

Retirement Living as Recorded by the Australian Bureau of Statistics

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Executive Summary

In Australia specialised retirement living comprises retirement villages and manufactured home Estates (MHEs). There is a lack of concrete information as to the size of the retirement living industry and the number of older Australians living in these properties. The Australian Bureau of Statistics (ABS) provides a five yearly Census of Population and Housing (Census) where the dwelling location can be used to determine the number of properties and the size of the population in this type of housing. An examination of the 2021 ABS Census data identifies that the number of dwellings (and population) in MHEs is understated and the number of dwellings (and population) in retirement villages is overstated.

Introduction

Specialised retirement living in Australia comprises two main forms, retirement villages and manufactured home estates (MHEs)¹. A defining feature of Australian retirement villages is that entry involves an upfront capital payment which is reimbursed on exit less an agreed fee, referred to as a deferred management fee (DMF) or exit fee. Retirement villages can be anything from detached villas to high rise apartments, many have community facilities including community centres which encourage social interaction. MHEs have evolved from caravan parks and have the same business model, where a resident owns a relocatable dwelling and pays a site rent to an operator. The distinction between caravan parks and MHEs is blurred, and many properties comprise both caravan parks for holidaymakers and MHEs for long-term (older) residents [1].

The total size of specialist retirement living housing in Australia has been estimated by consultancy firms and operator organisations. This has involved determining the number of properties and then estimating the population [2] and population estimates [3]. The Australian Bureau of Statistics (ABS) undertakes a five yearly Census of Population and Housing (Census). In the Census the location of dwellings is recorded and the population in those dwellings at the time of Census (place of enumeration) is recorded. The ABS Census has six categories for dwelling location, listed as follows [4].

- 1) Caravan/residential park or camping ground
- 2) Marina
- 3) Manufactured home estate
- 4) Retirement village (self-contained)
- 5) Other – this category comprises general residential
- 6) Not applicable – this category comprises dwellings that are not private (hospitals, hotels)

This dwelling location is determined from the Address Register and cross-referenced with Census collectors in the field [4]. The ABS census is well regarded due to the depth of variables studied, the reliability of data and the frequency of collection. Notwithstanding this, errors and omissions in dwelling location have been noted in a previous Census [5], as the 2021 Census the ABS states that misclassification of dwelling location is rare [4].

The total population and that of older people (65 and older) in these types of housing is summarised in Table 1 below. This combines 1) Caravan/residential park or camping ground

¹ Also referred to as Land Lease Communities (LLCs), Rental Parks and Residential Parks.

and 3) Manufactured home estate, referred to as Caravan Park and MHE, as it is difficult to distinguish between these two types of housing. This information raises questions about the population and the level of growth of this population in these forms of retirement living.

Table 1: Population in Specialised Retirement Living 2011, 2016 and 2021

	Total Population			65 and Older		
	2011	2016	2021	2011	2016	2021
Caravan Park & MHE	162,747	166,372	165,038	63,356	75,729	74,936
% Change		2.23%	-0.80%		19.53%	-1.05%
Retirement village	154,579	205,709	249,262	137,466	184,240	228,452
% Change		33.08%	21.17%		34.03%	24.00%
Total	21,727,169	23,717,423	25,484,649	3,035,150	3,717,195	4,389,833
% Change		9.16%	7.45%		22.47%	18.10%

Source: ABS Census 2011, 2016 & 2021

The population of older people in caravan parks and MHEs has declined slightly from 2016 to 2021. This decline is contradicted by a study using Commonwealth Rent Assistance (CRA) data for older people living in this type of housing, which reported that the number of households had nearly doubled over the previous decade [9]. The growth in population in retirement villages implies a significant level of new development, which is contradicted by industry reports of the difficulty that operators face in developing new retirement villages [10].

It is difficult and time consuming to verify ABS data across Australia, however it is possible to undertake a study of a geographical area. This will determine the degree of accuracy in ABS dwelling classification and show if there is any bias in the inaccuracies.

Method

Caravan parks, MHEs and retirement villages are registered in New South Wales (NSW) and lists of properties are available for download [11]. Using these lists as a starting point, individual properties were reconciled with small area (SA1) ABS Census data for the 2021 Census. The regions of Central Coast, Newcastle and the Hunter were chosen. These are retiree destinations with large numbers of retirement villages and MHEs operated as retirement living. Information on 112 retirement villages and 101 caravan parks and MHEs was obtained. Each property was identified with a corresponding SA1 geography, and the number of dwellings recorded by the ABS in retirement villages and caravan parks and MHEs was determined.

The 2021 ABS Census was conducted in August 2021. This time corresponded with widespread Covid related lockdowns. This was considered to impact upon where people were on Census night as they were less likely to be holidaying and more likely to be remaining at home. Rather than base analysis on the numbers of people, data on the number of dwellings has been used, which is less likely to be influenced by lockdown activity.

Findings

The majority of properties were recorded as caravan parks, MHEs and retirement villages as opposed to being identified as general residential or residential aged care. Of the 112 retirement villages, 106 were recorded by the ABS as retirement villages. Six were recorded as general residential, they were in the suburbs of Cessnock, Jesmond, Kanwal, Killarney Vale, Stockton

and Tanilba Bay. Two of these properties were relatively new and were commenced in 2019 and 2020. This equates to an accuracy of approximately 95%.

The caravan parks and MHEs present a more complex situation. Of the 101 properties, 44 were recorded as retirement villages, and two of these properties recorded some dwellings as a caravan park and MHE and some dwellings as a retirement village. It can be argued that it is difficult to distinguish between a retirement village and an MHE, however the ABS notes that their classification of MHEs ‘specifically excludes all retirement villages’ [12]. This case study demonstrates that for this region the total number of retirement villages (and the associated population) has been overstated by approximately 40% and that the total number of caravan parks and MHEs has been understated.

Two of the caravan parks and MHEs in Soldiers Point and Avoca Beach were recorded as general residential. According to the NSW Valuer Generals interactive maps they had approximately 80 dwellings and 160 dwellings respectively and were not small. The interactive maps on the ABS website that enable searching for SA1 locations noted the existence of these caravan parks.

There were properties that the ABS recorded that were not registered as either caravan parks and MHEs or retirement villages. Approximately 20 SA1 regions reported “caravan parks” with less than 15 dwellings. These were situated in peri-urban and rural locations, and it is considered likely that these comprise caravan and relocatable home accommodation operated on an informal basis. There were six SA1 regions that reported retirement villages, where none were registered. Closer examination of Valuer Generals data revealed strata complexes. In NSW, state planning policy permits increased density for developments that are built for people over the age of 55. These do not have to be operated as retirement villages, instead they are operated as an ordinary strata complex with age limitations on occupancy. Also identified were three rental retirement villages, which were operated by community housing providers and a community title property originally developed as a retirement village.

A previous study which examined ABS data in relation to retirement villages estimated that approximately 30% were incorrectly classified [5]. This demonstrates that the 2021 Census is significantly more accurate in identifying and recording retirement villages. The issue is the numbers of caravan parks and MHEs that are recorded as retirement villages. This overstates both the size of the sector and the population.

Discussions and Conclusion

This examination of classification by the ABS demonstrates that for the 2021 Census when the dwelling location for caravan parks, MHEs and retirement villages is combined, then the total population is relatively accurate. The inaccuracy is the recording of caravan parks and MHEs as retirement villages. To consider this an issue may appear to be pedantic, however they both operate under different legislation and residents have distinctly different legal rights with regard to their long-term occupancy.

For people not familiar with building construction or land uses, determining the difference between an MHE and a retirement village can be difficult. A further point of difference is that residents in caravan parks and MHEs who receive Centrelink benefits are also eligible to receive CRA as they are deemed to be renting [13]. CRA information could potentially be used to identify locations where there are significant numbers of older people living in caravan parks and MHEs. This data is administered by the Department of Social Security, a Commonwealth

government department similar to the ABS. It would be realistic to assume that data from one Commonwealth government department could be utilised by another to accurately identify a type of property.

Caravan parks and MHEs have historically been developed on a wider range of locations including those that are flood and bushfire affected [14]. In contrast, retirement villages have predominantly been developed in residential locations. Understating the number of caravan parks and MHEs understates the potential risk to older Australians in the event of these hazards.

These findings have implications for policy as both retirement villages and MHEs have been the subject of greater legislative focus, particularly with greater numbers of older people choosing this type of housing. Overstating the number of retirement villages and understating the number of caravan parks and MHEs risks over or understating the impact of legislative changes.



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