

# Understanding the housing aspirations of mid-life Australians



Based on AHURI Final Report No. 336: Mid-life Australians and the housing aspirations gap

---

## What this research is about

**This research investigates the housing aspirations of mid-life Australians: those aged 35 to 54 years, with a focus on low to moderate-income households. Using a survey of 2,444 mid-life respondents, the research reveals new insights into the housing aspiration gaps of this relatively under-researched age cohort and how gaps at mid-life might impact on their futures.**

---

## The context of this research

Mid-life Australians aged 35–54 years make up 34 per cent of all adult residents and account for more than six million individuals (6,249,964). The housing and living arrangements of this age group is characterized either by having consolidated employment and savings through early adulthood; the long-term impacts of lower income; and/or disrupted housing pathways through critical life events such as family dissolution, health events; and other life changes.

## Recent changes in housing tenure for households at mid-life

Comparing data from the 2006 and 2016 Census years shows the increasing proportion of low-income 35–44 year old and 45–54 year old households living in privately rented housing and conversely the overall decline in the combined category of purchasers/owners in these age cohorts.

Analysis of the Australian Housing Aspirations (AHA) survey shows that among current non-home owners in the mid-life age cohort 35–54 years, 34 per cent indicate previous experience of home ownership. Major reasons given for no longer occupying ownership tenures include selling as part of separation or divorce (82% of 35–44 year olds and 31% of 45–54 year olds) and selling for financial reasons (21% of 35–44 year olds and 26% of the 45–54 year old cohort.

“Mid-life Australians aged 35–54 years make up 34 per cent of all adult residents and account for more than six million individuals (6,249,964).”

## The key findings

Mid-life housing aspirations are related to key priorities that centre around employment and training; caring for children and family life and/or assisting parents and kin as they age; as well as preparation for retirement years and later-life. Desired housing attributes of safety and security among this cohort was overwhelmingly associated with an aspiration for home ownership. This was favoured by a large majority of mid-life households including those with or without dependent children, however the presence of children increased ownership aspirations at mid-life.

Table 1: Housing tenure aspirations at mid-life, for households with and without children (showing major tenures)

	No children	Children	Difference
Ownership	73	79%	6%
Rent from a private landlord	5%	3%	-2%
Rent through a real estate agent	5%	5%	0%
Rent from a state or community housing provider	5%	3%	-2%

Source: Authors' original analysis of the Australian Housing Aspirations Survey.

In the voice of mid-life participants to the research, safe secure housing is paramount:

“In a state of panic last year and seeing all the houses around us going up for sale, and about to start a second child at primary school, I just couldn't bear the thought of moving again. Well, this is the issue that we're—amongst the multitude of issues that we're facing, the real one for me is about—you know, permanency or sense of security around our tenancy. *(Female, mother of young children, long-term private renter, metropolitan Victoria.)*

### Dwelling and location factors

Eighty per cent of surveyed 35–44 year olds and 93 per cent of 45–54 year olds indicated that a detached or semi-detached house was what they aspired to and that the number of bedrooms, the quality and condition of the dwelling and security were important attributes.

Additional features of dwellings such as adequate parking provision, lot and back yard size, number of bathrooms and high-speed internet access were also seen as important to households at mid-life. Households with children were far more likely to focus on the number of bedrooms and the size of dwelling than other features.

The largest proportion of households indicate an aspiration to live in the middle/outer suburbs of a capital city (28%), followed by a smaller proportion (20%) who indicate a preference for inner suburbs of a capital city, a large regional city/ town (18%) and a smaller regional town (17%). Smaller proportions indicate a preference for inner city or remote living.

That close to a third of mid-life households favour middle/outer suburbs and over a third favour regional living, indicates that a dominant preference for larger lot sizes still dominates the preferences of mid-life households.

Household aspirations in relation to residential location are also shaped to some degree by the presence or absence of children in the household. A higher proportion of households with children aspire to live in middle and outer suburbs of a capital city than those with no children (3.5% difference), with slightly fewer families with children stating their preference for living in the centre of a capital city (-.9% difference). However, there are more similarities than differences in these data, indicating perhaps that the core attributes highlighted above in regard to dwellings are more influential in shaping family housing preferences than location in and of itself.

Overwhelmingly 'safety and security' of local areas are ranked as important by a large majority of households at mid-life, 71 per cent of those aged 35–44 years and close to 80 per cent of those aged 45–54 years. Walkable neighbourhoods, access to local amenity including health services, as well as accessibility of employment/study/training are all ranked as important by a majority of mid-life households.

### Housing aspirations gaps in the short and longer term

In the short term, a majority of households aged 35–44 years (85%) and aged 45–54 years (90%) indicate that their current living arrangements meet their short-term housing aspirations. Highest income households, home owners and households aged 45–54 years are most likely to report having housing that best meets their aspirations.

Seventeen per cent households living in privately rented dwellings indicate their current living arrangements do not meet their housing aspirations, followed by 16 per cent of those living with very low incomes.

A major finding of this study is that the current housing of those at mid-life does not prepare this cohort well for later-life.

Owners (with or without a mortgage) are most likely to report their current dwelling will meet their future housing aspirations (66%), followed by households living in social housing (60%). Each of these tenures provides affordability in the long-run for a majority of households as well as relative security of tenure.

In comparison, only 45 per cent of mid-life households living in the private rental sector believe their current housing will adequately meet their longer term housing aspirations, with 35 per cent of mid-life private renters indicating their current housing will not meet their housing aspirations in future years and a further 21 per cent of this group indicating they are unsure.

The households least likely to believe their current housing meets future aspirations are single-parent households (with a child either dependent or living independently), for whom exactly half feel their current dwelling will meet longer term housing aspirations (50%).

Table 2: Current housing meeting longer-term (5-10 years) housing aspirations

Will your current dwelling meet your longer term (5-10 year) housing aspirations?	Ownership		
	Yes	No	Don't know
Single person, no children	53%	26%	21%
Couple living together, no children	55%	26%	19%
Couple living with children (dependent and/or independent)	62%	20%	17%
Single person living with child(ren) (dependent or independent)	50%	32%	17%
Ownership	66%	17%	17%
Private rental	45%	35%	21%
Social housing	60%	21%	19%
Very low income	50%	25%	25%
Low income	55%	27%	18%
Moderate income	59%	25%	16%
High income	61%	23%	16%
Very high income	68%	22%	10%

Source: Authors' original analysis of the Australian Housing Aspirations Survey.

## Impacts of housing aspiration gaps

Common short term impacts of housing aspiration gaps at mid-life include: financial compromises/paying too much; locational, moving from employment and family/friends; compromising on dwellings (size, quality, safety); and wider implications for a small proportion of households, such as delaying childbearing.

Table 3 : Compromises made to secure current housing, showing current tenure

	Ownership	Private rental	Social housing
Compromised on the neighbourhood	28%	23%	34%
Moved away from family/friends	17%	14%	22%
Increased time spent commuting	24%	16%	20%
Rented/bought a smaller dwelling	17%	26%	20%
Rented/bought a different type of dwelling	14%	22%	15%
Sacrificed other items of expenditure	30%	20%	17%
Had to share a dwelling	5%	11%	12%
Paid more in rent/mortgage than planned	20%	27%	24%
Increased the number of hours worked	11%	7%	7%
Delayed having children	5%	2%	15%
Moved back in with parents	4%	5%	2%
Lived with parents for longer than planned	6%	7%	7%
Other	11%	10%	12%

Source: Authors' original analysis of the Australian Housing Aspirations Survey.

Fifteen per cent of mid-life households living in social housing indicate they have delayed or foregone having children to achieve their living arrangements. A smaller proportion of home owners, five per cent, also indicate a delay in childbearing as directly related to achieving their current dwelling.

A negligible proportion (2%) of those living in private rental at mid-life indicate this to be the case. While relatively small overall, these proportions, particularly for those in the more secure housing tenures of home ownership and social housing, are indicative of deep and wide impacts of housing affordability pressures for households in the greatest need.

Longer term impacts of housing aspirations gaps at mid-life include an inability to secure affordable housing in later-life. This is not only for the mid-aged participants but also has ramifications for their adult children and ageing parents in many cases.

“Longer term impacts of housing aspirations gaps at mid-life include an inability to secure affordable housing in later-life.”

## Barriers to achieving housing aspirations

Some of the key barriers for the mid-life households who indicated that their current housing does not meet current life priorities relate to financial costs (upfront costs, costs of moving, lack of savings, insufficient income). A smaller percentage of respondents indicate reasons related to family stability, either proximity to family or around family needs, such as proximity to schools.

## Indigenous housing aspiration gaps

Aspirations for secure housing are apparent among Indigenous people at mid-life, and are shaped by housing affordability pressures coupled with inadequate income to pay for housing costs, previous and current experiences of crowding in housing as well as insecurity compounded by entrenched discrimination, disadvantage and in some cases family and community factors including domestic and family violence.

At mid-life these factors play out at a time that kinship care needs and accumulated life events can act to increase pressure and disruption on housing pathways, consistent with the non-Indigenous population.

“Around a third (31%) of the 40 per cent of households at mid-life who indicated their housing would not meet their housing aspirations indicated explicitly that they believed they would require assistance.”

## What this research means for policy makers

Increasing the availability of affordable housing of different of sizes and types within well-located areas is critical to addressing these challenges. Additionally, targeted assistance to households who become ‘disrupted’ at mid-life, such as via separation/divorce, that is transitional in nature and not necessarily tied to the provision of income support, could assist households likely to become or remain independent. This includes the ability to manage financial transitions, such as from a couple to a single household head, within ownership tenures. Programs similar to first home owner grants could assist members of this cohort.

Around a third (31%) of the 40 per cent of households at mid-life who indicated their housing would not meet their housing aspirations indicated explicitly that they believed they would require assistance. The most popular support options are geared towards achieving home ownership, with lower ranked preferences geared toward hybrid ownership-rental models or assisting affordable rental. A policy imperative arising from this research is a focus on facilitating secure housing pathways from mid-life to later-life years, to avoid increased housing precarity for older Australians into the future.

The voices and experiences of mid-life Australians are an important but under-utilised source of expertise. Future policy directions can consider better ways of bringing resident voices to the policy development table.

## Methodology

This research reviewed housing aspirations through the Australian Housing Aspirations (AHA) survey, which collected responses from 2,444 Australians aged 35–54 years. While the survey had a national focus, 25 interviews with mid-life Australians were conducted with participants in regional and metropolitan Victoria, New South and Western Australia.

### To cite the AHURI research, please refer to:

Stone, W., Rowley, S., James, A., Parkinson, S., Spinney, A., Reynolds, M. and Levin, I. (2020) *Mid-life Australians and the housing aspirations gap*, AHURI Final Report No. 336, Australian Housing and Urban Research Institute Limited, Melbourne.

Available from the AHURI website at [ahuri.edu.au/research/final-reports/336](http://ahuri.edu.au/research/final-reports/336)