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An exploration of female home ownership patterns in Australia

*Valerie Kupke & Peter Rossini

Centre for Regulation & Market Analysis

School of Commerce

University of South Australia

&

Sharon Yam

Centre for Accounting, Governance & Sustainability

School of Commerce

University of South Australia

Abstract

In Australia one of the most important factors contributing to housing demand is the growth in the number of households and lone person and single parent households are the two households projected to grow fastest. Both households are significantly over represented by female headship. At the same time women are being associated with longer life spans, higher levels of workforce participation and increasing levels of wealth accumulation. Thus there is the expectation that significantly more women will be looking to purchase homes on their own and that this will be an important determinant of their ability to secure adequate living standards in old age. Yet there has been little research on female home ownership in Australia. This paper presents a preliminary analysis of female purchasers in Australia for two time periods, 1998 and 2008 using national survey data collected by the Australian Bureau of Statistics (ABS). Key characteristics and changes over time are identified as a first step in identifying the propensity to purchase by female headed households.

Key Words

Female home ownership, Australia, housing demand

*Contact Author valerie.kupke@unisa.edu.au

Introduction

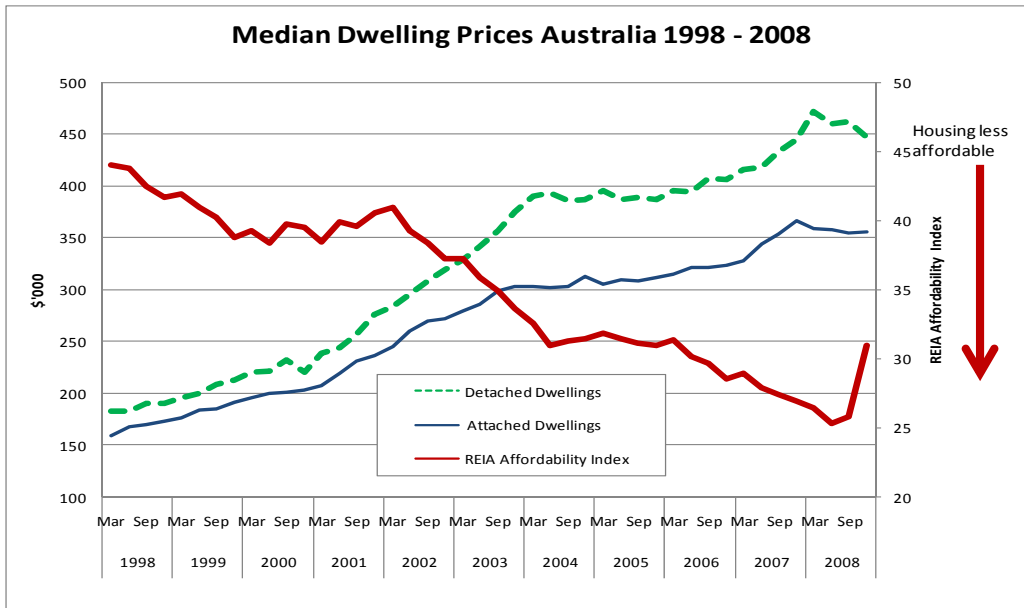
In Australia one of the most important factors contributing to housing demand is the growth in the number of households and lone person and single parent households are the two households projected to grow fastest. Both households are significantly over represented by female headship. At the same time women are being associated with longer life spans, increasing rates of marriage break down, higher levels of workforce participation and increasing levels of wealth accumulation (ABS, 2008a). Thus for social, demographic and economic reasons there is the expectation that significantly more women will be looking to purchase homes on their own. Yet studies on women and housing are rare (Tually, 2011). Those that have been conducted have either been undertaken outside Australia or have not concentrated on home ownership in particular. Australia's housing market may be at an important turning point in that housing supply is increasing with a subsequent improvement in affordability. This presents a good opportunity for purchase which, when aligned with changing expectations and a growing recognition in the literature of the need not to stereotype (Saugeres, 2009; Koklic, 2009) is an opportune time to undertake a study into female home ownership patterns. This paper presents a preliminary analysis of female purchasers in Australia for two time periods, 1998 and 2008, using national survey data collected by the Australian Bureau of Statistics (ABS). Key characteristics of purchasers and changes over time are identified as a first step in identifying the propensity to purchase by female headed households.

Background

It is recognised that women face particular challenges in achieving home ownership associated with entrenched lower rates of pay, key worker concentrations in lower paid occupations, career breaks, preoccupation with mother and carer roles, childcare costs and availability and the attitudes of lenders and real estate agents (Wizard, 2009). Australian women earn on average 17 per cent less than men which sets them up for a life time of financial inequality worth up to \$1 million over their lifetime (Rice Warner Actuaries, 2010). This pay gap means many women cannot accumulate as much wealth, have less choice about their lifestyles and have significantly lower superannuation than men. Taking time off for children further adds to their disadvantage. For over sixty years Australia's welfare and housing policies have been predicated on the perceived merits of home ownership (ABS, 2008b). Welfare benefits, both during employment and on retirement, have been based on household investment being extended over time through home ownership. Therefore for women in Australia home ownership will be an important determinant of their ability to secure adequate living standards in old age. Low levels of female home ownership are likely to have significant implications into the future both for the individual and for the wider community. Thus it is important to begin to monitor the ability and intentions of women to achieve home ownership.

Historically most Australians have been able to secure a home through the market place although at times well subsidised via the cheap sale of public housing or through first home owners schemes. As of 2006, some 69 per cent of Australian households either owned outright or were in the process of buying their own home (ABS, 2006b) with some 22% of households in private rental, 5% in public rental and the remaining in other forms of tenure. In Australia, the tenure of households has been strongly related to life cycle stages in that early adulthood housing careers have been typified by a pattern of renting with home ownership and ensuing mortgages entered into once partnerships were formed (Merlo & McDonald, 2002). However over the period of this study, 1998 to 2008, the opportunity for home ownership in Australia became increasingly difficult as prices for both attached (units and flats) and detached dwellings increased with housing affordability declining dramatically (Figure 1). Detached house prices had increased by 170% between 1998 and 2007 and attached dwellings by 130%. However by mid 2007 house prices began to stabilize and then fall mainly as a result of global financial concerns and by mid 2008 there was marked improvement in housing affordability in Australia primarily as a result of rapidly falling interest rates (Figure 1).

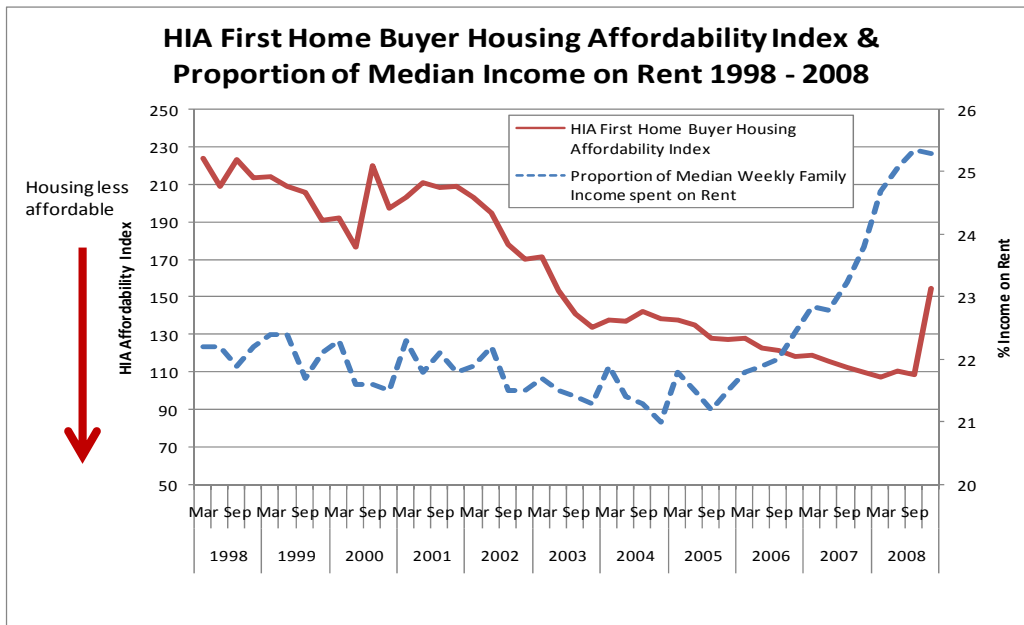
Figure 1



Source REIA Median House Price, REIA Median Price Other Dwellings, REIA House Price Affordability Index

Over the period 1998 to 2008 first home buyers (FHBs) in Australia found it particularly difficult to purchase a home with housing affordability declining significantly between 2001 and 2003 (Figure 2). However as of mid 2008 low interest rates and a moderate fall in prices combined to produce a marked improvement in affordability encouraging FHBs in the decision that now was the time to buy. This was further strengthened by government subsidies made directly to FHBs as part of a wider economic stimulus package which resulted in a marked peak in loans to FHBs in late 2008. An earlier, smaller FHB subsidy in 2000 had also resulted in an almost immediate response by would be purchasers. The shift to home ownership by FHBs was also encouraged by continuing high rents which had increased dramatically as of late 2005 on the back of continuing low rental vacancy rates in every capital city in Australia (Figure 2).

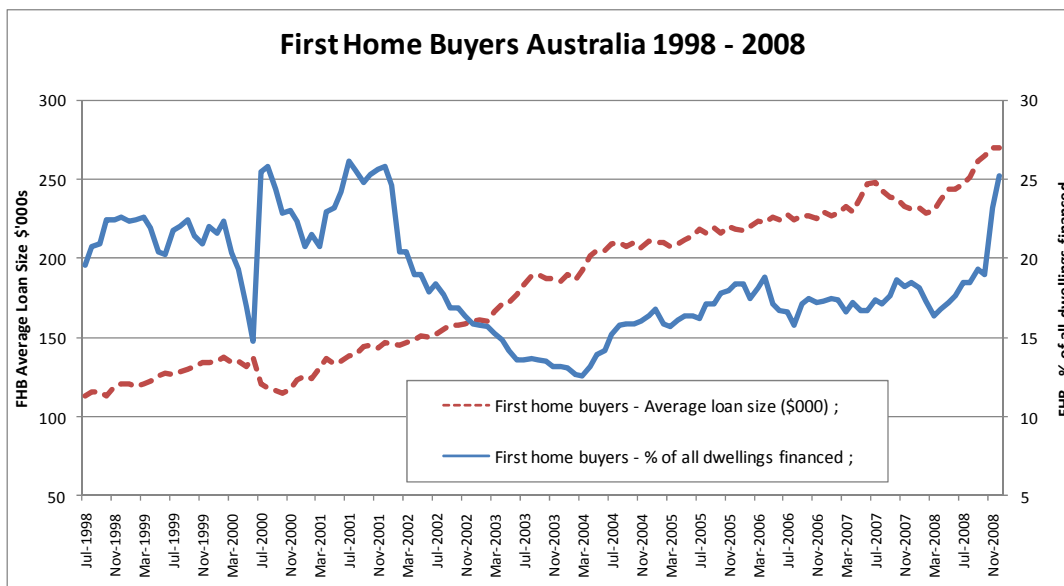
Figure 2



Source REIA Proportion of Median Income on Rent; HIA First Home Buyer Housing Affordability Index

However the number of FHBs anxious to buy before the 2008 government subsidy was withdrawn had an immediate impact on prices especially in the lower end of the market. This is reflected in the number and in the size of loans to FHBs which continued to grow throughout 2008 despite a weakening of prices across the wider market (Figure 3).

Figure 3



Source ABS Cat No 5609.0 - Housing Finance, Australia

As such there were opportunities in Australia for FHBs particularly in 2000 and again in 2007/2008 though any gains through government subsidies appear to have quickly disappeared in larger loans. Most of the activity has centred on periods of government stimulus which are likely to have brought forward plans to purchase and to necessitate a fairly quick decision on the part of the household. Such a decision is likely to be easier for dual income households in secure employment who have been close to buying already. This is not likely to be the case for single income households or sole parents with little time or opportunity to search the market widely. Yet these are the two household types who are increasing in number and are increasingly dominated by female headship. Also costs of entry into home ownership are high especially for sole mothers who often find they cannot save the necessary deposit quickly enough (Holdsworth, 2006). Yates (2002) notes that the very households that may be excluded from home ownership because of high housing costs are typically the very households for whom home ownership would confer the greatest economic advantage.

Literature

Tually (2008; 2011) and Tually et al (2007) have been among the first to identify that there are many gaps in our knowledge and understanding of the housing needs and circumstances of women in Australia and suggest that much more research is needed. Tually (2008) predicts that housing accessibility will be an important issue for Australian women into the future as the population continues to age, women remain single longer and as affordability issues continue to be a major challenge to home ownership.

The decision to purchase a first home can be understood within the concept of the housing “career” as first proposed in the work of Kendig (1984). A housing “career” is the sequence of housing states defined in terms of tenure, from rental to purchaser to outright owner. Flatau et al (2004) describe a housing career as the sequence of housing stages that an individual moves through over their lifetime. The purchase of a first home is seen as a very important stage in the housing career of an individual or household (Kupke, 2008). Mulder and Wagner (1998) suggest that the effect of such a step in terms of the impact on the accumulation of wealth, living situation and disposable income of households, cannot be overstated. These housing stages may, in turn, be linked to changes in family life cycle such as the birth of children (Rossi, 1955; Merlo and

Macdonald (2002); Baxter and McDonald (2004) or in life course such as employment or job security (Kupke, 2004; 2008). This paper will be focusing on female purchasers and include one of the most important stages within a housing career that of first home purchase. While there exists a body of work on housing careers (Clark & Huang, 2003; Baum & Wulff, 2003) and studies conducted in Latin America and in Europe suggest that gender plays a significant role in all housing decisions (Blaauboer, 2010; Gandelman, 2009), there has been little work undertaken on identifying the gender dimension to housing careers in Australia.

In their study of home ownership aspirations, Merlo and McDonald (2002) found that, 'of the factors that were significantly associated with entry into home ownership, employment status seems to have the strongest impact, net of all other effects' (Merlo & McDonald, 2002 p.16). The odds of buying a house were significantly greater for two income families and that full time workers were more likely to hold stronger home ownership goals than part-time workers. In an earlier Dutch study on home ownership Dieleman and Everaers (1994) identified that one of the most important factors influencing homeownership was the availability of financial resources, both income and asset. In a more recent study of first time home buyers Blauboer (2010) found that single income earners in Europe were particularly disadvantaged and that single women and especially single mothers were more disadvantaged than single men or single fathers. Blauboer (2010) also found that, not only do incomes today impact on housing options, so too do female doubts about future income and income potential which can act as a major deterrent to home ownership. Women are also disadvantaged in terms of security of employment. In an early study of housing aspirations Smith (1989) found that different forms of employment shape housing histories in qualitatively different ways and that the stability of employment was more important than absolute income for sustaining housing loan repayments. In another early study Watson (1991) also considered the role of gender in the shifting relationship between home and work and explored definitions of class from a feminist perspective. She identified the increasing role of women in the part time and informal sectors of the labour market against a background of declining welfare provision and reduced public expenditure, which placed further demands on women as carers within society (Watson, 1991).

Studies by Stokes and Nelson (2005), Holdsworth (2006) and Kupke (2008; unpub) have identified the crucial importance of regular, secure employment for negotiating mortgage finance and sustaining loan repayments especially in the early years when housing costs account for a particularly large proportion of disposable income. Yet in Australia women are strongly associated with both part time employment, through their high levels of participation in the service sector, and with increasing levels of casual employment (Tually et al, 2007). While these employment tenures offer flexibility there is much less security of employment especially for casual workers. It is generally understood that employers take on casual workers as they are cheaper and easier to dismiss, while employers can vary hours in response to market fluctuations more easily (ABS, 1998a) which translates into higher levels of labour turnover. Casual workers are not entitled to paid holiday or sick leave and have no expectation of ongoing employment (ABS, 1998b). This is likely to increase the difficulty in securing loans and to further compound the struggle by women to first achieve and then maintain home ownership.

Shifts in housing policy also impact on ownership opportunities. Housing provision in Australia is no longer viewed by government as form of investment but as an avenue for consumption (Kupke, unpub). As such there has been a move away from supply measures to an emphasis on demand side subsidies (Dalton, 2000; Yates, 1997). With this shift there has been an overall reduction in home purchase assistance and public housing provision towards direct rental assistance (Wulff, Yates, & Burke, 2001; Yates, 1999) with the emphasis on reducing the disparity between subsidies for public and private tenants (Department of Social Security, 1996; Wulff & Evans, 1998). The decrease in Australia in public rental housing and the shrinking vacancy rate in the private rental sector, both tenures popular with single and lone parent households, reinforce the need for women to achieve home ownership on their own. It is also important to recognise that gender and life expectations can be strongly constructed by social norms (Saugeres, 2009) and that expectations and propensities for home purchase may strongly reflect socially constructed understandings and attitudes. As such the characteristics of, and propensities for, home ownership can vary widely across countries and societies and why an Australian study reflecting the participants within the local housing system is so important.

This introductory paper is intended to provide a starting point for such analysis. Typically such propensities are modelled by a discrete choice model of behavioural choice based on a well developed theory of tenure choice as discussed by Li (1977), Bourassa (1995), Yates (2000) and Gandelman (2009). The neo classical assumptions of discrete choice models are that individuals belong to a homogeneous population, act rationally, possess perfect information and will select the option that maximized their utility. Coefficients and marginal probabilities of purchase are estimated using a logit model to identify those factors most important in the decision to purchase. This approach has provided consistent and useful explanations of tenure choice when applied to other purchaser groups but so far has not been applied to female headed households in Australia. The analysis reported in this paper aims to provide some context within which such probabilities of purchase may be determined in the next stage of the research.

Data

This paper uses cross sectional data from two time periods to investigate the characteristics of female purchasers, including FHBs, with a view to eventually identifying their propensity for purchase within each period. The data has been taken from Confidentialised Unit Record Files (CURF) for the 1997/98 and the 2007/2008 Survey of Income and Housing undertaken by the Australian Bureau of Statistics (ABS, 2008c). Both surveys are consistent in terms of data items and collection procedures. The 2007/2008 Survey of Income and Housing is the most recent year of the survey while the 1997/98 Survey has been selected to highlight any changes over a 10 year period. The surveys are based on households in private dwellings throughout Australia and provide information on sources of income, income received, housing details as well as demographic and labour force characteristics.

Some 15,000 persons over the age of 15 were included in the 1997/98 sample and of these 90 percent responded while the 2008 ABS survey represents 9,345 households and some 18,304 individuals. The CURF data files contain information on the following items

- Household level - area of residence, dwelling characteristics, demographic information, and information relating to the household reference person.
- Income unit level - income by source of income, weekly rent payments, child care use and costs
- Person level - age, sex, marital status, relationship in household, family type, employment details, education qualifications, barriers to labour force participation,
- Housing - tenure, dwelling structure, number of bedrooms, purchase price of home, size of home deposit, home purchased a first home, satisfaction with block, current dwelling, and location
- Loans level - the main purpose, security, amount borrowed, and weekly repayment.

Methodology

In order to report on the characteristics of female purchasers some of the CURF variables had first to be categorised. These include household structure which has been defined as 8 groups; single, couple, couple with dependent children, couple with others, sole parent, sole parent with other, other (mainly multiple family households) and group households. Dependent children are defined as under 15 years or 15-20 years if full-time students still living at home with parents or guardians. Next the household reference person has been grouped into 6 age categories: less than 25, 25-29, 30-34, 35-44, 45-64, 65 and over. This is in line with other studies of home ownership rates such as Yates (2000). Finally household income, defined as the reported total current weekly household income from all sources, has been broken into quintile groups with all negative values set at zero. It includes additional income from a wide range of such as cash benefits, non-cash benefits, investments and other sources as well as normal and overtime salary payments. Again this is in line with studies such as Yates (2000).

Although the ABS CURFs are very large files in terms of manipulation, the 1998 and 2008 Surveys of Income and Housing are in fact based on relatively small samples of private households. As such all of the results reported in this paper have been weighted using an ABS derived weighting factor. This weight takes into

account the proportion of the entire population represented by the household reported in the CURF and all percentage results discussed in this paper are based on the weight adjusted figures.

For the purposes of identifying the characteristics of female headed purchasers the following breakdown had been adopted. For each time period, 1998 and 2008 female and male headed households have been identified using the household reference person as the indicator of household headship. Headship of a household will be defined by the ABS reference person who has identified himself/herself as such on the survey (ABS, 2005). The main characteristics of these two groups have been identified to include household type, age, income and dwelling type. Next home ownership rates for each group have been identified. Home ownership is the weighted number of owners with and without mortgages as a percentage of the total households for the tenure type which has then been broken down by gender and discussed in terms of household type, age, income, tenure and dwelling type. Finally first home buyers who have purchased in the last three years have been identified and broken down by gender. FHBs are defined as purchasers who have never owned or partly owned a dwelling before.

In this paper only descriptive statistics have been used to report on key differences and changes in the characteristics of male and female purchasers. In the next stage of the research measures of association in the categorical data will be identified using chi square tests along with tests for difference. As well logistic regression will be used to measure propensities to purchase for female headed households within each time period.

Results

Headship

Household Type

The CURF files for 1998 and 2008 show that couple only and single households have increased as a proportion of all households in Australia, from 23.7% to 26.5% and 23.6% to 24.8% respectively (Table 1). On the other hand couples with dependent children have fallen from 24.6% to 22% of households. As of 2008 single households are the second largest household group in Australia. Sole parent and groups households have also shown a decrease as a proportion of all households over this period, from 5.5% to 4.8% and from 4.0% to 3.2% respectively.

Table 1

Household Type	1998	2008
Couple	23.7	26.5
Couple with dependent children	24.6	22.0
Couple with others	11.8	11.8
Sole parent	5.5	4.8
Sole parent other	5.5	5.4
Other	1.3	1.4
Single	23.6	24.8
Group	4.0	3.2
Total	100.0	100.0

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

The CURF files also clearly show that sole parent and single households are strongly identified with female headship and that for each household type, female headship is increasing (Table 2). In 1998 86.7% of sole parent households were headed by a female; by 2008 this had increased to 88.5%. Sole parent other had also increased, 69.3% to 71.5% along with single female households from 51.5% to 53.5%. On the other hand group households were strongly dominated by male headship, up from 60.4% in 1998 to 63.6% in 2008. Female headship of couples and couples with children, strongly represented by male headship (in 2008 70.3% and 78% respectively), also had increased slightly.

Table 2

Household Type by Headship	1998		2008	
	Female	Male	Female	Male
Couple	29.5%	70.5%	29.7%	70.3%
Couple with dependent children	21.4%	78.6%	22.0%	78.0%
Couple with others	24.5%	75.5%	28.8%	71.2%
Sole parent	86.7%	13.3%	88.5%	11.5%
Sole parent other	69.3%	30.7%	71.5%	28.5%
Single	51.5%	48.5%	53.5%	46.5%
Group	39.6%	60.4%	36.4%	63.6%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Age

When broken down by age male headship dominates every category with female headship decreasing between 1998 and 2008 in the under 25 category, the 25 to 29 age group and the over 65s (Table 3). In the three age bands between 30 and 64, although male headship dominates, female headship is growing and the differences between male and female headship is narrowing. These are the main age categories in which homes are first purchased and eventually owned. However the largest % of female headship continues to be in the youngest (< than 25 years) and oldest (65 and over) age bands. This is consistent with females leaving home earlier (Tually, 2008) and with females living longer than males (Tually et al, 2007).

Table 3

Age by Headship	1998		2008	
	Female	Male	Female	Male
< 25 years	48%	52%	45%	55%
25-29 years	44%	56%	39%	61%
30-34	34%	66%	36%	64%
35-44	34%	66%	36%	64%
45-64	34%	66%	37%	63%
65 and over	47%	53%	46%	54%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Income

Female are generally paid less than men (Rice Warner Actuaries, 2010) and in this analysis female headship dominates the lowest income quintile by 18% in 1998 and by 14% in 2008. The difference between female and male headships is lowest in the second quintile with only 2% difference in 1998 and 4% in 2008 (Table 4). However in the third, fourth and fifth quintiles female headed households are a significant minority with female headed households falling even further behind their male counterparts in the second, third and fifth income quintiles between 1998 and 2008. Based on this analysis female headed households tend to have the lowest incomes and over a 10 year period have become further disadvantaged at the higher income levels.

Table 4

Income by Headship	1998		2008	
	Female	Male	Female	Male
1st quintile	59%	41%	57%	43%
2nd quintile	49%	51%	48%	52%
3rd quintile	41%	59%	38%	62%

4th quintile	29%	71%	30%	70%
5th quintile	26%	74%	23%	77%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Dwelling Type

Separate dwellings are dominated by male headship with only 38% of separate dwellings occupied by female headed households in 2008 (Table 5). One storey terraced and semi detached dwellings are fairly evenly split between male and female headships though female headship has shown a drift away from two or more storey terraced accommodation in 1998 (down from 53% to 41%) to higher density three story accommodation in 2008 (up from 42% to 46%). Male headship dominates the highest density forms of accommodation, that is flats or apartments of four or more storeys and this is a growing trend, up from 56% in 1998 to 64% in 2008. Such accommodation is likely to be located in the inner city where land prices are high and may offer advantages in terms of rental or price, ease of management and access to facilities.

Table 5

Dwelling Type by Headship	1998		2008	
	Female	Male	Female	Male
Separate house	35%	65%	38%	62%
Semi-detached/row or terrace house/town house - one storey	51%	49%	49%	51%
Semi-detached/row or terrace house/town house - two or more storeys	53%	47%	41%	59%
Other flat/unit/apartment - one or two storeys	47%	53%	45%	55%
Other flat/unit/apartment - three storeys	42%	58%	46%	54%
Other flat/unit/apartment - four or more storeys	44%	56%	36%	64%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

In summary female headship is strongly dominated by sole parent households and to a lesser degree by singles and in both categories female headship is growing. Female headed households tend to be either younger or older and to dominate the lowest income quintile. In the middle and highest income brackets the proportion of female headed households has decreased over time. Terraced housing or other forms of medium density accommodation are most popular with female headed households.

Home Ownership

Household Type

Overall between 1998 and 2008 home ownership rates fell in Australia by 2.1%, from 70.3% to 68.2% against a backdrop of rising prices and declining affordability. This fall is matched by a similar drop across female and male headed households (Table 6).

Table 6

Home Ownership Rate by Headship	1998	2008
Australia	70.3%	68.2%
Female headed households	66.0%	64.3%
Male headed households	72.9%	70.7%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

In 1998 and 2008 couple only households had the highest rate of home ownership in Australia. As of 2008 some 80% of couple only households were home owners, a 1 % drop from 1998. In this category female participation is growing and is ahead of males by just over 1% (Table 7). On the other hand as of 2008, male headed couples showed a drop in ownership by 1.5%.

Couples with children, faced by high house prices and falls in affordability have decreased overall as an ownership group by 1.7% between 1998 and 2008. The percentage of sole parent families purchasing a home has fallen between 1998 and 2008 by about 1 % though given the house price increases and drop in affordability over this period, it is significant that some 35.6 % of female headed sole parent households and 44% of male, were able to pay a mortgage presumably on a single income. Of note is that despite the much higher and growing proportion of female headed sole parent households, male headed household still outranked females in terms of home ownership even in 2008, 44% compared to 35.6%.

As of 2008 almost 57 % of single households are home owners (Table 7). This is one of the few categories in which female headed households show higher levels of participation overall with females exceeding males by over 10%. However it is worth noting that female headed single purchasers fell by 4% between 1998 and 2008 while male singles showed an increase of .8% for the same period.

Group households, in which male headship is a growing majority, show a fall of 10% in the home ownership rate between 1998 and 2008. Much of this may be explained by the significant fall in male participation from 30.5% to 19% in 2008 (Table 7).

Table 7

Home Ownership rate by Household by Headship	1998			2008		
	Female	Male	Overall	Female	Male	Overall
Couple	80.6%	81.3%	81.1%	80.9%	79.8%	80.1%
Couple with dependent children	73.5%	79.1%	77.9%	76.9%	76.0%	76.2%
Sole parent	35.8%	45.9%	37.1%	35.6%	44.0%	36.6%
Single	65.1%	50.4%	57.9%	61.8%	51.2%	57.0%
Group	26.8%	30.5%	29.0%	20.6%	19.0%	19.6%
Total Home Ownership Rate	66.1%	72.9%	70.3%	64.3%	70.7%	68.2%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Tenure

Over the period of 1998 to 2008 higher house prices, low interest rates and government subsidies had resulted in a switch in the makeup of home owners with outright owners (no mortgage) changing from the majority of all home owners (56.1% in 1998) to a minority (48.4% in 2008) (Table 8). On the other hand mortgagees increased as a proportion from 43.8% of households in 1998 to 51.5% in 2008. Female headed owners with a mortgage showed a significant increase from 38.1% in 1998 to 46.3% in 2008, an increase in 10 years of 8% in the number of female headed house holders paying off a loan. In 1998 female headed owners without a mortgage were in the majority (61.9%) and in 2008 this still held though with a reduced majority (53.7%). Some of this is likely to reflect older widowed households, with women outliving their partners (Tually 2008).

Table 8

Home Ownership Rate by Tenure by Headship		1998	2008
Owner without a mortgage	Australia	56.1%	48.4%
	Female	61.9%	53.7%
	Male	52.8%	45.5%
Owner with a mortgage	Australia	43.8%	51.5%
	Female	38.1%	46.3%
	Male	47.1%	54.6%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Income

The lowest income quintile is the one income group dominated by female headship and as of 1998 female headed households in home ownership (58.4%) were close in proportion to their male counterparts (59.3%). However by 2008 the gap had increased with female participation falling (58.1%) and male home ownership increasing (63.3%) (Table 9). In the highest income quintile where female headed households are a significant minority (23% compared to 77%), a growing number of females are purchasing their own home and have overtaken their male counterparts (up from 77.2% in 1998 to 79.3% in 2008), while male ownership has fallen slightly (down from 80.5% in 1998 to 79.1% in 2008).

Table 9

Proportion of Income Quintile in Home Ownership by Headship		1998	2008
1st Income Quintile	Australia	58.8%	60.4%
	Female	58.4%	58.1%
	Male	59.3%	63.3%
5th Income Quintile	Australia	79.6%	79.2%
	Female	77.2%	79.3%
	Male	80.5%	79.1%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Dwelling Type

Detached houses are the dwelling of choice with over 3/4s of separate dwellings in Australia either owned outright or being purchased (Table 10). As of 2008 less than a quarter of one storey units were in home ownership compared to over 40% of higher density flats or units of 4 or more storeys. This is likely to reflect the growing trend of male occupation in this type of accommodation, and the more than doubling of the proportion coming under male headed ownership from 20.4% in 1998 to 48.3% in 2008. On the other hand the proportion of higher density accommodation in female headed home ownership dropped significantly from 47.0% in 1998 to 30.5% in 2008.

Table 10

Proportion of Households in Home Ownership by Dwelling Type by Headship		1998	2008
Separate House	Australia	79.9%	76.9%
	Female	75.7%	73.6%
	Male	82.3%	79.0%
Flat or Unit in a 1 Storey Block	Australia	26.1%	22.0%
	Female	34.5%	24.7%
	Male	18.5%	19.7%
Flat or Unit in a 4 or more Storey Block	Australia	32.1%	41.9%
	Female	47.0%	30.5%
	Male	20.4%	48.3%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

In summary one of the few areas in which female home owners appear to have a significant advantage over male owners is in terms of being without a mortgage (in 2008 53.7% compared to 45.5% of males). Despite being a very significant and growing household category, female sole parents are less strongly represented in home ownership than their male counterparts. Single female home owners are in the majority but the gap is closing, despite there being more female single households, as more single males purchase dwellings, often higher density accommodation. More high earning female households are purchasing and, as of 2008, were the majority across their income bracket in terms of home ownership. Medium density accommodation is popular with female headed home owners and there has been a marked drop in the proportion of high density accommodation being purchased by females. This is in sharp contrast to the doubling in the proportion of higher density accommodation owned by males.

First Home Buyers

Boosted by one off government subsidies and by short term lower interest rates, FHBs as a proportion of households in Australia have continued to strengthen between 1998 and 2008, increasing from 3.36% of households to 3.95% (Table 11). This is despite an overall drop in the home ownership rate within Australia for the same period. This increase has seen a rise in both female and male participation of .22% and .37% respectively although as of 2008 female FHBs proportions at 1.36% remain lower than that of their male at counterparts at 2.59%.

Table 11

First Home Buyers by Headship	1998	2008
Female	1.14%	1.36%
Male	2.22%	2.59%
Total	3.36%	3.95%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Household Type

Traditionally couples with dependent children households (who are strongly associated with male headship) have been the largest group of FHBs in Australia. This stage in the housing career has been typically associated with the birth of children which have acted as a catalyst for purchase (Merlo & Macdonald; 2002; Baxter & McDonald, 2004). The results of this paper show that while couples continue to be an important, it is couples without children (also with very high male headship) who now constitute the largest FHB group (up from 22.4% in 1998 to 31.3% in 2008), while couples with dependent children have fallen from 40.2% of FHBs in 1998 to 29.8% by 2008 (Table 12).

Couples with children are closely followed by single FHBs who are a growing sector of purchasers, up from 14.5% in 1998 to be almost a quarter of purchasers by 2008 (24%). FHB group households have also increased from 1% in 1998 to 3.3%. This household type is strongly represented by male headship (in 2008 63.6% of group households were in male headship compared to 36.4% female). On the other hand sole parents, overwhelmingly represented in female headship by a factor of 8 to 1, continue to be a marked minority of FHBs and have dropped further behind, from 3.7% of FHBs in 1998 to 3.2% in 2008.

Table 12

First Home Buyers by Household Type Australia	1998	2008
Couple	22.4%	31.3%
Couple with dependent children	40.2%	29.8%
Couple with others	13.5%	5.3%
Sole parent	3.7%	3.2%
Sole parent other	1.9%	1.6%
Other	2.8%	1.5%
Single	14.5%	23.9%
Group	1.0%	3.3%
Total	100.0%	100.0%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Household Type by Headship

As discussed earlier couples without children, with a significant majority of male headed households, are the largest group of FHBs in 2008. However the gap between female and male headed FHBs in this group has narrowed from 10.8% in 1998 to 7.7% in 2008 (Table 13).

The difference between female and male headed couples with children, ranked second as FHBs, has also narrowed from 23.3% in 1998 to 19.8% in 2008. However for both headships participation in first home

purchase between 1998 and 2008 has dropped reflecting the severe drop in housing affordability over much of this period for would be first time purchasers with children.

Despite being a growing household type the proportion of female sole parents who are FHBs has dropped between 1998 and 2008, from 3.7% to 2.9%. On the other hand the small minority group of male headed sole parents have managed to increase their participation as FHBs by .3%.

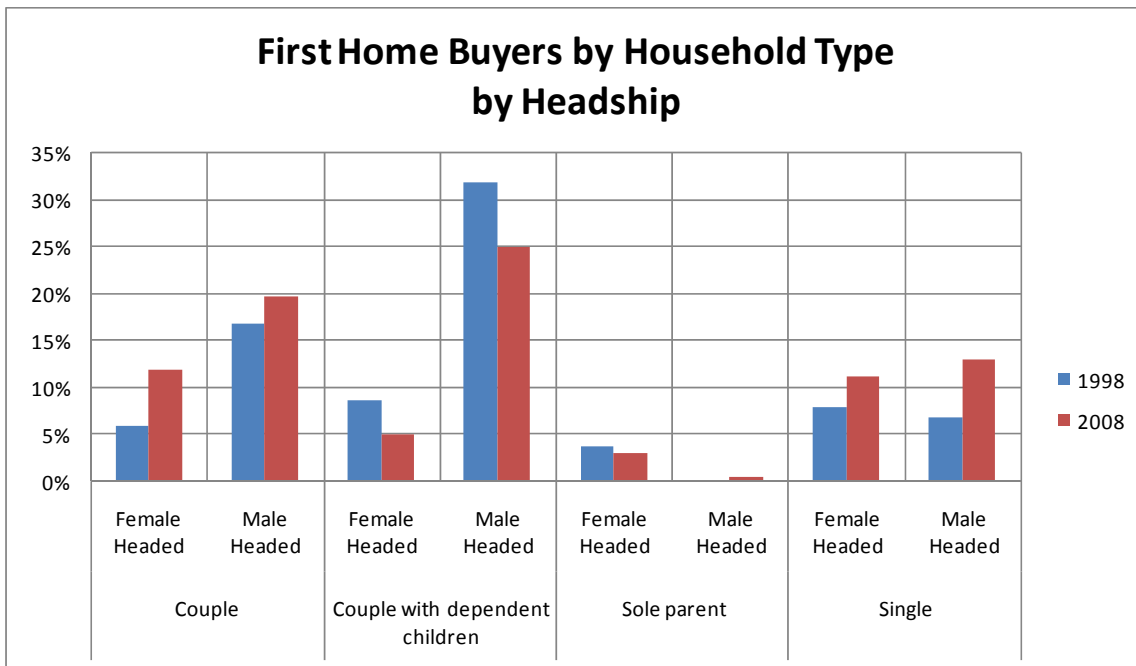
Table 13

Household Structure	First home buyer 1998			First home buyer 2008		
	Female	Male	Total	Female	Male	Total
Couple	5.8%	16.6%	22.4%	11.8%	19.5%	31.3%
Couple with dependent children	8.5%	31.7%	40.2%	5.0%	24.8%	29.8%
Couple with others	4.5%	9.0%	13.5%	1.2%	4.1%	5.3%
Sole parent	3.7%	0.0%	3.7%	2.9%	0.3%	3.2%
Sole parent other	1.9%	0.0%	1.9%	0.8%	0.8%	1.6%
Other	1.5%	1.3%	2.8%	0.4%	1.0%	1.5%
Single	7.9%	6.6%	14.5%	11.1%	12.8%	23.9%
Group	0.0%	1.0%	1.0%	1.0%	2.2%	3.3%
Total	33.8%	66.2%	100.0%	34.4%	65.6%	100.0%

Source ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

As of 2008 single households were the second largest household group in Australia. With a home ownership rate of 57% they are now the third most important group of home owners in Australia in terms of participation and this is reflected in a significant increase in their participation as FHBs (Figure 4). Female participation has increased from 7.9% to 11.1%, while single male participation as FHBs has almost doubled from 6.6% in 1998 to 12.8% in 2008. This is despite a drop in the % of male single households, down from 48.5% to 46.5% in 2008 with a corresponding increase in female headship of single households from 51.5% to 53.5%. So despite an increase in the proportion of female single households in 2008, as FHBs they are now falling behind their male counterparts.

Figure 4



Source Author analysis of ABS 1998, 2008 Survey of Income & Housing Cat 6541.0

Conclusion

In conclusion female home ownership patterns are reflected in increasing levels of participation in home ownership with more female headed households owning a home, by means of a mortgage, in 2008 than in 1998. Single households are growing and are now the third largest home purchaser group in Australia. Females dominate this group in terms of home ownership but their lead over male headship is starting to fall back. Despite falling behind as a proportion in the highest income quintile more women than men are purchasing homes in this high income group. Female headship continues to dominate outright home owners but given longer male life spans this is unlikely to continue. Female headed couples without children are growing as a proportion of home owners while male rates are falling. Female heads of sole parent households are a massive majority but over the period of this study male sole parents have gained ground as home owners and are now ahead of their female counterparts. Medium density accommodation appears to be the dwelling of choice for female purchasers with male headship strongly associated with separate dwellings or higher density accommodation. Finally despite an overall increase in FHBs, and an increase in the proportion of females, females have fallen further behind their male counterparts as FHBs.

For now the pattern may be one of females identifying a purchase opportunity but with male households overtaking over time. For both single and sole parent households, largely dominated by female headship, female participation has been overtaken or narrowed by male headship. Out of this analysis some of the key characteristics that will need to be investigated to explain female propensity for home ownership include children, timing, income and particularly the prices and affordability of particular dwelling types. Any significant mismatch between the current housing stock and its pricing with what women want to and can afford to buy will further threaten their participation.

Access to housing and especially affordable housing, is a key social issue in Australia and this preliminary study should help to identify the characteristics and life course patterns which facilitate home ownership among the two fastest growing household groups in Australia, those of singles and lone parents, both of which are strongly represented by female headship. As home ownership is an important element in setting ensuring financial security into the future, identifying changes in purchaser behaviour and propensities to purchase should be important for policy settings especially in terms of facilitating equitable outcomes across the housing market given any pressures within the private rental market. Ensuring financial security in old age is also an important economic imperative for the Australian community and it should be to the national advantage economically for as many households as possible to be financially secure into retirement. As the links between good housing and good health are strong, research which assists in understanding housing access should assist in the Commonwealth national research priority of promoting and maintaining good health.

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