

# **IMPLICATIONS OF DEMOGRAPHIC CHANGE FOR FUTURE HOUSING NEEDS IN AUSTRALIA**

by

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# OUTLINE OF PAPER

- **Introduction**
- **Changing Levels of Housing Demand**
  - **Components of Demand**
  - **Population Growth**
  - **Immigration**
  - **Ageing**
  - **Rates of Household Formation**
- **Changing Demand for Types of Housing**
  - **Increasing Diversity and Inequality**
  - **The Changing Australian Family**
  - **Socio-Demographic Change**
- **Conclusion**

# Table 1: Australia: Growth of Population and Households, 1911-2001

Source: Censuses quoted in Boundy 1980, 7; ABS 1911, 1921, 1933, 1981, 1986, 1991, 1996 and 2001 Censuses

Census	Population Number (‘000s)	Growth <sup>b</sup> Rate (Percent)	Households <sup>a</sup> Number (‘000s)	Growth <sup>b</sup> Rate (Percent)	Mean Household Size <sup>d</sup>
1911 <sup>c</sup>	4,455	-	894	-	4.53
1921 <sup>c</sup>	5,436	2.01	1,107	2.16	4.40
1933 <sup>c</sup>	6,630	1.67	1,510	2.62	4.00
1947 <sup>c</sup>	7,579	0.96	1,874	1.55	3.75
1954 <sup>c</sup>	8,987	2.46	2,343	3.25	3.55
1961 <sup>c</sup>	10,508	2.26	2,782	2.48	3.55
1966	11,600	2.00	3,155	2.55	3.47
1971	12,756	1.92	3,671	3.00	3.31
1976	13,550	1.21	4,141	2.44	3.12
1981	14,576	1.47	4,668	2.43	2.98
1986	15,602	1.37	5,187	2.13	2.88
1991	16,850	1.55	5,750	2.08	2.80
1996	17,892	1.21	6,421	2.23	2.64
2001	18,972	1.18	7,072	1.95	2.57

<sup>a</sup> Heads of private occupied dwellings

<sup>b</sup> Average annual percentage growth since previous census.

<sup>c</sup> Full-blood Aboriginals were excluded from census in 1911, 1921, 1933, 1947, 1954 and 1961, and they were not included in official results until 1971. At that time the average number of persons in households with Aboriginal heads was 5.5, well above the Australian average.

<sup>d</sup> Population in private occupied dwellings divided by the number of private occupied dwellings.

# **DEMOGRAPHIC COMPONENTS OF HOUSEHOLD CHANGE**

- **Change in total population**
- **Change in age structure**
- **Change in rate at which different ages form households**

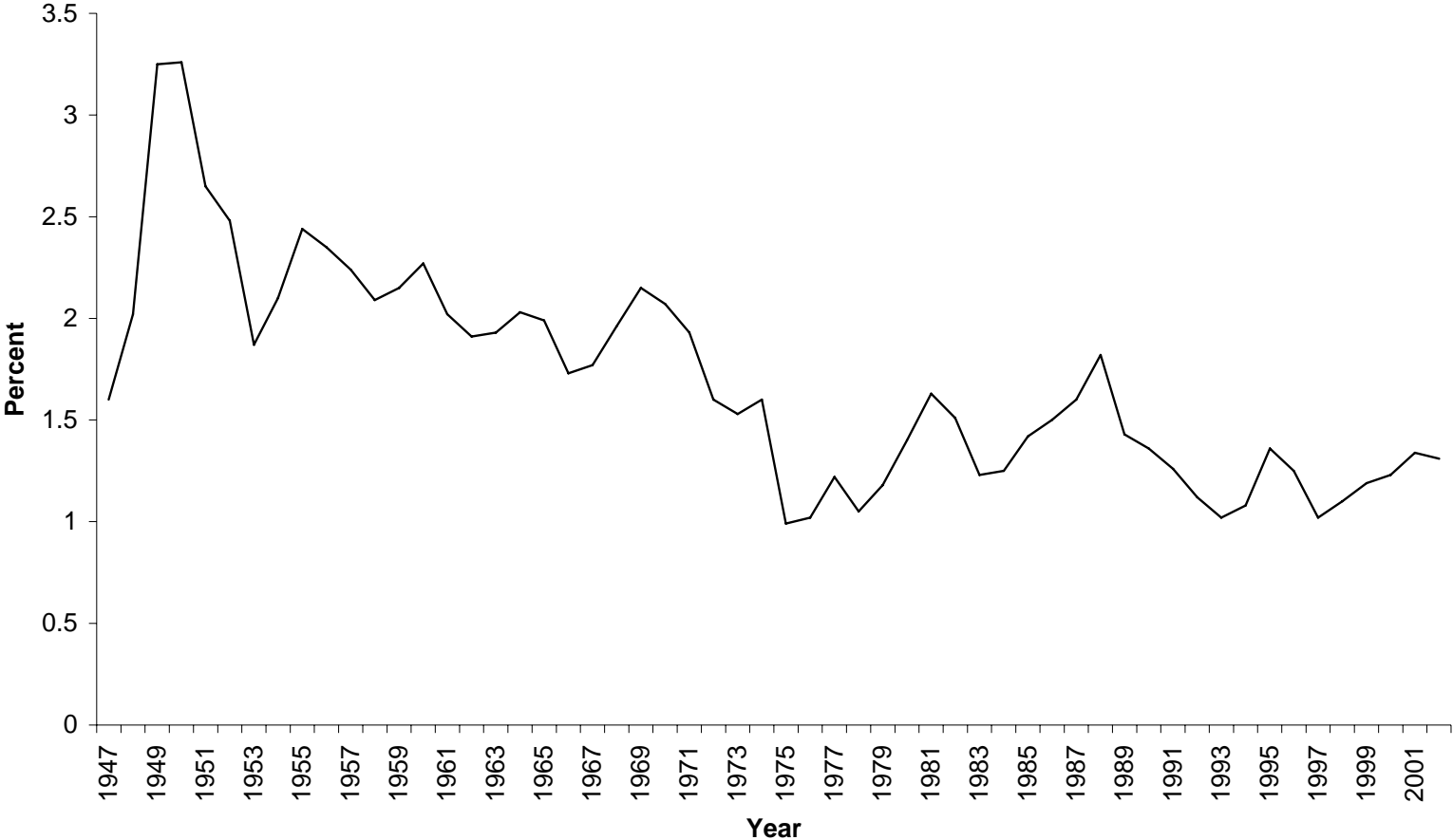
## Table 2: Australia: Sources of Growth in Number of Households, 1961-66 to 1996-2001

Source: Indicative Planning Council for the Housing Industry 1993 and unpublished data

Period	Amount of Growth From			Total
	Population	Household Formation	Age	
		Number of Households ('000)		
1961-66	316.7	137.7	-84.3	370.0
1966-71	366.4	182.6	-30.5	518.4
1971-76	313.9	154.9	1.1	470.0
1976-81	454.7	30.4	43.1	528.2
1981-86	450.3	2.8	55.5	518.6
1986-91	484.1	-95.0	87.2	476.4
1991-96	366.7	128.5	120.8	616.0
1996-2001	200.1	169.7	93.2	463.0
		Relative Contribution (%)		
1961-66	85.6	37.2	-22.8	100.0
1966-71	70.7	35.2	-5.9	100.0
1971-76	66.8	33.0	0.2	100.0
1976-81	86.1	5.8	8.2	100.0
1981-86	86.8	2.5	10.7	100.0
1986-91	101.6	-19.9	18.3	100.0
1991-96	59.5	20.9	19.6	100.0
1996-2001	43.2	36.7	20.1	100.0

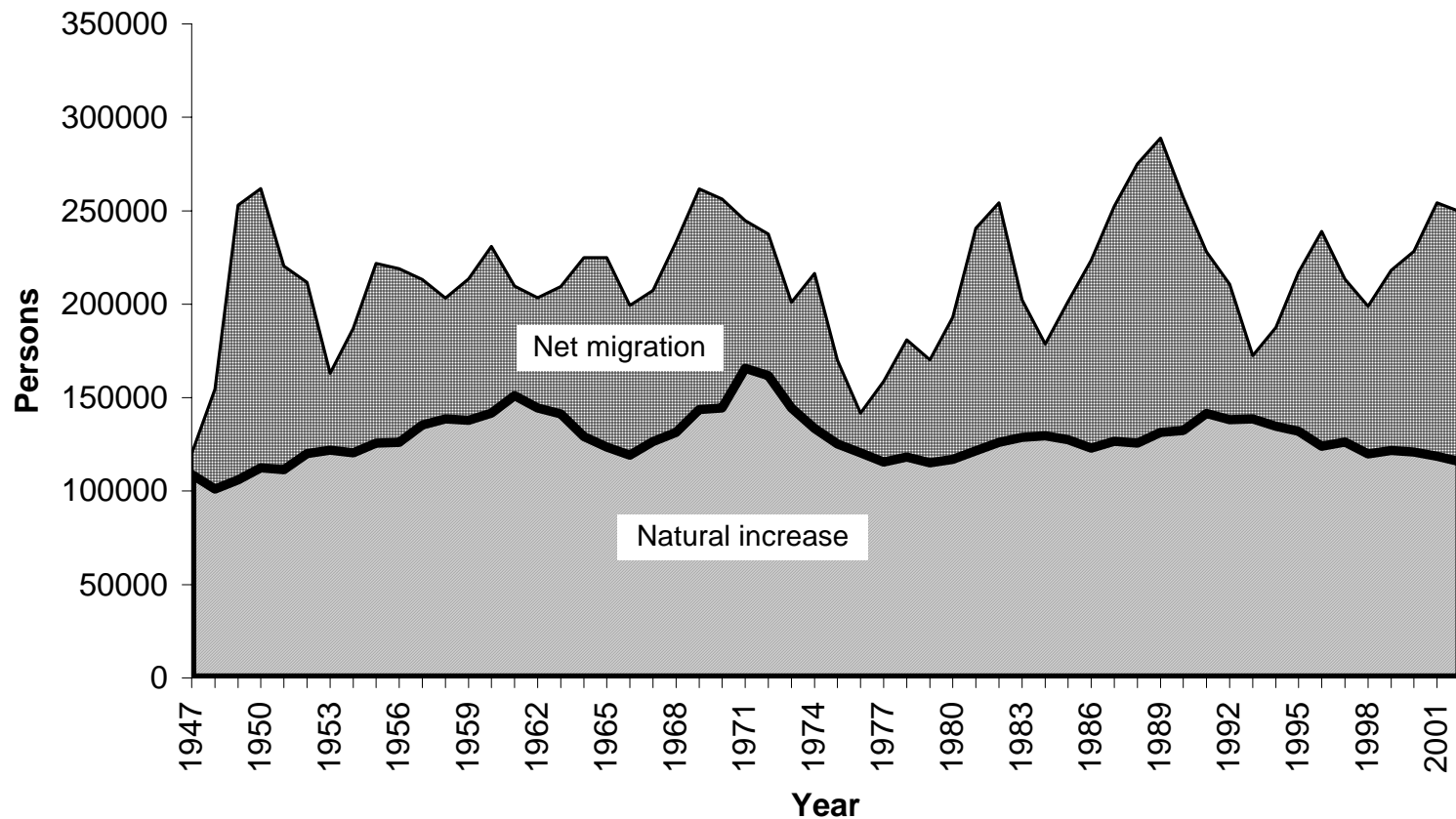
# Figure 1: Australia: Rate of Population Growth per Annum, 1947-2002

Source: ABS 1986 and Australian Demographic Statistics Quarterlies, various issues



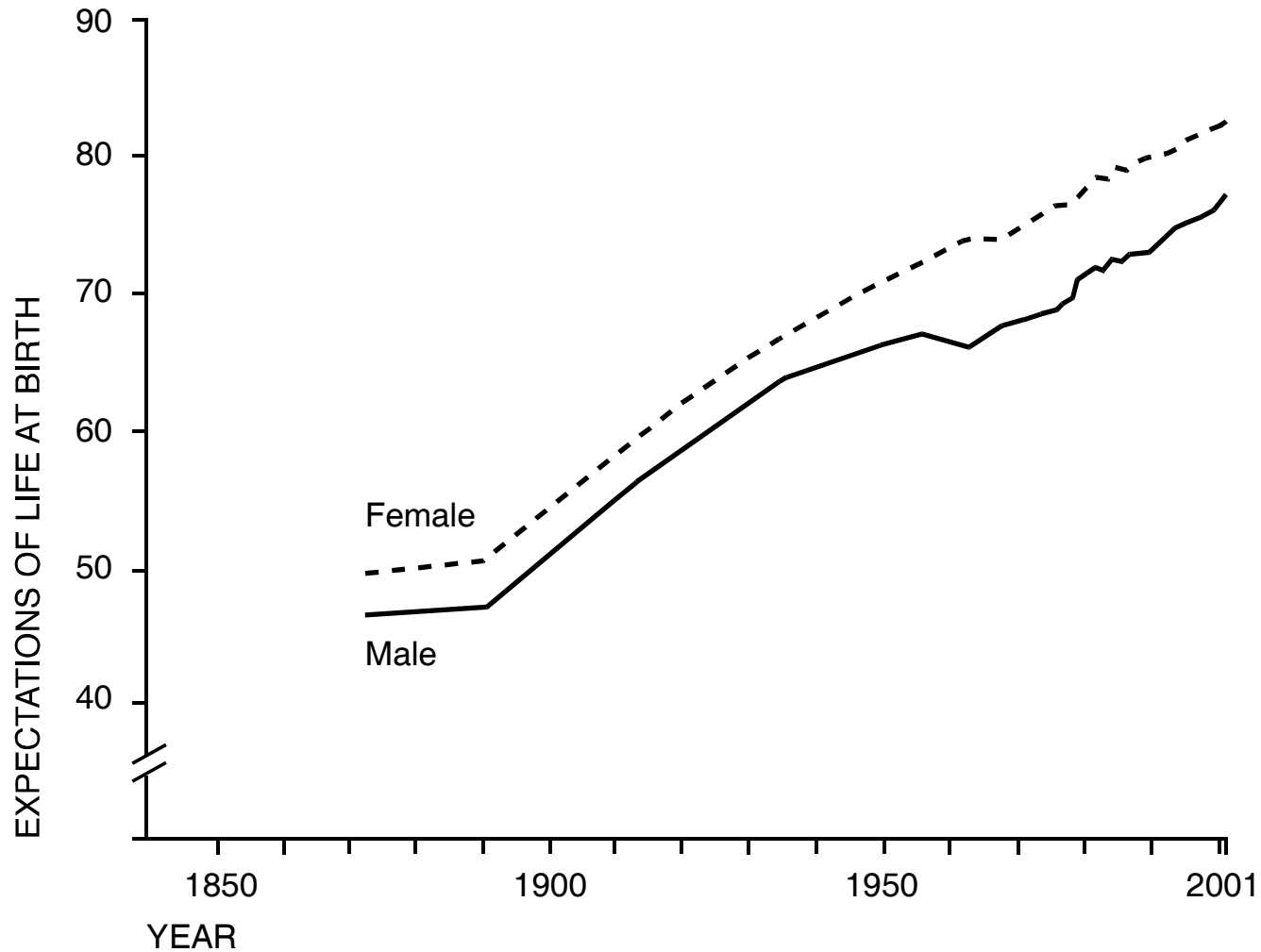
## Figure 2: Australia: Total Population Growth Showing the Natural Increase and Net Migration Components, 1947-2002

Source: ABS 1986 and ABS Australian Demographic Statistics Quarterlies, various issues



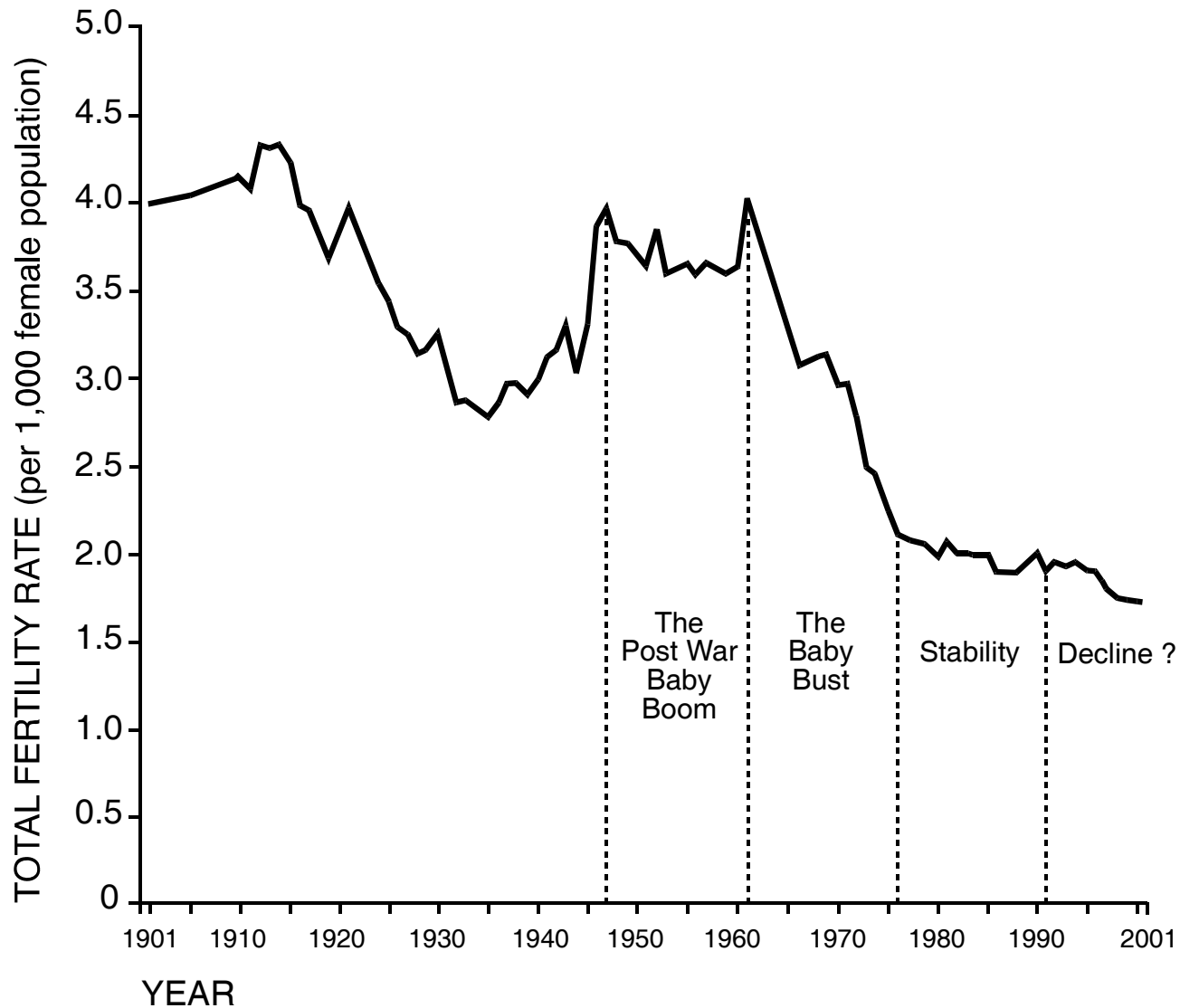
# Figure 3: Australia: Expectation of Life at Birth, 1870-2001

Source: Hugo 1986 and ABS Deaths Bulletins



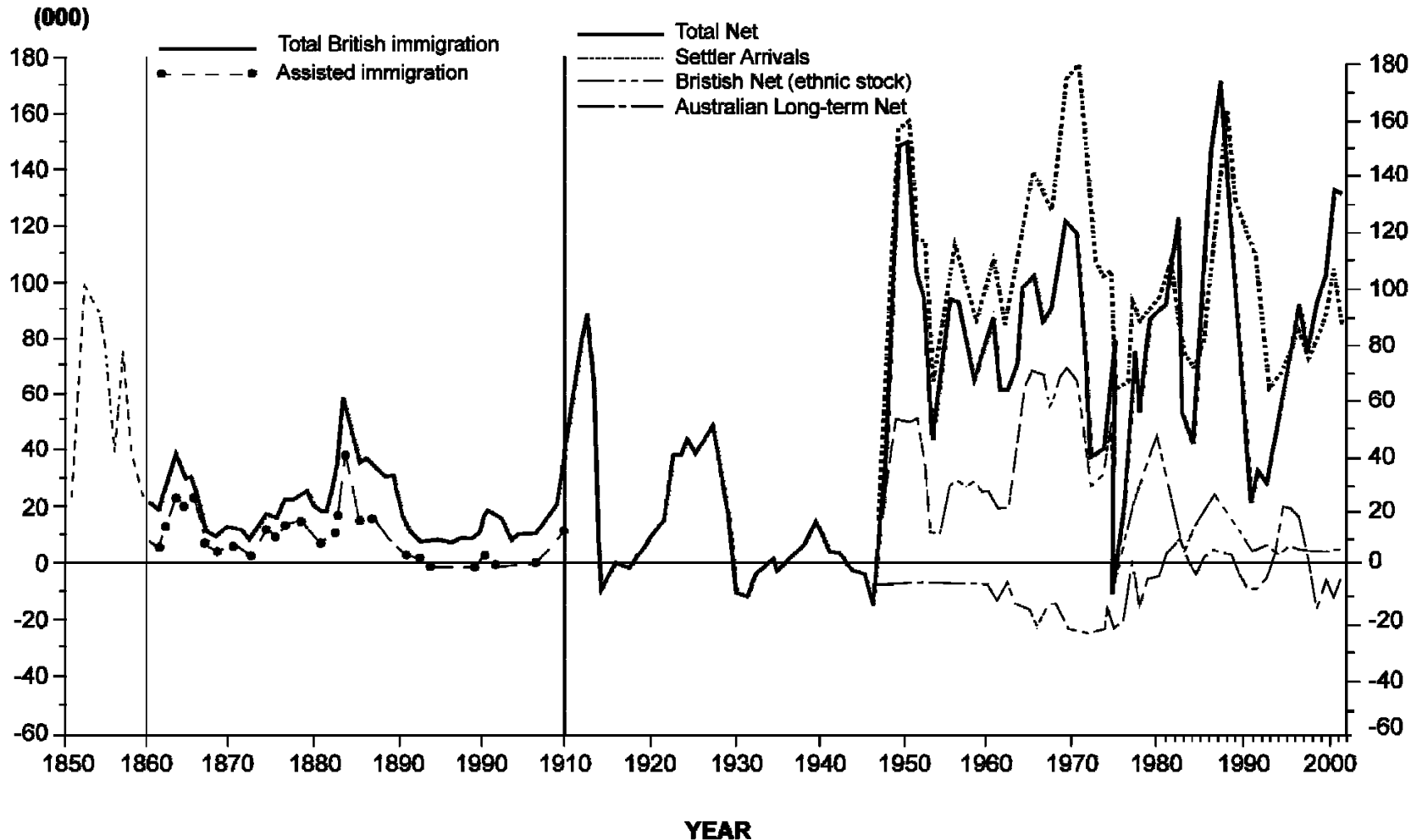
# Australia: Total Fertility Rate, 1861-66 to 2001

Source: Hugo, 1986; ABS Birth Bulletins, various issues



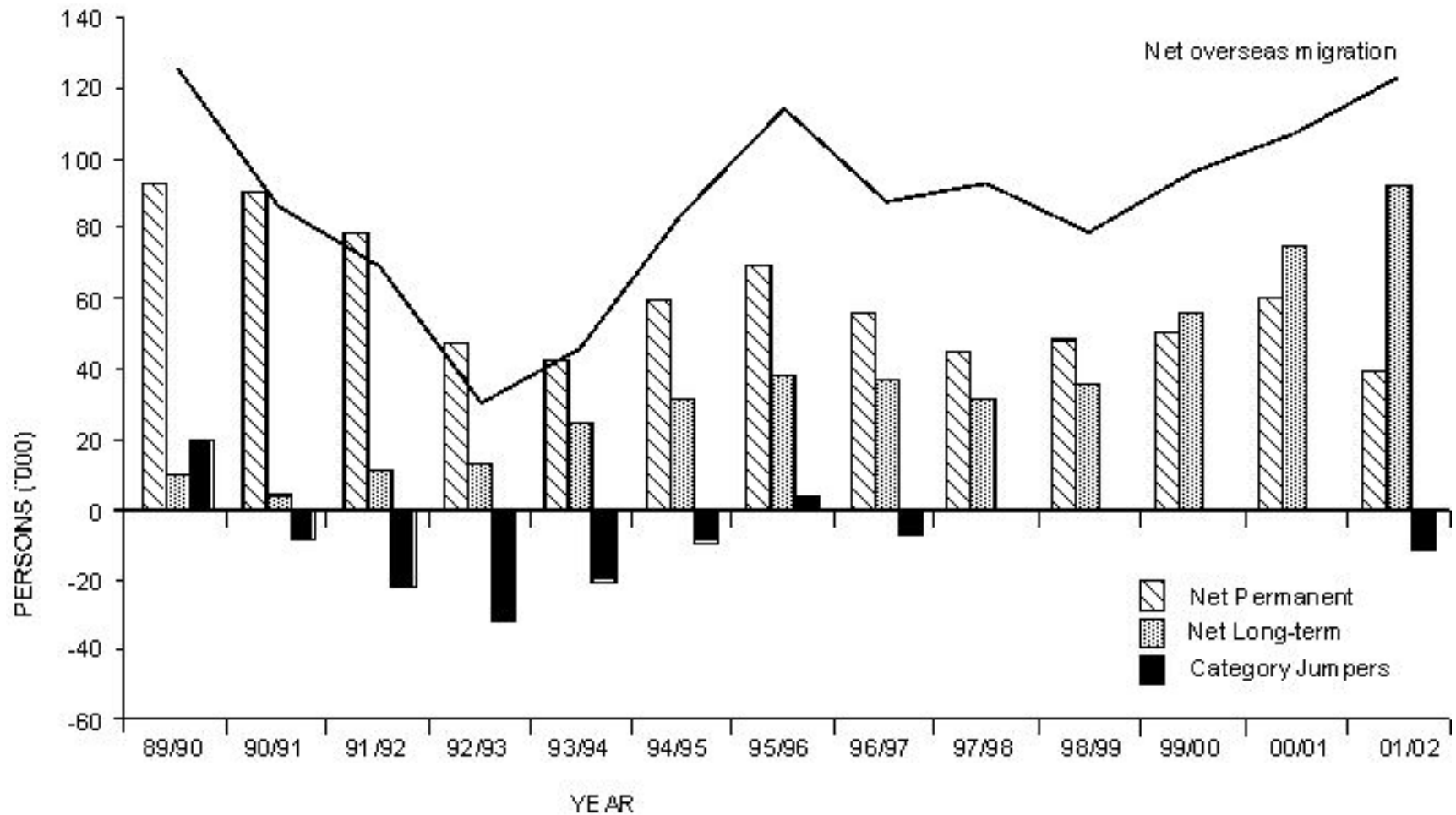
# Australia: Annual Migration, 1850-2002

Source: Price 1979; Hugo 1986; ABS *Overseas Arrivals and Departures* Bulletins; DIMA 2000 and DIMIA 2002; DIMIA Movements Data Base



# Figure 8: Net Overseas Migration, 1989-90 to 2001-02

Source: ABS Australian Demographic Statistics Quarterly, . . . . .

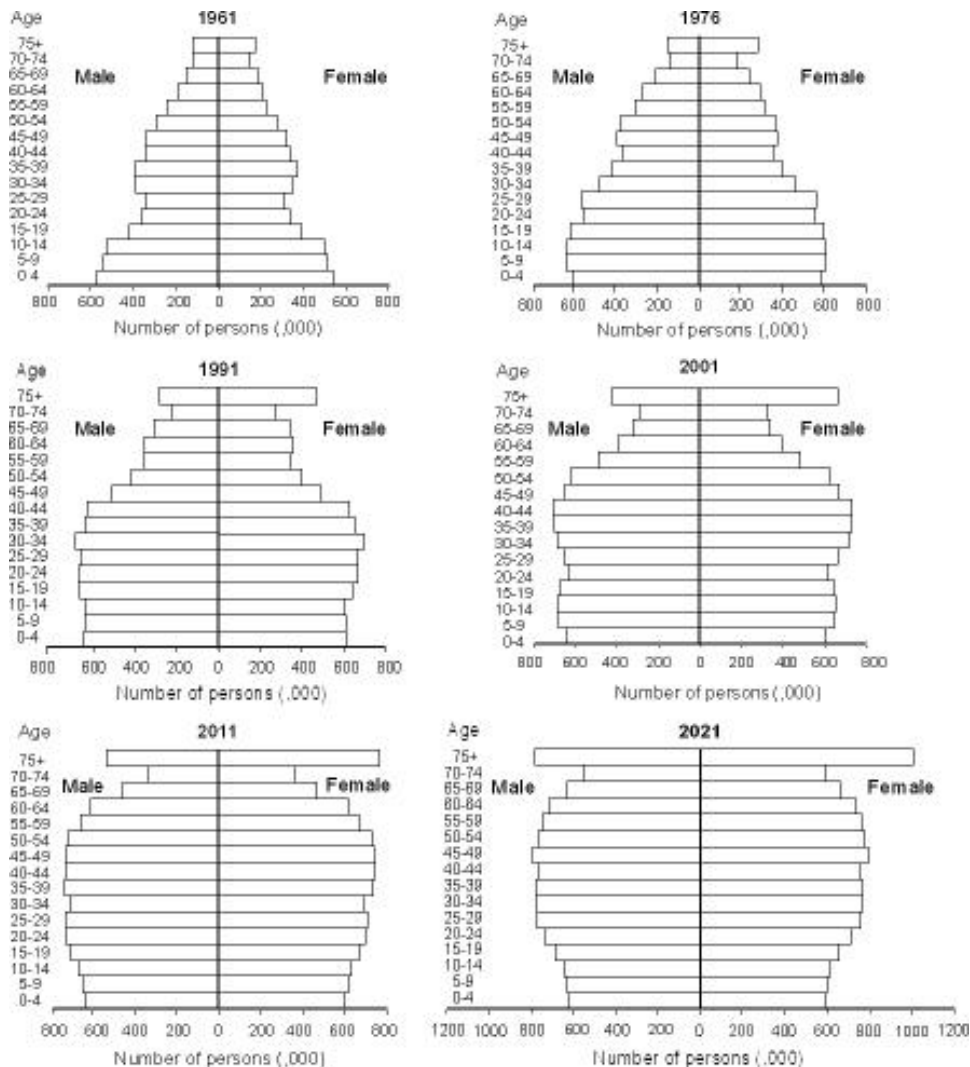


# **A CHANGE IN AUSTRALIA'S MIGRATION PARADIGM**

- **More than a quarter of a million temporary residents**
- **What are their housing needs?**
- **Where are they located?**
- **Unknown impacts on housing markets**

# Figure 9: Australia: Age and Sex Structure of the Population, 1961-2001 and Projected 2011 and 2021

Source: ABS 1961-2001 Censuses and ABS 2003



# NUMBERS AGED 20-24

Source: Australian Censuses and ABS Projections

<b>Year</b>	<b>Number</b>
<b>1981</b>	<b>1,247,783</b>
<b>1991</b>	<b>1,343,396</b>
<b>2001</b>	<b>1,241,082</b>
<b>2011</b>	<b>1,453,700</b>
<b>2021</b>	<b>1,463,100</b>
<b>2031</b>	<b>1,385,300</b>

## **Table 4: South Australia: Percentage of Persons Aged 65+ in an Aged Care Institution, 1996 and 2001**

Source: ABS Censuses

<b>Age Group</b>	<b>Percentage in Aged Care</b>	
	<b>1996</b>	<b>2001</b>
65-69	0.78	0.57
70-74	1.94	1.62
75-79	4.57	3.80
80+	20.80	18.35
Total	6.48	6.22

## Table 8: Australia: Proportion of Age Groups Who Are the Reference Person of a Household, 1991-2001

Source: ABS 1991, 1996 and 2001 Censuses

Age	1991	1996	2001
15-19	4.2	5.0	na
20-24	22.5	25.2	
25-29	39.8	40.8	40.4
30-34	47.5	48.2	48.2
35-39	51.0	51.3	51.7
40-44	53.2	53.2	54.0
45-49	54.0	54.4	54.7
50-54	54.1	54.7	55.4
55-59	54.3	54.7	55.5
60-64	56.0	55.4	55.9
65-69	57.9	57.6	57.4
70-74	59.8	60.6	61.7
75+	56.3	59.6	69.9
Total	43.9	45.7	47.0

# KEY FACTORS INFLUENCING RATES OF HOUSEHOLD FORMATION

- Changing rate at which children leave home
- Extent to which the elderly “stay at home”
- Marriage and partnering rates
- Divorce and separation rates

## Table 3: Australia: Proportion of People Living with Parents by Age, 1981-2001

Source: ABS 1994, 43 and 1996 and 2001 unpublished data

	Age Group (Years)			Total	
	20-24	25-29	30-34		
	%	%	%	%	'000
Men					
1981	42.5	13.1	5.3	20.7	376.9
1991	46.0	17.1	7.3	23.4	475.0
1996	43.3	18.6	8.2	23.2	470.0
2001	44.9	19.8	9.3	24.2	476.5
Women					
1981	25.6	5.7	2.3	11.4	205.4
1991	33.9	9.1	3.4	15.2	310.5
1996	31.6	10.3	3.7	14.8	303.0
2001	34.2	11.7	4.6	16.0	319.7
Total					
1981	34.1	9.4	3.8	16.1	582.4
1991	40.0	13.1	5.3	19.3	785.5
1996	37.5	14.4	5.9	19.0	773.0
2001	39.6	15.7	6.9	20.1	796.2
	'000	'000	'000	'000	
Total					
1981	425.8	111.0	45.6	582.4	
1991	537.1	174.9	73.6	785.5	
1996	495.7	195.1	82.2	773.0	
2001	492.1	207.5	96.7	796.2	

## Table 5: Percent of Men and Women Unpartnered by Age, 1996-97 and 2001

Source: McDonald 1998 and ABS 2001 Census

Age	1996-97		2001	
	Males	Females	Males	Females
18-19	65	75	98	93
20-24	60	43	86	75
25-29	32	24	59	46
30-34	27	20	41	34
35-39	22	17	33	29
40-44	21	19	30	29
45-49	22	26	29	29
50-54	23	25	27	30

## **Table 11: Australia: Percentage of Males and Females Who Had Never Married by Age Group, 1971-2001**

Source: ABS 1971, 1991 and 2001 Censuses

<b>Age</b>	<b>Males</b>			<b>Females</b>		
	<b>1971</b>	<b>1991</b>	<b>2001</b>	<b>1971</b>	<b>1991</b>	<b>2001</b>
15-19	98.6	97.4	99.6	91.2	96.4	99.0
20-24	63.9	86.9	94.0	35.7	73.8	86.9
25-29	25.7	52.5	68.2	11.6	34.9	53.7
30-34	13.9	27.8	41.0	6.5	17.4	29.4
35-39	10.9	15.8	25.8	5.0	9.9	17.7
40-44	10.0	10.1	17.5	4.8	6.4	11.9
45-49	9.0	8.1	12.1	4.9	5.0	8.1

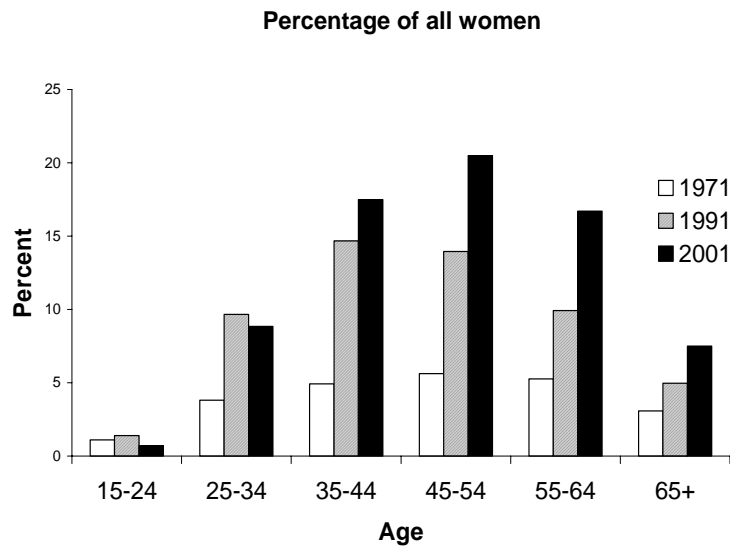
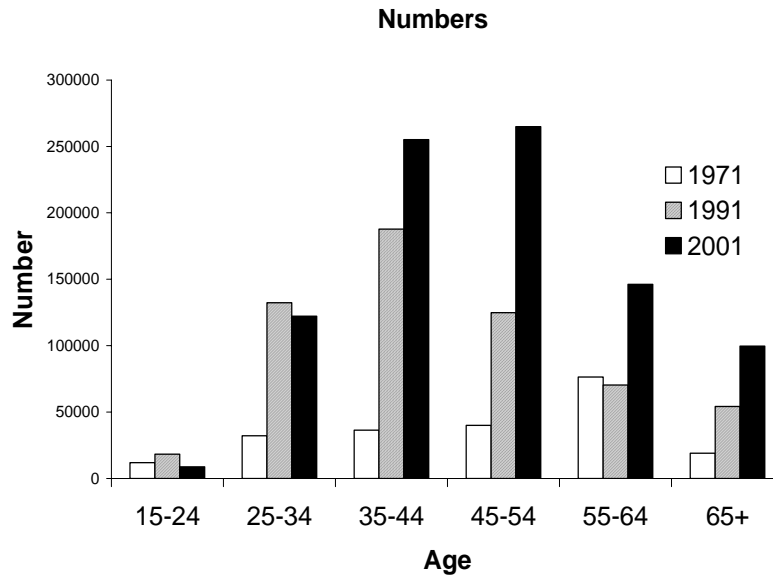
## Table 12: Australia: Couples by Type of Partnership, 1991 and 2001

Source: ABS 1991 and 2001 Censuses

	1991		2001		Percent Change 1991-2001
	No	%	No.	%	
Registered Marriage	3,366,084	91.8	3,577,560	87.6	+6.28
De Facto Marriage	300,861	8.2	507,772	12.4	+68.8
Total	3,666,945	100.0	4,085,332	100.0	+11.4

# Figure 11: Australia: Number and Percentage of Women Divorced or Separated by Age, 1971, 1991 and 2001

Source: ABS 1971, 1991 and 2001 Censuses

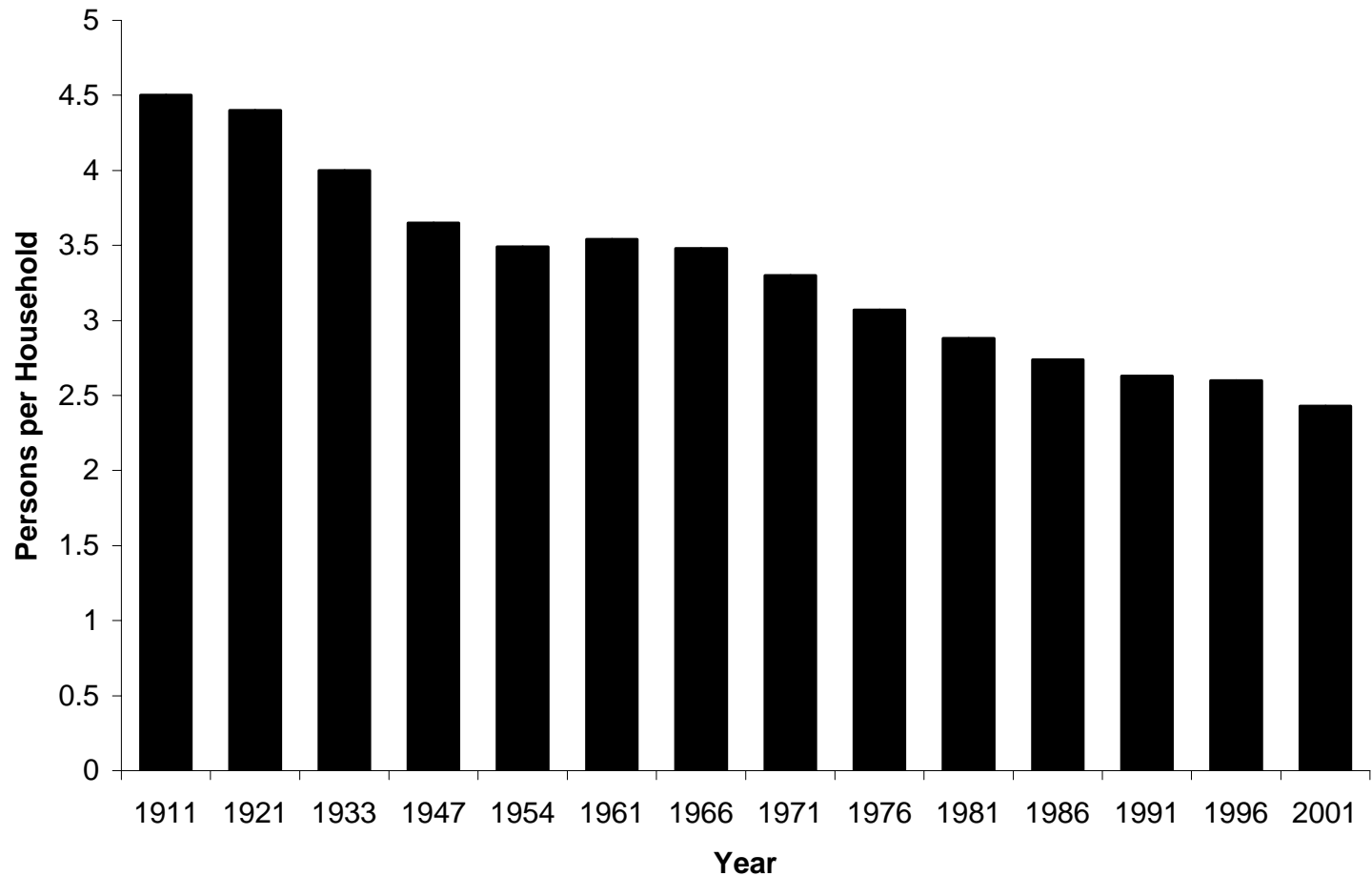


# CHANGING TYPES OF DEMAND

- Increased diversity and inequality
- Size of households
- Composition of households
- Changing mores
- Changing tastes

# South Australia: Changes in Average Household Size, 1911-2001

Source: ABS 1911-2001 Censuses



# Table 10: Australia: Families and Households: Growth by Type, 1976-2001

Source: ABS 1989, 9; ABS 1996 and 2001 Censuses

Family Household Type	Number ('000)				Percent Change in Number
	1976	1986 <sup>a</sup>	1996	2001	1976-2001
Couple only	955.3	1,156.2	1589.9	1722.9	80.4
Couple, others <sup>b</sup>	2,031.2	2,188.3	2308.9	2311.1	13.8
One parent, One parent, others <sup>b</sup>	221.5	356.0	672.9	743.2	235.5
Related adults <sup>c</sup>	200.9	273.2	84.2	88.9	-55.7
All families	3,408.9	3,973.7	4655.9	4866.0	42.7
Single-person households	42.1	961.4	1432.8	1616.2	} 191.9
Other non-family households	n.a.	214.6	266.0	262.6	
Total households	4251.3	5149.7	6354.7	6744.8	58.7

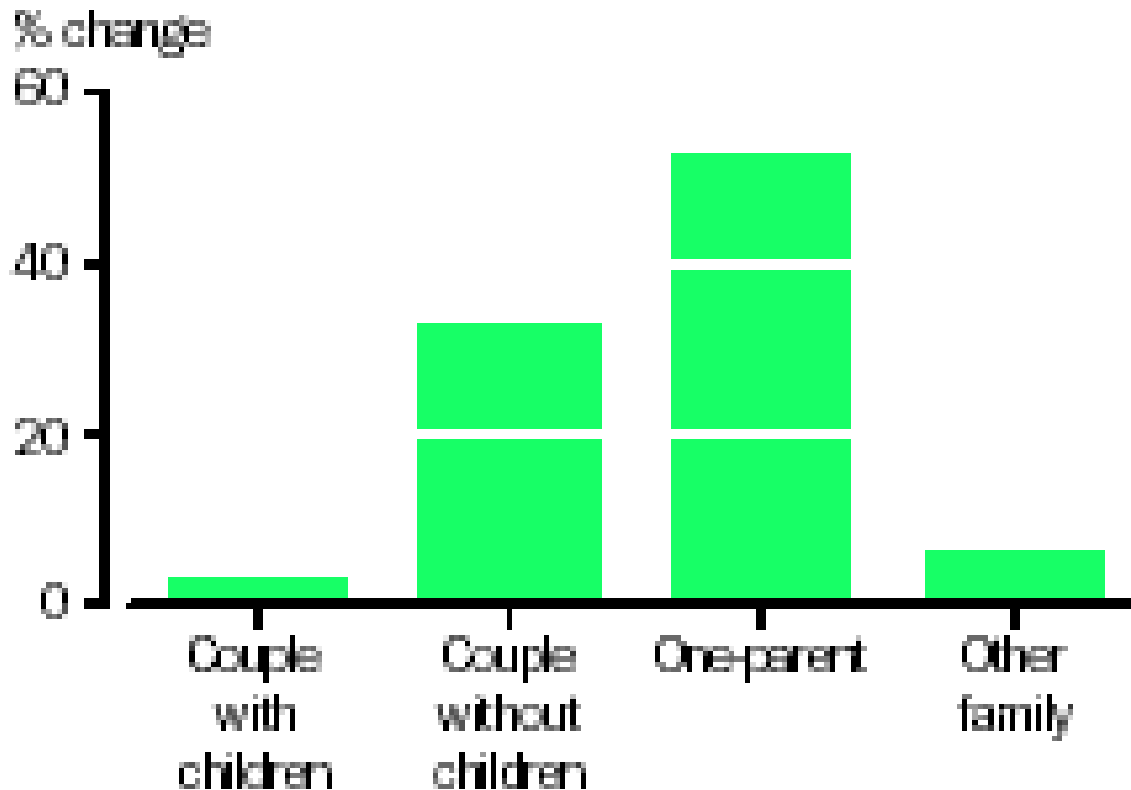
<sup>a</sup> Adjusted for differences due to coding of family structure and identification of de facto couples without children, and excluding families in caravan parks.

<sup>b</sup> 'Others' include dependent children and/or other adult family members.

<sup>c</sup> It is not possible to adjust the 1986 data for this category for differences in the definition of dependent children and adult family members.

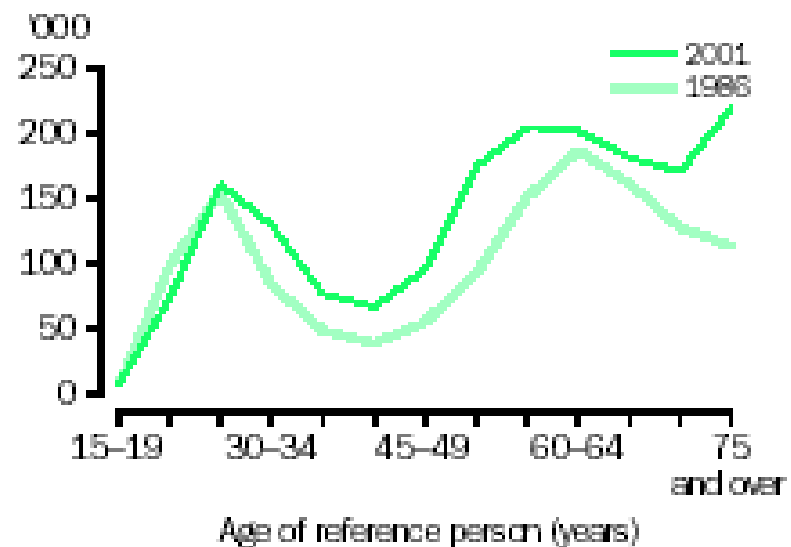
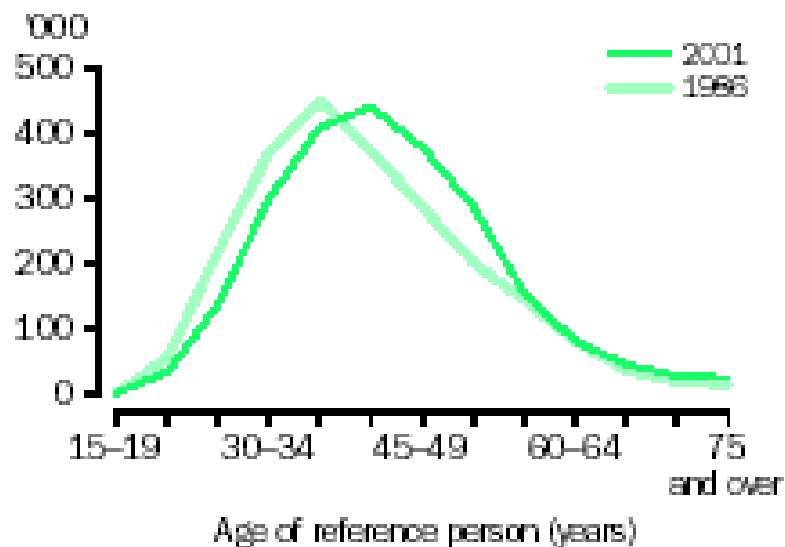
# Change in the number of families: 1986-2001

Source: ABS Australian Social Trends 2003, p. 36



# Distribution of couple families with and without children

Source: ABS Australian Social Trends 2003, p. 37



# Australia: Occupied Private Dwellings<sup>(a)</sup>, 1991 to 2001

Source: ABS Australian Social Trends 2003, p. 175

Dwelling structure	1991 %	2001 %	Change in number of dwellings 1991-2001 %
Separate houses	78.0	75.9	17.5
Higher density housing	19.5	22.2	37.2
Semidetached, row or terrace house, townhouse etc.	7.8	9.0	39.6
Flat, unit or apartment	11.7	13.2	35.6
Other dwellings	2.5	1.9	-6.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>20.8</b>
	'000	'000	'000
<b>Total</b>	<b>5 852.5</b>	<b>7 072.2</b>	<b>1 219.7</b>

(a) Dwellings where the dwelling structure was not stated were excluded prior to the calculation of percentages.

Change in Population 1991 to 2001 – 12.6%

# Australia: Occupied Private Dwellings<sup>(a)</sup> by Tenure, 1991-2001

Source: ABS 1991 and 2001 Census

Tenure type	1991	2001	Change in tenure type 1991-2001
	%	%	%
Fully owned	41.5	41.7	58.4
Being purchased	32.2	27.8	35.9
Rented	22.2	27.6	95.7
State/Territory Housing Authority	6.7	4.7	11.2
Other	15.0	22.5	137.7
Not stated	0.6	0.3	-12.1
Other tenure type	4.0	2.9	14.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>57.7</b>
	( <sup>'000</sup> )	( <sup>'000</sup> )	( <sup>'000</sup> )
<b>Total</b>	<b>4273.0</b>	<b>6737.4</b>	<b>2464.4</b>

(a) Dwellings where the tenure type was not stated were excluded prior to the calculation of percentages.

# Life-cycle groups by housing density<sup>(a)</sup>

Source: ABS Australian Social Trends 2003, p. 177

Selected life-cycle groups	Separate houses		Higher density housing	
	1991 %	2001 %	1991 %	2001 %
Lone person aged under 35 years	44.7	44.7	50.3	52.3
Couple only, male partner aged under 35 years	69.4	66.2	28.4	33.0
Couple, dependent children <sup>(b)</sup>	92.5	91.8	6.5	7.7
One-parent family, dependent children <sup>(b)</sup>	74.9	77.8	23.6	21.4
Couple only, male partner aged 65 years or over	84.6	84.1	14.3	14.8
Lone person aged 65 years or over	61.9	60.5	36.2	37.7
<b>Total<sup>(c)</sup></b>	<b>78.0</b>	<b>75.9</b>	<b>19.5</b>	<b>22.2</b>

(a) Dwellings where the dwelling structure was not stated were excluded prior to the calculation of percentages.

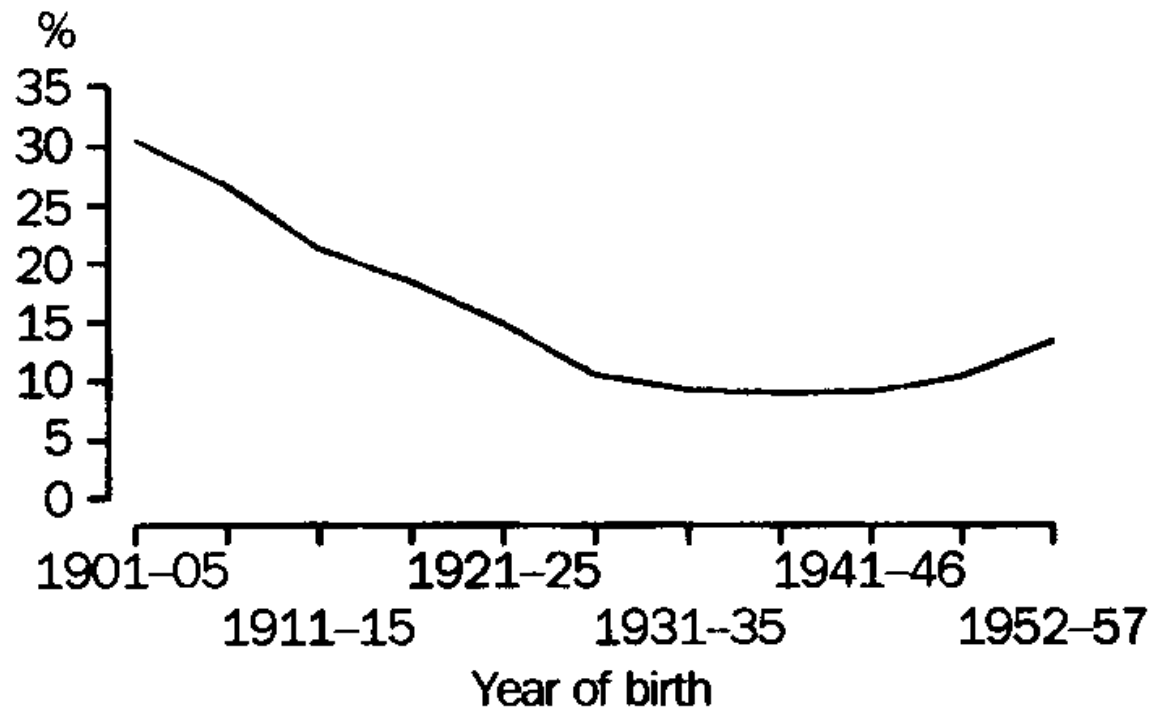
(b) Dependent children includes children under the age of 15 years and full-time students aged 15–24 years.

(c) Includes life-cycle groups not specified.

# INCREASING DIVERSITY AND INEQUALITY

- Households more diverse in size, composition and function
- Greater segmentation
- Increased inequality

## Proportion of females who were childless at age 45–49 years(a)



(a) Based on data from Censuses of Population and Housing.

Source: Rowland, D. T., 1998. The prevalence of childlessness in cohorts of older women, *Australasian Journal on Ageing*, vol. 17, no. 1, pp.18–23.

# AUSTRALIA: HOUSEHOLDS WITH CHILDREN PRESENT

Source: ABS Censuses

Year	Percent
1976	44.1
1991	39.6
1996	37.0
2001	34.1

# HOUSEHOLDS AND SOCIO ECONOMIC STATUS

Source: ABS Social Trends 2001, 182

<b>Characteristic</b>	<b>Areas of High Disadvantage (%)</b>	<b>Areas of Low Disadvantage (%)</b>
Dwelling in essential need of repair	10.9	6.6
Spare bedrooms	65.2	76.2
Personal computer	26.1	53
Internet access	7.3	19.8
At least 1 car	81	93.3

# SOCIO ECONOMIC INFLUENCES AND HOUSING

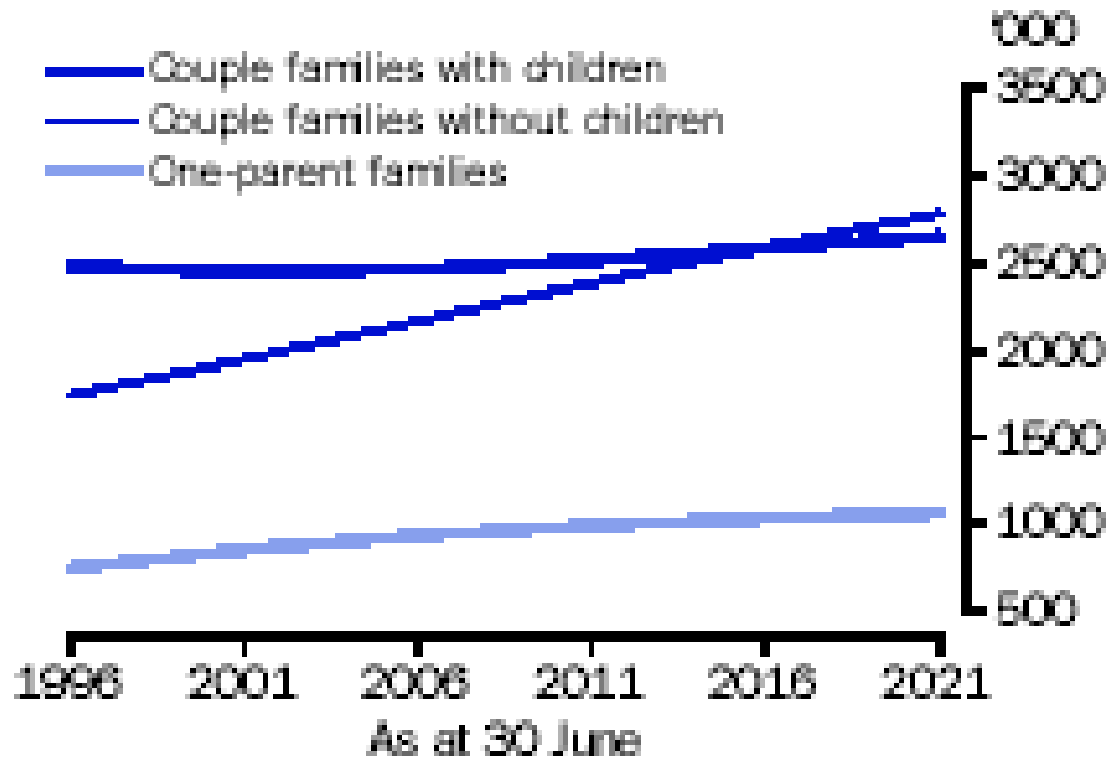
- Average number of years as “empty nesters” – 30+ years for women, 20+ for men
- Influences of baby boom ageing
- Increasing size of houses
- More working from home
- Many will spend longer in retirement than in the workforce
- High levels of personal mobility

# THE FUTURE?

- Continued reduction in size of households
- Household growth will continue to outpace population growth
- Households will continue to increase in diversity

# Projected main family types(a)

Source: ABS Australian Social Trends 2001, p.51

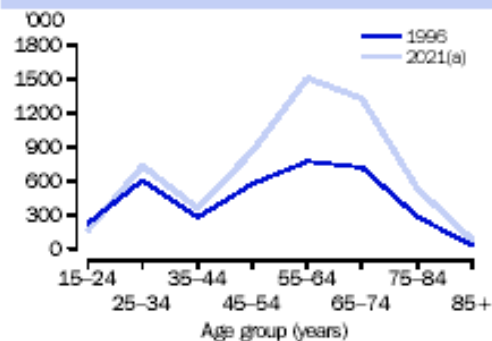


(a) Series B projections.

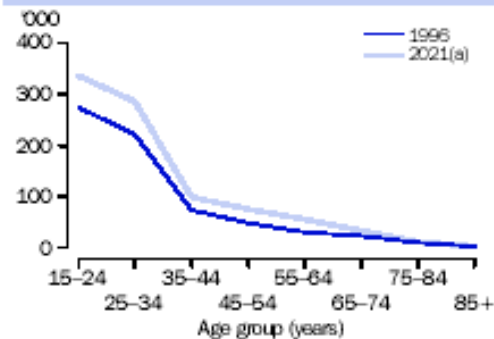
# Age distributions of selected living arrangements

Source: ABS Australian Social Trends 2001, p.53

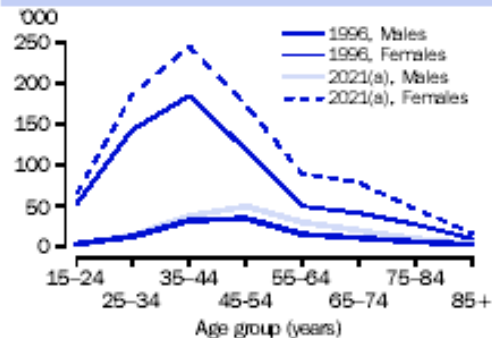
**Partners in couple families without children**



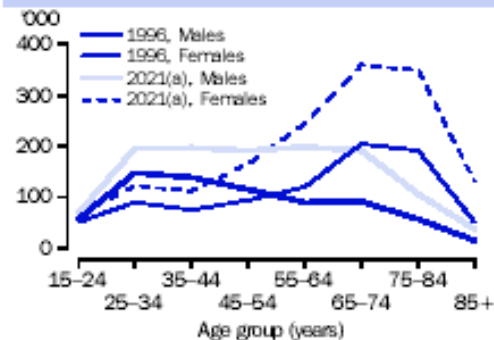
**Group household members**



**Lone parents**



**Lone persons**



(a) Series B projections.

# Projected number of families by family type

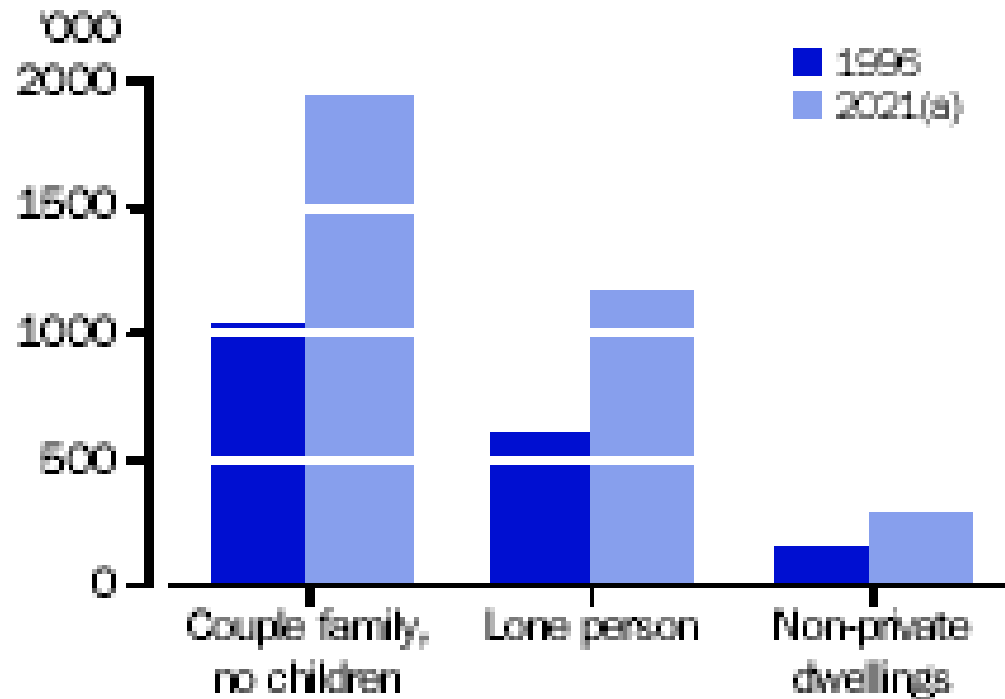
Source: ABS Australian Social Trends 2001, p.54

Family type	As at 30 June			
	1996		2021(a)	
	'000	%	'000	%
Couple families with children	2 483.8	49.1	2 654.0	40.1
Couple families without children	1 735.1	34.3	2 782.2	42.1
One-parent families	742.3	14.7	1 066.4	16.1
Male parent	114.9	2.3	165.6	2.5
Female parent	627.4	12.4	900.9	13.6
Other families	94.4	1.9	109.1	1.7
<b>Total</b>	<b>5 055.6</b>	<b>100.0</b>	<b>6 611.8</b>	<b>100.0</b>

(a) Series B projections.

# Selected living arrangements of people aged 65 years and over

Source: ABS Australian Social Trends 2001, p.54



(a) Series B projections.

# CONCLUSION

- **Demographic shifts will continue to occur**
- **Some can be anticipated**
- **The need for monitoring**