

HC1.4. SATISFACTION WITH HOUSING

Definitions and methodology

Housing standards can be subjective, and perceptions, as well as expectations, of the quality and affordability of housing and its environment can differ widely across individuals, countries and cultures. Perceptions of adequate housing may also depend on socio-demographic characteristics. For example, high-income households may have different and higher expectations in terms of housing quality than low-income households. Moreover, the perception of housing satisfaction is a dynamic process that can evolve over time (Satya Brink and Kathleen A. Johnston, (1979)). In all, an individual's satisfaction with the area (s)he lives in is a subjective measure and there is no international definition that set out what an affordable house of good quality actually *is* (see Box 3. Conceptualising and measuring housing affordability from Balestra, C. and J. Sultan (OECD, 2013)).

Subjective measures of housing can be an important complement to other measures of housing outcomes (OECD, 2013), and together can help better understand the determinants of housing satisfaction. In OECD countries, housing affordability is a main driver of residential satisfaction (Balestra, C. and J. Sultan (2013)). Neighbourhood characteristics, such as beauty, setting, access to public transport and the feeling of security, also exert a positive and significant effect on residential satisfaction. Overall, residential satisfaction has an important impact on people's overall well-being.

This indicator relies on two different data sources. The first set of measures present cross-national levels of satisfaction with housing and different aspects of neighbourhood quality and safety, based on the Gallup World Poll. The Gallup World Poll is conducted in more than 150 countries around the world based on a common questionnaire. In this survey, satisfaction with housing and its environment is measured in terms of:

- the share of respondents who report that they are satisfied with the availability of good, affordable housing in the city or area where they live;
- the share of respondents who report that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family;
- the share of respondents who report that they are satisfied with the public transportation systems;
- the share of respondents who report that they feel safe walking alone at night in the city or area where they live;
- the share of respondents who report that they are satisfied with the city or area where they live.

An additional measure presented in this indicator is based on estimates from the *OECD Risks That Matter Survey 2020*, which asked over 25 000 adults in 25 OECD countries about perceptions of the social and economic risks they face and assesses how well people feel government reacts to their concerns. With respect to housing affordability, the data refer to the share of respondents either "somewhat concerned or very concerned" by not being able to find/maintain adequate housing in the short-term (over the next year or two).

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The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

For policies that aim to support households with housing costs, see indicators PH2, PH3 and PH4.

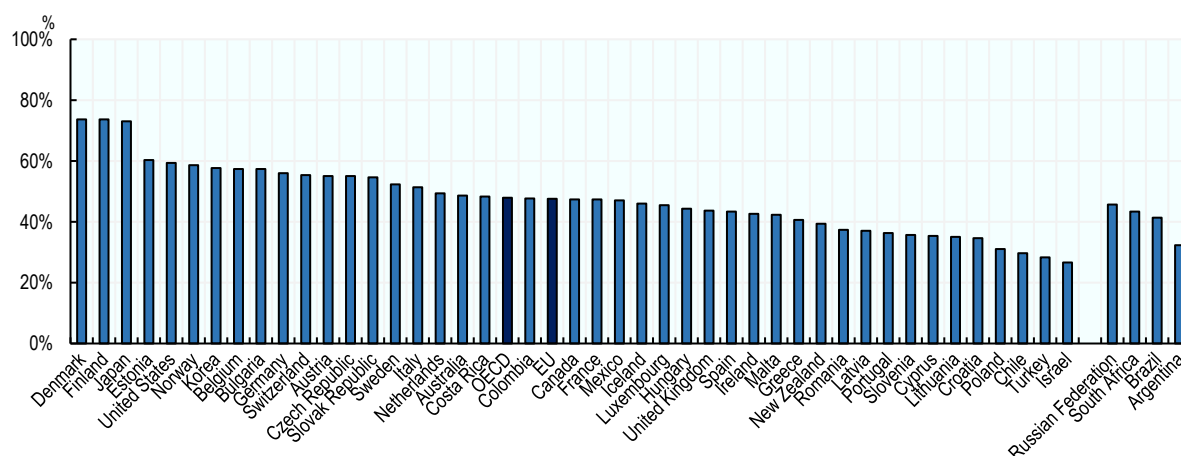
Key findings

Just under half of the OECD population is satisfied with the availability of good, affordable housing on average

On average across the OECD, slightly less than half of the population report that they are satisfied with the availability of good, affordable housing in their city or the area where they live. There is considerable cross-country variation, ranging from more than 70% of the population in Denmark, Finland and Japan, to less than 35% of the population in Chile, Israel, Poland and Turkey (Figure HC1.4.1).

Figure HC1.4.1. Satisfaction with the availability of quality affordable housing differs widely across countries

Share of people responding that they are satisfied with the availability of good, affordable housing in their city or area where they live, 2018/2020



Note: The present publication presents time series which extend beyond the date of the United Kingdom's withdrawal from the European Union on 1 February 2020. In order to maintain consistency over time, the "European Union" aggregate presented here excludes the UK for the entire time series.

Source: Gallup World Poll (www.gallup.com).

Satisfaction data help provide a more comprehensive picture of housing outcomes across countries than may be gleaned from an initial look at other measures of housing affordability in the [OECD Affordable Housing Database](#). For instance, satisfaction with the availability of good, affordable housing is relatively high in some Nordic countries (such as Denmark and Finland), even though, on average, households in these countries tend to spend a larger share of their income on housing (see [HC1.2. Housing costs over income](#) and [HC1.1 Housing-related expenditure of households](#)). Indeed, the median of the rent burden (private market and subsidised rent) as a share of disposable income accounts for

Footnote by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue";

Footnote by all the European Union Member States of the OECD and the European Commission: The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

about 31% in Finland and 28% in Denmark (cf. [HC1.2. Housing costs over income](#)), and on average total housing expenditure (including housing, water, electricity, gas and other fuels) as share of final consumption expenditure of households accounts for about 29% and 28% in these two countries (cf. [HC1.1 Housing-related expenditure of households](#)). These results suggest that people are willing to spend more on good quality housing (and other public services) if they are offered high-quality accommodation – in Denmark, for instance, the average number of rooms per household member is relatively high compared to other OECD countries ([HC2.1 Living space](#)). Meanwhile, at the other end of the spectrum, the level of satisfaction with the availability of good, affordable housing is relatively low in Poland (about 30% of the population on average), where about a third of low-income households are considered overcrowded ([HC2.1 Living space](#)).

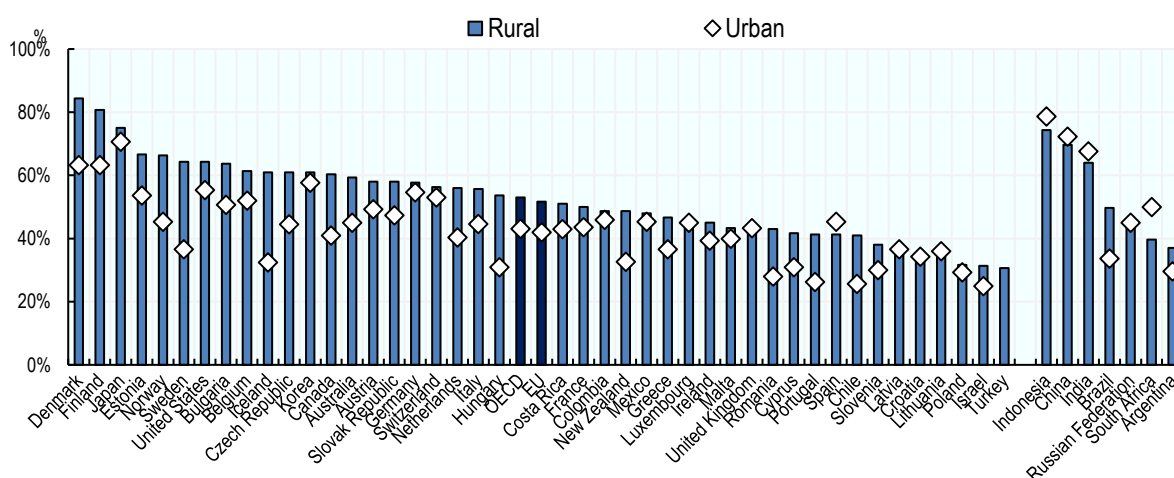
In addition, satisfaction levels are often higher in countries with more generous social policies (OECD, 2020, Risks that Matter survey). Indeed, Denmark and Finland record a relatively high level of public spending on housing allowances (0.7 and 0.9% of GDP, respectively) among OECD countries for which data are available ([PH3.1 Public spending on housing allowance](#)). Meanwhile, Chile and Poland record low levels of satisfaction on the availability of good, affordable housing, along with relatively low levels of public spending on housing allowances (0.01 and 0.04% of GDP, respectively).

Urban residents tend to be less satisfied with the availability of quality affordable housing relative to rural residents

Considerable differences can also be found between urban and rural areas in residents’ satisfaction with the availability of good, affordable housing. On average across the OECD, urban residents are about 10 percentage points less satisfied with the availability of quality affordable housing relative to rural residents (Figure HC1.4.2). The largest gaps (about 20% or more) are observed in Iceland, Finland, Hungary, Sweden and Norway whereas there is no significant difference between the satisfaction of rural and urban residents in Croatia, Latvia, Luxembourg and the United Kingdom. House prices tend to grow faster in big cities than in rural areas and a lack of housing supply is particularly a challenge in urban areas (OECD National and Regional House Price Indices).

Figure HC1.4.2. Urban residents are less satisfied with the availability of quality affordable housing compared to rural residents

Share of people responding that they are satisfied with the availability of good, affordable housing in their city or area where they live, urban vs. rural areas, OECD and partner countries, 2018/2020



Note: See Figure HC1.4.1.
Source: Gallup World Poll (www.gallup.com).

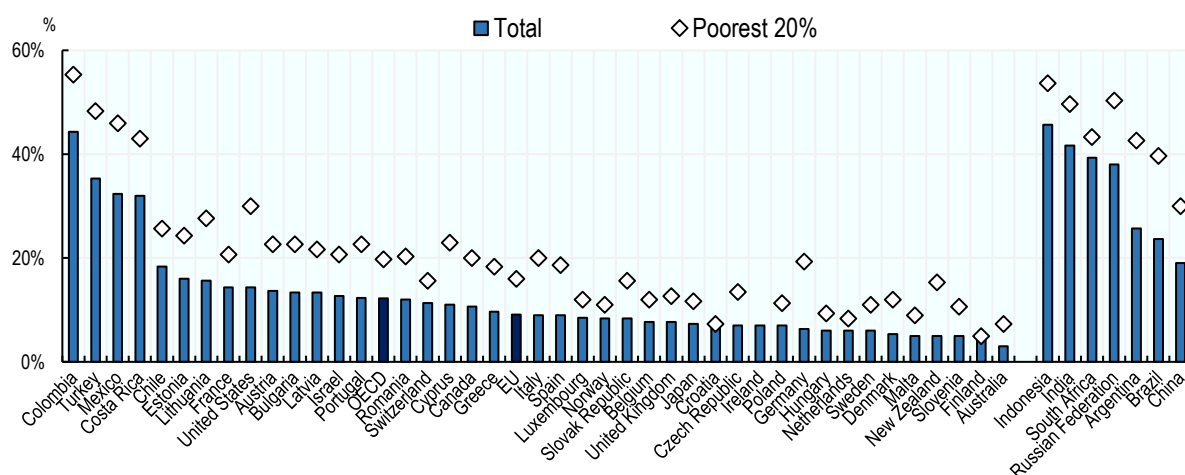
More than one out of ten people in the OECD report housing insecurity over the past 12 months

Subjective data can also provide insights into people's experience of housing insecurity. According to the Gallup World Poll, on average across the OECD, about 12 % of the population report that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family. The EU-average is slightly lower, at about 9% of the EU population. There are wide cross-country differences: about 44% of the population reports such housing stress in Colombia and around 30-35% of the population in Turkey, Costa Rica and Mexico, compared to less than 5% of the population in Finland and Australia (Figure HC1.4.3).

Not surprisingly, low-income households (defined as the poorest 20% of the population) are more likely to report such housing insecurity. More than half of the low-income population in Colombia and over 40% in Turkey and Mexico report that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family, along with more than one out of four low-income households in Chile, Lithuania and the United States. In Croatia, Finland and the Netherlands, however, similar levels of reported housing insecurity are reported among the poorest 20% and the total population.

Figure HC1.4.3. Low-income households report higher levels of housing insecurity than the rest of the population

Share of people responding that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family, by income level, 2018/2020



Note: See Figure HC1.4.1.

Source: Gallup World Poll (www.gallup.com).

Perceived housing insecurity has increased in many countries over the past decade

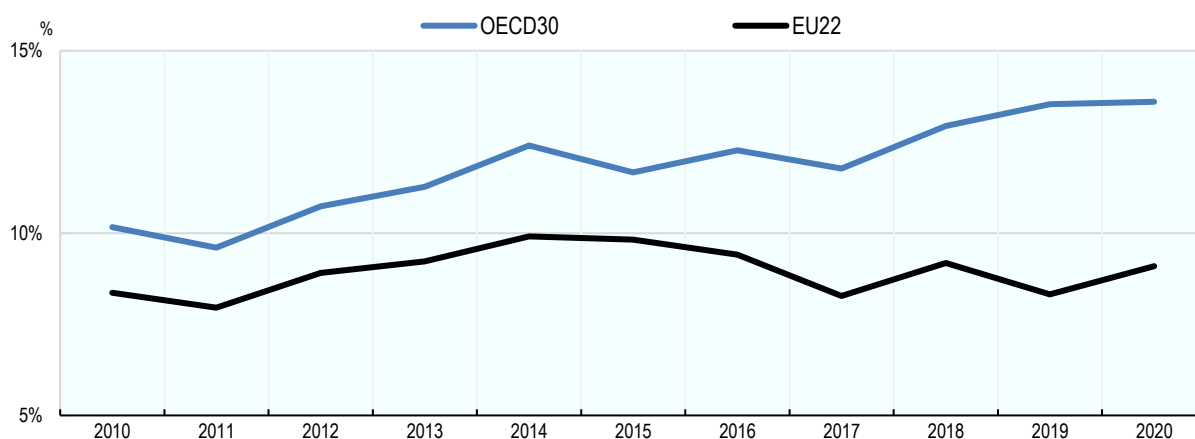
Across the OECD, people have reported increasing difficulty in securing adequate housing for themselves and their family over the last decade (Figure HC1.4.4). On average across OECD countries, the share of the population reporting that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family increased from around 10% in 2010 to 14% in 2020. These results are in line with trends in housing prices and affordability levels reported elsewhere in the [OECD Affordable Housing Database](#). For instance, real

house prices have increased in 32 OECD countries since 2005, while rent prices have increased in all but two OECD countries over the same period.

While data for 2021 are not yet available, the economic fallout of the COVID-19 crisis may lead to an even larger share of the population reporting that they face difficulty in affording adequate housing. People who are at risk of not being able to sustain their tenancy or homeownership status may face eviction (see [HC3.3 Evictions](#)) and/or homelessness ([HC3.1 Homeless population estimates](#)). Moreover, the trend towards higher levels of perceived housing insecurity over the past decade underscore the challenge to meet the United Nations' Sustainable Development Goal of ensuring "access for all to adequate, safe and affordable housing" by 2030.

Figure HC1.4.4. On average, perceived housing insecurity has increased over the past decade

Share of people responding that there have been times in the past 12 months when they did not have enough money to provide adequate shelter or housing for them and their family, OECD and EU average, 2010-2020



Note: 1. OECD29 refers to countries for which data are available for all years: Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Denmark, Finland, France, Germany, Greece, Ireland, Israel, Italy, Japan, Korea, Lithuania, Mexico, the Netherlands, New Zealand, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Turkey, the United Kingdom and the United States. EU22 refers to countries for which data are available for all years: Austria, Belgium, Bulgaria, Croatia, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Lithuania, Malta, the Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, and Sweden. 2. The present publication presents time series which extend beyond the date of the United Kingdom's withdrawal from the European Union on 1 February 2020. In order to maintain consistency over time, the "European Union" aggregate presented here excludes the UK for the entire time series.

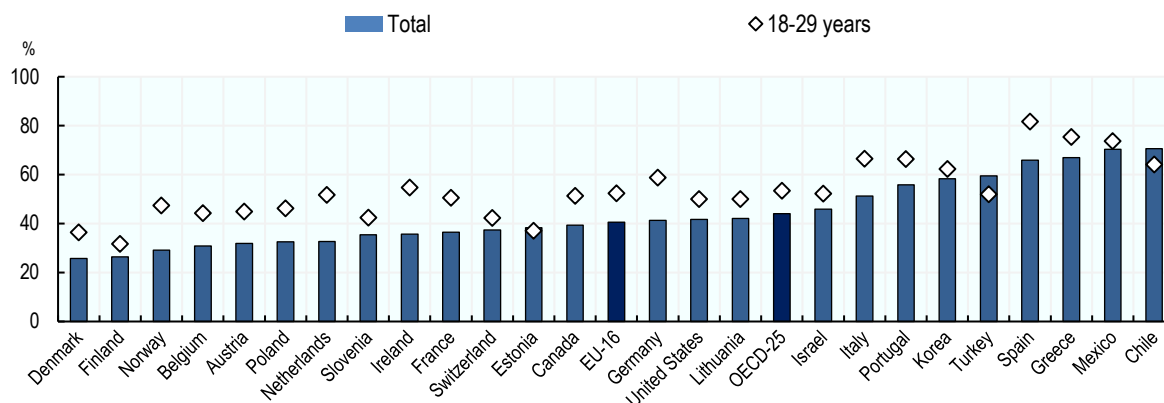
Source: Gallup World Poll (www.gallup.com).

Young adults are more likely than other age groups to report being concerned about housing

According to the *OECD Risks That Matter Survey 2020*, on average across the 25 participating OECD countries, 44% of respondents reported to be either "somewhat concerned or very concerned" by not being able to find/maintain adequate housing in the short term (the next year or two) (Figure HC1.4.5). In all countries but two (Chile and Turkey), the share of youth (aged 18-29 years old) reporting to be either "somewhat concerned or very concerned" is higher than the share of the overall population. Ireland, the Netherlands and Norway record close to a 20-percentage point difference between youth and the overall population. In Chile, Greece, Italy, Korea, Portugal, Mexico and Spain, more than 60% of youth report to be either "somewhat concerned or very concerned" by not being able to find/maintain adequate housing.

Figure HC1.4.5. Young people are more concerned about housing than the rest of the population

Percent of respondents reporting being either "somewhat concerned" or "very concerned" by not being able to find/maintain adequate housing, by age group, 2020



Note: Respondents were asked: What are your specific short-term worries? Thinking about the near future (the next year or two), how concerned are you about not being able to find/maintain adequate housing? Respondents had the option of selecting not at all, not so concerned, somewhat, very concerned, and can't choose.

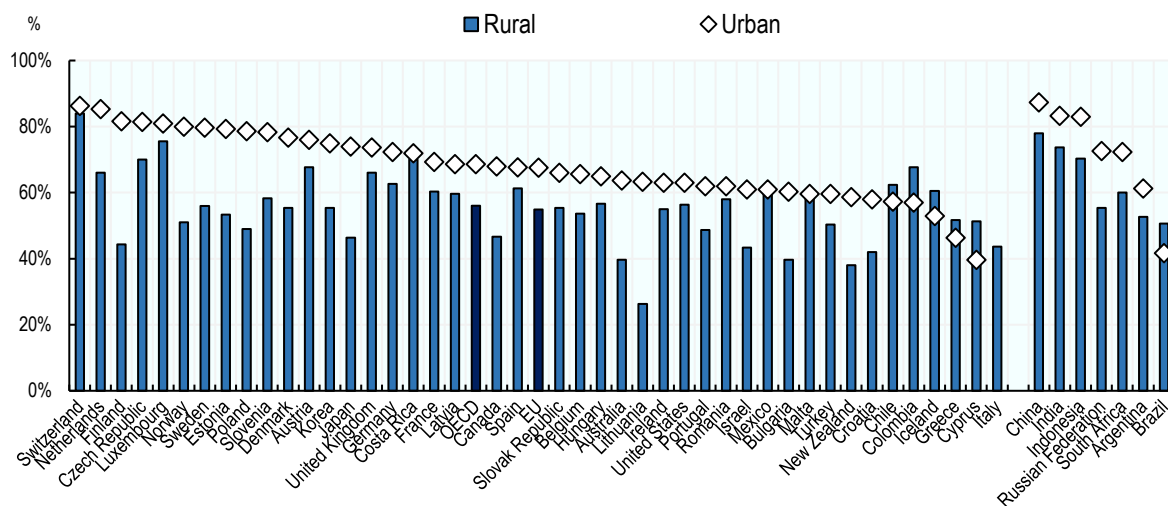
Source: OECD Secretariat estimates based on OECD Risks That Matter 2020 survey, <http://oe.cd/rtm>.

Satisfaction with the public transportation systems varies greatly across and within countries

Satisfaction with the public transportation systems varies greatly across and within countries. In most OECD and EU countries, urban residents are more satisfied with the public transportation systems compared to rural residents. More than 80% of urban respondents report to be satisfied with the public transportation systems in Czech Republic, Finland, Luxembourg, Norway, the Netherlands, Sweden and Switzerland, while this is the case for less than half of urban residents in Greece, Cyprus and Italy. The largest gaps within countries are observed in Finland, Lithuania and Poland, where satisfaction with the public transportation systems for rural residents is at least 30 percentage points lower than that of urban residents.

Figure HC1.4.6. Urban residents are more satisfied with the public transportation systems than rural residents

Share of people responding that they are satisfied with the public transportation systems, urban vs. rural areas, 2018/2020



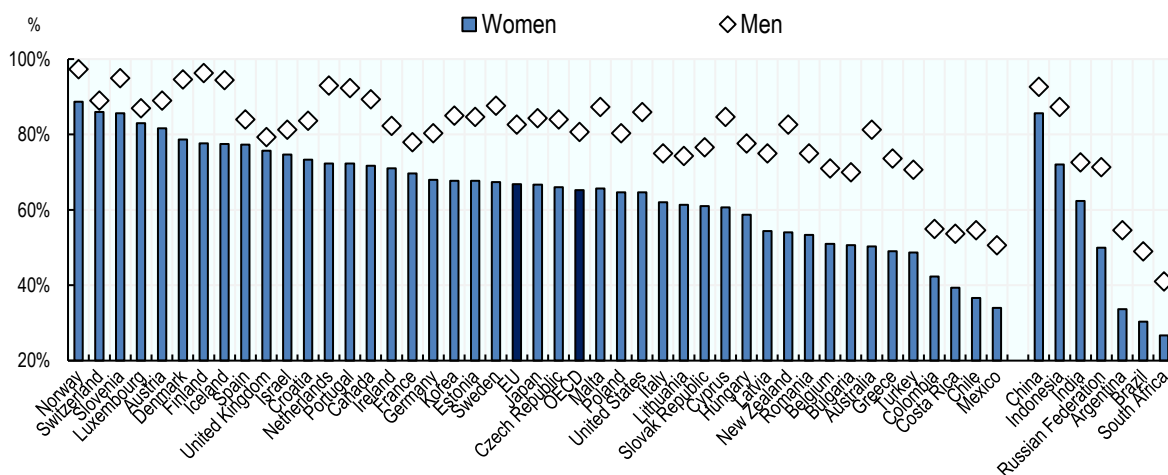
Note: See Figure HC1.4.1.
Source: Gallup World Poll (www.gallup.com).

Women feel less safe than men walking alone at night in the city or area where they live

In all countries, women report feeling less safe than men walking alone at night, with great variation across countries. On average, the gap between men and women is about 15 percentage points across the EU and the OECD. In Austria, Luxembourg, Norway, Slovenia and Switzerland, more than 80% of women report feeling safe walking alone at night in the city or area where they live, compared to less than half of women in Chile, Colombia, Greece, Mexico and Turkey. The largest gaps between men and women (about 25 pp or more) are observed in Australia, Greece and New Zealand. Meanwhile, the gap between men and women is small (less than 5 pp) in Luxembourg, Switzerland and the United Kingdom. Safety is a concern for a large share of men as well, including Chile, Colombia and Mexico, where only about half of male respondents report feeling safe walking alone at night in the city or area where they live.

Figure HC1.4.7. Women feel less safe than men walking alone at night in the city or area where they live

Share of people responding that they feel safe walking alone at night in the city or area where they live, by gender, 2018/2020



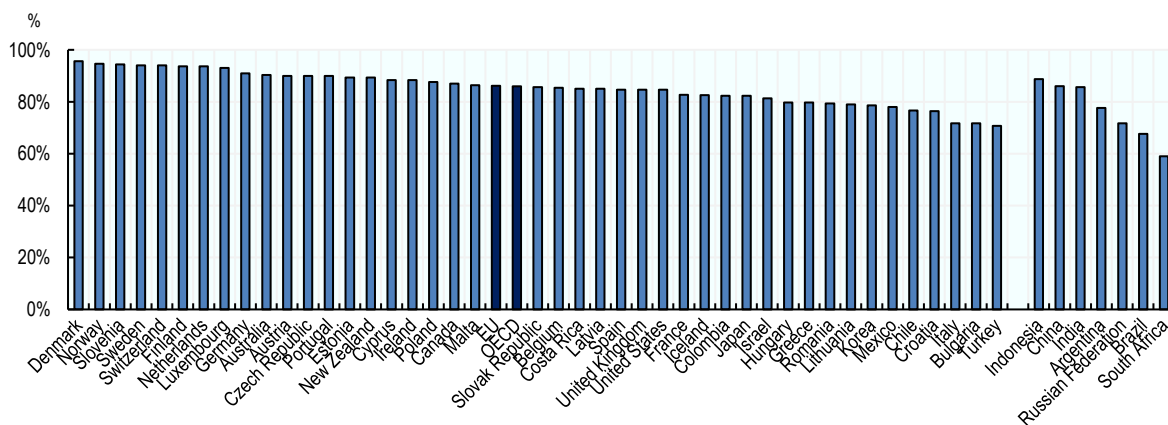
Note: See Figure HC1.4.1.
Source: Gallup World Poll (www.gallup.com).

On average, eight in ten people are satisfied with the city or area where they live

The highest level of satisfaction with one’s living area is observed in Nordic countries, the Netherlands, Slovenia and Switzerland, where about 95% of respondents report being satisfied with the city or area where they live. Meanwhile, in Bulgaria, Italy and Turkey, this is the case for about 70% of respondents. Overall satisfaction with living area depends on many factors, including, *inter alia*, housing affordability, housing quality, living environment, employment opportunities and access to quality public services.

Figure HC1.4.8. On average eight in ten people are satisfied with the city or area where they live

Share of people responding that they are satisfied with the city or area where they live, 2018/2020



Note: See Figure HC1.4.1.
Source: Gallup World Poll (www.gallup.com).

Data and comparability issues

The Gallup World Poll asked respondents the following questions: “In the city or area where you live, are you satisfied or dissatisfied with the availability of good, affordable housing?”, “Have there been times in the past 12 months when you did not have enough money to provide adequate shelter or housing for you and your family?”, “In the city or area where you live, are you satisfied or dissatisfied with the public transportation systems? “Do you feel safe walking alone at night in the city or area where you live?”, and “Are you satisfied or dissatisfied with the city or area where you live?”

The Gallup World Poll is conducted in more than 150 countries around the world based on a common questionnaire. The results are based on telephone and face-to-face interviews with approximately 1 000 adults in each country. With few exceptions, all samples are probability-based and nationally representative of the resident population aged 15 years and over in the entire country. Data are available by some socio-demographic groups. While this data source ensures a high degree of comparability across countries, results may be affected by sampling and non-sampling errors as well as variation in response rates. For these reasons, the data have been averaged across three years, i.e. 2018-2020 in this indicator. Since questions from a common questionnaire are translated in each country language, translation and interpretation concerns may affect comparison across countries.

This indicator also presents results from the *OECD Risks That Matter Survey 2020*. The *OECD Risks that Matter* (RTM) survey is a cross-national survey examining people’s perceptions of the social and economic risks they face and how well they think their government addresses those risks. The survey was conducted for the first time in two waves in 2018. The 2020 survey, conducted in September-October 2020, draws on a representative sample of over 25 000 people aged 18 to 64 years old in the 25 OECD countries that agreed to participate: Austria, Belgium, Canada, Chile, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Israel, Italy, Korea, Lithuania, Mexico, the Netherlands, Norway, Poland, Portugal, Slovenia, Spain, Switzerland, Turkey and the United States. Respondents were asked about their social and economic concerns, how well they think government responds to their needs and expectations, and what policies they would like to see in the future.

The aim of the RTM survey is to understand better what citizens want and need from social policy. Standard data sources, such as administrative records and labour force surveys, provide traditional data on issues such as where and how much people work, how much they earn, their health status, whether or not they are in education, and even, in the case of time-use surveys, how much they sleep and how they choose to spend their free time. These traditional surveys have proved invaluable for social policy research and have helped shape social programmes for decades. Yet, as highlighted in recent work (Stiglitz, Fitoussi and Durand, 2018), these traditional data sources rarely illuminate people’s concerns, perceived vulnerabilities and preferences, especially with regard to government policy. Existing cross-national surveys in this area (such as certain rounds of the International Social Survey Programme or the European Commission’s Eurobarometer survey) are conducted infrequently and/or only in specific regions. The *OECD Risks That Matter Survey* fills this gap: it complements existing data sources by providing comparable OECD-wide information on people’s opinions about social risks and social policies. Refer to OECD (forthcoming 2021), *Risks that Matter 2020 Survey* for more information.

As discussed in OECD (2019), there are many factors that may affect people’s reported levels of satisfaction, which may differ across socio-economic groups, age or income-levels, the overall level of social protection policies available in their country, or the overall economic environment in the country. A more extensive discussion of the potential limitations of subjective measures is discussed in OECD (2013), *OECD Guidelines on Measuring Subjective Well-being*.

Sources and further reading

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