

Downsizers and Other Movers: The Housing Options, Choices and Dilemmas of Older Australians

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Abstract. Downsizing and retirement village living are popularly regarded as the norm for older Australians, when in reality this accounts for only a small proportion of them. Most remain in their own larger detached homes in the general community for as long as possible, until disability or illness renders this difficult or impossible. However the design of most detached suburban houses does not facilitate ageing in place. Based on findings from two recent research projects funded by the Australian Housing and Urban Research Institute, this paper explores why most older Australians remain in their own homes, why those who do move or downsize do so, into what types of dwellings and tenure, and how they go about this process. The findings challenge conventional understandings of both housing utilization and downsizing. Underutilisation is largely a misnomer amongst older Australians and downsizing is relatively rare. Those who do downsize do so generally for lifestyle and reduced maintenance rather than financial reasons, yet there is a lack of supply of appropriately designed, located and affordable housing which ironically might encourage moving/downsizing to the benefit of the ageing population and the wider housing market. These findings also support the need to accelerate the adoption of universal design principles in both housing and neighbourhoods, a need also recognized by older people themselves.

Keywords. Ageing, housing, downsizing, moving, options, choice, design

Introduction

Similar to most countries, Australia's population is ageing with important implications for society and the economy including housing and the urban environment. At the most recent 2011 Census 14.2% of Australians were aged 65 and over [1], closer to the USA (13.1%) and Canada (14.2%) but less than the UK (16.6), most of Europe (e.g Sweden at 18.2%) and the leading country, Japan (23.0%)² [2]. By mid-century the percentage of Australians 65 and over is projected to grow to 23.2% and to 28.9% by the end of the Century, and those aged 85 and over to increase much more dramatically from 1.9% in 2012 to 5.1% by mid-century and 9.3% in 2100 [3]. As in many other ageing societies, central to the Government's response has been an emphasis on encouraging ageing in place. This has been supported by progressively stepping up the range of

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² International comparisons are based on 2010 figures, one year previous to the Australian 2011 Census.

ageing support services available in the home from initially fairly basic assistance with meals, home duties and dwelling modifications to, most recently, dementia care [4].

The implications of an ageing population for housing, urban environments and infrastructure are significant. The majority of the existing Australian housing stock, and neighbourhood environments are clearly not designed to optimise ageing in place. The combination of decreasing allotment sizes and increasing dwelling sizes has resulted in a plethora of two-storey detached suburban dwellings in the new housing stock, affectionately referred to as ‘McMansions’, and most existing affordable apartments are in walk-up blocks without elevators.

Despite planning authorities advocating for more variety in the housing stock in response to demographic change, smaller housing options are limited, and often considered undesirable by many older people used to low-density suburban living. The dilemma is that on the one hand policy misunderstands the spatial needs of older Australians, and yet on the other hand fails to deliver the kind of alternatives that might encourage people to move into smaller or more appropriately designed accommodation. Universal design clearly has an important role to play in this and there have been some encouraging recent policy developments in Australia (discussed later). Whether these can deliver what will be necessary for the ageing population is yet to be demonstrated.

1. The Two AHURI Studies

The research findings reported on in this paper are based on two studies funded by the Australian Housing and Urban Research Institute (AHURI), undertaken within the City Futures Research Centre (CFRC) at the University of New South Wales (UNSW) in Sydney Australia. Both were undertaken with multidisciplinary teams of researchers.

The first studied Housing, Land and Neighbourhood Use by Older Home Owners [5] and will be referred to in this paper as the Older Home Owners (OHO) study. Its methods included a national survey of 1,604 older home owners recruited through the largest circulation Australian seniors magazine *50 Something* undertaken in late 2007. This was followed by 70 in-depth, face-to-face interviews in 2008 with survey respondents from five states/territories of Australia (Queensland (QLD), New South Wales (NSW), Victoria (VIC), Western Australia (WA) and the Australian Capital Territory (ACT), selected via purposive sampling to ensure representation according to urban and regional location, gender, dwelling type and age cohort. The final stages of the study in 2009 included a cost-benefit analysis of three conventional market-based housing types (detached, attached and apartment housing) comparing design modifications to achieve ‘visitable’, ‘adaptable’ and ‘universal’ design standards to a base case of home modification. The findings of this study challenged prevailing views about the ‘underutilisation’ of housing by older people, questioning the mismatch argument based on a simple mathematical relationship between household and dwelling size – a finding supported by other Australian researchers [6,7]. It also helps to understand why downsizing is not common or desirable for most older Australians.

The second and more recent study on Downsizing Amongst Older Australians [8] followed naturally from the former, focusing on those older Australians who had moved and/or downsized to understand the extent, reasons, processes and outcomes of their choices. This study will be referred to as the DOA study. Unlike the previous study, it was not limited to homeowners but included respondents from both rental and the loan/lease tenure common in Australian retirement villages. The methods included

a national survey of 2,767 older Australians who had moved at least once since turning 50 years of age, again recruited via the *50 Something* seniors' magazine. Similar to the former study, the survey was followed by 60 in-depth interviews, 20 in each of the three states of NSW, VIC and South Australia (SA), again selected using a purposive sampling frame to ensure representation based on state, urban/rural location, age cohorts and single/couple households. In addition, the study included three policy forums, one in each of the same three states using the World Café methodology developed by Brown and Isaacs [9] (2001) and attended by representatives from government, the aged services sector and the development industry. The purpose was to identify the key policy issues and recommendations based on their views and experience in light of the research findings. Like the previous study, the findings of this research questioned some of the fundamental views held about the extent of, and reasons for, downsizing. For the purposes of this research older people who moved to a dwelling with fewer bedrooms were referred to as 'Downsizers' and those who had moved without downsizing as 'Other Movers', terms which will also be used throughout this paper.

2. Definition of Terms

Before looking further at why and how older people do, or do not, move or downsize it is necessary to define what is meant by the terms 'older', 'underutilisation' and 'downsizing' in this paper as these terms are often interpreted differently within academic literature, policy jargon and popular usage.

There is much discussion about the appropriate thresholds for what is considered 'older', some based on the legislated pensionable age (presently 65 for males in Australia), often reflected in published Census data, others on eligibility for the Seniors Card (60 years of age in the various states/territories of Australia) or for access to seniors housing (55 years of age in NSW). For the OHO study a threshold of 55 years was used to capture those in the pre-retirement cohort to investigate their current and likely future housing preferences. In the DOA study a slightly lower age threshold of 50 years of age was used to capture the cohort who were likely to be, or soon to be, 'empty nesters' due to their children leaving home and therefore likely to be considering their future housing needs.

The terms underutilization and under-occupancy are often used interchangeably, however while closely related are somewhat different in meaning. Occupancy generally refers to the mathematical relationship between the number of permanent residents of a dwelling and dwelling size, normally expressed in number of bedrooms. Under-occupancy therefore suggests more bedrooms than necessary to accommodate the number of permanent residents. Utilisation, on the other hand, refers to the extent to which space in the home (number of bedrooms or floor area) is used including for uses other than defined simply by the number of permanent residents [10]. It could, for instance, include bedrooms used for purposes other than sleeping, or to accommodate temporary residents, visitors or family members who are not permanent residents. The OHO study therefore set out to understand the full use of space in the home by older Australians and hence focused on utilization rather than occupancy.

Downsizing likewise can include a range of concepts in its scope both in academic literature and popular usage. The DOA literature review [11] revealed that at the broadest level downsizing can be defined as less housing consumption [12] but begs

the question: less of what? While often focused literally on reduced space in the dwelling (no of bedrooms or floor area), various authors also include a reduction in land/garden size, reduced financial value (also referred to as downpricing) [13] or even a reduction in personal belongings (also known as de-cluttering). In our DOA interviews of older people a similar range of meanings of downsizing emerged along with notions of life stage and lifecycle change [14]. While we accept the more inclusive definition, to facilitate measurement of downsizing a more literal (and hence conservative) definition was used based on a reduction in the number of bedrooms, aligning with the data available from the five yearly national Census.

3. How Many Move and Downsize, and Why?

While the OHO study focused on utilization of space in the home, suitability of the dwelling for household needs and likely future housing preferences, reasons why people do not move or downsize into more ‘appropriate’ housing in substantial numbers can be inferred. Analysis of 2006 Census data revealed that the majority (85%) of older people (55+) lived in detached suburban dwellings, and a similar percentage (83%) in dwellings with three or more bedrooms. Given that the vast majority (92%) were in two (54%) or one person (38%) households, it would appear that most were ‘underutilised’ by official measures (a modified version of the Canadian National Occupancy Standard (CNOS) [15]. Indeed, calculations indicated that 88% of all dwellings occupied by older Australians would be regarded as ‘underutilised’ according to the adapted CNOS measure. If this were true, surely downsizing would be seen as a reasonably attractive option. However, as revealed in 2011 Census data analysis for the DOA study, only 18% of older Australians (50+) had moved within the five year period 2006-2011. Using the downsizing rates for the matching age cohort from our national survey, it was estimated that 50% or 235,509 would have downsized into dwellings with fewer bedrooms representing only 9% of the total 50+ population.

So why then are more older people not moving or downsizing? Many of the answers are evident from our OHO survey and interviews. First, a very high percentage (91%) regarded their (mostly 3 or more bedroom) dwellings as suitable for the needs of their household. Second, while 86% had one or more ‘spare’ bedrooms (i.e. not used by permanent residents for sleeping), close to one quarter (23%) had temporary residents³ who required the use of a bedroom. This could be an adult child (37%), other relative (20%), grandchild (18%), friend (14%), aged parent (5%) and in a few cases a tenant or boarder (1%). In addition, ‘spare’ bedrooms were also commonly used as office space (34%), guest bedrooms (28%), hobby rooms (12%) and for storage (9%). In some cases an additional bedroom was needed for couples who need to sleep apart for health reasons, or for a part-time carer to stay overnight.

Third, the interviews revealed that following retirement older people often felt they needed **more** space in the home since they were spending a greater proportion of their time there, and if a couple, often expressed the need for each to have their own personal space within the home. Also, although children had left home, when they came to visit and stay over it was often with partners and children – so in effect the number in the extended family to be accommodated short term had expanded.

³ According to ABS definitions, a temporary resident is someone who stays overnight for 20 or more nights but less than six months per annum.

Fourth, evidence from the interviews indicated that strong emotional attachment to the home, neighbourhood and local community was also an important reason why many older people preferred to remain in their family home rather than move.

Finally, the cost of moving – whether to a retirement village or in the general community - was often seen as prohibitive, particularly for those in the lower income groups dependent on the government Age Pension. This could include fees for estate agent's, removalists, storage and stamp duty on home purchases. Of particular concern to some, were the financial arrangements (entry, exit and monthly fees) associated with the loan/lease tenure commonly used for retirement villages in Australia.

In summary there are many reasons why older Australians were satisfied with their larger family dwellings and reluctant to move. Many of these uses of so called 'spare' rooms or space are important to the health and wellbeing of older people in retirement.

4. The Extent and Nature of Moving and Downsizing

As previously noted, only 19% of older Australians had moved in a five year period (2006-2011) and only half of these (9%) were likely to have downsized into dwellings with fewer bedrooms. A very high percentage of Other Movers remained living in the general community after moving (96% to 90%) whereas a significant proportion of Downsizers moved from the general community (98% to 71%), mostly into age-restricted retirement villages (21%) or other seniors' accommodation (3%).

Amongst our DOA survey respondents, almost all Other Movers remained living in separate houses with only very small increases in attached or apartment housing forms. Downsizers, on the other hand were much more likely to have moved to other dwelling types. The percentage of Downsizers living in detached houses before and after moving reduced from 91% to 43% with an increase in attached housing from 5% to 28%, flats/apartments from 3% to 23%, and a small increase in caravans and mobile home living. Downsizers were also somewhat less likely to have moved into a dwelling with two or more storeys (28% to 14%) compared to Other Movers (24% to 19%).

As would be expected, in terms of the change in number of bedrooms before and after moving, there was a substantial difference between older Downsizers and Other Movers (Figure 1). Downsizers had completely vacated four or more bedroom dwellings in which the majority (62%) had previously lived, whereas for Other Movers this had actually increased from 17% to 34%. Conversely, most of the gains for Downsizers were in three bedroom (33% to 42%) and particularly in two bedroom dwellings (4% to 47%) with a small increase in one bedroom dwellings of 10 percentage points. For Other movers, there were marked reductions in two bedroom dwellings (25% to 13%) and marginally in three bedroom dwellings (55% to 52%) with a corresponding substantial increase in four or more bedroom dwellings (17% to 34%). When measured by floor area, similar patterns were evident.

It would appear from this that the relocations of Other Movers are largely consumption driven – i.e. to improve the quality and value of their housing asset. This accords with the findings of Beer and Faulkner (2009) [16] in their AHURI study of Australian housing careers, i.e. that older people move mostly for consumption reasons. The reasons Downsizers move is less clear from this analysis, but is revealed in survey and interview responses discussed below. For Downsizers, the increase in two bedroom dwellings reflects relocations to retirement villages, but the higher levels of three bedroom dwellings suggest that many are wanting something smaller, but not too small.

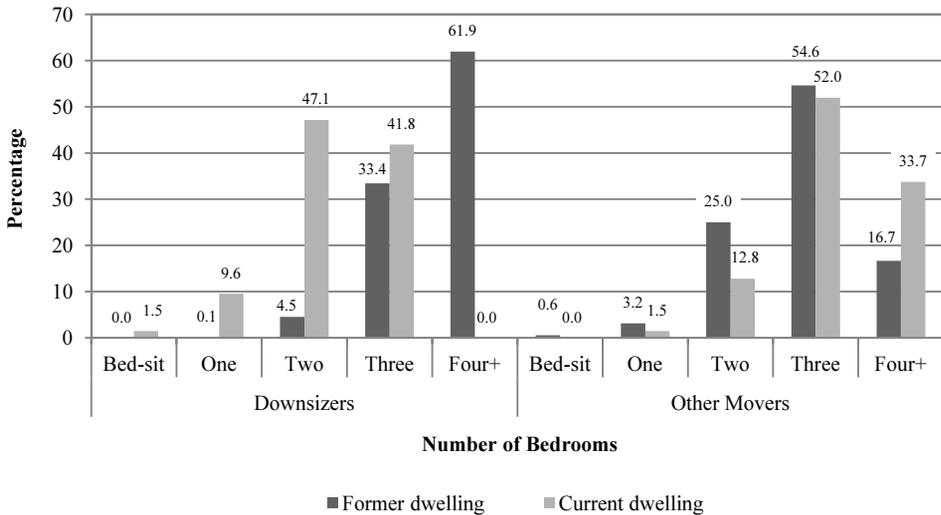


Figure 1. No. of bedrooms in former and current dwelling, Downsizers and Other Movers

* Downsizers (n=1214 former, 1214 current); Other Movers (n=1553 former, 1553 current).

5. Why Some Older People Do Move and Downsize

When asked about the circumstances leading to moving, there were also some similarities and differences between older Downsizers and Other Movers (see Figure 2). ‘Lifestyle preference’ was the most common response from both Downsizers (38%) and Other Movers (41%) confirming that moving is largely consumption driven for both groups. However, when it comes to secondary factors the reasons were quite different with ‘inability to maintain house/garden’ (27%) and ‘children leaving home’ (17%) being much more important for Downsizers than for Other Movers (13% and 7% respectively). ‘Retirement’ was often important for both groups, though slightly less so for Downsizers (16%) than Other Movers (18%). Of the lower order circumstances ‘relationship breakdown’ was much more important for Downsizers (12%) than for Other Movers (5%), as was ‘death of a partner’ (10% and 5% respectively), ‘illness’ (7% and 5 %) and ‘disability’ (7% and 5%). Surprisingly, ‘financial difficulties’ were of relatively low importance for both groups, challenging the popular conception that downsizing is often driven by needing to reduce housing costs by discharging a mortgage.

What is relevant from these findings to universal design, both in regard to the dwelling and the land on which he dwelling is located, is the importance of the inability to maintain the house and/or garden as a key driver of downsizing decisions, and that this can also be contributed to by sudden and unexpected demographic or other shocks such as the death of a partner, relationship breakdown, illness or disability. Greater supply of universally designed homes and housing types with smaller manageable gardens could clearly help more older people to age in place.

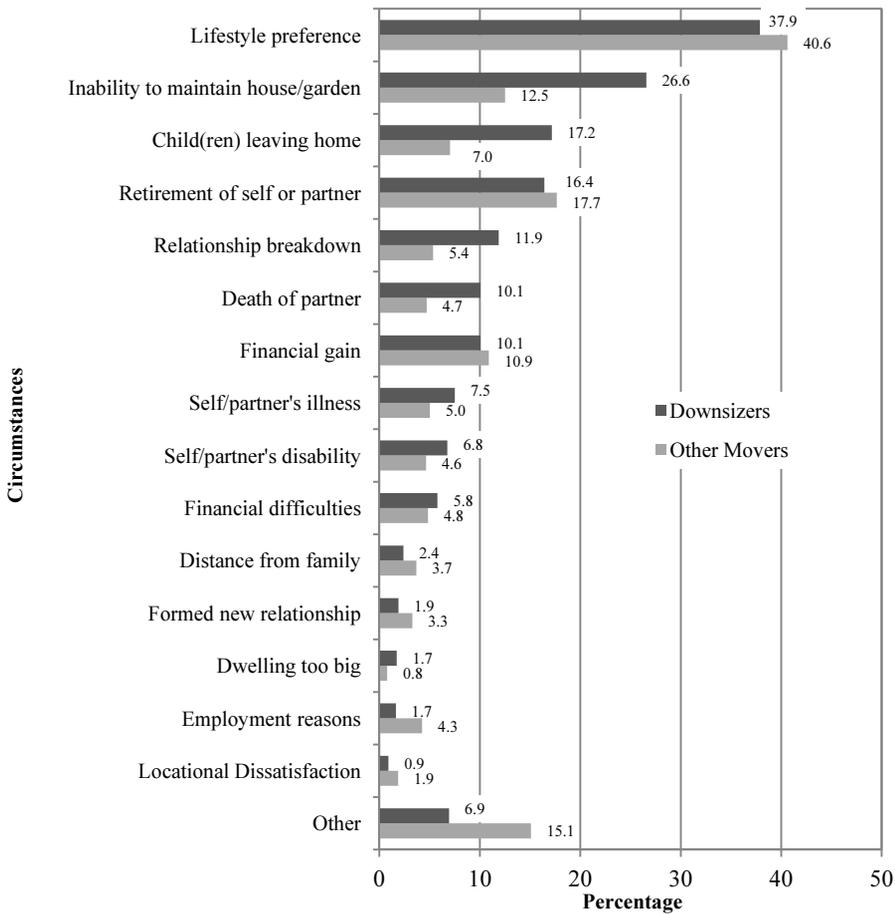


Figure 2. Circumstances Contributing to Moving and Downsizing *

Note: * Multiple answer question. Downsizers (n =1212); Other Movers (n=1551).

6. How Older People Go About Moving and Downsizing

It was noted earlier from the OHO study there were a number of factors discouraging people from moving from their larger family homes. Looking from the perspective of those who had moved, the DOA study explored what were the important considerations in the moving process for both Downsizers and Other Movers, what assistance and advice they sought, and how easy or difficult they found the process.

Figure 3 indicates that ‘less maintenance of the home’ (74% of respondents) and ‘less maintenance of the yard’ (72%) were the most important considerations for Downsizers followed closely by ‘a smaller dwelling’ (67%), but much less so for Other Movers (only 43%, 44% and 22% respectively). This was the major difference apparent between Downsizers and Other movers. Lifestyle improvement was important to both (57% and 62% respectively), followed by a cluster of proximity factors including ‘closeness to shops’, ‘public transport’ and ‘health services’ all important for between 42% and 55% of respondents, but a little more so for Downsizers. ‘Closeness to

friends' and 'aged care services' was a lower priority for both groups but still important for between 20% and 30% of all respondents. Relevant to universal design was the almost equal importance of a 'more accessible home' (38% and 41%). Other Movers placed more importance than Downsizers on a 'more attractive area' (43% and 32% respectively), a 'more modern home' (34% and 24%), a 'better investment' (35% and 19%) and, obviously, a 'larger dwelling' (21% and 2%) suggesting again greater consumption motives compared to Downsizers. However, to 'discharge or reduce a mortgage' was one of the lowest rated factors by both groups, and only slightly higher for Downsizers (14%) than Other Movers (12%).

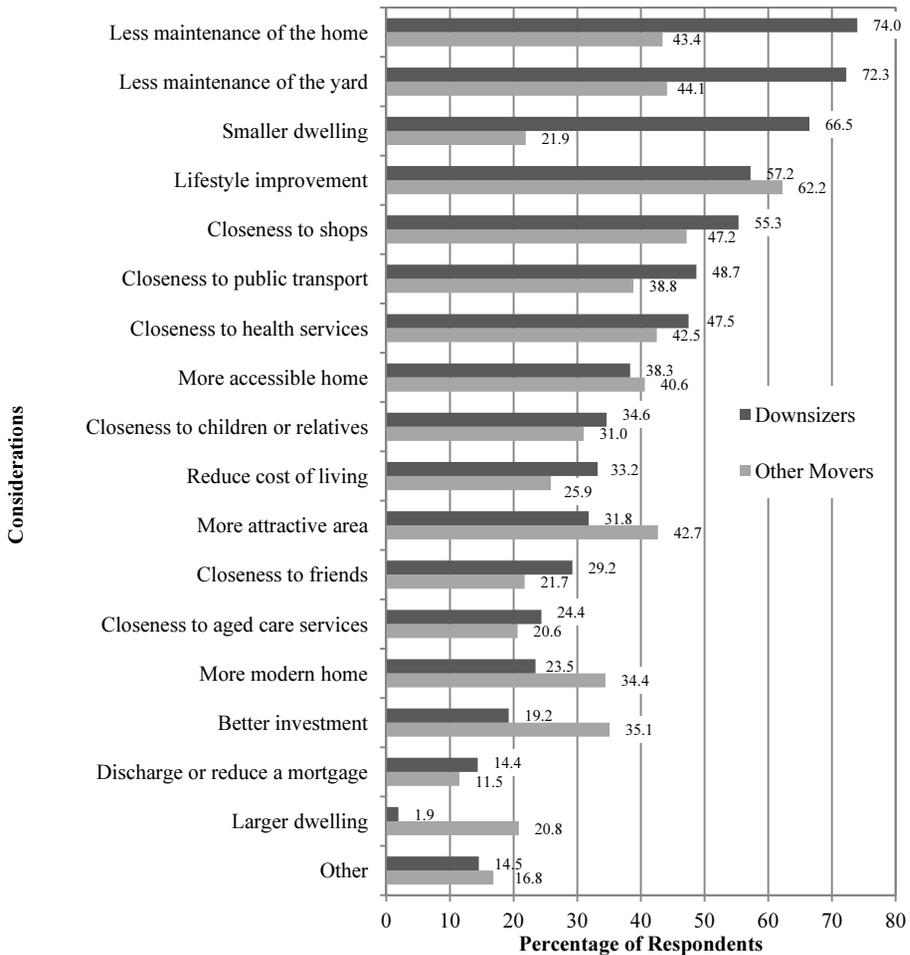


Figure 3. Circumstances Contributing to Moving and Downsizing *

Notes: Multiple answer questions. * Downsizers (n=1211); Other Movers (n=1551).

In terms of what advice and support downsizers sought in the moving process, the survey found that this came primarily from 'family' (52% for Downsizers and 44% for Other Movers) and 'friends' (30% and 24% respectively), 'real estate agents' (27% and 34%) and to a lesser extent from 'financial advisors' (14% and 15%). Advice was

rarely sought from government agencies, popular media or seniors' organisations. A number of interviewees and participants in the Policy Forums expressed the need for better support services from government and private agencies to inform and assist older people in the moving process.

Close to three quarters of both Downsizers and Other Movers (74%) said they found the process of moving either 'very easy' or 'fairly easy' and one quarter either 'difficult' or 'very difficult'. The greatest difficulties encountered were similar for both groups, including 'availability of a suitable housing type' (64% of each), 'cost or affordability of housing (45% and 44% respectively) and 'suitability of available locations' (33% of each). Other less common difficulties faced were locational factors including distance from 'family and friends' (18% and 12%), 'retail facilities' (12% and 13%) and 'health facilities' (9% and 8%). Financial difficulties were experienced only by less than 5% of both groups, except for 'fees or stamp duties' which were cited by 11% of Downsizers as a difficulty. A common theme amongst interviewees was for people to not move too late, but while still young and healthy enough to do so.

7. Relevance to Universal Design

How is all this relevant to Universal Design? First and foremost in Australia there appears to be a lack of supply of appropriately designed smaller, but not too small dwellings, on a single level, accessibly designed and in locations with close and convenient access to key services. This is a point made strongly by respondents to the surveys and interviews in both studies, as well as the participants in the DOA Policy Forums. This is an issue for all three levels of government to address through housing and urban policy, and the housing industry through more **creativity and diversity**. While recent changes to the Access to Premises legislation [17] to provide a degree of accessibility to residential flat buildings, the recently introduced voluntary Livable Housing Guidelines [18] and the slow roll out of Disability Standards for Public Transport [19] over 30 years are welcome initiatives, these are unlikely to keep pace with an ageing society and deliver the quantum of affordable, accessible and well located housing stock to address the problems of supply that were identified by both respondents and stakeholders in the DOA research. The earlier OHO study had also found that 78% of respondents regarded it important to live in a home that did not require modifications, and a clear majority favoured having a toilet at entry level (71%), the kitchen and dining room at entry level (65%), no steps at the entrance (63%) and a bedroom at entry level (58%). When the concepts were explained, there was strong support for the 'adaptable' (85%), 'universal' (78%) and 'visitable' design (65%).

Secondly, it's not just about the dwelling, but also about the neighbourhood. Ageing in place is unsustainable if the housing is universally designed but the neighbourhood and public transport systems are not. The OHO study revealed that many Australian neighbourhoods were far from being age friendly, with poor provision, accessibility and/or quality of paths of travel, public transport and associated seating and shelter, public open space, street furniture, wayfinding and safety/security.

Thirdly, the interviews and Policy Forums of the DOA study revealed that better support and information services are required for older citizens about housing options, accessible design, financing for moving/downsizing, and assistance in the moving process. One excellent example exists in Western Australia where the Council on the Ageing (COTA) in collaboration with the state Department of Commerce have

collaborated in the establishment of the Seniors' Housing Centre which provides a wide range of housing information and seminars including on housing options, housing design, and specifically on downsizing [20].

Finally, it should be noted that while financial concerns were not prominent in the DOA study, it must be remembered that it inquired only of people who had moved or downsized, and not those who had not. The Policy Forums suggested that reducing the cost of moving (including stamp duty fees and minimizing impact of released assets on pension eligibility) are important and were convinced that if these measures were taken a greater number of older people would be likely to downsize, thus releasing their larger homes to an undersupplied and overpriced family housing market. A strong case can thus be made for mandating universal design in all new housing and in new and regenerated neighbourhoods. This would make a major contribution to addressing the problems and dilemmas of housing an ageing population.

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