HILDA key finding fact sheet.

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'Bricks and Mortar' over 'Bulls and Bears'

Strictly embargoed until Wednesday June 12th.

Australians have **fled the turbulence of the stock market** and instead made property the investment of choice, the HILDA report reveals.

The research found the proportion of households holding investment properties has grown significantly from 16.1% in 2002 to 20.1% in 2010.

Similarly there has been a flight by households away from equity investments, with the proportion of households directly owning shares declining from 39% in 2002 to 34% in 2010.

Correspondingly, 2002 equity investments represented 4.1% within Australian household's investment portfolio; by 2010 this was down to just 2.7%.

The attractive nature of property as an asset class is also revealed in the HILDA report, which showed **median home values increased in real terms** (at December 2010 prices) from $259,000 in 2001 to $482,000 in 2010, an 86% increase.

In a decade the Northern Territory experienced the largest percentage growth in home values of all states and territories, the mean rising 135% to $593,000 in 2010, although Western Australia had the highest mean value in 2010, at $669,000. Victoria,

Queensland, South Australia and Tasmania also witnessed sustained home value growth over the same 2001-2010 period.

The HILDA report also revealed that there has been **considerable growth in household debt between 2002-2010**, with much of this debt attributable to growth in loans for housing.

Despite the growth in household debt the HILDA report underlines that the burden appears mostly within income-earning capacity: only 6% of households have 'dangerous' debt levels, as indicated by a debt-to-income ratio in excess of 6.

'Household Wealth' is contained within *Families, Incomes and Jobs, Volume 8 of the Household, Income and Labour Dynamics in Australia Survey (HILDA)* produced by Melbourne University and funded by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). (P.T.O)

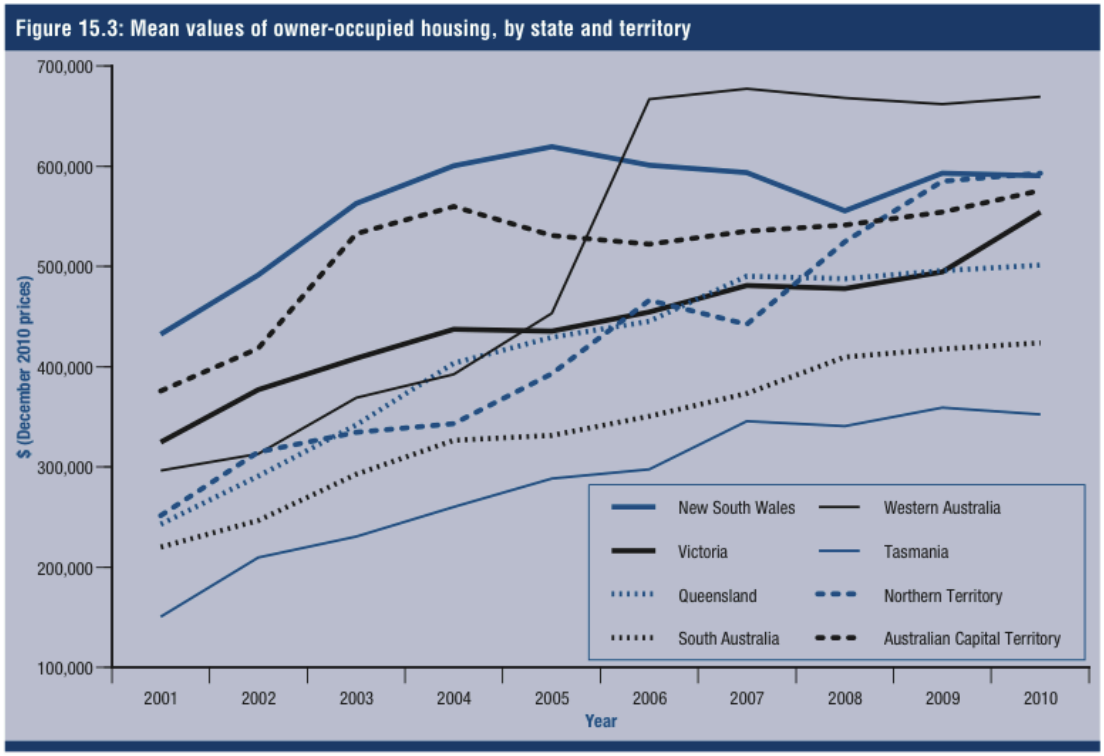

Figure 1 Mean Value of owner occupied homes in Australia