
Australians' subjective wellbeing in 2024: the housing and financial divide from 'boomers' to 'zoomers'



Australian Unity Wellbeing Index (AUWI) 2024 Summary Report

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BACKGROUND

Deakin University, in partnership with Australian Unity, has monitored the subjective wellbeing of Australian adults (18+) for the past 24 years through the Australian Unity Wellbeing Index (AUWI). This has been achieved through 41 cross-sectional national surveys involving over 78,000 Australians since the AUWI launched in 2001.

Each year, we track subjective wellbeing through measures of personal and national wellbeing. Personal wellbeing is measured by assessing an individual's satisfaction with their life as a whole and across seven key personal life domains to create the Personal Wellbeing Index. National wellbeing is measured by assessing an individual's satisfaction with life in Australia and across six key national domains to create the National Wellbeing Index. We examine how both measures of subjective wellbeing vary by demographic groups and other groupings of interest.

The latest 2024 survey used two different methodologies: an interviewer-administered phone survey and a self-completed online survey. This dual-frame sample methodology was designed to assist our transition to online data collection, as phone responses have declined in recent years.

The phone sample, recruited via random-digit dialling, enables comparison to our historical data to see changes in wellbeing over time. The online sample marks a shift to our new methodology via Australia's only national probability-based online panel, Life in Australia™.

Data collection took place between 3 June and 24 June 2024. This period was marked by a cost-of-living crisis, mortgage and rental strain in the housing market, intensifying wealth inequalities, the mounting threat of climate change, and international armed conflicts, with considerable coverage and tensions from conflicts in Eastern Europe and the Middle East felt in Australia.

Between June 2023 and June 2024, annual living costs continued to rise between 3.7% and 6.2%, with employee households (i.e., households primarily receiving wages and salaries) being hit hardest.¹ Increasing costs in housing, insurance and financial services (including mortgage interest rates), and food and non-alcoholic beverages were the main drivers.¹

In the financial quarter ending June 2024, home ownership had become less affordable in almost every capital city,² and rental prices reached record highs.³ Housing and the cost of living were major focuses of the 2024-25 federal budget, delivered prior to data collection in May.⁴ The budget included the Stage 3 tax cuts aimed at relieving cost-of-living pressures for income earners.⁴

Cost-of-living pressures have brought Australia's wealth inequalities into focus, which have increased over the past few decades. For example, in 2022, Australia's bottom quintile (20%) of income recipients earned 10% of the total income but held less than 1% of the total wealth. Meanwhile, the top quintile of income recipients had over 40% of the total income and 60% of the total wealth.⁵

While Australia has historically performed well on intergenerational income mobility (i.e., each generation leaving the next one better off), a recent report by the Productivity Commission highlighted that today's younger generations are experiencing almost no income growth compared to previous generations.⁶

Internationally, the conflict in Eastern Europe and the Middle East has continued to escalate. This has borne an impact on many Australians, threatening Australia's already declining social cohesion.⁷ An example of one approach to mitigating risks is the Australian Government's decision to appoint special envoys to address Antisemitism⁸ and Islamophobia.⁹

Our data from 2023 showed that satisfaction with the economic situation fell to its lowest level on record, while stark age and income inequities in wellbeing emerged. Against this backdrop, in 2024, we chose to explore the relationship between subjective and objective financial factors and subjective wellbeing. We also examined several social, emotional, and relational factors.

In this summary report, we present the key results from the 41st survey of the AUWI highlighting how Australians were faring in June 2024. The full report can be accessed at: auwi.deakin.edu.au.

2024 KEY RESULTS

The phone sample included 998 Australians recruited via random digit dialling. The online sample included 2,008 Australians recruited via random methods to the probability-based Life in Australia™ online panel. Both samples were geographically nationally representative and included adults aged between 18 and 101 (mean 48, SD 18; 51% female).

In line with previous AUWI surveys, we use the phone sample to examine changes in subjective wellbeing over time. For all other results presented for 2024 only, we use the larger online sample. These data have been weighted to be representative of the Australian population.

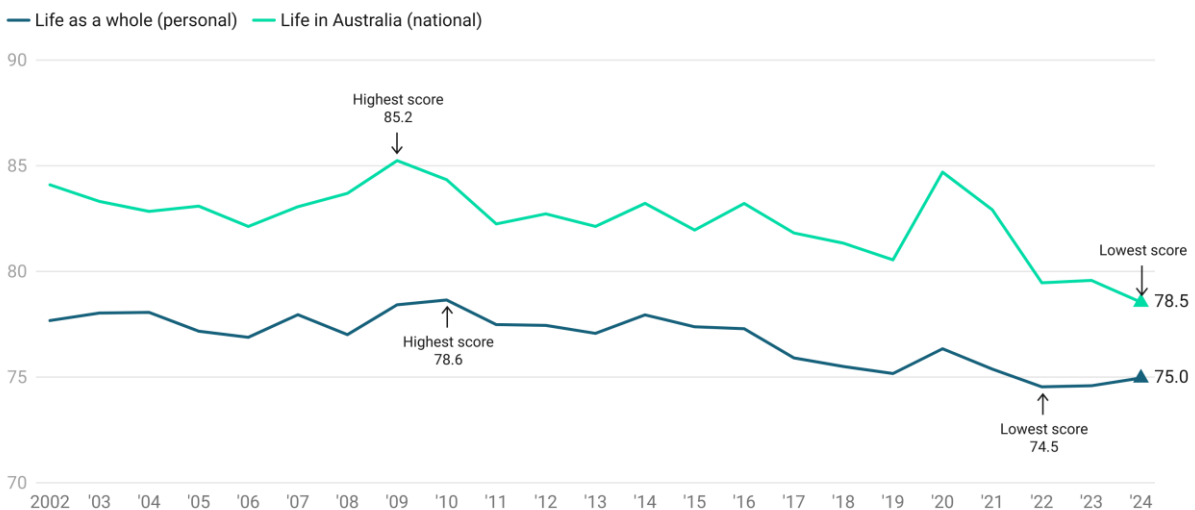
Overall satisfaction with life ‘as a whole’ and ‘in Australia’ in 2024

Australians’ satisfaction with life as a whole remained low, close to the lowest level on record.

Overall satisfaction with life in Australia reached a record low.

Australians' overall personal and national satisfaction

Average satisfaction with 'life as a whole' and 'life in Australia', 2002-2024.



The X axis shows data collection year. The Y axis shows strength of satisfaction (out of 100).
 Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

How are Australians’ personal and national subjective wellbeing faring?

The Personal Wellbeing Index

The Personal Wellbeing Index measures satisfaction across seven domains of personal life. Australians’ average scores on the Index dropped slightly in 2024. Of the seven domains, we saw declining satisfaction with standard of living, health, personal safety and community connectedness. Notably, satisfaction with health fell to an all time low. Satisfaction with achieving in life, personal relationships, and future security stayed relatively stable.

The National Wellbeing Index

The National Wellbeing Index measures satisfaction across six domains of national life. Australians’ average scores on the Index dropped to the lowest level on record in 2024. Of the six domains, we saw declining satisfaction with the economic situation, government, business, and national security in Australia. Notably, satisfaction with the economic situation fell to an all-time low. Satisfaction with social conditions stayed stable, while satisfaction with the state of the natural environment increased.

Note: Click on charts to interact or download

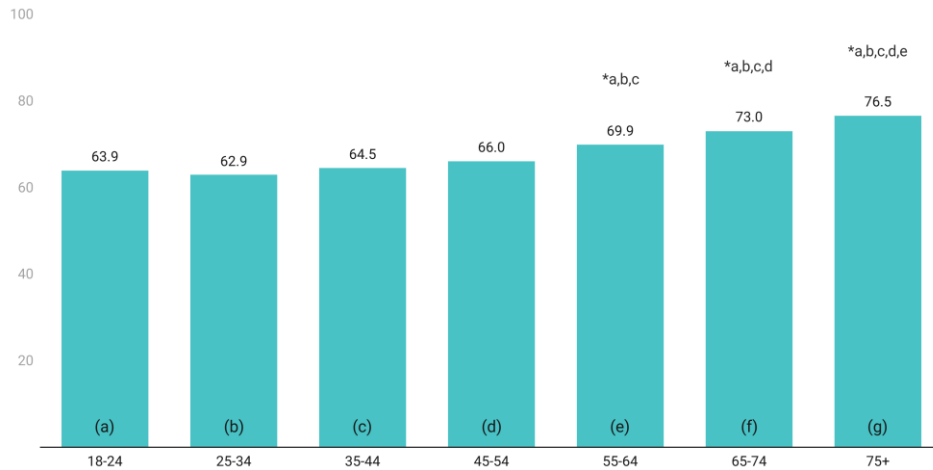
Personal Wellbeing Index inequities in 2024

The pattern of age and income inequities that emerged in recent years persisted. Adults under 55 years had notably lower personal wellbeing than older adults. Adults in low and middle-income households also had lower personal wellbeing

than higher-income households. Other groups with notably low personal wellbeing scores included adults who were unemployed, had a disability, or were separated but not divorced.

Australians' personal wellbeing by age

Average Personal Wellbeing Index (PWI) scores by age groups, 2024.



*Letters indicate a meaningful difference (i.e., 0.3 standard deviations or 5 percentage points) between groups.

The X axis shows age group in years. The Y axis shows strength of feeling (out of 100).

Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

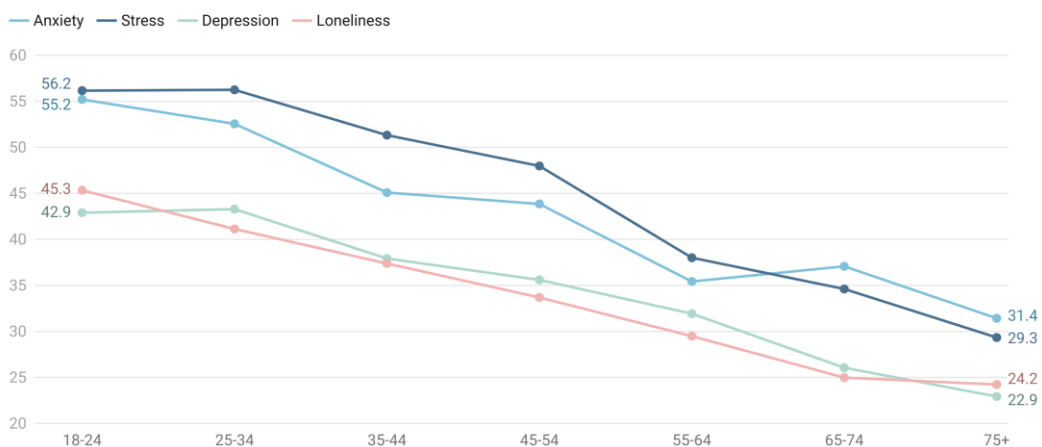
Australians' mental distress, loneliness, resilience and relational support in 2024

As well as having the lowest wellbeing, young adults (18-34-year-olds) reported the highest feelings of mental distress and loneliness, with such feelings lowest in older age groups. Measures of resilience (how quickly one recovers when something goes wrong) and relational support (how easily one can get help from people

they know) were similar across ages. Mental distress and loneliness levels were also highest in people living on the lowest gross household incomes (under \$33,800). This income group also reported the lowest levels of resilience and relational support.

Australians' mental distress and loneliness by age

Average feelings of anxiety, stress, depression, and loneliness by age groups, 2024.



The X axis shows age group in years. The Y axis shows strength of feeling (out of 100).

Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

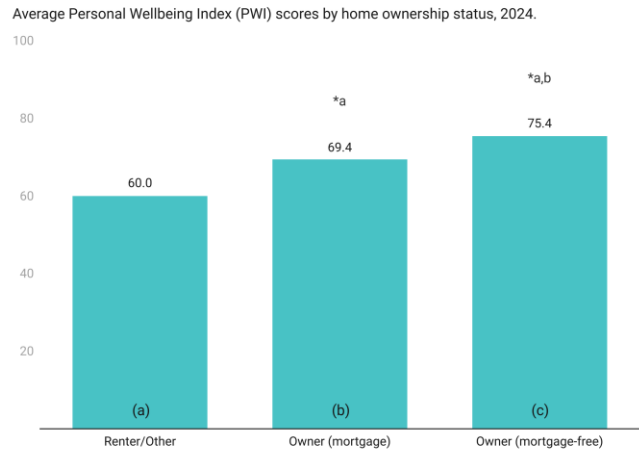
Australians' financial situations and the Personal Wellbeing Index in 2024

Home ownership

People who did not own a home (e.g., were renting or living with parents) had notably lower average personal wellbeing scores than homeowners, with lower satisfaction across all Personal Wellbeing Index domains – most notably with their future security.

Amongst homeowners, those paying off a mortgage were doing worse than those living mortgage-free, with notably lower satisfaction with their standard of living, future security, and community connectedness. Only 1 in 10 homeowners under 55 years old were mortgage-free, compared to 7 in 10 homeowners 55+ years old.

Australians' personal wellbeing by home ownership



*Letters indicate a meaningful difference (i.e., 0.3 standard deviations or 5 percentage points) between groups.

The X axis shows home ownership status. The Y axis shows average PWI score (out of 100).
Chart: Deakin University · Source: Australian Unity Wellbeing Index, 2024 · Created with Datawrapper

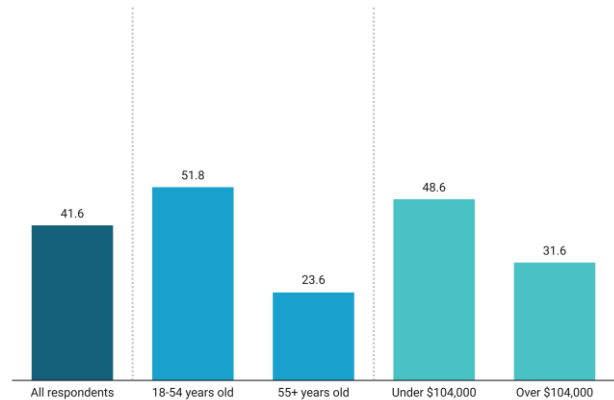
Material deprivation

A large proportion (42%) of Australian adults were experiencing material deprivation – i.e., they went without at least one essential item (most commonly health care or food) because of money pressures in the past month. One in two adults under 55 years old went without essentials, compared to one in five older adults.

Material deprivation levels were highest for people in the lowest-earning households. However, higher-earning households were not exempt, with 1 in 3 people on household incomes over \$104,000 going without essentials. People experiencing material deprivation had notably lower average personal wellbeing.

Material deprivation by age and income

Proportion (%) of Australians who missed or put off paying for at least 1 essential item in the past month by age and household income groups, 2024.



Participants were asked: In the last month, because of money pressure did you miss or put off: 1) Mortgage or rent payments; 2) Paying electricity, gas, water, bills; 3) Buying food; 4) Paying for health care; 5) Buying prescription medicines; 6) Paying home or car insurance; 7) Paying phone bills; 8) Paying for internet.

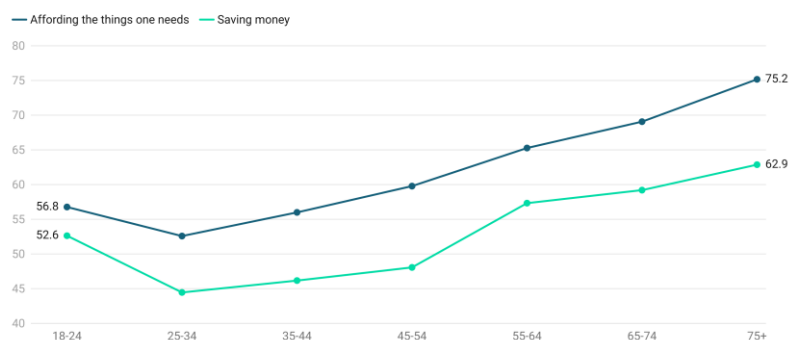
Chart: Deakin University · Source: Australian Unity Wellbeing Index, 2024 · Created with Datawrapper

Financial satisfaction

Financial satisfaction was lowest in younger age groups. Millennials (aged 25-44 years old) were the least satisfied with their ability to afford the things they need and to save money. People with the lowest financial satisfaction (i.e., the bottom 25th percentiles) had notably lower personal wellbeing. They were less satisfied with all life domains of the Personal Wellbeing Index, but most notably with their future security, standard of living, and achieving in life.

Australians' financial satisfaction by age

Average satisfaction with the ability to 'afford the things one needs' and 'save money' by age groups, 2024.



The X axis shows age group in years. The Y axis shows strength of satisfaction (out of 100).
Chart: Deakin University · Source: Australian Unity Wellbeing Index, 2024 · Created with Datawrapper

Perceived intergenerational financial mobility

Less than half of Australians felt that they were financially better off than their parents at the same age. Almost one in two adults under 55 years old perceived their financial situation as worse off than their parents', compared to one in five older adults.

People who felt worse off than their parents had lower personal wellbeing and satisfaction with all life domains of the Personal Wellbeing Index – most notably with their future security and standard of living.

Australians' perceived intergenerational financial mobility

Proportion (%) of Australians who felt their financial situation was 'better', 'worse', or the 'same' as their parents' financial situation at the same age, 2024.

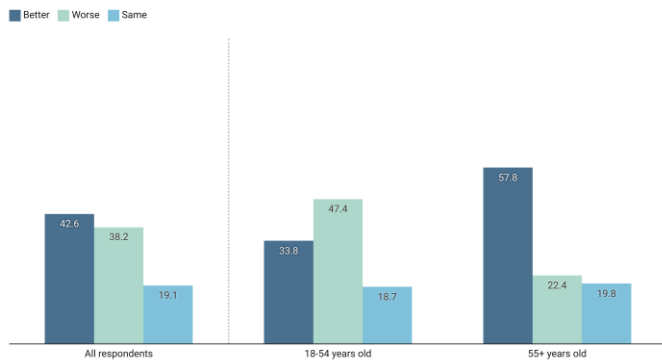


Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

What are the key factors that differentiate high and low personal wellbeing?

To better understand which factors were most important to Personal Wellbeing Index scores, we examined them in combination, to match the reality that these factors work together and not in isolation.

A combined statistical model included age, income, mental distress (composite variable of stress, anxiety and depression feelings), loneliness, resilience, relational support, home ownership, material deprivation, financial satisfaction and perceived generational financial progress.

This allowed us to identify nine profile groups of people, characterised by a unique set of factors that differentiated between low and high levels of wellbeing. Below we explore four of these profile groups.

Satisfaction with the ability to afford needs is key

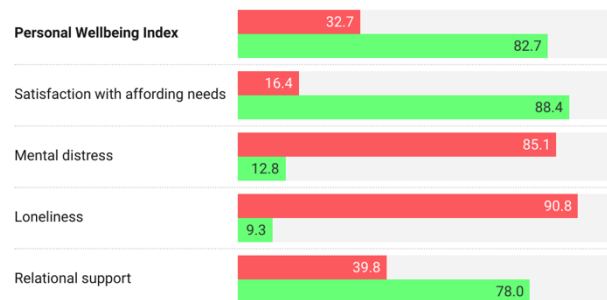
Above all else, Australians' satisfaction with their ability to afford the things they need was the strongest factor differentiating high and low subjective wellbeing, followed by socio-emotional and relational factors (mental distress, loneliness, and relational support).

Those in the profile group with the highest wellbeing (around 1 in 5 respondents) felt very satisfied with their ability to afford what they need and had low levels of mental distress and loneliness. They were mostly 55+ years old, in a relationship, and owned their own home, although they came from a range of household incomes.

Comparison of wellbeing profiles

Average scores on key differentiating factors for the **lowest** vs **highest** wellbeing groups

■ Lowest Wellbeing Group (4% of sample)
■ Highest Wellbeing Group (20% of sample)



All scores are on a 100 percentage point scale.

Key sample characteristics (%) for the **lowest** vs **highest** wellbeing groups

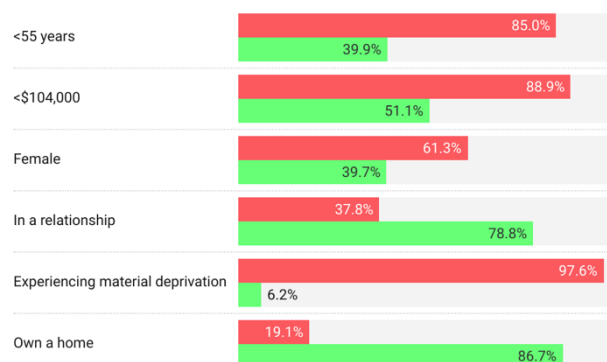


Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

In contrast, those in the profile group with the lowest wellbeing (less than 5% of respondents) had very low satisfaction with their ability to afford what they need and very high distress and loneliness. They were mostly young people, on very low household incomes, single, and in insecure housing situations. Almost all were experiencing material deprivation.

Relational support can boost wellbeing for those in the middle

A large number of respondents (two in five) made up two profile groups that had notably different subjective wellbeing. Both groups shared similar, moderate satisfaction with affording what they needed and had similar levels of mental distress. However, their level of relational support (i.e., how easily they can turn to people they know around them for support) was the key factor differentiating their wellbeing levels – with the high relational support group having higher well-being.

The high relational support group was slightly older and comprised more females. Despite both groups having a similar spread of household incomes, the high relational support group was less likely to be experiencing material deprivation (33% vs 47%).

CONCLUSION

Australians' subjective wellbeing in 2024

The Australian Unity Wellbeing Index survey highlights declining subjective wellbeing of Australians in June 2024, a period marked by significant financial and social stressors that included high cost-of-living, housing stress, intensifying wealth inequities, climate change, and globally destabilising armed conflict.

Against this backdrop, national wellbeing levels have hit a record low, with declining satisfaction with the economic situation, government, and national security in Australia. Personal wellbeing levels generally remain low – with little recovery from the drop in levels recorded in 2022. It is concerning to see satisfaction with health at its lowest level yet recorded by this survey.

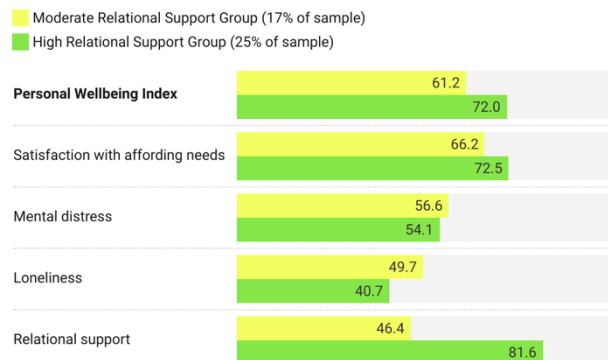
Stark age inequities in personal wellbeing persisted, with those aged under 55 years having notably lower wellbeing and higher mental distress and loneliness compared to older adults.

These inequities were felt financially, too. More than half of adults under 55 years old were experiencing material deprivation and were more than twice as likely to feel worse off financially compared to their parents at the same age as those over 55 years old.

Young adults were doing it particularly tough. As well as having the lowest personal wellbeing scores, 18-34-year-olds reported the highest feelings of mental distress and loneliness.

Comparison of wellbeing profiles

Average scores on key differentiating factors for the two largest related wellbeing subgroups, differentiated by **relational support**



All scores are on a 100 percentage point scale.

Key sample characteristics (%) for the two largest related wellbeing subgroups, differentiated by **relational support**

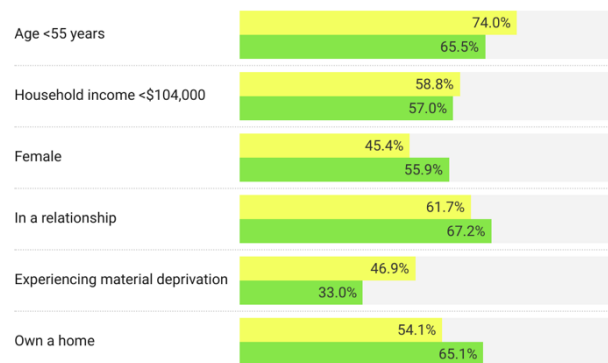


Chart: Deakin University • Source: Australian Unity Wellbeing Index, 2024 • Created with Datawrapper

Once again, our results highlight that people at risk of severe financial hardship (i.e., on the lowest household incomes or in unemployment) are experiencing some of the lowest levels of personal wellbeing. Additionally, this year our results show the importance of home ownership to overall personal wellbeing and satisfaction with future security.

However, our results show that objective measures of a person's financial situation do not tell the whole story. Subjective measures like financial satisfaction play a key role in personal wellbeing. Being satisfied with the ability to afford the things one needs was the strongest factor differentiating low and high personal wellbeing levels, followed by mental distress and loneliness, while relational support boosted wellbeing for average Australians in the middle.

How can we boost wellbeing in Australia?

Generational inequities in wellbeing warrant urgent attention, if we want a healthy population

who can contribute to society and care for our aging population. People aged under 55 years, and particularly those aged 18-34 years, need major interventions to give them opportunities to boost their wellbeing and reduce their mental distress and loneliness.

For Australians who are experiencing financial hardship, our research suggests that money really does matter to wellbeing. It is notable that Australia ranks in the top 10 wealthiest OECD countries per capita.¹⁰ Yet, our unemployment payment (JobSeeker) is the lowest of any OECD country.¹¹

Wealth inequities are not inevitable. At the height of the COVID-19 pandemic in 2020, government policies (e.g., boosting JobSeeker payments) helped reduce wealth inequities in our country for the first time in 20 years.¹² At that same time, our research saw big boosts in personal and national wellbeing. This is not a coincidence. One only has to look at the Nordic countries, to see that equity improves subjective wellbeing.¹³

Importantly, improving equity in our country doesn't have to mean increasing taxation for average Australians, but it does mean making some structural changes to the distribution of wealth to address entrenched disadvantage.

For the past two years, the Economic Inclusion Advisory Committee has called on the Government to boost welfare payments to those in need.^{14, 15} A longer-term but equally urgent change is to properly fund public education to achieve equity in schooling, as outlined in an expert review commissioned by the Federal Department of Education.¹⁶

Our findings also add to calls to tackle the housing crisis to help younger Australians and those facing

financial hardship access safe and secure housing, boosting their future security. Affording all Australians the same financial and housing security opportunities as previous generations is paramount for their wellbeing and our society.

Changes to negative gearing and the capital gains tax discounts would help make home ownership accessible for more people¹⁷ and put up to \$13.6 billion dollars in the Government's pocket¹⁸ to spend elsewhere (for example, on the aforementioned welfare boosts, public school funding, and social housing). Another good start would be to increase taxes paid by Australia's fossil fuel industry – something that most Australians support.¹⁹

Of course, money isn't everything. For many Australians, having access to a strong support network may provide the key to boosting wellbeing.

Our findings emphasise the importance of fostering meaningful connections and investing in relationships, as having people to rely on during difficult times can pay wellbeing dividends. Equally important is remembering we have the power to uplift the wellbeing of those around us by being a source of support when they need it most.

In 2024, we need to ask ourselves, and particularly those in power, what type of country we want to be – if we want to boost our collective wellbeing, we need to deal with the big issues facing our nation and stop tinkering at the edges.

Without such intervention, societal progress will falter, with generations falling even further down the wellbeing spectrum. This is an unacceptable and unnecessary outcome for such a rich and advantaged country as Australia.

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