of those in the private rental sector. Changes to health status, either their own or their significant other, were persuasive in shaping housing aspirations. Sometimes it was the unwell individual aspiring to change the scenario to ensure that the other person would be well catered for into the future as this home owner explained:

... with all of her [health] problems, her biggest problem is me. Who's going to look after me? So, she wants to move to be closer to [the family] ... I thought I'd [move to meet her aspirations] while she was still able, so that she could know that where I am is good. (72-year-old, male, home owner)

Changes to health shifted physical dwelling needs. One interviewee moved to a capital city and was offered community housing but had to decline it because of health reasons and physical ability:

They've offered me one, but they will only offer me a one-bedroom and I declined the one they offered me because the back veranda was timber. It was covered in mould. ... and with my lung condition, I couldn't go anywhere where there was ... (73-year-old, female, private sector tenant)

Maintaining independence

Housing aspirations by older Australians in all tenures are driven by the desire to remain independent. Remaining independent is associated with friendship networks:

For me to be able to be helpful to my friends and for them to be able to be helpful to me, like I have a good network and I think I would find that—it takes time to build that. So if I moved, yes, I would have my children around me, but they're not the same as your peers, shall we say. ... (73-year-old, female, private sector tenant)

While older Australians are happy to provide support to their families, they don't necessarily want to live with them or rely heavily on them for regular support. In the focus groups, the receivership of such assistance was considered by some to be placing a burden on their children. Interviewees felt that a little bit of support from their children would be OK, but to living with them, or be dependent on them for housing, would be considered to be a loss of independence:

...But it would be nice if one of my children would be so close that should I really need one that I have the opportunity to call on them. I mean I don't want to live with my children ... It would be nice to have one child closer that you can maybe ask for help should you need it, yes. (61-year-old, female, home purchaser)

Independence also referred to growing old outside aged or residential care. One interviewee reported 'I'd like to keep my independence as long as I could and do it in a place that is not sort of isolated in the community like a little unit or something like that' (70-year-old, female, private sector tenant). Another explained that: 'I shudder at the thought of having to move to shared accommodation [nursing home] or anything; (68-year-old, female, private sector tenant). Another explained that: 'I will fight it to the last bit that I don't have to go in a home' (61-year-old, female, home purchaser). The experience of their parents is one factor driving the desire to remain independent. In some cases, the parents of older Australians are living independently in their own homes providing a benchmark for their, now ageing, offspring:

My mum lives still alone. My mum is still looking after a [long term, secure] rental unit ... but she still lives on her own, she still does everything except driving. So I hope I'll be the same. (61-year-old, female, home purchaser)

Their parents' experience with in-home care and transitions into aged care facilities are also shaping some aspirations. For example, the casualisation of the in-home care workforce made it difficult for care givers to build rapport with this interviewee's parents:

I'm not saying that they weren't caring, ... they had instructions from their organisation: 'This is what needs to be done,' and didn't know my parents, didn't understand their needs or their feelings, and they just had certain tasks to do and then get out. ... but they didn't get to know my [parents] (61-year-old, female, home purchaser)

Across all tenures, there was an apparent loss of faith in the aged care sector. A social housing tenant wants to remain in the inner city rather than move to a more affordable country location because of the distance to services:

[My Mother is] now in a nursing home in the country and I suppose looking at that, part of the reason why she had to go into the nursing home was because she was in the country and out of the town. ... So I suppose I've got that in mind and being closer to services, I'm hoping that eventually I don't have to go into a nursing home (63-year-old, female, social housing tenant)

Participation in the labour force

Another factor shaping the housing aspirations of renters and those purchasing their homes was employment opportunities. Past experiences such as falling out of home ownership following redundancy or through divorce proceedings forced previous home owners into the private rental sector. While working they have been able to afford, at times, high rents although they have a limited capacity to save. To maintain their status quo, their housing aspirations are shaped by the desire to remain in the workforce rather than face the prospect of being forced to move to more affordable accommodation:

I'm doing it now [paying less affordable rent] as a compromise while I'm working, although I'd prefer to be saving the money and not spending it on rent but that's my situation. But one day, I'll have to really, really think where I live, how much rent I pay, how long will I need to keep working, et cetera. It does—in the last few months—it's interesting that we're doing this now because I've had so much anxiety about it. I'm trying to keep a cool head, but it's not easy. ... While I'm working I can manage to pay, but it does limit my saving options, that's a drawback. (61-year-old, female, private sector tenant)

It is for these reasons that some respondents want to remain employed for as long as possible. The desire to remain employed extended beyond the need for shelter. As these participants describe, employment plays a bigger role than providing incomes, for some it is also about maintaining mental and physical health/independence and agility:

I'm wanting to keep that job going as long as possible just because I think it's not just the financial wellbeing it's also the mental wellbeing of being out and about and working, dealing with people is actually quite good. So I think it's sort of got mental health in a sense as well. (63-year-old, female, social housing tenant)

Family responsibilities

Some Australians in later life continue to care for dependent adult children, grandchildren, or have independent adult children living with them. Around a third of 55–64-year-old survey respondents had children living in their households, a proportion which reduced with age. The needs of the children intrinsically shape the housing aspirations of their parents. In some cases adult children are dependent on their parents as a result of being unemployed or through disability. In the interviews with Indigenous Australians, older women in all states were still

frequently active carers—for children with disabilities, and for their grandchildren. In these cases, the role of older women was vital to creating a stable scenario for the family and was a significant influence in their housing aspirations. Indigenous Australian women spoke of their family responsibilities as older women:

And I've got my boy that I've got to look after. He's a real jailbird. Goes in, comes out. So I have the problem with housing, when he comes home and then he goes back to jail, I'm sick of running to the Department of Housing with forms from Centrelink saying he's in, or he's out, or whatever. Because your rent just goes up, down, up, down. It just—. He's on the street. But as he comes home he has a shower, he has a feed. He does stay with me for three or four days, try to get this through to the Housing Commission. He's a homeless boy—he's a street boy. He's drug affected. He's a habitual drug user. He's, you know, I'm trying my hardest now to get him some treatment. But it's just so hard. (Naydeene, Indigenous Australian, Metropolitan NSW)

Often when people spoke of their housing aspirations it was not just what they wanted, but what they needed for those they feel responsible for:

I've got five grandkids—14, 13, 11 this month, 7 and one. Aboriginal people have their families around them all the time. You see that us women. You know, because we're the centre of that family. So the kids there. Whether your own kids or your grannies (grandchildren). So I'd like something a little bit more, a little bit extra—extra two rooms or something. But they won't give them to me. (Naydeene, Indigenous Australian, Metropolitan NSW)

I've got a four-bedroom home from Homes West. When I first moved in there I had five of my kids there. But as they grow older, they go out and then the grannies (grandchildren) come in, I suppose. Yeah, so, there's about—me, two of my kids and two of my grandkids that live there, yeah. (Rachel, Indigenous Australian, Regional WA)

I live there alone, but my daughter—I have a step-daughter, and I have her once a fortnight. She's coming onto 12. I've made the master bedroom, her bedroom ... And I live in the lounge room. I put in for a transfer, and I'm waiting for a two-bedroom unit. (Stan, Indigenous Australian, Regional WA)

Family responsibilities as a factor shaping aspirations was not isolated to Indigenous Australian participants. One couple interviewed explained that the main factor driving their housing aspirations was 'my son, being a carer for my son ... that would be the main factor' (60-year-old, female, home owner). They found themselves in a house which was larger than was required, but were unable to move until her adult son was able to live independently and confidently in the community. Even when they do move, they will be purchasing a home which is suitable for an additional permanent adult occupant if required:

... still have to leave the door [of our new home] open in case he decides to come back, just for a little while. It's a bit different than what most parents at my age have to do. We don't want to shut the door completely. (60-year-old, female, home owner)

In another case, a couple had lost their family assets, including housing, in the process of caring for their dependent adult child. Now in the private rental market, their aspirations were centred on creating a stable housing scenario for their child in preparation for when they could not look after him.

3.1.5 Longer term considerations

In the long-term, it is important to older Australians of all age ranges and tenures to have somewhere safe and secure to call home and to have security and control over that home (Table 7). The importance of financial factors associated with home, such as wealth creation, paying off a mortgage to be mortgage-free into retirement, and the goal of purchasing a home, diminish with increasing age. Owning an asset to leave for children or grandchildren is important for around half the respondents in each age range. For those aged between 55–64 years, home was viewed as an important asset to have to fund retirement. Home as a store of wealth and financial opportunity was, unsurprisingly, of greater importance to home owners than to renters more generally. However, in terms of the importance of financial aspects of home, those in the private rental sector were more aligned with home owners than with those in the social housing sector. Older tenants in the private sector indicated that factors such as wealth creation, owning an asset to leave for child(ren)/grandchild(ren), paying off a mortgage and live mortgage free into retirement, having an asset to fund retirement and beginning to purchase their own place were all regarded as being important or somewhat important—despite not being able to participate in these aspects at the time of the survey. Social housing tenants and residents of age-specific housing held similar views about the important aspects of home, factoring security, safety and control above all else.

Table 7: Important selected longer-term housing considerations by age and tenure

	55–64	65–74	75+
Wealth creation	64%	49%	41%
Somewhere safe and secure to call home	96%	96%	95%
Own an asset to leave for child(ren)/grandchild(ren)	59%	56%	60%
Security and control as I/we grow older	94%	94%	92%
Property for use as a business	12%	3%	4%
Pay off mortgage and live mortgage-free into retirement	61%	42%	27%
To have an asset to fund retirement	70%	57%	50%
Begin to purchase my own place	43%	28%	21%
	Ownership	Private rental	Social housing
Wealth creation	58%	51%	35%
Somewhere safe and secure to call home	96%	95%	93%
Own an asset to leave for child(ren)/grandchild(ren)	63%	43%	36%
Security and control as I/we grow older	95%	90%	91%
Property for use as a business	7%	12%	7%
Pay off mortgage and live mortgage-free into retirement	53%	43%	18%
To have an asset to fund retirement	67%	54%	28%
Begin to purchase my own place	32%	48%	32%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

3.2 Shelter aspects shaping aspirations

3.2.1 Housing attributes

Housing attributes important to later life Australians include the number of bedrooms (over 80%), the quality of the internal and external dwelling, security of the building and the type of dwelling. It is important that parking is adequate and that the dwelling has access to high speed internet (Table 8 and Table A4). The importance of these attributes generally increases with age from 55 years to those over 75 years and all are more important to later life Australians when compared to the general population. The type of dwelling and the number of bedrooms was of greater importance to social housing renters and dwelling security was of greater importance for all renters than for other tenures. Home owners and renters in the private sectors indicated that parking was more important for them than those in social or 55+ housing. Finally, good internal and external quality was important across the tenures.

Table 8: Important selected physical characteristics of a house

	55–64	65–74	75+
Number of bedrooms	81%	82%	85%
Good internal and external quality	77%	82%	81%
Dwelling security	76%	80%	84%
Dwelling type	79%	83%	80%
Adequate parking	74%	77%	80%
	Ownership	Private rental	Social housing
Dwelling type	78%	77%	85%
Number of bedrooms	78%	85%	87%
Adequate parking	73%	74%	69%
Good internal and external quality	77%	76%	79%
Dwelling security	74%	81%	84%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Less important housing attributes for older Australians include a large back garden, universal or smart design within the house or whether or not the dwelling is new (Table 8 above). While there was a desire to reduce the amount of outdoor space, this didn't mean that later life Australians didn't want to be without a garden. Quite the contrary, the presence of a garden—even a small one—was important for home owners and renters alike as this home owner explains:

'I don't have a big backyard, but I've got enough space for my garden, for my roses, and that's important' (67-year-old, female, home owner).

A garden is a place where hobbies can be carried out or time can be spent outside. As the survey shows, too much garden can be unmanageable, but the absence of outdoor space or a space that is too small was seen as being equally undesirable.

Few later life Australians surveyed preferred to live in an apartment with almost 90 per cent of those aged 55+ living in a house. Where apartment living was preferable, important attributes

were similar to those who favoured living in a house. Again, the number of bedrooms, physical security of the complex, parking and high speed internet were important. In addition, the size of the living space and storage space ranked high as important attributes and were more valuable to older people than the general population with a preference for apartment living. Whether the dwelling was new or established was not considered important nor were building amenities such as a pool or gym.

3.2.2 Perceptions of age-specific housing

Age-specific housing refers to accommodation that includes facilities or services specific to those in later life and have a minimum age requirement (Bridge, Davy et al. 2011). These might include retirement or lifestyle villages and preferences for these options provide insight into what older Australians are seeking from their housing. Tenure arrangements in age-specific housing may include leaseholds or licences for the length of a tenant's life; purchase of a dwelling through a strata scheme or ownership through an arrangement where the household purchases an undivided share of a village (Consumer Protection 2010).

Of the older participants only 8 per cent lived in age-specific housing with 3 per cent of these in a retirement village, 3 per cent in a lifestyle village and the remaining 2 per cent in another form of accommodation for those over 55 years of age. The most cited reason for living in age-specific housing was to be in a home that was suitable in which to age, followed very closely by lifestyle choice, the availability of amenities and the ability to remain independent. The desire to feel safer was less important, but was still a strong reason for wanting to live in an age-specific housing option.

For one focus group participant in New South Wales, the experience of their own parents was instrumental in understanding what the couple wanted, and needed, in later life. The decision to move into a retirement village was shaped by the desire to ensure that they could age in place together regardless of the increasing levels of care required. Another explained that they will definitely move into a retirement village at some point and they had a transition plan in place to ensure this happened. There was a desire to move into a village which allowed the dwelling and land to be purchased, and which was close to amenities and family. One interviewee who was in the process of building in a lifestyle village to his ageing plan was partly attracted by living with people of similar age where the expectation was that they would be like-minded, as well as the promising list of available amenities:

Well this one has got everything. It's got a bowling green, most important. It's got a community hall. It's got a commercial kitchen. It's got a 50-seat cinema, indoor and outdoor pool, arts, men's shed which I won't use, library, internet section, dancing, pool, billiards—am I missing anything? Gym. Fully-equipped gym. Set in a natural surroundings. (72-year-old, male, home owner)

Older Australians living outside age-segregated housing are divided in regard to whether or not they would move into this type of accommodation in the future. Around a third said that they would consider moving into this option, the same proportion indicated that they wouldn't, while the remaining 40 per cent were unsure. Those who would consider moving to a retirement village, for example, would do so to maintain independence and to have a dwelling that required lower maintenance. Factors such as lifestyle, safety and amenities were of less importance to those living in the community than for older Australians already living in this type of accommodation. Independence and maintenance were among the most-cited reasons when considered by tenure. Notable variations between tenures were that social housing tenants would consider moving to age-specific housing because they would feel safer and value the community aspect of living in this type of accommodation, while private renters would move for financial reasons, presumably if the accommodation provided an affordable housing option.

A combination of wanting to remain a home owner and lifestyle aspirations other than those offered were given as reasons for not considering age-specific accommodation. Among those who did not want to move into age-specific accommodation, there was a perception across all tenures that doing so would result in some loss of independence. In one focus group, living in age-specific accommodation was synonymous with a loss of independence, in part, because of the complex social situation they would be entering. For one couple, this perceived loss of independence was highlighted by the shift of domestic tasks to a communal area:

...what threw my wife was when she started looking at retirement villages ... she asked them: 'Where do we hang our clothes, our bed sheets?' ... you can't hang it over the balcony, so you're having to dry it on doors in the bedroom ... but that [a communal area would have to be used to dry the washing in the sun] threw my wife. (72-year-old, male, home owner)

There was variation between the reasons given when examined by tenure. Social housing and private rental tenants cited the cost of entry and financial reasons as strong motivators for not entering a retirement or lifestyle village. For older Australians in the private rental sector, retirement villages, for the most part, are not an available option:

Well, I can't look at a retirement village as such because I can't afford to buy into anything there. (73-year-old, female, private sector tenant)

Focus group participants also commented that entry into age-specific accommodation is often too expensive noting that while the aged pension is adequate to live on, it doesn't stretch to the costs associated with retirement village living.

Home owners were motivated by their current tenure, driven by the desire to own the dwelling and the land and to a lesser extent, a view, that the cost of exiting retirement or lifestyle villages was too high. High exit costs for some were linked to the eventual inheritance received by offspring. One interviewee had researched retirement villages around them with their solicitor as an option for later life and concluded that:

... the estate receives very little after all the exit fees and management fees are deducted and it's sold—you might buy eight years before you sold it, but it's still sold at the entrance price, not at the market value and then they take 40 per cent ... and what's left is divvied among the estate. (72-year-old, male, home owner)

Similarly, focus group participants held the view that their children's inheritance would be absorbed by exit fees and they didn't '...like the idea of giving a third of the costs back to the village' as they left. For these participants, retirement village living would be a last resort.

While a desire to live in an age diverse community was not ranked particularly highly in the survey, it emerged as a factor that older Australians were looking for from their housing in both the interviews and the focus groups. The desire to be part of a 'real' community, one that was characterised by multiple generations in which community members were not segregated as they became older. One interviewee remarked that: ' I tremble at the thought of living in a community where it's just aged people. Yeah, I just don't think it's healthy, quite honestly. But that's just not for me, anyway' (61- year-old, female, private sector tenant). Living in intergenerational neighbourhoods is driven by the desire to remain connected to and not socially isolated from the community:

[a] place that is not sort of isolated in the community like a little unit or something like that. So yeah, I do like the idea of communal living until I get to a point where I need to go into care or something like that. (70-year-old, female, private sector tenant)

3.2.3 Location attributes

One of the most valued aspects of housing was *where* participants lived, that is the location. When talking about their housing, participants often began by discussing the area in which they lived rather than the house or dwelling itself. Aspects of location shaping housing aspirations included safety and security, good—often walkable—access to services such as health, shopping, recreational amenities, public open space and proximity to family and friends (Table 9 and Table A5). Unsurprisingly, less important factors included child friendly spaces, cycle networks, good access to educational institutions, proximity to employment, and entertainment amenities such as bars, cafes and cinemas. Other factors at this stage of life shaping the housing aspirations of older Australians included the desire to remain independent, the ability to provide an inheritance, changes to their relationship status, and the experience of their parents.

Table 9: Important selected location attributes by age

	55–64	65–74	75+
Safety and security	85%	88%	85%
Local shopping	80%	85%	87%
A walkable neighbourhood	72%	76%	67%
Easy access to health services	69%	81%	78%
Easy access to a major shopping centre/high street	62%	71%	79%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Safety and security

Older Australians responding to the survey indicated that the safety and security of where they lived was one of the most important factors of their location, regardless of tenure, and it was more important than for the general population (Table 9). Home owners explained that where they live contributes to the perception of safety and facilitates their ability to achieve priorities at this stage of life, such as visiting grandchildren. As this interviewee who regularly travels to visit children explains 'safety is a big factor, security and safety ... it's easy to lock up and leave' (59-year-old, female, home purchaser). Some respondents felt safe because of the reputation of where they lived, for example, being in the 'good end of town' or the safe end of the suburb. A lack of safety experienced by social housing tenants was a function of the behaviour of neighbours and the close living arrangements created by high density developments:

Well the units aren't too bad, just the neighbours you get when you're in a big block of flats. There's always that one. Never is it all peaceful, it's always that one that'll be a disturbance to everyone else. That's the only problem with flats. (Andrew, Indigenous Australian, Regional Victoria)

The combination of which was enough to prompt a move as this social housing tenant explains:

So at times it's very rough and ready, there's a lot of people living here that have drug problems and things like that and I'm not at all happy here. I've already applied to transfer ... I want to get out of here as fast as I can. (70-year-old, male, social housing tenant)

Community, neighbours and the neighbourhood

Knowing who their neighbours were as well as having something in common with them created a sense of security and community. Residents valued living in an area with people similar to them. The survey found that this importance increased with age (Table 9) and by the time later

life Australians were 75 years or over, it was substantially more important than for the general population. Home owners valued living in an area with similar people to a greater degree than those in the rental sectors. Like-minded neighbours gave a sense of security and belonging. For some participants, this meant there was a shared desire to take pride in the presentation of gardens while for others it was a shared background. For example, in one focus group, a participant who had migrated from China noted that many of their neighbours were also from a Chinese background and this was described as being very positive. In another instance, the diversity within the community was valued:

...Also the neighbours, I have the Chinese on one side, I have Australian, I have Maoris, I have English people, I have all sorts of people and I hope it stays like this. I love it. I love it. (61-year-old, female, home purchaser)

Regardless of preferences for neighbours from diverse or more similar backgrounds, it was the connection between individuals that shaped their housing aspirations. The regularity of interactions between neighbours also shaped housing aspirations as this home owner moving to a life style village explained:

There's nowhere near, these days, the amount of interaction between neighbours that there was probably say in the forties, fifties, sixties and even up to the seventies. We have become quite insular in how we [inter]act with one another. (72-year-old, male, home owner)

Living in this type of neighbourhood was thought to be risking loneliness or creating a sense of isolation within one's own community. Previously, employment may have provided an avenue for social contact, one which is lost at retirement. Consequently, as one older person observed—"I can often go a week without seeing anybody in the street" (67-year-old, female, home owner). The connections within the community and between neighbours can alleviate that sense of isolation and an understanding of informal support:

It does [give me a sense of community], yeah. I don't feel isolated or—and I've got a list of friends, ... that if I get into trouble and I need someone to take me somewhere, I just ring them. (65-year-old, female, home owner)

Familiarity with a neighbourhood or community, through participation or longevity in the community influenced later life housing aspirations. Reasons to move or to age-in-place were prompted by the knowledge that respondents had for a city or region. For example, for one social housing participant—despite issues such as people smoking in the lift or acts of violence between neighbours—the familiarity with the neighbourhood and the proximity to services it offered was ultimately more important.

Access to quality amenities and services

Access to amenities and services is an important aspect of location for older Australians of all ages and tenures. Most significantly, this was in regard to local shops, health and pharmaceutical care (Table 9). The survey found that access to shops increased in importance with age while access to health services was more valuable to those aged between 65 and 74 years. More than those in other tenures, older Australians living in 55+ housing, indicated that easy access to health services and local or major shopping centres was particularly important. This may be a function of the decision-making process of moving into the retirement village and the consideration of what might be needed in later life. The close proximity of shops was associated with being able to easily obtain weekly groceries or other less frequent goods. As these interviewees demonstrate, access to these services is about convenience:

It was everything we wanted, the location, the building, the shopping complex that's going in there by Stockland with Woolworths and specialities. (72-year-old, male, home owner)

I have everything here. The shopping centre's on your..., the doctors are here. Everything is so close. It's wonderful. (61-year-old, female, home purchaser)

The importance of this access to amenities can also be understood in terms of the opportunities it provides for social participation and support, as these interviewees explain:

[I live] just up the road from the cafe strip, so there's beautiful places you can go visit, have coffee, cake, eat, have your hair cut, whatever you want. So it's very close to all amenities... it's walking distance to all of that... (63-year-old, female, private sector tenant)

We need support and our grandchildren are excited that we'll be near them because then they can pop around ... my granddaughters are going to a school nearby where we're living, so I can actually walk 10 minutes to it to pick them up without driving. (72-year-old, male, home owner)

Focus group and interview participants reinforced that not only did health services need to be available, the facilities also had to be considered to offer a quality service. This was in particular reference to services in regional locations. Respondents commented on an aspiration to remain within the metropolitan area because of the perceived quality of health services in regional locations, for example:

...[moved from a regional location to the city because] partly lack of medical facilities as you age ... I [felt I] had better medical facilities and better public transport [in the city] in case I couldn't drive any longer. (72-year-old, male, home owner)

Several Indigenous Australians who were interviewed spoke of the importance of the continuity of care. In the case of one participant, this included access to facilities that have been used for a long period of time, for example Aboriginal specific services, shopping facilities, grandchildren's schools, and being close to family:

I've been going to the Aboriginal Medical Centre since 1977. I love Sydney. Sydney's part of me...I want to be here at [this suburb] because I've got two grandkids that go to the [local] School. So they're just around the corner, 10 minutes. (Naydeene, Indigenous Australian, Sydney)

Walkable neighbourhood

Respondents, particularly those aged between 55 and 74 and home owners, valued a walkable neighbourhood (Table 9). There was a sense of achievement and simplicity in being able to access services without driving to them:

At the moment I rarely use my car, only if I'm going out of town. I just walk everywhere that I need... I'm a ten-minute walk to the city centre ... Five-minute walk to another shopping complex from my house. There's a doctor's surgery, dentist, dry cleaners, chemist I can just walk to in less than five minutes—or, a ten-minute radius of a walk. (56-year-old, female, home owner)

Some participants actively sought out locations where they could walk to their weekly activities and also have access to public transport to assist them to remain independent if their mobility declines, as one interviewee who was about to move explains:

Where we are looking at going, we can walk to the shopping centre, walk to our church, walk to the bus. There are buses that go into that complex and they'll go, and

then there'll be that light rail. So, we can get around, even if we don't have a car with what we're looking at. (72-year-old, male, home owner)

Public transport

The survey found that the desire for access to quality public transport increased with age and was a more important aspect of location for both the social rental and age-specific housing sectors. Public transport was associated with employment, leisure and even if it is not used at the moment while respondents could still drive, it was valued as an avenue to continued independence in later life. Interviewees spoke with pride when they recounted their ability to walk to a variety of services:

[My current house is located] ...within walking distance [to]... public transport, because I don't drive, it's right near the river, shops, liquor store, the bus into [the city centre]. But for me the bus into the city for work every day. So in terms of my access to my employment, to leisure, to nature, it couldn't be better. (61-year-old, female, private sector tenant)

In a regional location, the observation was made that regularity and reliability of the bus service had an impact on their independence and choice:

It doesn't run after 6pm so you have to be prepared to get your stuff done early because the school bus in the mid-afternoon is probably the last reliable bus you can get onto and after that, it is a case of grabbing a taxi. (WA regional focus group participant)

Outside metropolitan areas, it was noted that the benefits of public transport could equally be achieved using a community bus:

And it's got community transport. So in recent times when I've been—before even this accident—they have a fleet of minibuses and cars and you can be driven to a medical appointment. (60-year-old, female, home owner)

The qualitative research also found that for those who don't own a car, the ability to walk or catch reliable public transport was particularly important to get to work and provide opportunities to participate socially.

Proximity to family

Aspirations are informed by the proximity of family and friends, a factor which is of greater importance to older Australians than the general population (Table A4). Approximately half the survey respondents found proximity to family and friends to be important, with those aged over 65 years regarding it as only slightly more significant than those aged between 55 and 64 years. Home owners were slightly more likely to indicate that this factor was important when compared to those in other tenures. The importance of proximity to family and friends strengthens the significance of location as a factor shaping the housing aspirations of older people.

Being close to family often translated to being close to grandchildren either from the perspective of providing support to their children or simply the enjoyment of having a close relationship with their grandchildren. As this social housing renter explains: 'One of the reasons for living is their grandkids. If you can't have your grandchild to come and stay during the holidays and—I know they sound precious, but they're actually important things' (63-year-old, female, social housing tenant). Focus group respondents noted the value in living close to the schools that their grandchildren attended. These relationships are important enough to shape the location in which older Australians decide to live in and move to during their retirement years:

I want to stay in the neighbourhood because this is where my grandkids are. So it has had a big bearing with coming back ..., having lived away from here for a few years.

To a certain extent my kids and grandkids have a bit of an influence where I want to base myself from. But not as in full long-term. (57-year-old, female, private sector tenant)

There was a recognition that offspring were part of a mobile cohort moving for work or other opportunities and, consequently, may not settle in the same place they grew up in or even in the same place for an extended period of time. With this in mind, it was sufficient for some older Australians to be within travelling distance of children and grandchildren to meet these priorities rather than living geographically close to them:

...children don't settle in the same town anymore. I have three daughters and they live [about two hours away]. So I often go away for weekends to visit grandchildren and children. (59-year-old, female, home purchaser)

The importance of these relationships shaped the dwelling attributes sought by older Australians. For example, a renter chose a specific house because it suited the needs of her grandchildren:

I rented this place because the bedrooms they've got are quite big and one of them is set up most of the time for my grandchildren so they can have sleepovers. I needed a place ... [where I could] lock them in the back yard, behind the road. (57-year-old, female, private sector tenant)

While another renter was contemplating moving to something a bit newer in the same location because they were conscious that the current apartment was older and the carpets and blinds had housed multiple tenants and may not be very clean—a concern now that their grandson was crawling and spending considerable time in the apartment. One home owner found themselves moving closer to family, selling their four-bedroom house, only to buy another of similar size to cater for their grandchildren. Another participant decided to remain in their home and renovate the garden so that it was low maintenance mainly because of the benefit the space provided for their grandchildren. For those with limited control over their dwelling types, for example social housing tenants, the inability to have a space in which grandchildren could stay was a point of contention as this tenant explains:

'The kitchens were like a kitchenette and there was a bedroom and a tiny little bathroom. So, you couldn't have grandchildren to stay' (63-year-old, female, social housing tenant).

Proximity to friends

While proximity to family was important on one hand, the geographical closeness to friends was of equal significance on the other, and shaped housing aspirations. Friendship networks provide informal support and assistance ranging from looking out for one another and keeping in touch, providing a social outlet and support during more challenging times including, in some cases, the provision of accommodation following changes in circumstances:

I have friends down the road and across the road and we're all looking out for one another and things like that ... We try hard to keep in touch and make sure everyone's okay. And things like that. Yeah. (71-year-old, female, home owner)

Friendship networks shape where older Australians live, as this participant explains how the distance from these networks was a consideration in choosing a rental property:

... and close enough to town so my friends can come once a month and we can have an insane lunch. ... But [my house is] still within reach of everybody, so it's good. And I think that's important. I wouldn't want to move further away, because then I don't get to see my friends. (68-year-old, female, private sector tenant)

Remaining close to these networks reflects the time taken for them to be generated and the energy to re-establish something to the point that it can be depended upon:

For me to be able to be helpful to my friends and for them to be able to be helpful to me, like I have a good network and I think I would find that—it takes time to build that. So if I moved, yes, I would have my children around me, but they're not the same as your peers, shall we say. (59-year-old, female, home purchaser)

As the previous quote highlights, there is a distinction in the roles played by family and friends. Both can offer informal but unique forms of assistance, and both of which shape housing aspirations in later life.

3.3 Summary

Housing aspirations are influenced by household need, stage of life, and their aspirations and expectations for later life in general. A combination of AHA survey data, focus groups and interviews were used to understand factors driving the housing aspirations of older Australians. It was found that older Australians want ownership, security of tenure and the ability to provide an inheritance. Financial returns, however, were not important to the majority. Housing aspirations are shaped by the priorities or needs at each stage of life. Factors shaping aspirations that were not related to the shelter component of housing include maintaining independence, employment and family responsibilities.

The research found that housing attributes such as the number of bedrooms, the quality of the internal and external dwelling, security of the building and the type of dwelling were important. As was the location specifically in terms of safety and security, neighbours, access to amenities and services and proximity to family and friends. This broad range of shelter and non-shelter factors underpins the housing aspirations of older Australians.

4 Housing aspirations in later life

- Older Australians aspire to stay in their current home and age-in-place, primarily due to the feeling of home.
 - When asked about their ideal housing within the AHA survey, the most popular response was ownership of a three-bedroom separate dwelling in the middle/outer suburbs of a capital city.
 - Survey respondents expressed a strong demand for dwellings in small, regional towns.
 - The majority of current, older private renters want to be in home ownership.
-

The term 'housing aspirations' refers to a *desired housing outcome* that would deliver the ideal housing bundle to the household. Separate questions were used for short-term (1–2 years) and longer term (5–10 year) aspirations following feedback from the focus groups. To explore the housing aspirations of older Australians, three approaches were used in the survey, in addition to the focus groups and interviews. Together, the three can be triangulated to better understand short and longer term housing aspirations of older Australians. First, respondents were asked about *residential mobility aspirations*—that is, whether they wanted to move house or stay put and age in place. This provided a platform for understanding the geographical aspects of aspirations. Second, using a set of sequenced questions, those respondents who recorded that their current dwelling did not meet their short and/or longer term aspirations were asked to choose the dwelling type, number of bedrooms, specific location and tenure which would achieve their housing aspirations.

It is possible that housing aspirations are shaped by current housing outcomes and need so may mask the ideal housing outcome. Survey questions of the type used to collect necessary data tend to reinforce such notions of need. For this reason, a decision was made to include a third method to derive aspirations after the collection of 10 per cent of the survey responses. To capture the housing aspirations of survey participants and separate out responses that may have been shaped by perceived opportunity, the survey began by asking about *ideal housing outcomes*. It asked respondents to think about the future and where would they would most like to live, what their ideal type of dwelling would be, how many bedrooms they would like, and their ideal tenure arrangement. From this a profile of aspirations was developed. During the analysis, the responses to the second and third methods of data collection were checked against each other. The outcomes were very similar and reported here are the results from the largest of the two data collection methods, which derived responses from over 2,100 older Australians.

4.1 Residential mobility aspirations

The AHA survey found that Australians in later life generally aspire to stay in their current dwelling in the short term (1–2 years). Table 10 below shows how between 70 and 86 per cent of the older groups wanted to stay in their current dwelling. The youngest group were the most likely to want to move, with a move within 10km of the existing dwelling the most likely destination. In terms of tenure, owners were by far the most likely to want to stay put, with private renters the most mobile with almost a fifth wanting to move locally within the next 1–2 years.

Table 10: Short-term mobility

	55–64	65–74	75+
Stay in your current dwelling?	70%	75%	86%
Move to a different dwelling, but remain in your local area, i.e. within 10km?	12%	12%	8%
Move to a different dwelling in a totally different part of your state/territory?	7%	6%	2%
Move to a totally different location, e.g. a different state or country?	5%	3%	2%
Move to a different dwelling, but remain in your region, i.e. more than 10km from your existing dwelling?	6%	4%	3%
	Ownership	Private rental	Social housing
Stay in your current dwelling?	78%	62%	66%
Move to a different dwelling, but remain in your local area, i.e. within 10km?	10%	17%	13%
Move to a different dwelling in a totally different part of your state/territory?	5%	7%	9%
Move to a totally different location, e.g. a different state or country?	3%	8%	6%
Move to a different dwelling, but remain in your region, i.e. more than 10km from your existing dwelling?	4%	7%	7%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Downsizing/rightsizing was the primary factor motivating older Australians' aspiration to move in the short term—the desire to access a dwelling that was more suitable to the changing needs of the household. Home owners and those aged over 65 years were the most likely to be motivated to downsize, while those aged 55–64 years were most likely to move to access a better quality dwelling or reduce the size of the garden, for example: '... it's just too much for the both of us. When we're trying to care for each other, we haven't got time to care for the house or the yard' (72-year-old, male, home owner).

Renters in the private sector were most likely to indicate that they aspire to move as many were in temporary short-term housing solutions following changes to employment while others were looking to move to more affordable and age-appropriate housing.

Perceptions of home, safety and security, affordability and location were primary reasons for older Australians to remain in their current dwelling (Table 11). Across all tenures and ages, the motivation to stay put and age in place was shaped by the fact that their current dwelling felt like home. Feeling safe and secure in their home was cited as an important reason to stay across all tenures and grew in importance with age. This was particularly important to those in the private rental sector and those in age-specific housing.

For renters in both the public and private sector, affordability was an important reason not to move, with the expense and disruption of moving also cited by around 30 per cent of respondents.

The cohort of interviewees who indicated they aspired to stay in their current housing in the short term were a combination of home owners and renters from both the public and private sectors. The literature talks about people wanting to age-in-place in a location to which they have a connection (Hillcoat-Nalletamby and Ogg 2013), there are assumptions that these are longstanding connections with the community, place and space. Two-thirds of those interviewed who aspired to age in place had been in their location for five years or less. This cohort consisted mainly of renters from the public and private sectors. Home owners looking to age in place had been in their location for between seven and twenty years. Reasons for private sector tenants wanting to stay revealed the insecurity of the tenure:

... well I'd like to stay here for a few years. I'm enjoying it very much. Who knows how long it will last. (70-year-old, female, private sector tenant)

I'd be quite happy to stay where I am if the rent was [to remain] affordable. (73-year-old, female, private sector tenant)

We definitely would hope to stay in the house where we are for the next five years and even longer, if possible. ... [The owners] basically said they're happy for us to stay as long as they live; but who knows, situations can change. (55-year-old, female, private sector tenant)

Table 11: Selected reasons to stay in dwelling

Reasons	55–64	65–74	75+
It feels like home	66%	68%	66%
The location	56%	47%	42%
Feel safe and secure	47%	53%	59%
Dwelling meets short-term housing needs	32%	35%	34%
It is affordable	32%	32%	37%
Too expensive to move	27%	25%	19%
Can't face disruption of moving	20%	20%	27%
Other	3%	3%	2%
	Ownership	Private rental	Social housing
It feels like home	69%	60%	55%
The location	52%	47%	32%
Feel safe and secure	52%	49%	40%
Dwelling meets short-term housing needs	34%	36%	18%
It is affordable	29%	48%	55%
Too expensive to move	23%	41%	29%
Can't face disruption of moving	20%	29%	26%
Other	3%	2%	5%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

The interviews indicated a degree of planning underpinning the housing aspirations of older Australians. That is, housing decisions were acted upon early, in one case 20 years ago, to ensure that appropriate housing was secured going into older age. Survey data revealed only 27 per cent of older Australians planning to move reported needing help meeting their longer term aspirations. However, of those needing help, just 40 per cent had strategies in place to meet their longer term aspirations. Unlike younger cohorts where over 80 per cent had in place savings strategies and were considering sharing ownership with others, strategies of older Australians were based around investigating alternative locations (63%) while 38 per cent reported looking into age-specific communities. There certainly seems to be a gap when planning to meet longer term aspirations with households having very different approaches.

4.2 Longer term housing aspirations

At the beginning of the survey, respondents were asked to think about the future and select, from a number of options, the location, number of bedrooms, dwelling type and tenure of their ideal housing option. Respondents had not answered any previous questions and were free to choose whatever type of housing they wanted, regardless of current circumstances. The outcomes for the three age groups and four main older tenures are shown below. Over 2,100 older Australians answered these questions providing a robust description of their aspirations for later life.

Respondents were first asked to choose where they would like to live from the options shown in Table 12 below, and then they were given a number of broad dwelling types to elicit any preference for houses or apartments, for example. The number of preferred bedrooms came next, followed by the chosen tenure, again from a broad list of offerings. Respondents could select no preference or 'other' if no options were preferred or suitable. Table 12 breaks down the responses across the three age groups and Table 13 by tenure across the older age cohort.

4.2.1 Ideal housing outcomes by age

When asked where they would most like to live in the future, the most popular outcome was to live in the middle or outer suburbs of a city, an aspiration which increased with age (Table 12). A small regional town was the second most chosen location for those aged between 55 and 74 years, while those aged 75 and over were more likely to indicate a preference for the inner suburbs of a capital city. Few older respondents aspired to live in the CBD of a capital city.

Separate dwellings were the ideal housing option for more two-thirds of those aged over 55 years with an attached dwelling the second choice. Houses therefore accounted for around 80 per cent of preferences. Respondents aged over 75 years were more likely to indicate attached dwellings or apartments than the younger cohorts, presumably as a viable downsizing option.

For around half of all later life Australians, three was the most popular number of bedrooms. Around a fifth of 55–74-year-olds wanted four or more bedrooms and this dropped to just 13 per cent of those aged over 75. One bedroom was an option for only a few respondents while two bedrooms was much more popular with 35 per cent of 75+ households choosing that option.

Home ownership remains the ideal tenure among older Australians with 8 out of 10 choosing this option. Surprisingly, the aspiration to live in the private rental sector is greater than for the social housing sector among all age groups. Living in an age-segregated community will appeal to only a small proportion of the older population; however there is a slightly greater preference for leaseholds in a lifestyle or retirement village among 65–74-year-olds than for other cohorts.

Table 12: Ideal housing outcomes of older Australians by age group

Location	55–64	65–74	75+
the middle/outer suburbs of a capital city	32%	36%	40%
a small regional town	21%	21%	18%
a large regional city or town	19%	16%	14%
the inner suburbs of a capital city	16%	18%	21%
the CBD of a capital city	6%	3%	5%
a remote community	3%	2%	0%
No preference	2%	2%	1%
Other	2%	1%	0%
Dwelling type	55–64	65–74	75+
Separate (detached) dwelling	69%	69%	61%
Attached dwelling (semi-detached/terrace/townhouse etc.)	9%	11%	14%
Apartment (less than 4 storeys)	9%	8%	10%
Apartment (more than 4 storeys)	4%	4%	5%
Ancillary dwelling/granny flat	2%	2%	3%
Caravan or other temporary structure	1%	0%	0%
No preference	4%	2%	1%
Other	1%	2%	4%
Number of bedrooms	55–64	65–74	75+
1	2%	2%	3%
2	25%	25%	35%
3	51%	52%	47%
4	20%	19%	13%
5+	1%	2%	0%
Tenure type	55–64	65–74	75+
Ownership (full, joint, shared)	78%	81%	80%
Rental	6%	4%	6%
Social housing	5%	3%	2%
Within a lifestyle or retirement village	5%	8%	6%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table 13: Ideal housing outcomes of older Australians by tenure

Location	Home owners	Private renters	Social housing renters	55+ housing
the CBD of a capital city	5%	5%	7%	2%
the inner suburbs of a capital city	17%	19%	20%	11%
the middle/outer suburbs of a capital city	36%	28%	30%	46%
a large regional city or town	17%	18%	15%	21%
a small regional town	20%	24%	17%	18%
a remote community	2%	2%	5%	0%
No preference	2%	2%	4%	0%
Other	2%	1%	2%	2%
Dwelling type	Home owners	Private renters	Social housing renters	55+ housing
Separate (detached) dwelling	73%	62%	56%	32%
Attached dwelling (semi-detached/terrace/townhouse etc.)	11%	10%	12%	25%
Apartment (less than 4 storeys)	7%	12%	14%	18%
Apartment (more than 4 storeys)	3%	5%	8%	2%
Ancillary dwelling/granny flat	2%	3%	5%	7%
Caravan or other temporary structure	1%	1%	1%	0%
No preference	2%	4%	4%	7%
Other	2%	2%	1%	9%
Number of bedrooms	Home owners	Private renters	Social housing renters	55+ housing
1	1%	4%	7%	9%
2	21%	35%	38%	50%
3	55%	44%	39%	41%
4	21%	15%	13%	0%
5+	1%	2%	3%	0%
Tenure type	Home owners	Private renters	Social housing renters	55+ housing
Ownership	92%	64%	61%	41%
Rental	1%	20%	4%	2%
Social housing	1%	5%	27%	7%
Within a lifestyle or retirement village	6%	5%	4%	50%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

4.2.2 Ideal housing outcomes for home owners

Table 13 below describes the aspiration outcomes based on the current tenure of households. The vast majority of home owners responding to the AHA survey indicated that their ideal dwelling type was a house (84%) with a far smaller proportion aspiring to live in an apartment (10%). Older Australian home owners have a greater preference for larger dwellings, although three bedrooms is the most popular dwelling size across all tenures, with the exception of age-specific housing. One and two-bedroom dwellings were considered less ideal. Geographically, this cohort would prefer to live in the middle to outer suburbs of a capital city (36%). Around 40 per cent of all home owners aspired to live outside the metropolitan area with small regional towns (20%) and large regional cities (17%) being the most popular. Unsurprisingly, the vast majority aspired to home ownership (92%) with most of the remainder favouring age-specific housing.

Interviews with home owners who aspired to move revealed that they were not necessarily looking to move into dwellings that were smaller than the ones in which they currently resided, but were in search of more manageable properties, as this couple explain:

... we often say... to people that we've downsized from a four [bedroom house] to a four [bedroom house]. (72-year-old, male, home owner).

Interviewees who aspire to stay put and reside in their preferred dwelling highlight the comfort and feeling of home generated by their dwelling:

I have a three-bedroom, two-bathroom home. I live all alone... I have a little backyard and I have a front yard and I have a carport and I live very nicely, because opposite of me is like a sanctuary for birds and a pond, lots of frogs. It's a nice street. It's a nice suburb. (61-year-old, female, home purchaser)

My current house is a three-bedroom, one-bathroom unit in a complex of four in the nice part of town, and I have air conditioning, so I'm very comfortable. [I have] A little bit of lawn and a little bit of garden. (59-year-old, female, home purchaser)

My current house is beautiful. Well, it's a three-bedroom house. It's on rural [property]... And we have cattle... and some sheep and some chickens... we have veggie gardens. And we have an orchard... we're very happy here. We love it. (71-year-old, female, home owner)

4.2.3 Ideal housing outcomes for private renters

Older Australians in the private rental sector have a preference to live in separate dwellings (62%), although to a lesser extent than for home owners. There was a greater preference to live in 'other' dwelling types when compared to those in other tenures. Unlike home owners, renters were aspiring to smaller dwellings, for example those with two or three bedrooms. There was a high aspiration for home ownership (64%), with only 20 per cent favouring their current tenure and, unlike home owners, a small proportion aspired to be in the social housing sector (5%). Those in the private rental sector also had a much stronger preference for living outside the metropolitan area and were less likely to favour the middle/outer suburbs.

It could be an alternative dwelling—mud brick. ... What I would like is to either be up in the hills or some kind of community where there's some land and we could create. I'm very interested in alternative housing design. (61-year-old, female, private sector tenant)

The housing aspirations of those in the private rental sector highlight the lack of choice afforded to some older people in Australia. Many older renters were unsure of where they would be in five years time, and acknowledged the uncertainty as being part of the reality of renting. Some

participants in these situations indicated a desire to remain in their local area as well as remain in their current dwelling. For example:

I'm renting a two-bedroom villa in a suburb of Newcastle... I'd love to stay here but I know I can't. (73-year-old, female, private sector tenant)

We are currently renting a three-bedroom house in a small rural town. ... We definitely would hope to stay in the house where we are for the next five years and even longer, if possible. (68-year-old, female, private sector tenant)

Aspirations of private renters are heavily underscored by the desire to be in secure and affordable accommodation:

Well to feel secure and affordable, to be able to have a place that I could call my own I guess, in a sense, to feel—oh, I know what it is. I've just suddenly thought. It's so that I don't have to move again. (70-year-old, female, private sector tenant)

For one interviewee renting private, Aboriginal Housing offered this security:

I think the security when you get older you like that security knowing you're in Aboriginal housing, you're not going to get tossed out because someone's selling the place or whatever. (Cathy, Indigenous Australian, Regional Victoria)

Home ownership aspirations are still strong for many in the private rental sector. Aspirations to purchase a home highlight the most important components of a dwelling and the biggest hurdle—finances, as this tenant explains:

Aspire to purchase a small home, not a big space, where there is a garden, a dog and other people. ... Grow food, chooks, connected to the internet, integrated into the community, able to give back by teaching skills. How to finance this though? (61-year-old, female, private sector tenant)

Even where home purchase options have been extinguished, investment in alternative accommodation to ensure security is being explored:

[In the short term] I won't be buying a house because I don't have enough money for that, so yeah, I'll be investing in an alternative form of accommodation. ... So I [will] buy a caravan or a Winnebago or something and do it up, I've always got a place over my head that way ... Might not be everybody else's cup of tea but it's mine. ... I always thought I would be a great nomad when I retired. Financially I'm not in a position to buy another house. I'm not going to take on a mortgage at this time anyway, so I'd always thought one day I would do it. So because I hurt myself, if I am unsuccessful at getting work over the next couple of years or work that's going to be enough to support myself to live independently again, I'm better off doing something like that. ... At least it's a roof over my head. Even if it's got wheels on it. (57 year old, female, private sector tenant)

4.2.4 Ideal housing outcomes for public and community housing tenants

Older Australians renting through state or community housing providers had a preference to live in a separate dwelling (56%), although, this preference was less strong than the aspiration of home owners. They did however, have a greater desire to live in apartments than those in other tenures. Again, there was a preference for two and three-bedroom dwellings, though the aspiration for one-bedroom homes was greater than for those in the private rental sector or home owners. Social housing tenants were more likely than those in other tenures to indicate the inner suburbs of a capital city as the ideal location to live. They were slightly less likely to aspire to home ownership (61%) when compared to those in the other tenures, but the

preference is still strong. Only 4 per cent wanted to reside in the private rental sector, while 27 per cent aspired to remain in social housing. .

Interviews reinforced the relatively modest aspirations of those in social housing. Interviewees were seeking accommodation that enabled them to enjoy their hobbies and leisure activities such as cooking, pets or gardening. For example one Indigenous Australian interviewee living in a small studio community housing unit, longed to live in a property with land as he had in the past in order to be able to carry out his hobby of wood turning. Others explain the relationship between their housing and their lifestyle aspirations:

Anyway, so ideally my two-year plan is a nice little place that I've got now [two-bedroom unit]. And it's got a small backyard, but enough for the dog to do her business and a spare bedroom, and it suits me just fine. It's perfect. I can have friends over. I can have a life. ... A working kitchen. It's really important because in the emergency housing [there was a kitchenette] you basically couldn't even—I lived on eggs and toast because it was just too hard to cook there. It was just horrific. (63-year-old, female, social housing tenant)

Well, I'd prefer to go to the RSL units ... There's only 12 units at the [metropolitan suburb] one and each unit has a little front and backyard which is what I love because I like gardening and pot plants and all that stuff. ... [The RSL units] was [sic] also built in among normal housing and it was very quiet there, there was no traffic noise at all, there was no trains, there was no ambulances or fire trucks flying past like there is here. So just the complete opposite to where I am now, so that's where I'd like to go. (70-year-old, male, social housing tenant)

It was the security of tenure for these tenants that drove their housing aspiration as much as the dwelling location. This social housing tenant in stable and secure housing explains:

Well I suppose I would hope to be able to stay in this particular unit, in terms of my [long term] aspirations. It sort of took me a long time to get into a one-bedroom unit. So you know, I'm pretty keen on hanging onto it at the moment, because I originally was homeless in 2002, and I've sort of gone from one women's housing property to another and sort of gradually improving my accommodation. (63-year-old, female, social housing tenant)

One social housing interviewee stood out from all the renters in the private or public sector. Their housing aspiration mirrored those of home owners more than renters:

[Aspire] To stay put. Yeah, the house is really lovely. It's the character of the place and the big backyard, and I've got no desire to leave it. ... Three bedrooms. ... The location is great. The house itself is lovely. It's an art deco house with quite a lot of quirky features. It's got a lot of character and it's got a fairly wild backyard. ... It's really a lovely place. We're very happy here. (57-year-old, female, social housing tenant)

One interviewee lived in a housing cooperative and it became evident that they felt substantially more secure than other tenants and even seemed to have more control over their housing aspirations. As they described, being in the cooperative has offered the family secure and affordable housing which has 'made an incredible difference'. (57-year-old, female, social housing tenant).

Moving was not an option for this household and, as they explain:

... I can't imagine why I'd leave because I don't think that I could do anything any better. I can't afford to pay private rent, and I'm certainly in no position to buy. So, I hope to stay here. (57-year-old, female, social housing tenant)

4.2.5 Ideal housing outcomes of those in age-specific accommodation

Only a handful of older Australians who had made the decision to move into age specific accommodation, such as a retirement or lifestyle village, responded to the survey. However, those who did had diverse preferences for the type of housing in which they would prefer to live; they were looking for smaller dwellings, with the most common location being middle/outer suburbs. Half were happy with their current tenure while 41 per cent wanted home ownership.

4.3 Summary

When asked about their housing aspirations, older Australian respondents to the AHA survey reported that they would like to stay in their current home and age in place, primarily due to the feeling of a home. Those indicating that they wanted to move were doing so to downsize their dwelling and were most likely to be home owners. While renters who suggested that they wanted to move were seeking more affordable and appropriate housing.

The longer term housing aspirations of this cohort were explored through questions on ideal housing outcomes. For older Australians, this consisted of a three-bedroom, separate dwelling which they owned in the middle/outer suburbs of a capital city. The majority of current, older private renters want to be in home ownership. There was a strong expressed demand by survey respondents for dwellings in small, regional towns. When considered by tenure there were some clear distinctions, for example, those in the private rental sector had a greater desire to live in a range of dwelling types, and were much more amenable to living outside the metropolitan region. Social housing tenants were more likely to indicate apartments as their ideal tenure and, although they preferred two and three-bedroom homes, also included one-bedroom dwellings in their aspirations. Social housing tenants were less likely to aspire to home ownership. These housing aspirations when considered against the current housing outcome, will be used to understand the housing aspiration gap for older Australians.

5 The aspiration gap

- The short-term housing aspiration gap is very small with over 90 per cent of AHA survey respondents stating their current dwelling meets their short-term aspirations.
 - The gap for long-term aspirations is larger with current housing meeting the longer term aspirations of around 70 per cent of older Australians. Those not currently meeting their aspirations are generally confident that they will eventually secure the housing they want.
 - There is unmet demand, or a housing aspiration gap, for dwellings in small regional towns, separate houses, two and three-bedroom dwellings and home ownership.
 - The housing aspiration gap is largest for renters, private and social, who typically aspire to home ownership.
 - Almost half of apartment dwellers in the 55–64 age group would prefer to be living in a house.
-

The housing aspiration gap for older Australians was explored through three mechanisms. The first considered the extent to which their current dwellings met short and long-term aspirations. The second was a comparison between households' current and preferred housing attributes and the third was an examination of respondents' confidence in being able to meet their housing aspirations. Overall, the housing aspiration gap in the short term is very small and is not large in the long term either, with social housing and private renters having the largest gaps. Older Australians are generally confident that they will be able to meet their housing aspirations.

5.1 Current dwelling meets short and long-term housing aspirations

Respondents were asked directly whether their current housing met their short-term housing aspirations. The results show the self-assessed, short-term housing aspiration gap among older Australians is not large (Table 14). Almost all of the older Australians who participated in the survey agreed that their current dwellings met their short-term housing aspirations (93–96%). Renters, both public and private, were the least likely to be in housing that met their short-term aspirations. The survey found that respondents' housing felt like home, was safe, and was in a secure location. Interviewees explained that:

I don't want to move out of this house until I can't move anymore. (61-year-old, female, home purchaser)

I'm not going anywhere. I'm going out of here in a box. ... It's just so nice down here. I wouldn't move for anything ... And it's very quiet and peaceful... and it's a lovely town and we just get on well with everybody in the community. (71-year-old, female, home owner)

As most older Australians are living in homes that meet their short-term aspirations, the number of responses was too small to accurately explore the reasons why current dwellings and

locations made it difficult to meet aspirations and life priorities. Themes which accord with the findings from the interviews include dwellings that are not suitable for current needs, that were too expensive, and that didn't feel like a home.

Table 14: Current housing meeting short-term (1–2 year) housing aspirations

	55–64	65–74	75+	
Yes	93%	93%	96%	
No	7%	7%	4%	
	Owner	Private renter	Social renter	Age-specific
Yes	96%	89%	89%	98%
No	4%	11%	11%	2%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

A majority of respondents aged 55 years and over agreed that their housing met their longer term (5–10 year) housing aspirations (69–78%). The remainder were divided equally between those who were unsure if it would meet their aspirations and those who did not think their aspirations could be met in their current dwelling. Those aged between 55 and 64 years were slightly more likely to indicate that their current housing would not meet their longer term aspirations (Table 15). Home owners and those in age-specific housing were the most likely to be in dwellings that met their housing aspirations. Table 15 shows 60 per cent of private renters reported their current dwelling would meet longer term aspirations with the figure 5 per cent higher for social renters.

The length of residence in a respondent's current home correlated with the extent to which it met their longer term aspirations (Table 16). Those who had been in the home for a longer period of time were more likely to report that their home met their longer term aspirations. However, only just over half of those living in a dwelling for a year or less indicated that it met their longer term housing needs (57%). In the interviews it was found that it was not uncommon for older Australians to move early on in this stage of life to create a housing scenario that would meet their aspirations in the longer term:

[I was thinking about retirement when I moved in]. I need to free up my assets. ... this is much more low maintenance and more economical to live in. Yeah the other home has much more lawns and gardens and a much bigger, bigger home to heat. Far too big for one person to be in. (59-year-old, female, home purchaser)

Table 15: Current housing meeting longer term (5–10 year) housing aspirations

	55–64	65–74	75+	
Yes	69%	72%	78%	
No	17%	13%	10%	
Don't know	14%	15%	12%	
	Owner	Private renter	Social renter	Age-specific
Yes	75%	60%	65%	79%
No	13%	23%	16%	6%
Don't know	12%	17%	19%	15%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table 16: Length of residence by suitability of dwelling for longer term housing needs

	Yes	No
A year or less	57%	25%
1 year to less than 3 years	64%	22%
3 years to less than 5 years	70%	16%
5 years to less than 10 years	71%	15%
10 years or more	74%	12%
Total	71%	15%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

5.2 Which aspects of housing are not meeting aspirations?

The survey began by asking older Australians about their ideal housing outcomes in terms of the dwelling, the number of bedrooms, and the location and tenure. By comparing these ideals to a respondent's current housing circumstances it is possible to identify the housing aspirations gap. Tables 17 and 18 compare current and preferred housing and take the difference between current and preferred outcomes to derive a gap figure. For example, for the 55–64 year old cohort in Table 17 around 32 per cent identified the middle/outer suburbs as their preferred location yet 43 per cent currently live in such a location. The gap is therefore 11 per cent. A positive figure means an “oversupply” while a negative figure means a gap. Proportionally, 9 per cent of all 55–64 year old households would prefer to live in small, regional towns than currently reside in such a location. Within tenure there is a clear gap in terms of ownership with a gap of 12 per cent between those that currently rent (18%) and those that want to rent (6%). Bedrooms is another clear gap with a preference for 2 and 3 bedroom dwellings away from 4 and 5 bedrooms across all age groups and tenures, with the exception of social renters who would like a shift away from 1 bedroom dwellings towards all larger dwelling types. Table 19 provides a summary of the key gaps.

Table 17: The housing aspirations gap: Age

Location	55–64 years	65–74 years	75+ years
Within the CBD of a capital city	0%	0%	1%
Within the inner suburbs of a capital city	1%	-3%	-2%
Within the middle/outer suburbs of a capital city	11%	10%	6%
Within a regional city or large town	-2%	0%	1%
Within a small, regional town	-9%	-8%	-7%
Within a remote community	-1%	0%	1%
Dwelling type	55–64 years	65–74 years	75+ years
House	0%	-1%	-2%
Apartment	2%	2%	7%
Other	-2%	-2%	-5%

Number of bedrooms	55–64 years	65–74 years	75+ years
1	3%	3%	0%
2	-7%	-9%	-11%
3	-10%	-7%	-2%
4+	14%	13%	13%
Tenure	55–64 years	65–74 years	75+ years
Ownership (full, joint, shared)	-10%	-5%	-7%
Private rental	12%	9%	6%
Social housing	2%	2%	0%
Age-specific housing	-5%	-5%	1%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table 18: The housing aspirations gap: Tenure

Location	Home owner	Private renters	Social housing renters
Within the CBD of a capital city	0%	0%	0%
Within the inner suburbs of a capital city	-1%	1%	3%
Within the middle/outer suburbs of a capital city	11%	12%	14%
Within a regional city or large town	-2%	1%	2%
Within a small, regional town	-7%	-13%	-13%
Within a remote community	0%	-1%	-6%
Dwelling type	Home owner	Private renters	Social housing renters
House	5%	-8%	-20%
Apartment	-1%	15%	2%
Other	-4%	-8%	-7%
Number of bedrooms	Home owner	Private renters	Social housing renters
1	0%	8%	21%
2	-8%	-6%	-7%
3	-9%	-8%	-10%
4+	17%	6%	-4%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Building on the gap analysis it is possible to identify whether households were happy in their current housing and, if not, where they would rather be (Appendix 3). In Table 19 below the analysis is presented for the 55–64 age category. A majority of these households were happy living in the CBD of a capital city (57%), i.e. their current situation matched their preferred housing, while 15 per cent wanted to move to the inner suburbs and 24 per cent to regional areas. Less than half of apartment dwellers selected that dwelling type as their preference and only a fifth of private renters were happy in their tenure with 68 per cent wanting to switch to owner occupation.

Table 19: Satisfaction with current dwelling

55–64	CBD of a capital city	Inner suburbs of a capital city	Middle/ outer suburbs of a capital city	Regional city or large town	Small regional town
Happy with current location	57%	64%	65%	67%	78%
Want to move to the CBD	-	7%	3%	1%	1%
Want to move to inner suburbs	15%	-	8%	2%	4%
Want to move to middle/outer suburbs	4%	11%	-	5%	1%
Want to move to a large regional town	13%	8%	10%	-	14%
Want to move to a small regional town	11%	6%	14%	22%	-

55–64	House	Apartment	Other
Happy with current dwelling type	85%	44%	18%
Want to move to a house	-	45%	73%
Want to move to an apartment	7%	-	5%
Want to move to an alternative dwelling type	5%	8%	18%

55–64	1	2	3	4
Happy with number of bedrooms	24%	54%	65%	40%
Want 1 more bedroom	59%	38%	14%	1%
Want 1 less bedroom	-	3%	21%	47%

55–64	Ownership	Private rental	Social housing
Happy with current tenure	93%	21%	25%
Want to move to ownership	-	68%	66%
Want to move to private rental	1%	-	4%
Want to move to age-specific housing	5%	4%	4%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table 20 below provides a summary of the gap analysis highlighting the areas where the aspirations gap is greatest. Most of the gaps are small, less than 9 per cent of the total cohort, with the exception of ownership, smaller dwellings for the 75+ cohort, dwellings in small regional towns and separate dwellings for social renters. Medium gaps were classified as those where there were gaps for between 10 and 19 per cent of the total population, while large gaps were those where 20 per cent or more of the total population were not achieving their ideal outcomes.

Table 20: Summary of the housing aspiration gaps for older Australians

Age	55–64 years	65–74 years	75+ years
Location	Small unmet demand for small regional towns (9%)	Small unmet demand for small regional towns (8%)	Small unmet demand for small regional towns (7%)
Dwelling	Small unmet demand for other dwelling types (2%)	Small unmet demand for houses (1%) and ancillary dwellings (2%)	Small unmet demand for houses (2%) and alternative accommodation (5%)
# bedrooms	Medium unmet demand for two (7%) or three-bedroom dwellings (10%)	Small unmet demand for two (9%) or three-bedroom dwellings (7%)	Medium unmet demand for two (11%) or three-bedroom dwellings (2%)
Tenure	Medium unmet demand for ownership (10%) and age-specific housing (5%)	Small unmet demand for ownership (5%) and age-specific housing (5%)	Small unmet demand for ownership (7%)
Tenure	Home owner	Private renters	Social housing renters
Location	Small unmet demand for small towns (7%) and larger regional centres (2%)	Medium demand for small towns (13%)	Medium demand for small towns (13%) and remote communities (6%)
Dwelling	Small unmet demand for other dwelling types (4%)	Small unmet demand for houses (8%) and other dwelling types (8%)	Large unmet demand for houses (20%)
# bedrooms	Small unmet demand for two (8%) or three-bedroom (9%) dwellings	Small unmet demand for two (6%) or three-bedroom (8%) dwellings	Medium unmet demand for two, three-bedroom dwellings (18%)
Tenure	No gap	Unmet demand for ownership	Unmet demand for ownership and rental in the private sector

Classification of gap: Small—9% or less, Medium—10–19%, Large—20%+

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

5.2.1 Housing aspiration gap: Location

Despite the middle or outer suburbs of a capital city being the more desired and ideal location for older Australians to live, there was a proportion of older Australians residing in this location that aspired to live in the inner suburbs, perhaps seeking greater amenities, services or employment opportunities, or make a tree or sea change to a small regional town or larger regional centre. Overall, there are more people living in the middle to outer suburbs than wished to do so (between 65% and 73% happy with the location).

Across all age groups, the location aspiration gap is the smallest for those living in small regional towns with 8 out of 10 people happy to be living there (Table A7). The largest gap was experienced by those living in the CBD of a capital city and wanting to move into the suburbs—inner, middle or outer—or outside the metropolitan area to a small or larger regional town. Those aged 55–64 years were most likely to be happy with their CBD location, which could be a reflection of their participation in the labour market. Regardless of tenure, a proportion of older Australians would like to move out of the middle and outer suburbs and into a small regional town or a regional city. Home owners have the smallest aspiration gap while tenants in the social housing sector have the largest. In addition to the aspirations shared with other tenures, social housing tenants also expressed an aspiration to move to remote communities or the inner suburbs (Table 18 above).

5.2.2 Housing aspirations gap: Dwelling type and bedrooms

Across all age groups, those living in houses are largely happy with their current dwelling and their housing aspiration gap is minimal (Table A8). Less than half of those living in apartments are happy with their dwelling highlighting an unmet housing aspiration. Apartments generally deliver access to amenities at a price cheaper than a house but households would prefer to be living in a house in the same location. Across all age groups, there is an aspiration to move from an apartment into a house and among those aged 75 years and over, demand for alternative dwellings types.

There is a smaller aspiration gap among home owners than for renters generally with only a very small unmet demand for apartments and alternative accommodation. While more private sector tenants want to shift out of apartments into houses, they are also more open to alternative housing arrangements than home owners. Social housing tenants have the largest aspiration gap—articulating an unmet aspiration to live in houses rather than apartments.

Those with two and three-bedroom homes are likely to be the most satisfied with the number of rooms, however, less than half of all AHA respondents were living in dwellings that met their housing aspirations (Table A9). Among all age groups, respondents in smaller dwellings were aspiring to live in either two or three-bedroom homes. While those in larger homes with five or more bedrooms, were looking to move to dwellings with three or four bedrooms. These findings suggest that one aspect of housing which is not meeting the aspirations of older Australians is the number of bedrooms and the limited options available to reduce dwelling size.

Home owners are looking to move out of larger dwellings and into two or three-bedroom properties (Table A9). Those in the private rental sector are the closest to meeting their preferred number of bedrooms, nevertheless, there is again an unmet demand for two and three-bedroom properties. Social housing tenants are the furthest from meeting their aspirations. They would like to move out of both one-bedroom and four-bedroom dwellings and into three-bedroom, and to a lesser extent two-bedroom, homes.

5.2.3 Housing aspirations gap: Tenure

Home ownership remains the most desired tenure. Regardless of age, those households who are currently home owners are happy with their current tenure (Table A10). A large aspiration gap is evident for private rental tenants. Around 70 per cent of private renters aged 55–64 years

and 65–74 years and 61 per cent of those aged over 75 years would like to move out of their current tenure into home ownership. A lower proportion of social housing tenants indicated they desired to move into home ownership. This was highest among 55–74-year-olds where around 65 per cent aspired to be home owners, compared to only 44 per cent of the oldest cohort.

There was a small unmet demand for age-specific housing across all age groups and tenure, more so from social housing tenants aged 75 years and over. Interestingly, less than half of all of those in age-specific housing were happy with their current tenure, although the numbers in this category are small and so results should be treated with caution. Between 33 and 44 per cent of respondents living in age-specific housing regarded home ownership as their ideal tenure, highlighting a housing aspiration gap among those in this form of accommodation.

5.2.4 Housing aspiration gap for older Indigenous Australians

To a large degree, the housing aspirations and associated gaps among older Indigenous Australian households identified in this research closely mirror those of other households. Where housing aspiration gaps were significant, however, these tended to relate to deep, entrenched poverty, including intergenerational poverty and deeply embedded place-disadvantage, as well as to some additional barriers and challenges that Indigenous Australian households face in responding to their housing aspirations. This includes entrenched, systemic racism and discrimination and a ‘normalisation’ in some cases of homelessness and experiences of family violence. In all states older women were still frequently active carers—for disabled children, and for their grandchildren who were usually living with them. The role of older women is vital, so their housing conditions dictate the wellbeing of their family.

5.3 Self-reported confidence in meeting housing aspirations

The previous sections identified the proportion of households where current dwellings meet short and longer-term aspirations and the gap between current housing and ideal dwellings. For those households who stated that their current housing meets their aspirations and they wanted to stay in place, how likely was that to happen and for those where current dwellings did not meet aspirations, how confident were they in meeting their longer-term aspirations?

5.3.1 Likelihood of staying put and ageing in place in the short and long term

Older Australians who aspired to stay in their current home in the short term largely indicated that it was somewhat or extremely likely that they would be able to do so (Table 21). On average, 85 per cent of respondents reported that it was extremely likely that they would be able to achieve their aspiration with little variation across the age cohorts. When considered by cohort, however, home owners (89%), renters in state and community housing (84%) and in age-specific housing (96%) remained extremely confident about achieving the aspiration to stay in the short term, while older renters in the private sector displayed much less confidence (63%). The lack of confidence was related to affordability and the decisions being made by landlords for these private sector tenants:

Short-term I can't say that I'm confident, although the people who've bought the property here say they really, really want us to stay and they want to do some work on the place and they're very friendly and I can [see] we'll get along quite well. So I feel confident that I'll be able to stay here for some time. In some ways I feel confident, but who knows? The situation can change with them as well. So I'm in two minds ... (70-year-old, female, private sector tenant)

It's probably 50/50 because a lot of it is out of my control. I don't have a landlord, estate agent who is willing for me to stay indefinitely and for it to be my choice to move. Yeah, so I'm only semi-half confident that my short-term aspirations will

continue as they are. It would just—and if—and if that—it did eventuate that they asked me to leave then I would just have to try and replicate something similar to what I've got in this area and try and put it all behind me again. Yet another move. (61-year-old, female, private sector tenant)

Nevertheless, only a small proportion of survey respondents indicated that it was unlikely that they could stay in their current dwelling in the short term, suggesting an overall high level of confidence by older Australians.

Table 21: Likelihood of staying in dwelling for those who want to stay short term

	55–64	65–74	75+	
Extremely likely	86%	87%	83%	
Somewhat likely	12%	10%	14%	
	Owner	Private renter	Social renter	Age-specific
Extremely likely	89%	63%	84%	96%
Somewhat likely	10%	28%	11%	5%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Confidence in being able to meet the longer term aspiration of staying put and ageing in place was again high across all age cohorts and tenures with the exception again of renters in the private sector, although even then only 7 per cent thought it unlikely they would be able to remain in their dwelling for the longer term (Table 22). Only a small proportion of older Australians indicated that they were unlikely to be able to stay in their current dwelling in the long term. Therefore, the number of responses explaining why they won't be able to stay were small and hence not reportable. The main reasons however, did concur with answers during interviews and focus groups. These included health issues, particularly among home owners and social housing tenants, and a shift in the balance between capacity to maintain the dwelling and its appropriateness for the households' needs. This home owner notes their health and relationships as explanations for being unable to stay in their current home for the long term:

There would be two reasons for me not to stay here [and achieve my aspirations]. Finance is not one of them, because I think I've got enough; and because I own the house outright, my only costs involved in that, besides utilities, are of course the council rates. ... things that would make me move would be: (a), my health deteriorating to the point where I couldn't manage myself inside the house ... But the other thing would be if I partnered up again with somebody who lived elsewhere and I wanted to move elsewhere. Which is not impossible, but highly unlikely at my age, which is early 70s. (72-year-old, female, home owner)

Tenants in the social housing sector regarded their prospects of achieving their aspirations as being greater than if they were in the private sector, nevertheless, they are also cognisant that they have little control over their situation:

A lot more confident than I would be in the private housing sector, that's for sure. Moderately confident about being able to stay [and achieve my housing aspirations]. Just because I'm prepared for the worst, not psychologically being too complacent I think. (63-year-old, female, social housing tenant)

The last application forms I sent in for the RSL two units, they were quite happy with it and they just said: 'We'll just have to wait now'. But I don't know what the waiting

period is? I didn't think to ask them. But you know, I suppose with a lot of people there being quite elderly, I might not have to wait long. (70-year-old, male, social housing tenant)

Table 22: Likelihood of remaining in current dwelling for the next 5–10 years

	55–64	65–74	75+
Likely	87%	87%	83%
Unlikely	4%	3%	7%
	Owner	Private renter	Social renter
Likely	89%	64%	90%
Unlikely	3.5%	7.0%	1.2%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

5.3.2 Likelihood of meeting long-term housing aspirations

Overall, older Australians were reasonably confident of meeting their longer term housing aspirations. There was little variation between the age cohorts with around two-thirds of older Australians reporting that it was likely that they would achieve their longer term housing aspirations. For example, this home owner explained that they are:

Reasonably [confident about achieving my aspirations], unless there was ill health or an accident—I could end up in a wheelchair or taken poorly. Otherwise, there's no real reason why I would need to shift at all. ... or again a relationship that might come along that would—you know, if I had to move in with [them], wherever that might be, that would obviously impact me not staying here (56-year-old, female, home owner)

Home owners were the most confident with 73 per cent indicating that it was likely that they would achieve their housing aspirations. Renters in the social housing sector were the least confident (32%).

Table 23: Self-reported likelihood of meeting longer term housing aspirations

	55–64	65–74	75+
Likely	63%	66%	61%
Unlikely	15%	12%	9%
	Owner	Private renter	Social renter
Likely	73%	48%	35%
Unlikely	7%	24%	32%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Overall, while this section has identified a housing aspirations gap, most older Australians are quite confident they would be able to meet their longer term aspirations when required. The question is whether there are suitable options available in the private market to meet these aspirations. The interviews with Indigenous Australians revealed however that some considered they had little personal capacity to meet their housing aspirations themselves and little confidence in the social housing system to assist them.

5.4 Summary

The housing aspiration gap for older Australians in the short term is very small with over 90 per cent of AHA survey respondents stating their current dwelling meets their short-term aspirations. The gap in the long term is not large either, with around 70 per cent of older Australians reporting that they are in housing that meets their longer term housing needs. There are some difference between tenure, with tenants in the social housing and private rental sectors having larger gaps than those in home ownership. However, those in housing that is not currently meeting their aspirations are generally confident that they will eventually secure the housing they want. The analysis found an unmet demand, or a housing aspiration gap, for dwellings in small regional towns, separate houses, two and three-bedroom dwellings and home ownership. The housing aspirations gap is largest for renters, private and social, who generally aspire to home ownership.

6 Closing the housing aspirations gap

- Main barriers to achieving longer term housing aspirations are financial—accessing and servicing a loan, saving for a deposit and maintaining employment—along with health issues.
 - Discrimination is particularly felt by Indigenous Australians.
 - Later life Australians have a good self-rated understanding of the market, but are not consciously making plans or implementing strategies to meet their housing aspirations.
 - With the notable exception of tenure, older Australians are willing to compromise on many aspects of housing to deliver a dwelling in a location as close to their aspirations as possible.
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The housing aspirations gap is not large and is more evident among those who are renting than home owners. To close the gap, the barriers to achieving aspirations, the strategies currently being used and the help and assistance needed by older Australians must be understood. Further, the compromises older Australians would be willing to make to achieve their longer term housing aspirations and the extent to which they are actively planning to achieve them should be recognised to identify areas to direct policy solutions.

6.1 Barriers to meeting longer term housing aspirations

Around 70 per cent of survey respondents stated their current housing meets their longer term aspirations. For the remainder, around two-thirds were confident of meeting their aspirations and this cohort were asked about the potential barriers to meeting them. Only a few respondents to the AHA survey indicated that they did not perceive any barriers at all (Table 24) and only 27 per cent of the older cohort said they would need help to achieve their housing goal.

For older people generally, a lack of savings and health issues were the largest barriers (Table 24). Financial barriers were larger for the young cohort, aged 55–64 years, including a lack of stable employment and difficulty in meeting rent or mortgage payments. Older cohorts were more likely to cite health issues as a major barrier, particularly private renters. Financial and employment barriers were greater for renters—both public and private—than for home owners.

6.1.1 Discrimination

The ability to maintain employment is a direct barrier, or bridge, to older Australians in the private rental sector achieving their aspirations, which for many is to stay where they are. Without employment, the cost of housing would force them to move in search of more affordable accommodation. As contracts end however, the ability to secure another becomes more difficult with age, which this participant links to age discrimination:

For older people I think the whole issue of housing is interlinked with employment, it's linked with age discrimination. It's very, very difficult as an older woman to say that I was discriminated against on the basis of my age, but when you don't get interviews and you are highly qualified, yeah, I think there's issues there and who you know, your networks and all that kind of stuff. (61-year-old, female, private sector tenant)

Table 24: Selected barriers to long-term housing aspirations

Barriers	55–64	65–74	75+
Don't perceive any barriers	2%	15%	9%
Meeting rent or mortgage payments	44%	34%	14%
Lack of housing choice	23%	23%	18%
Having children	1%	1%	0%
Health issues	35%	35%	77%
Lack of stable employment	28%	12%	0%
Lack of savings (deposit)	61%	47%	36%
Lack of knowledge on how to achieve the housing I/we want	12%	15%	14%
Unable to secure a mortgage from a lending institution	24%	25%	9%
Other	10%	5%	23%
Barriers	Ownership	Private rental	Social housing
Don't perceive any barriers	12%	2%	6%
Meeting rent or mortgage payments	21%	57%	39%
Lack of housing choice	20%	21%	27%
Health issues	35%	42%	36%
Lack of stable employment	14%	25%	24%
Lack of savings (deposit)	38%	68%	58%
Lack of knowledge on how to achieve the housing I/we want	16%	9%	21%
Unable to secure a mortgage from a lending institution	16%	26%	33%
Other	15%	7%	3%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

For older Indigenous Australians, discrimination and racism was a major barrier to housing aspirations. Several participants talked of the racism they or their family members and friends had experienced, and the barrier this had been to attaining housing aspirations. One degree-educated participant considered racism, stolen generation, inter-generational poverty and other impacts of colonialism should be formally acknowledged as still having influence and be addressed with positive assistance that would overcome their difficulties:

They turn around and say, 'Well, we helped them poor blacks, but they can't help themselves'. Well hang on, we've had to struggle because our parents were taken away, our grandparents were taken away. They've struggled, they've made the opportunity for us to be able to do something, but because of all the racist taunts and

what happened with the generation before us, and even our generation, we can't move forward until our generation and the generation that follows us starts being able to, or gets offered to do something. (Pam, Indigenous Australian, Regional WA)

People spoke of the importance not only of the quality of the housing, but finding out who the landlord is and whether they are racist. Entrenched poverty, bad credit history and debt can be real barriers to Indigenous Australians' ability to secure housing. People talked of a lack of understanding about the disadvantages that Indigenous Australians have faced in terms of forced labour, lower wages, colonisation and having had children taken away and families separated, as well as never getting on the housing ladder when they were younger.

Racism is an issue that has really impacted on the housing aspirations of older Indigenous Australians:

When I had to get a private house, ... I had to get a letter of verification of who I was and whether I was trustworthy. I've still got those letters from [the Mayor] ... Then I had to get a letter from the local Member of Parliament,—this goes back about 15 years ago. I had to get a letter from both of them to say that I was trustworthy and that I would maintain the house. (Pam, Regional WA)

One interviewee considered that some of the damage experienced by unfair treatment and downright racism could be ameliorated by positive action by governments in the same ways that non-Indigenous Australians have been assisted in the past:

They were given bursaries. Down south all those people that own those farms, the Melbourne cockies down there, every one of them, that land was given to the returned soldiers. All the land up north, all the station owners across up north, across the middle of the Territory, every one of them have been given that land because of bursaries. Now our black fellas busted their guts on all that, even down south, so for them to turn around and say, 'Right, we're going to give you 100 acres each. Here's 100 acres, you do what you want with it. ... It's the same, you go around anywhere and a lot of non-Indigenous people say, 'Oh, haven't you bought a house?' No, because (1): nothing like that happened to us at the 67 referendum; and not only that, we weren't entitled to Family Allowance until the 60s, so where was the savings. So there was no money for our Aboriginal people to start off, or to leave for our families. (Pam, Regional WA)

6.1.2 Limited options

Limited housing options, particularly for older Australian tenants in both rental sectors, were noted in the interviews as barriers to achieving housing aspirations. Private rental tenants noted a lack of affordable rental options, particularly in regional areas. Public housing tenants expressed frustration that one-bedroom properties do not allow for grandchildren or carers to stay, there is no room for hobbies such as sewing, often limited kitchen facilities or dining space limit the ability to cook and entertain friends. They explained that dwellings need to cater for tenants' non-shelter housing aspirations, because these are fundamentally important to health and wellbeing:

I know beggars can't be choosers but I also have PTSD and I can't just sit in the chair and watch TV. I knit or I do some sewing, so I need somewhere where I'm able to keep those, a sewing machine and have somewhere to put a sewing machine and some wool and things. ... I knit and sew for Hunter Wildlife. ... and I also knit for another charity group and we do things for nursing homes. ... So, at the moment, I've probably about 200 balls of wool here, so I've got to have somewhere to put things. That's without the sewing machine and whatever. (73-year-old, female, private sector tenant)

Interviewees in transitional or social housing perceive that their housing aspirations are a moot point as they don't have a great deal of control over their options. Tenants are aware that they will only be offered a limited number of properties, a requirement which limits their ability to meet housing aspirations and also creates anxiety, as this tenant in transitional housing explains:

I live in fear that I turned the first one down and the second one could be worse. So, I feel really stuck. ... And so, I feel really compromised. (63-year-old, female, social housing tenant)

6.1.3 Barriers for home owners

Focus group and interview participants who owned their own homes noted that in some ways they find themselves trapped. On the one hand, they have recognised that their house is becoming less suitable for them, but on the other, they do not have the cash to move. Some recognised the increased value of their property as a function of zoning changes, but were unsure of how to capture that value. Others noted that they would like to be able to develop their property either through subdivision or the demolition of the current dwelling and the construction of two or more new dwellings, however, they lacked the knowledge and financial capacity to do it. Those considering selling and moving to the private rental sector also faced barriers. Until the sale of the property had been completed, they had limited capacity to raise a bond and no rental history to be able to draw upon to offer security to landlords, as this home owner contemplating moving explains:

...Because I had to pay rent in advance and it'd probably have to be drawn from a credit card or on a short-term loan. ... Yeah, it is a barrier. ... (57-year-old, male, home owner)

Some households of older Australians still include dependent and independent children. For those with dependent children, aspirations can be shaped by the needs of the offspring rather than the home owners themselves. For example, one couple aspire to move out of their current home because it is becoming too big to manage. Consideration needs to be given to their adult son, however, who needs his own space and time to confidently live independently. As they explain:

[We are] required to stay in the short term—would be 'out of here like a shot' if the change came about... We're kind of blocked here. We're kind of blocked at the moment, so we have to make the most of where we are now, until as and when or if things change. (60-year-old, female, home owner)

6.2 Later life Australians' capacity to achieve housing aspirations

Later life Australians have a good self-rated understanding of the market but are not consciously making plans or implementing strategies to meet their housing aspirations.

6.2.1 Knowledge of the housing market

Respondents reported how well they felt they understood the housing market and system—for example in terms of buying a house, renting a dwelling, accessing housing finance or their legal rights. As Table 25 below demonstrates, older Australians generally feel that they have a good or excellent understanding of the market and the housing system in which they live. Home owners and those aged 65–74 years were the most confident about their knowledge. Social housing tenants, by contrast, reported lower levels of understanding. However, one who is now a home owner, explained a range of experiences in different tenures that had given her confidence in her knowledge of and ability to negotiate the housing market:

Yeah, I guess I would feel confident to be able to sort what I needed to do for me at the time. Over the years I've rented in different places and lived in different places, bought and sold. I'm no expert and I'm no investment guru, but I feel confident that I can and have been able to get my own housing for what I need and for what suited me in my time of life... (56-year-old, female, home owner)

Table 25: Self-rated understanding of the housing market/system

	55–64	65–74	75+
Excellent or Good	58%	61%	57%
Average	35%	34%	38%
Poor or Terrible	6%	6%	5%
	Ownership	Private rental	Social housing
Excellent or Good	64%	46%	37%
Average	32%	45%	49%
Poor or Terrible	4%	9%	15%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Others feel that they have the ability to access information to ensure that they understand the system:

Absolutely. I'm making myself as informed—informed about every angle that I need to think about. If I'm not sure about something, I'll get help or I'll try and research it myself. I usually do things very carefully before I make decisions. ... I think I feel quite empowered with my decision-making. (60-year-old, female, home owner)

Yes, I have [got a good understanding of the housing market]. I'm very positive on that. I worked for 20 years at a council ..., so I'm resourceful and if I don't know about it, I'll get on the internet and find out what I can or find out where I go to get the information. (73-year-old, female, private sector tenant)

Households who had spent the majority of their mid-life as home owners and in later life sometimes find themselves, for a variety of reasons, in the private or public rental sector, described changing goal posts and the need to continually learn about the new environments they are in:

We might have had the skills [as home owners], but with the parameters being moved all the time, with the parameters of how to think and how to have the skills, you don't know if you've got the skills. ... I had the skills ... from my past—because we'd made money on houses, my husband and I. You build this house, have it for five years, and then sell it. And you'll make \$200,000. But that didn't come to fruition. So my goalposts have changed, they moved. ... It's the constant having to rethink, rethink, rethink, rethink, redesign, rearrange, requalify. (63-year-old, female, private sector tenant)

In some cases, despite the ability to become informed about a new housing sector, there was a view that the tenants had little control anyway and therefore knowledge was less important:

I've been on my own, divorced for 20 years, and I haven't re-partnered, so I'm an incredibly independent woman and all of a sudden, I've had to turn my whole life over

to these housing people. ... it has quite an impact on who you are because you can't make your own decisions anymore. You've got other people making decisions for you and that's really really hard. (63-year-old, female, social housing tenant)

6.2.2 Planning (or not) to meet housing aspirations

The capacity of later life Australians to meet their housing aspirations is partially shaped by the extent to which they are actively planning to achieve them. When asked about planning for the longer term, it was clear that well under half of households were actively planning to meet their aspirations (Table 26). The middle cohort indicated that they were doing the least planning. Home owners and renters in the private sector followed similar levels of planning and social renters were the least active planners for future housing aspirations.

Table 26: Plans to meet longer term (5–10 year) housing aspirations: Age and tenure

	55–64	65–74	75+
Yes	42%	29%	37%
No	54%	61%	55%
	Owner	Private renter	Social renter
Yes	39%	40%	16%
No	54%	57%	80%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Where planning does occur, Table 27 below describes the strategies that households are already implementing or likely to implement, the most common being saving for a deposit and investigating alternative locations. Interviewees discussed a range of strategies they were implementing in the hope of meeting their aspirations:

And I bought it because it's got a wide passage so if I wind up in a wheelchair, there's definitely room to go through the house because the passage is wide enough. ... the house is right in the middle of town. ... I did that for a reason, because I wanted to live in the centre of town (65-year-old, female, home owner)

What I am doing now though ... I'm on a better hourly rate than I have been in the past so now I salary sacrifice to have some money and money to my super when I'm older. So I'm trying—that's my avenue to try and accumulate a little bit of personal wealth ... (61-year-old, female, private sector tenant)

In a way I have [planned to meet aspirations by applying to move to another social housing dwelling] but I just want to end up in a place where I'm contented and I can sleep all night without being woken up, not by anything, you know, I just want to have a full nights rest. It just doesn't happen here. (70-year-old, male, social housing tenant)

Table 27: Strategies to meet longer term housing aspirations

Already implementing/Likely to implement⁴	55–64	65–74	75+
Saving for a deposit	43%	34%	23%
Sharing ownership with another individual	26%	21%	24%
Sharing ownership with government or a community housing provider	12%	11%	14%
Borrowing from relatives	5%	3%	9%
A cooperative style development	12%	14%	10%
Investigating moving to a different location/dwelling	65%	61%	57%
Building a dwelling for future needs	26%	22%	11%
Researching age-segregated communities	34%	40%	51%
Already implementing/Likely to implement	Ownership	Private rental	Social housing
Saving for a deposit	40%	40%	15%
Sharing ownership with another individual	27%	18%	14%
Sharing ownership with government or a community housing provider	9%	17%	19%
Borrowing from relatives	4%	6%	4%
A cooperative style development	11%	16%	10%
Investigating moving to a different location/dwelling	66%	62%	40%
Building a dwelling for future needs	26%	21%	12%
Researching age-segregated communities	41%	33%	31%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

In the case of home owners, much of this planning, whether it was recognised as planning or not, was undertaken earlier in life:

Yeah, we did. We moved out of a two-storey place, which had a spiral staircase down to the bottom... it was a lovely house, but it was probably a bit big for us. ...I suppose a little bit subconsciously we did think about it. ... Our house is comfortable enough for when we get older. And we do intend to get older [here]. Yeah, but we didn't plan it that way, really. No. We didn't think a great deal about it. I just liked this house. (71-year-old, female, home owner)

The absence of planning to meet housing aspirations was for some a function of being unaware of what should be planned for:

⁴ Too few responses to report age specific housing tenure results

I don't know if there's something that I ought to be thinking about, or ought to be planning for. I'm not prepared to say ... I've got to do nothing, simply because my husband, four and a half years ago, was ill, and he was sort of saying, 'Look maybe we will have to [downsize]'. (72-year-old, female, home owner)

While for others, particularly those in the private rental and social housing sectors, a lack of planning for housing in later life was a direct consequence of limited opportunities in mid-life:

...well, really I haven't had the opportunity, just because of my personal situation, marriage breakdown, never having bought any property in the past, ... so not really the opportunity to be able to plan and as I was raising my children I worked—my jobs were very low paid and I didn't work full-time when they were quite young because I needed to be present for them. ... so saving for a home was like a distant dream. .. So it's basically been a matter of survival all these years. ...So it's all been about how do I manage the here and now and not being—and not having the opportunity and the means to plan ahead for the future. And that's why I'm in the precarious situation I am in now in my 60s because I don't have that behind me. (61-year-old, female, private sector tenant)

Where dwellings did not meet housing aspirations, very few older Australians are implementing an array of strategies to achieve their housing aspirations. This is not an aggressive approach towards meeting aspirations, rather, as Table A13 indicates, there are many strategies available that older Australians are unlikely to implement. For example, alternative strategies such as shared ownership with a government or community housing provider or living in a cooperative style development were on the radar of very few respondents, largely reflecting knowledge about, and availability of, such initiatives. The strategy of building a dwelling, unsurprisingly, became an increasingly unlikely strategy with age. Alternative strategies identified in the interviews were often associated with generating an income which would provide an opportunity to achieve housing aspirations and be able to make independent decisions in the future. One interviewee was working in a volunteer capacity while studying with the view of being able to secure permanent employment:

I'm going to be doing a course there in the same level. ... the cert four ... So if it all goes well, these very same people [I'm volunteering for at the moment] will offer me work. ... [I'm] Lining myself up for employment. ... I reckon—I'm hoping that in a year, at least—if not earlier—I will be in a much, much better place financially. So at the minute, on NewStart, all I can do is pay the rent and I'll eat nothing. So in about a year's time I hope to be okay. (63-year-old, female, private sector tenant)

Another, previously a business owner, was identifying skills to devise alternative employment options that might be available:

I could try and get myself an office admin job or something like that down the track, I just don't know because I haven't been in that sort of work for a long time. At my age, it's going to be a factor, I've got to be realistic, my age is a factor. I had a business and I was hiring maybe two [people who] ... couldn't get work in their field because of their age. So I am not really super confident that I'll get other work. (57-year-old, female, private sector tenant)

An interview participant in Regional Victoria who owns her property praised the work of the Aboriginal section of Health and Community Care (HACC), which is being implemented to assist her to remain in their own home:

I get the HACC—Aboriginal Section services. My house gets done once a week because I've had big surgery (Jenny, Indigenous Australian, Regional Victoria).

Across all tenures the strategy most likely to be implemented or already being implemented is the investigation of a different location or dwelling. Home owners (66%) and private rental tenants (62%) were either executing this strategy or likely to do so, compared to 40 per cent of social housing tenants. In addition, a small proportion of home owners (40%) and private sector tenants (40%) are already or likely to implement deposit saving strategies that will assist them to remain or become home owners. A greater proportion of home owners are or are likely to investigate age-segregated housing (40%) when compared to public (31%) or private (33%) tenants.

6.2.3 Why are later life Australians not actively planning to meet their housing aspirations?

For those respondents not currently meeting their longer term housing aspirations, there is a cohort who are not actively planning to do so. Among all age cohorts, there was an air of nonchalance with the majority of older Australians simply saying: 'We just haven't thought about it' (Table A14).

Despite being in housing that does not meet their housing aspirations, almost half of those home owners who haven't yet achieved their housing aspirations hadn't thought about it yet (48%), which was certainly higher than those in the public (16%) or private (31%) rental sectors.

Older Australians in the earlier cohorts were more likely not to be actively planning to meet their aspirations because of the perception that there was no point, as they would never be met. For example, 29 per cent of 55–64-year-olds and 26 per cent of those aged 65–74 years held a pessimistic view about achieving their aspirations, which was in contrast to the older cohort where only 7 per cent did not think their aspirations would be met. Predictably, the older cohort was also the most confident that their housing aspirations would be met without any planning, as indicated by 29 per cent of respondents aged 75 years and over. As expected, home owners were more likely to respond that they hadn't planned as they had met their housing aspirations in any case (22%), a proportion much greater than those in public (9%) or private (5%) rental accommodation.

A lack of control over choice of dwelling was cited as a reason for failing to plan for housing aspirations by social housing renters (29%) and to a lesser extent for tenants in the private housing sector (13%). A lack of control or the constrained choices available to those in the rental sector emerged through interviews. There was a strong impression that their aspirations are of little consequence as someone else will be making the decision for them.

6.3 Housing factors available for negotiation

Households often make compromises and trade-offs in order to meet their housing aspirations and the survey questioned respondents about compromises and trade-offs they had previously made and were willing to make to meet aspirations. The area where fewest older Australians were prepared to compromise was tenure (**Error! Reference source not found.**) but otherwise two-thirds or more of respondents across age and tenure were prepared to compromise on the dwelling type, number of bedrooms and location to get as close to their longer term aspirations as possible.

Table 28: Compromises to meet longer term aspirations

Unwilling to compromise	55–64	65–74	75+
Dwelling type (e.g. an apartment over a house)	30%	38%	32%
Number of bedrooms	27%	30%	30%
Location	20%	23%	21%
Tenure	55%	64%	62%

Unwilling to compromise	Ownership	Private rental	Social housing
Dwelling type (e.g. an apartment over a house)	38%	23%	30%
Number of bedrooms	29%	24%	33%
Location	24%	17%	19%
Tenure	76%	24%	40%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

As one renter in the private sector explains the compromises they would make in regard to the dwelling:

Well, the compromises I would make ... I wouldn't have a garden. I might have to go into an apartment which I'd be sort of okay about that. I'd have to get rid of a lot of my plants and my garden furniture. ... So most likely I would have to give up peace and privacy because I do have a lot of peace and quiet here and minimal neighbour noise. Whereas if I had to move into an apartment and I had to go back to dealing with noisy neighbours, etcetera, which I've had to deal with in apartments in the past so yeah. So just, yeah, having a little bit less privacy ... Yeah. So a compromise would probably be move to something smaller and possibly less peaceful. (61-year-old, female, private sector tenant)

However, as this social housing tenant suggests, perhaps the unwillingness of some tenants to compromise on their housing is a function of the extent to which they have already done so:

I've already minimised myself down to so little. I don't know how much more compromising I can actually do. I will not give up my dog. She's my reason for getting up every day. I just won't give her up. (63-year-old, female, social housing tenant)

The housing aspect which most respondents were willing or might be willing to compromise is the location. Only a small proportion of those aged 65 years and over as well as around a quarter of the younger age group were unwilling to compromise on their location. When considered by tenure, renters demonstrated more willingness than owners to compromise on location, but again there was a large proportion among all interviewees that they would or might be willing to compromise on this factor. This tenant would be happy to compromise on location although this is underpinned by affordability:

Here's a compromise. If I couldn't live in [Suburb A] because rents went up or every house was filled with people, I'd go and live somewhere else in the metro area or even look at moving to ... small communities... (61-year-old, female, private sector tenant)

While this home owner is already compromising by moving away from their neighbourhood of 30 years to ensure that they do not become isolated from the community in later life:

Moving away from the neighbourhood and bowls club that they are part of to access a greater degree of socialisation—less isolation (72-year-old, male, home owner)

Understanding which elements of housing won't be compromised upon highlights those areas where policy interventions can potentially have the most impact.

6.4 Assistance required to achieve housing aspirations

Older Australians who are yet to meet their aspirations, in general, do not think they will need assistance to meet their longer term housing goals (Table 29). Those aged 75 years and over were the least likely to indicate a need for assistance (23%). Less than 30 per cent of those in the 55–64 and 65–74-year age cohorts feel they may need some help. When tenure is used to analyse assistance requirements, it is evident that renters have the most need. Double the proportion of tenants in the private (42%) and public or community (37%) sectors believe they need help compared to the much lower proportions of home owners (20%).

Table 29: Proportion of older Australians who need assistance meeting longer term housing aspirations

Age	55–64	65–74	75+
	27%	28%	23%
Tenure	Ownership	Private rental	Social housing
	20%	42%	37%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Where respondents indicated that assistance was required to meet housing aspirations, the survey asked about their ability to access a number of forms of help. Across all three age cohorts, the type of help and assistance most likely to be accessed were financial/legal advice, stamp duty relief and subsidised rent in the private rental sector (Table A17). Households in the younger age cohort, 55–64 years, indicated that it was likely they would access opportunities such as low deposit home loans more so than older Australians in high age brackets. Respondents aged 75 years and older also reported that it was likely they could access shared ownership products through government. The likelihood of being able to access advice services, relief and subsidised rent generally decreased with increasing age. Overall, younger cohorts felt they were more able to access various forms of help when compared to those aged 75 years and over.

Among those who needed help to achieve their housing aspirations, home owners and private rental tenants were the most likely to be able to access it. Over two-thirds of home owning or purchasing respondents who did not think they would be able to meet their housing aspirations reported that they were likely to access financial or legal advice (67%) which was similar to those in age-specific housing (60%) but represented a much higher proportion than those renting privately (39%) or in the public sector (46%). This highlights an area that might benefit from a policy or information response. Respondents from public and community housing were the cohorts most likely to seek access to shared ownership products through government. Private sector rental tenants indicated a stronger likelihood of access assistance such as government grants, savings schemes and low deposit home loans compared to those in other tenures.

6.5 Summary

This chapter focused on the barriers to achieving aspirations, strategies currently being used to achieve aspirations, and the help and assistance needed by older Australians to close the gap. Barriers to achieving longer term housing aspirations are mainly financial—for example, accessing and servicing a loan, saving for a deposit and maintaining employment, in addition to health issues faced by members of the household. Discrimination is a barrier felt particularly by Indigenous Australians. Later life Australians did report a good self-rated understanding of the housing market. However, it was found that they are not consciously making plans or implementing strategies to meet their housing aspirations. The chapter also considered the compromises older Australians would be willing to make to achieve longer term housing aspirations. It was revealed that, with the notable exception of tenure, older Australians are willing to compromise on many aspects of housing to deliver a dwelling in a location as close to their aspirations as possible. The understanding of barriers and the capacity of older Australians to achieve housing aspirations through knowledge, planning and the trade-offs they are willing to make provide a platform for considering policy solutions to bridge the gap.

7 Policy solutions to bridge the housing aspiration gap

- Although the housing aspiration gap for older Australians is not large, policy responses are required to narrow the gap for low-income private renters in particular.
 - Housing assistance in the form of ownership products for low-income households and improved security for tenants within the private rental sector are needed to assist older Australian households to meet their housing aspirations.
 - Current patterns of housing supply are not meeting the diverse needs of older Australians with too many apartments and large separate dwellings and not enough mid-sized product.
 - A supply of subsidised rental housing is essential to meet demand from the growing number of older Australians renting into retirement where CRA is just not enough to make housing affordable.
 - A central housing information service could provide households with the information they need to plan for later life including issues around ageing in place.
-

This project examined the housing aspirations of later-life Australians. Along with two related projects, one on younger Australians (Parkinson, Rowley et al. 2019) and one on mid-life Australians (Stone, Rowley et al. 2019), this project forms part of an AHURI inquiry and directly informs the overarching Inquiry question: *How can existing and innovative policy be harnessed to assist lower income Australians achieve their shelter and non-shelter housing aspirations, and improve housing opportunities across the life-course?* In this project the shelter and non-shelter factors which shape future aspirations were examined and the specific housing attributes considered to be ideal housing outcomes for this cohort identified. To inform policy development, the type, size, tenure and location of dwellings where older Australians currently live were compared to their aspirations across the same factors to identify the housing aspirations gap.

A mixed method research approach was used including focus groups with over 60 participants from metropolitan and regional locations in Western Australia, New South Wales and Victoria, a national housing aspiration (AHA) survey of over 2,400 older Australians, as well as interviews with 30 individuals aged over 55 years and 11 later-life Indigenous Australians. The AHA survey was designed with great care using input from a number of focus groups and piloted extensively. Quotas were put in place to ensure the sample of older Australians was representative (with reference to census data) spatially, by gender and age. However, there are always limitations with this type of data collection method. Assumptions are made that respondents answer honestly and certain check questions and strategies such as completion times are put in place to help determine good quality responses. The number of responses is sufficient to generate robust statements with high levels of confidence and a low margin of error around the national population of older Australians. Less confidence can be attached to statements where sample size is restricted and caution should therefore be applied when relying on survey data where the number of respondents is small, for example respondents over 75 and tenures outside ownership.

Overall it was found that while the diversity of experiences relating to employment, relationships and housing is large, the housing aspiration gap for older Australians is quite small, particularly in the short term. Housing aspiration gaps among older Indigenous Australian households are not dissimilar to those of other households. Where gaps did exist they were related to poverty, deeply embedded place-disadvantage, compounded by additional barriers including discrimination, systemic racism and a 'normalisation' of homelessness and experiences of family violence.

The survey found the vast majority of older Australian respondents from across the country (over 90%) are in dwellings that meet their current housing needs. The housing gap in the longer term, given changing household circumstances, is slightly larger, with around 70 per cent of AHA survey respondents currently living in housing that would meet their longer term housing aspirations. The small gap in aspirations could be a function of two factors. Firstly, older Australians have had the benefit of a housing system which has supported home ownership, demonstrated by the high proportion of older Australians that own a dwelling—even if two-thirds of current older renters have subsequently fallen out of ownership. Secondly, many households have made housing decisions for later life before their current life stage, perhaps during the final years of their working life. This relates more to home owners than to those in the rental sector where choice is more limited. The housing aspiration gap which does exist is being experienced by specific groups. Renters—both private and social housing—had the largest housing aspiration gap and were most likely to be in dwellings that didn't meet their longer-term aspirations and where there was an expressed unmet demand for owner occupation.

The following chapter focuses on four policy responses developed to bridge the housing aspirations gap of older Australians.

7.1 Housing assistance

The primary housing aspiration gap exists for those in the private rental sector and in public and community housing, particularly in regard to home ownership (Table 20). This aspiration is driven by the need for stable, secure long-term housing which meets their dwelling needs over which they can have some control. For low-income households outside home ownership, the gap is driven by income, rather than by housing. Older Australians who are yet to meet their housing aspirations, largely indicated that they will not need assistance to meet their longer term goals (Table 29 above). Respondents who did want assistance indicated that they would most likely access services such as financial/legal advice, stamp duty relief and subsidised rent in the private rental sector (Table A17). Home owners and private rental tenants were the most likely to consider themselves able to access these forms of help.

7.1.1 Ownership products for low-income households

A growing number of older Australians are falling out of home ownership or entering retirement having not made their way back into ownership (Hodgson, James et al. 2018). Two-thirds of older renters in the AHA survey had previously been in home ownership with most forced to leave the tenure rather than making the choice. While reasons for leaving ownership are diverse more could be done to try and keep older Australians in this tenure if the reasons for leaving are financial. Better to provide housing assistance to keep residents in their dwelling that to try and support them in a precarious private rental sector.

Getting renters into stable homeownership is problematic. Traditional finance products have timeframes unsuitable for older Australians. No lender is going to provide a 30-year mortgage to someone over 60, unless there are exceptional circumstances. In the absence of stable income, banks are not willing to lend. Reverse mortgage products are available but come with high upfront costs and have to be repaid at some point. Flexible finance products could help or

government-backed, short-term mortgage schemes might work under very specific circumstances. Older Australians are working later and later in life and many are earning an income that could service a small, short-term mortgage, at repayments not much higher than weekly rent in some circumstances.

Delivering low cost, low deposit ownership products, for example through shared ownership or through a land rent type scheme could deliver the safety, security and control characteristics of home ownership sought by older Australians. Servicing ten-year mortgages would be viable for those in the younger age categories in secure employment (around 55) and would deliver that security into retirement. At present, ownership options available through the private market and age-specific living options are not accessible for those on low to moderate incomes in the majority of the country because they are too expensive and the upfront cost often too high. Government-driven housing cooperatives, for example, could offer a solution. A 10-year mortgage of \$150,000 would cost around \$1,600 per month to service, certainly possible for some older renters. The challenge is to deliver an ownership product at that price point and this would rely on some form of subsidy or an alternative form of ownership product; land rent for example. Stamp duty relief is also essential. While this is available in some states it remains a major barrier to older household mobility in others.

A survey of 900 Australian HR Institute members in August 2018 found that there has been an increase in expected retirement age from 61–65 years to 66–70 years (Australian Human Rights Institute 2018). This was also coupled by a growing recognition that the perceived differences in the workplace behaviours between older and younger employees is diminishing (Australian Human Rights Institute 2018). While the changing sentiments of employers is promising, the reality for many was a concern that they would struggle to find the next contract. Employment uncertainty prevents planning for retirement, particularly late entry to home ownership.

The responsiveness of financial products to later life housing transitions is a further factor that affects the later-life housing aspirations gap. Flexibility in relation to selling a family home and purchasing housing more suited to later-life requirements may assist older home owners achieve their aspiration of retaining the security of ownership while adapting their living arrangements. Government initiatives that seek to reduce financial penalty via taxation in later years to enable housing transitions, are generally supported by findings of this research.

7.1.2 Strengthening security of tenure in the private rental sector

Those renters unable to service a mortgage but still wanting that security of tenure will need to rely on reform to the private rental sector and the willingness of landlords to offer longer term leases. Such reform has progressed in some states, notably Victoria, and is well overdue in others. The build-to-rent sector has the potential to offer professionally-managed rental accommodation with longer term lease structures. Such tenancies could suit the requirements of older renters. Partnerships between build-to-rent providers and the community housing sector could offer the same stability for low-income private renters with support services attached. A replacement for the National Rental Affordability Scheme (NRAS), which would offer subsidised rents in return for financial incentives for landlords could be tied to delivering long-term rental options for older tenants providing the ability to age in place. Alternatively, a new subsidised scheme in partnership with the community housing sector could offer security and affordable rents to older households with very little income. Whatever the structure, a supply of subsidised affordable rental housing is essential to meet demand from the growing number of older Australians renting into retirement.

This report highlights how older Australians wish to age in place. Government needs to offer assistance aimed at keeping home owners in their homes while delivering renters greater security and offering financial support if their income is not sufficient to meet rental payments.

Commonwealth Rent Assistance is insufficient for many who have the aged pension as their only source of income. Older renters unable to sustain private rental tenancies have nowhere to go (Hodgson, James et al. 2018) and will become a growing cost to government if forced out of their homes either prematurely into aged care or into homelessness.

7.2 Housing diversity

Older Australians are more likely to be living in larger homes now than 10 years ago (Figure 6 above), despite aspirations for two to three-bedroom dwellings (Figure 6). This research found an unmet demand for smaller dwellings, particularly among home owners and private renters and for larger dwellings in the social housing sector (Table 20). There was an expressed aspiration for separate dwellings, particularly among those in the social housing sector.

The mismatch between the current and preferred number of bedrooms was greatest for social housing tenants, but also for those aged between 55–64 years and 75 years and over. The demand for two-bedroom dwellings increased with age. While older Australians were generally unprepared to compromise on tenure (Table 28 above) housing attributes, there was flexibility around dwelling type, number of bedrooms and location in order to get as close to their longer term aspirations as possible.

7.2.1 Dwelling and location

The diversity of housing currently being delivered needs to more readily meet the aspirations of those who will live in them. This applies to ownership as well as the delivery of private and social rental housing. Developers need to recognise the demand for two and three-bedroom, attached dwellings located in high level amenity locations; locations where shopping, recreation and allied health services are located within walking distance or a short drive/public transport trip from home. Strategic planning needs to deliver outcomes that reflect the demand for smaller houses and move away from a mindset that apartments are the only solution to delivering diversity. Regional locations also need a greater diversity of dwelling product. Incentives, either financial or through mechanisms, such as density bonuses, for developers to deliver innovative medium density housing options is one avenue to achieving a housing stock which matches the housing aspirations of the cohort. The shift away from traditional models will likely require a joint approach between developers and planners or the intervention of state development agencies to deliver such housing.

7.2.2 Age-specific housing options

Age-specific housing in this project followed the definition used by Bridge, Davy et al. (2011:8) which refers to 'accommodation or dwelling types that have been specifically constructed for, modified for, or allocated to older people'. These might include retirement or lifestyle villages, for example. Some older Australians interviewed for this project enjoyed living in a home that was designed specifically for later life because it was equipped with suitable amenities and allowed them to feel safe and remain independent while also being in close proximity to similar age groups. It is evident, however, that the current options do not suit the aspirations of a large range of older Australians. Home owners motivated by ownership were concerned that the leasehold combined with high exit fees involved in private retirement or lifestyle villages would affect their children's inheritance. The entrance fees to for-profit retirement villages precluded tenants from the private rental and social housing sector, despite some aspects of age-specific housing meeting the aspirations of these cohorts. Affordable age-specific housing does exist, however focus group participants commented that entry into age-specific accommodation is often too expensive, noting that while the aged pension is adequate to live on, it doesn't stretch to the costs associated with retirement village living. With only a small proportion of households viewing age-specific housing as aspirational, it is not a broad solution in its current form,

although it should be noted that innovation is occurring in this space with more products matching the needs of different households being developed. There is, however, a need to disseminate the benefits of living in age-specific housing to a broad audience given common (mis)perceptions and the extent to which it achieves the objectives of ageing in place.

7.2.3 Alternative housing options

To gauge older Australians' appetite for alternative housing arrangements, respondents were presented with a range of options and asked if there were any circumstances under which they would consider living in them. It was found, across all cohorts of age and tenures, that few would consider living in share houses with people the same age, older or younger. This trend was stronger among those in public or community housing and home owners, with tenants in the private rental sector being slightly more open to sharing.

Almost half of all age cohorts might consider living in an apartment or sharing ownership with a family member. Over a third of those aged 55–64 years might consider a purpose-built dwelling that was designed to be managed and rented from a private organisation, a housing arrangement which was also of interest to those in the private and social housing sectors. Older Australians aged 65 years and over and private renters would be more likely to consider living in public and community housing, long-term secure rental or a housing cooperative than the younger age bracket.

While the number of respondents selecting alternative arrangements was small, with the number of older Australians rising rapidly there is still a viable market for many alternative housing models if the benefits are disseminated widely enough. Shared housing options, for example, are suitable for certain groups and offer a solution for many single people on very low incomes who would benefit from living in a shared space.

The apparent lack of appetite for alternative arrangements further reinforces the aspiration for traditional products and home ownership. From a policy perspective, we also need to consider what is not important to older Australians, for example, the financial returns. Financial returns from housing were important to a small minority of older Australians. With house price growth largely underpinned by rising land prices, there are opportunities to deliver ownership products that take land out of the equation such as land rent schemes, community land trusts and appropriately structured housing cooperatives. Properly informed, older Australians—particularly renters, may be open to a variety of innovative housing options which assist them to meet their aspirations.

Co-housing and housing cooperatives have the capacity to provide secure and long-term tenures, and in the case of co-housing, respond to home ownership aspirations. There are opportunities for government to support these alternative tenure options—for example, through the provision of land in a public/private partnership and creating a service to link interested parties together to create the scale required to make the venture viable.

7.3 More choice for social housing tenants

Older Australians renting in the social housing sector were found to have the largest aspiration gap (there was little aspiration from any of the tenure groups to move into the social housing sector). Based on the demand for dwelling types and the number of bedrooms, it was evident that they are generally residing in dwellings that they thought were too small. There is also an aspiration to be located in smaller towns and to a lesser extent, remote communities. Through the interviews, it was found that this cohort desired greater choice or agency over their housing. The perception among interviewees was that their aspirations are of little consequence, that is, someone else will be making the decision for them and that by living in public or community housing their control over their housing outcomes is being traded for security of tenure. Part of

this lack of control is generated during the process of being offered a dwelling, as one tenant explained:

... what happens with the government sector is they basically, they give an option of a property and you are only given 48 hours to make a decision, and if you say 'yes', then you're only given five days to move ... (63-year-old, female, social housing tenant)

The outcome of the process is that there is little opportunity to research the dwelling, location or neighbourhood, and those seeking social housing worry that if they turn down the first house offered then the second one could be a lesser fit to their aspirations. This cohort cited the lack of control as a reason for failing to plan for housing aspirations, a finding which applied to those in the private housing sector to a lesser extent.

7.3.1 Stock matching

The policies within public housing often make it difficult to achieve housing aspirations, with tenants having very little control over their housing choice (Productivity Commission 2015). Internal policies need to reflect the diversity of housing need and aspirations among this cohort and the importance of housing as a space in which tenants participate in other aspects of life through hobbies or looking after grandchildren for example. Echoing the recommendations of recent research, a social housing exchange platform could be one avenue to assisting households to meet their aspirations in addition to better stock utilisation and enhancement of employment opportunities (Sharam, Byford et al. 2018).

7.4 Central housing information service

Overall, older Australians who need assistance are not looking for a great deal of support—just a little bit of help. For example, one home owner, despite being unable to achieve their housing aspiration, does not expect any government assistance other than the pension:

But I don't really expect the Government to do much more for me other than just keep paying me a pension. Hopefully it will go up a little bit higher. But I have the attitude that it's everybody's responsibility to a certain extent, to prepare themselves for later life. And if you crunch the numbers wrong, well, yeah, you sort of have to suck it up and do the best you can. But I don't know what else the Government can do. I've got a pension card, as I said I get a pension. ... So, I'm not one to expect the Government to be forking out all the time just so that I can live comfortably either. (69-year-old, female, home owner)

Self-reported knowledge of the housing market was high, however, interviews revealed that this understanding was often concentrated on the tenure in which they lived. Where survey respondents were not in housing that met their longer term needs, less than half of them were actively planning to meet their aspirations (Table 26 above), with social housing tenants the least active planners for future housing aspirations. To further assist housing aspirations to be met, there is a need for an education program or *central housing information service* that can guide households through their changing housing needs and provide information on accessing housing through different sectors. A finding which is similar to a state-based recommendation by Fielder and Faulkner (2017) in regard to homelessness in NSW.

7.4.1 Planning housing for later life

Some households have planned for housing in later life, others were unsure of what they needed or were unable to anticipate how their housing needs would change. A home owner suggested that it would be useful to be able to talk to someone about planning for their housing in later life. As they explain:

So I have done some of that, but I can see that I or even anybody else, needs to do probably a lot more. We probably need some processes to help them do it. (60-year-old, female, home owner)

There is a need to make this available to cohorts before they enter their retirement years so that their income can be used to make the necessary changes. Therefore, a policy response to closing the housing aspiration gap for older Australians must take effect while they are in mid-life or in the earliest cohort of later life (55–64 years). For example, helping renters in this group into a low-cost form of home ownership.

There is also a cohort of home owners who would happily age in place, however, their properties are currently too large to manage. A number of interviewees and focus group participants recognised the development potential of their properties, but explained that they lacked the knowledge and confidence to deal with the private sector or financial capacity to subdivide their land and build a home suitable for ageing, despite wanting to do so. These scenarios present potential opportunities for infill development while also facilitating ageing in place. Providing access to targeted information for this cohort of home owners would be one step towards allowing them to achieve their housing aspiration of remaining where they are, while also generating infill development. For those with limited financial capacity, a grant or partnership opportunities might go some way towards assisting this cohort to achieve their housing aspiration of ageing in place. There is a potential role for state development agencies such as Landcorp in WA to provide such an information service helping owners develop their land (Rowley and Phibbs 2012).

7.4.2 Understanding housing sectors

Despite the high self-report understanding of the housing sector, there is evidence to suggest that this understanding is limited to traditional tenures. That is, home owners understand the housing market in regard to buying and selling property, private renters may share that knowledge if they have fallen out of home ownership and also have an understanding of the private rental market, while those in social housing are generally aware of how the system works. Challenges arise when households change tenures with previous home owners reporting a lack of knowledge or understanding of the social housing sector for example. Interviewees reported not knowing where to go to access accommodation explaining that, as they fell out of home ownership and were in need of crisis housing, they struggled to navigate the welfare sector to access housing. Events such as permanent injury preventing work, closure of self-employed businesses, end of contracts, or increasing rents may force households from one tenure to another. It is at this point there is a need for more readily available information to guide households.

7.4.3 Timing and target audience

Many of those in housing which met their aspirations had made moves or changes to their housing in previous years. Making information on planning housing for retirement available for cohorts before they enter their retirement years would give them capacity to make necessary changes prior to exiting the labour force. Therefore, a policy response to closing the housing aspiration gap for older Australians should take effect while they are in mid-life or in the earliest cohort of later life (55–64 years). The availability of information must recognise the differences between states. One solution could be the use of a national landing page, such as that for the first home buyers grant (www.firsthome.gov.au), which provides information from the federal level and then directs users to access state level information. This structure would offer a one-stop information point for managing housing in later life.

7.5 Conclusion

Housing aspirations are shaped by household need, stage of life and expectations for later life in general. Non-shelter factors influencing aspiration include a desire to maintain or attain home ownership, have security of tenure and the ability to provide an inheritance to children. Financial returns are not important to the majority, however, maintaining independence, employment and family responsibilities were significant. Important housing attributes included the number of bedrooms, the quality of the internal and external dwelling, security of the building and the type of dwelling, as was the location. It is this broad range of shelter and non-shelter factors that was found to underpin the housing aspirations of older Australians.

Ideal housing outcomes for this cohort are located in the inner or middle/outer suburbs of a city, or a small regional town. Older Australians aspire to live in separate dwellings, with an attached dwelling the second choice. For around half of all later life Australians, three was the most popular number of bedrooms. Home ownership remains the ideal tenure among older Australians with 8 out of 10 choosing this option.

The gap between where people are currently living and their short-term housing aspirations are very small. The longer term gap is not large either, although it is more significant for those who do not own their own homes. Those with a housing aspiration gap face barriers of discrimination, limited housing options and a lack of knowledge of how to change their housing or the options available to them. Despite these gaps and barriers, older Australians are generally confident that they will be able to age in place and meet their housing aspirations.

There are opportunities for policies to bridge the housing aspiration gap for older people by focusing on housing assistance to those in private rental and in home ownership, increasing housing diversity, providing more choice for social housing tenants and developing a central housing information service to advise older Australians of their options and offer education for housing in later life, all of which will support ageing in place.

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Appendix 1: Researching housing aspirations

Table A1: Citation guide

Methodology	Citation in report
Focus group participants	[State] FG Participant
Interviews with older Indigenous Australian households	[Name], Indigenous Australian, Regional/metropolitan, State
Interviews with later life households	(age, gender, tenure)

Box A1: Focus group participant characteristics

Participants from metropolitan locations were generally aged over 65 years with a smaller number aged between 55 and 64 years. The majority were living in couple or one-person households, with a few from intergenerational households, and some had dependent adult children. Incomes were largely from Q1 with gross household incomes from less than \$10,000 a year to \$33,799 (64.5%) and 19.4 per cent were from Q2 (\$33,800 to \$64,999). A small proportion (6.5%) were from Q3 with gross annual household incomes between \$65,000 and \$90,000. Half the participants received the pension, 19 per cent received their income through their superannuation, and 10 per cent had a combination of both. Some participants were still employed, either full or part-time, and received NewStart or a disability pension. Participants primarily owned their homes outright (42%) or were renting through state or community housing providers (42%). The remainder were in the private rental sector.

Regional focus group participants ranged in age from 55 to over 75 years. Single-person households were the most dominant (60%) followed by couple households (25.7%) and those with children (14.3%). Respondents mainly had gross household incomes of less than \$10,000 a year to \$33,799 (68.6%) while 17.1 per cent were in the second quintile with gross annual incomes between \$33,800 and \$64,999. The aged pension was the primary source of income (43%), followed by superannuation (14.3%) and paid employment (14.3%). A small number were on government benefits including NewStart, Defence Totally and Permanently Incapacitated and Disability Support Pension. Half the respondents either owned or were purchasing their home (51.4%) and a third were renting in the private sector. A few were from lifestyle or retirement villages (11.4%) or renting through the social housing sector (5.7%).

Box A2: Indigenous Australian interview participant characteristics (names changed)

Naydeene—Sydney. Has six children and several grandchildren. Has two degrees. Lives on benefits—unemployed. Gets carers payment. Has lived in past with friends, family, in welfare service accommodation, in car, on street, slept in tent and in public housing. Has experienced family violence from husband in past. Looks after drug dependant son when he is not in prison, and looks after grandchildren.

Mary—Sydney. Been there one year—came to look for work. Lone parent living with 21-year-old son. Always been in social housing. Finished school at year 10. On NewStart allowance.

Raylene—Female, Sydney. Lives in outer suburbs. Single person living in multi-family household. Works four hours a week. Finished school at year 10. Receives pension. Lives in private renting.

Eileen—Female, Regional WA, lives with two children and two grandchildren. Works 15 hours a week. Gets parenting payment. Has previously lived with family in motel and has slept in a tent in the past.

Stan—Male, Regional WA., lives part-time with step-daughter aged 12. Retired—on pension. Has lived with friends and family, in caravan, in car and in a tent in the past. Has also owned own house with ex-wife. Has rented in the private sector and currently lives in community housing.

Pam—Female, Regional WA—has degree. Both her and her partner work full-time. Would prefer to work fewer hours. Receives family tax benefit. Has been homeless in the past.

Rachel—Female, Regional WA. Lives with children. Lived with friends and family in the past. Works part-time, would prefer more hours. Gets parenting payments and family tax benefit. Rents through Homes West.

Jade—Female, Regional Victoria—mother of special needs 33-year old daughter who lives with her.

Jenny—Female, Regional Victoria, owner occupier. Has experienced family violence in past.

Cathy—cares for grandchildren, lives in private rental.

Andrew—Regional Victoria. Son of Lynn. Lives in one-bedroom unit in an Aboriginal Housing Co-op.

Table A2: Survey respondent characteristics

Age		Number	Per cent
55–64		1,143	47%
65–74		1,003	41%
75+		276	11%
Total		2,422	100%
Household composition	55–64	65–74	75+
Single person, no children	25%	25%	37%
Couple living together, no children	41%	60%	54%
Couple living with children	26%	11%	4%
Single person living with child(ren)	8%	3%	4%
Income—Household or individual	55–64	65–74	75+
Very low income	21%	24%	32%
Low income	20%	34%	38%
Moderate income	20%	17%	12%
High income	24%	10%	8%
Very high income	7%	4%	2%
Proportion moderate income or lower	60%	75%	82%
State	55–64	65–74	75+
New South Wales	32%	28%	29%
Queensland	18%	21%	19%
Western Australia	9%	11%	9%
Victoria	26%	26%	27%
South Australia	7%	7%	9%
Northern Territory	1%	0%	1%
Australian Capital Territory	5%	5%	6%
Tasmania	2%	2%	1%
Location within state	55–64	65–74	75+
Within the CBD of a capital city	6%	4%	7%
Within the inner suburbs (ex CBD) of capital city	18%	16%	19%
Within the middle/outer suburbs of capital city	44%	48%	46%
Within a regional city or large town	18%	17%	15%
Within a small, regional town	12%	14%	11%
Within a remote community	2%	2%	1%
Other	0%	0%	1%

State breakdown	55–64			65–74		75+
	Metro	Regional	Metro	Regional	Metro	Regional
New South Wales	53%	47%	49%	51%	59%	41%
Queensland	55%	45%	57%	43%	53%	47%
Western Australia	81%	19%	83%	17%	80%	20%
Victoria	82%	18%	81%	19%	88%	12%
South Australia	79%	21%	76%	24%	79%	21%
Northern Territory	83%	17%	100%	0%	50%	50%
Australian Capital Territory	98%	2%	98%	2%	100%	0%
Tasmania	48%	52%	52%	48%	67%	33%
Broad tenure	55–64			65–74	75+	
Own with a mortgage/shared equity	26%			13%	6%	
Own outright	49%			69%	80%	
Rented	25%			18%	15%	
Number of bedrooms	55–64			65–74	75+	
1	5%			6%	4%	
2	18%			16%	24%	
3	42%			45%	46%	
4	29%			28%	23%	
5+	6%			5%	3%	
Status of disability	55–64			65–74	75+	
Yes, long-term, ongoing disability	14%			12%	16%	
Yes, long-term, ongoing health condition	14%			21%	25%	
Yes, short-term illness/accident/health condition	1%			3%	3%	
Yes, other	1%			1%	3%	
No	70%			64%	54%	

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Appendix 2: Factors shaping housing aspirations

Table A3: Priorities for dwellings

	55–64	65–74	75+
Full ownership	74%	77%	74%
Security—long-term, stable housing	67%	71%	67%
Quality—well maintained, not dangerous	65%	70%	71%
Ability to modify the dwelling	32%	28%	18%
Flexibility—being able to use space for a variety of uses	26%	29%	25%
Flexible rent or mortgage payments	13%	8%	4%
Financial return	9%	7%	5%
Flexibility—being able to move at short notice	4%	7%	3%
Renting out spare rooms to earn income	6%	3%	2%
Part ownership i.e. ownership shared with another person or organisation such as state government	4%	2%	5%
Other	2%	1%	2%
	Ownership	Private rental	Social housing
Security—long-term, stable housing	68%	72%	71%
Financial return	9%	6%	2%
Ability to modify the dwelling	30%	26%	19%
Full ownership	87%	41%	31%
Part ownership, i.e. ownership shared with another person or organisation such as state government	2%	14%	12%
Flexibility—being able to move at short notice	4%	11%	3%
Flexibility—being able to use space for a variety of uses	28%	24%	19%
Flexible rent or mortgage payments	6%	29%	19%
Renting out spare rooms to earn income	3%	14%	8%
Quality—well maintained, not dangerous	69%	63%	60%
Security—long-term, stable housing	68%	72%	71%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A4: Important physical characteristics of a house

	55–64	65–74	75+	Total population
Number of bedrooms	81%	82%	85%	75%
Good internal and external quality	77%	82%	81%	69%
Dwelling security	76%	80%	84%	65%
Dwelling type	79%	83%	80%	64%
Adequate parking	74%	77%	80%	61%
Access to high speed internet	56%	57%	58%	52%
Number of bathrooms	54%	57%	53%	50%
Size of the lot	52%	51%	38%	48%
A large backyard	35%	29%	21%	42%
Sustainability features	44%	45%	43%	36%
An established dwelling	43%	46%	56%	35%
Building materials	41%	40%	38%	34%
Adaptability/flexibility of internal space (universal design)	28%	27%	25%	28%
Smart wiring	17%	20%	14%	18%
A new dwelling	15%	13%	14%	17%
	Ownership	Private rental	Social housing	Lifestyle village
Dwelling type	78%	77%	85%	53%
Number of bedrooms	78%	85%	87%	60%
A large backyard	29%	33%	36%	3%
Number of bathrooms	56%	47%	28%	25%
Adequate parking	73%	74%	69%	58%
Building materials	41%	29%	29%	23%
Size of the lot	50%	44%	39%	15%
Adaptability/flexibility of internal space	26%	30%	20%	23%
A new dwelling	14%	13%	12%	8%
An established dwelling	44%	48%	40%	30%
Access to high speed internet	53%	64%	57%	38%
Smart wiring	17%	19%	13%	10%
Good internal and external quality	77%	76%	79%	70%
Dwelling security	74%	81%	84%	73%
Sustainability features such as solar panels	43%	43%	44%	33%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A5: Important location attributes by age

	55–64	65–74	75+	Total population
Safety and security	85%	88%	85%	75%
Local shopping	80%	85%	87%	69%
A walkable neighbourhood	72%	76%	67%	62%
Easy access to health services	69%	81%	78%	54%
Easy access to a major shopping centre/high street	62%	71%	79%	52%
Quality public transport	54%	61%	62%	50%
Proximity to family/friends	48%	51%	51%	42%
Local open space	49%	51%	46%	39%
Easy access to public facilities—library, swimming pool, etc.	40%	46%	43%	37%
Easy access to a major road	40%	47%	43%	36%
Living in an area with similar people to me/us	36%	44%	50%	32%
Easy access to employment opportunities	22%	5%	2%	30%
Living in an area with a mix of different people	17%	20%	17%	17%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A6: Reasons to stay in dwelling

Reasons	55–64	65–74	75+
It feels like home	66%	68%	66%
The location	56%	47%	42%
Feel safe and secure	47%	53%	59%
Dwelling meets short-term housing needs	32%	35%	34%
It is affordable	32%	32%	37%
Too expensive to move	27%	25%	19%
Can't face disruption of moving	20%	20%	27%
Other	3%	3%	2%

	Ownership	Private rental	Social housing	Retirement living
It feels like home	69%	60%	55%	64%
The location	52%	47%	32%	43%
Feel safe and secure	52%	49%	40%	68%
Dwelling meets short-term housing needs	34%	36%	18%	32%
It is affordable	29%	48%	55%	41%
Too expensive to move	23%	41%	29%	20%
Can't face disruption of moving	20%	29%	26%	25%
Other	3%	2%	5%	2%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Appendix 3: Housing aspiration gap

Table A7: Housing aspirations gap—location

55–64	CBD of a capital city	Inner suburbs (excluding CBD) of a capital city	Middle/outer suburbs of a capital city	Regional city or large town	Small, regional town	Remote community
<i>Happy with current location</i>	57%	64%	65%	67%	78%	63%
Want to move to the CBD	-	7%	3%	1%	1%	0%
Want to move to inner suburbs	15%	-	8%	2%	4%	0%
Want to move to middle/outer suburbs	4%	11%	-	5%	1%	6%
Want to move to a large regional town	13%	8%	10%	-	14%	13%
Want to move to a small regional town	11%	6%	14%	22%	-	19%
65–74	CBD of a capital city	Inner suburbs (excluding CBD) of a capital city	Middle/outer suburbs of a capital city	Regional city or large town	Small, regional town	Remote community
<i>Happy with current location</i>	38%	74%	71%	64%	84%	42%
Want to move to the CBD	-	6%	1%	1%	2%	5%
Want to move to inner suburbs	25%	-	10%	4%	0%	0%
Want to move to middle/outer suburbs	13%	12%	-	3%	1%	5%
Want to move to a large regional town	9%	5%	7%	-	9%	5%
Want to move to a small regional town	13%	4%	9%	25%	-	42%

75+	CBD of a capital city	Inner suburbs (excluding CBD) of a capital city	Middle/outer suburbs of a capital city	Regional city or large town	Small, regional town	Remote community
<i>Happy with current location</i>	47%	69%	73%	70%	82%	25%
Want to move to the CBD	-	6%	2%	0%	0%	0%
Want to move to inner suburbs	24%	-	13%	3%	0%	0%
Want to move to middle/outer suburbs	18%	19%	-	0%	7%	0%
Want to move to a large regional town	12%	2%	5%	-	11%	0%
Want to move to a small regional town	0%	4%	7%	27%	-	75%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A8: Housing aspirations gap—dwelling type

55–64	House	Apartment	Ancillary dwelling	Other
<i>Happy with current dwelling type</i>	85%	44%	60%	18%
Want to move to a house	-	45%	40%	73%
Want to move to an apartment	7%	-	0%	5%
Want to move to an ancillary dwelling	2%	2%	-	5%
Want to move to an alternative dwelling type	5%	8%	0%	18%
65–74	House	Apartment	Ancillary dwelling	Other
<i>Happy with current dwelling type</i>	87%	42%	0%	21%
Want to move to a house	-	50%	33%	57%
Want to move to an apartment	7%	-	33%	0%
Want to move to an ancillary dwelling	2%	2%	-	21%
Want to move to an alternative dwelling type	4%	6%	33%	21%
75+	House	Apartment	Ancillary dwelling	Other
<i>Happy with current dwelling type</i>	86%	39%	100%	50%
Want to move to a house	-	47%	0%	50%
Want to move to an apartment	8%	-	0%	0%
Want to move to an ancillary dwelling	3%	0%	-	0%
Want to move to an alternative dwelling type	2%	14%	0%	50%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A9: Housing aspirations gap—number of bedrooms

55–64	1	2	3	4	5+
<i>Happy with number of bedrooms</i>	24%	54%	65%	40%	14%
Want 1 more bedroom	59%	38%	14%	1%	-
Want 2+ more bedrooms	17%	5%	0%	-	-
Want 1 less bedroom	-	3%	21%	47%	27%
Want 2+ less bedrooms	-	-	1%	12%	59%
65–74	1	2	3	4	5+
<i>Happy with number of bedrooms</i>	19%	62%	72%	43%	10%
Want 1 more bedroom	57%	34%	9%	3%	-
Want 2+ more bedrooms	25%	1%	0%	-	-
Want 1 less bedroom	-	3%	18%	42%	39%
Want 2+ less bedrooms	-	-	1%	12%	51%

75+	1	2	3	4	5+
<i>Happy with number of bedrooms</i>	60%	70%	68%	34%	0%
Want 1 more bedroom	30%	28%	6%	0	-
Want 2+ more bedrooms	10%	0%	0	-	-
Want 1 less bedroom	-	2%	25%	45%	60%
Want 2+ less bedrooms	-		1%	21%	40%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A10: Housing aspirations gap—tenure

55–64	Ownership	Private rental	Social housing	Age-specific housing	Other
<i>Happy with current tenure</i>	93%	21%	25%	33%	0%
Want to move to ownership	-	68%	66%	33%	33%
Want to move to private rental	1%	-	4%	0%	33%
Want to move to age-specific housing	5%	4%	4%	-	0%
65–74	Ownership	Private rental	Social housing	Age-specific housing	Other
<i>Happy with current tenure</i>	92%	19%	30%	52%	14%
Want to move to ownership	-	70%	64%	39%	71%
Want to move to private rental	0%	-	4%	0%	0%
Want to move to age-specific housing	7%	6%	2%	-	14%
75+	Ownership	Private rental	Social housing	Age-specific housing	Other
<i>Happy with current tenure</i>	96%	25%	33%	50%	0%
Want to move to ownership	-	61%	44%	44%	0%
Want to move to private rental	1%	-	11%	6%	0%
Want to move to age-specific housing	1%	7%	11%	-	100%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Appendix 4: Closing the gap

Table A11: Barriers to moving to a different dwelling in the short term

Barriers	55–64	65–74	75+
Nothing, I/we just haven't got round to it	16%	25%	35%
Affordability	44%	34%	33%
Pets	8%	7%	10%
Too much disruption	10%	9%	10%
Lack of choice in your preferred location	15%	13%	15%
Too difficult due to health/disability	10%	6%	18%
Need to be close to family/friends	10%	10%	10%
High cost of moving	29%	27%	23%
Lack of savings	31%	26%	23%
Children's education	4%	2%	0%
Current employment (you or your partner)	11%	5%	0%
No state or community housing alternatives available	8%	5%	0%
I am actively looking, I/we just haven't found the right dwelling yet	14%	18%	20%
Other	7%	9%	8%
Barriers	Ownership	Private rental	Social housing
Nothing, I/we just haven't got round to it	25%	14%	15%
Affordability	32%	50%	49%
Pets	6%	9%	10%
Too much disruption	11%	9%	7%
Lack of choice in your preferred location	14%	14%	15%
Too difficult due to health/disability	6%	11%	15%
Need to be close to family/friends	12%	8%	7%
High cost of moving	22%	36%	33%
Lack of savings	20%	42%	37%
Children's education	2%	3%	6%
Current employment (you or your partner)	6%	12%	9%
No state or community housing alternatives available	1%	7%	31%
I am actively looking, I/we just haven't found the right dwelling yet	18%	14%	10%
Other	9%	6%	4%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A12: Barriers to long-term housing aspirations

Barriers	55–64	65–74	75+
Don't perceive any barriers	2%	15%	9%
Meeting rent or mortgage payments	44%	34%	14%
Lack of housing choice	23%	23%	18%
Having children	1%	1%	0%
Health issues	35%	35%	77%
Lack of stable employment	28%	12%	0%
Lack of savings (deposit)	61%	47%	36%
Lack of knowledge on how to achieve the housing I/we want	12%	15%	14%
Unable to secure a mortgage from a lending institution	24%	25%	9%
Other	10%	5%	23%
Barriers	Ownership	Private rental	Social housing
Don't perceive any barriers	12%	2%	6%
Meeting rent or mortgage payments	21%	57%	39%
Lack of housing choice	20%	21%	27%
Health issues	35%	42%	36%
Lack of stable employment	14%	25%	24%
Lack of savings (deposit)	38%	68%	58%
Lack of knowledge on how to achieve the housing I/we want	16%	9%	21%
Unable to secure a mortgage from a lending institution	16%	26%	33%
Other	15%	7%	3%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A13: Strategies unlikely to be implemented by older Australians to achieve housing aspirations, by age cohort and tenure

Strategy	55–64 years	65–74 years	75+ years	
Investigating moving to a different location/dwelling	35%	39%	43%	
Saving for a deposit	58%	66%	77%	
Researching age segregated communities	66%	60%	49%	
Sharing ownership with another individual	74%	79%	76%	
Building a dwelling for future needs	74%	78%	89%	
Sharing ownership with government or a community housing provider	88%	89%	86%	
A cooperative style development	88%	86%	91%	
Borrowing from relatives	95%	98%	91%	

Strategy	Home owner	Private rental	Social housing	Retirement village
Investigating moving to a different location/dwelling	34%	39%	60%	38%
Researching age-segregated communities	59%	67%	69%	38%
Saving for a deposit	60%	61%	85%	88%
Sharing ownership with another individual	73%	82%	86%	75%
Building a dwelling for future needs	74%	79%	89%	100%
A cooperative style development	89%	84%	90%	100%
Sharing ownership with government or a community housing provider	92%	83%	81%	100%
Borrowing from relatives	96%	95%	96%	100%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A14: Why are you not planning to meet longer term aspirations?

	55–64	65–74	75+
There is no point, I'll/we'll never meet my/our aspirations	29%	26%	7%
I/we don't have the knowledge to plan	10%	4%	7%
I/we just haven't thought about it yet	40%	41%	46%
I/we don't need to plan as I/we will meet my/our aspirations anyway	12%	17%	29%
I/we have no control over my/our choice of dwelling	10%	12%	10%

	Ownership	Private rental	Social housing
There is no point, I'll/we'll never meet my/our aspirations	16%	44%	40%
I/we don't have the knowledge to plan	7%	8%	7%
I/we just haven't thought about it yet	48%	31%	16%
I/we don't need to plan as I/we will meet my/our aspirations anyway	22%	5%	9%
I/we have no control over my/our choice of dwelling	7%	13%	29%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A15: Assistance likely to be accessed by age and tenure

Likely to access	55–64	65–74	75+
Information on how to develop my land (e.g. subdivide)	22.4%	11.9%	0.0%
Parental/other family help with a deposit	13.7%	5.1%	4.8%
Government savings scheme to help save a deposit	13.8%	9.1%	5.2%
Government grants to help with a deposit	21.0%	14.2%	5.2%
Low deposit home loans	29.7%	15.2%	7.5%
Shared ownership products through government	13.0%	8.6%	8.1%
Inheritance	20.8%	14.2%	8.3%
Shared ownership with friends/family	16.9%	14.3%	20.5%
Stamp duty relief	34.6%	36.5%	24.3%
Subsidised rent in the private rental market	30.6%	27.7%	28.6%
Financial/legal advice	57.0%	58.2%	40.5%

Likely to access	Ownership	Private rental	Social housing	Retirement village
Inheritance	18.9%	15.8%	5.8%	0.0%
Parental/other family help with a deposit	8.4%	10.7%	7.9%	0.0%
Information on how to develop my land (e.g. subdivide)	19.0%	11.9%	9.7%	0.0%
Government savings scheme to help save a deposit	9.2%	14.0%	11.5%	0.0%

Shared ownership with friends/family	15.1%	17.3%	12.9%	20.0%
Government grants to help with a deposit	11.7%	24.4%	17.2%	0.0%
Shared ownership products through government	8.7%	11.5%	18.8%	0.0%
Low deposit home loans	18.8%	26.1%	19.4%	0.0%
Stamp duty relief	40.2%	26.0%	23.4%	25.0%
Subsidised rent in the private rental market	13.9%	40.0%	38.9%	20.0%
Financial/legal advice	67.3%	39.3%	45.9%	60.0%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted.

Table A16: Reasons for moving out of the current dwelling by age and tenure

	55–64	65–74	75+
Nothing	31%	28%	24%
Forced by the landlord—e.g. end of fixed term lease, increased rent, landlord selling	10%	8%	6%
Finding a more affordable alternative	9%	8%	6%
An increase in income and/or wealth (through employment for example)	14%	7%	6%
A decrease in income and/or wealth (loss of a job or benefits for example)	15%	9%	7%
Health issues—physical or mental (you or family)	32%	46%	58%
A decline in the quality of the local neighbourhood (including neighbours)	17%	15%	10%
Relationship breakdown	13%	12%	9%
Starting a new relationship	5%	2%	2%
No longer able to maintain the dwelling	24%	29%	26%
Poor dwelling quality	3%	2%	1%
Family pressure	3%	3%	3%
Being able to purchase your own dwelling	8%	5%	4%
	Ownership	Private rental	Social housing
Nothing	30%	15%	37%
Forced by the landlord—e.g. end of fixed term lease, increased rent, landlord selling	0%	61%	18%

Finding a more affordable alternative	6%	23%	10%
An increase in income and/or wealth (through employment for example)	9%	16%	10%
A decrease in income and/or wealth (loss of a job or benefits for example)	10%	21%	4%
Health issues—physical or mental (you or family)	44%	30%	24%
A decline in the quality of the local neighbourhood (including neighbours)	16%	7%	13%
Relationship breakdown	13%	8%	2%
Starting a new relationship	2%	5%	7%
No longer able to maintain the dwelling	30%	12%	12%
Poor dwelling quality	2%	6%	5%
Family pressure	3%	3%	1%
Being able to purchase your own dwelling	1%	33%	29%

Source: Original analysis of Australian Housing Aspirations Survey (2018) data, unweighted

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