

HOME & PLACE IN AUSTRALIA IN THE NEW MILLENNIUM: LIFESTYLE AND LOCATION

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Australia's population is ageing because of the combined effects of increased longevity and decreased fertility. These demographic changes are producing entirely unprecedented economic, social and political challenges for Australian society, for politicians and for governments and for Australian men and women and their families. Among the most dramatic changes that accompany the present demographic shifts are the far-reaching transformations in the meaning of home, family and place for older Australians in the new millennium at a time when retirement lifestyles, residential intentions and reciprocal obligations are now subject to contestation and debate within the public discourses of government policy, the law, education and the media.

In Australia today we are experiencing broad cultural shifts in family values, personal self-identities and material aspirations. Most particularly we are experiencing large and dramatic increases in the diversity of those values, identities and aspirations. And these changes and the increasing diversity are most manifest in the attitudes and intentions of older Australians with regard to their future housing intentions and their financial expectations for future lifestyles.

On behalf of the Australian Housing and Urban Research Institute, I have just completed a major national research project to examine these issues. The research examined the experiences of mid-life and later-age men and women regarding present housing tenure and future housing intentions and the intergenerational or intrafamilial transfer of their financial and/or housing assets. My hypothesis was that there may be pressure upon housing tenure and attachment to the family home and upon intergenerational relationships as assets of older people, particularly housing assets, may be required by older people to finance their needs for accommodation, residential care, health and

other services and for their enhanced expectations for retirement lifestyles.

This is possibly the largest study of the future housing intentions of older Australians, involving an availability sample of almost 7000 men and women aged 50 years and over, and there is an extraordinary spread of respondents across all regions of Australia as you can see from this map which shows the spread of respondents.

SHOW SLIDE MAP

I have also plotted the distribution of respondents by state and by city, as I am sure that it will be interesting for policy-makers (particularly those in local government) to be able to pinpoint the responses of people in their own area. As we're in Perth, I've just brought along the chart showing the distribution of respondents in Perth for you to see.

SHOW SLIDE PERTH

The empirical research combined a broad range of quantitative and qualitative research methodologies - a national survey, in-depth qualitative research using focus groups and Internet chat rooms, and sociological narrative analysis. Six variables were selected for analysis - age, gender, housing tenure, primary place of living (major city, regional city, country or coastal town and rural area), household status and income status.

Data collection focused primarily upon home owners 50 years and over as many of them have already or are facing decisions concerning their future residential plans, and because housing equity and housing transfers are a focus of the study. However, non-home owners were not excluded, and the sample contains almost 600 non-home owners, so differences in housing intentions between home-owners and private and public renters were able to be examined. Three age cohorts were selected for analysis. One third of respondents were aged between 50-59, born between 1946 and 1955. This is the first cohort of the Baby Boomer generation, and so we were provided with some insights into future expectations of these senior Baby Boomers. The second cohort were aged 60-74, the young old, active and independent, most already in retirement; and the third cohort comprised those aged over 75 years, the older old facing dependence, some planning to move into supported or residential care. Both men and women were well

represented (males 40%, females 60%) It's always been my experience that it's difficult to get men to fill in self-report questionnaires, and the participation by 2,600 males indicates the interest of men in these issues.

Five themes were selected for analysis which[f1] directly address the research questions of the project. Those themes were:-

1. Present Housing Tenure
2. Future Housing Intentions
3. Financial Planning for Future Needs
4. Intergenerational and Intrafamilial Assistance
5. Bequests, Inheritance and Intergenerational Relations

The key findings are that there is a significant shift in the values and priorities of older Australians that is transforming the patterns of future housing tenure, lifestyle and family relationships. Aspirations by older Australians for independence, flexibility, consumer and lifestyle choices take precedence, challenging traditional notions of old age and family obligations. The main contributing factors are increased longevity, changing family relationships, new forms of identity formation and social expectations, greater social mobility and increasing diversity in the older population. Housing tenure, gender and age cohorts revealed significant differences across most themes. Income status, primary place of residence and household status revealed significant differences on many themes. It is most important to recognise that older people are extremely diverse in their experiences, their aspirations and expectations. We found there were not only differences across the various cohorts, say most particularly across the age cohorts, but there were also distinct differences among people within those cohorts.

In the short time I have today I am only of course able to give you a very brief taste of some of the findings of the study. The final report runs to over 150 pages with all the appendices, and will be available for public access from the beginning of next week on the AHURI website at www.ahuri.edu.au. Those details are given for you on the short fact sheet which is available here today.

So what I am going to do today is to focus upon our findings regarding our respondents' future housing intentions, and to consider the factors which are influencing those choices, particularly as they relate to the issue of extended family living. The key finding is that common perceptions that older people are necessarily resistant to change or to move are disputed.

Already patterns of housing tenure are changing. In the sample (of 7000 older Australians 50 years and over) more than one third of respondents (36%) live alone. This increases to 57% for those 75 and over. This is a category of growing and immense importance. Latest ABS data confirms the validity of these findings. Women are twice as likely to live alone (46%) as are men (22%). And there is a clear resistance to extended family living. Only seven per cent of respondents live in an extended household with family or others, and there was vociferous resistance to any possibility of future extended family living in both the quantitative and the qualitative responses. Respondents reported that they "live alone and love it".

Housing tenure affects the desire to age in place or future mobility. Home-owners are most likely to want to age in place (64.6%), although for the majority (83%) their attachment was not necessarily to the home but to the area in which they live. One in three respondents (33%) had moved in the past five years, most had moved location, half had downsized to a smaller home. Similarly one in three (35%) intend to move in the foreseeable future. Women, pensioners and those in private rental accommodation were most anxious about moving in the future, concerned that they would be unable to afford to do so but realising that their financial circumstances may make it impossible to stay where they are. Private renters in particular (246 persons) were the most fearful that they would be forced to move because of financial difficulties as they grew older. Typical of these responses was one private renter who said “I have very limited resources. I envisage my last days in a tent on a river bank somewhere”.

Location is important. Pleasure in and familiarity with the area and its facilities were important factors in wishing to age in place for many respondents, as was proximity to people they know in the area. The importance of friends nearby was a frequently cited reason for not wanting to move. A typical response came from a woman who said “The most traumatic thing facing seniors is having to move away from our familiar neighbourhood”. Or another who said “I’m stuck, I cannot afford a retirement village in this area and I don’t want to leave my friends around here, but I can’t manage the house anymore”.

Baby Boomers (respondents between 50-59 years of age) are lowest in every category of wishing to age in place, a concept which for them represents immobility and old age, something to which many expressed hostility.

People who were still working and not retired were more likely to anticipate moving than were pensioners, self-funded retirees or semi-retired respondents. Older people, particularly those aged over 75 years, were less likely to expect to move than younger people. Many of the oldest cohort had already moved from their family home in the past. The problems of house and garden maintenance, particularly on the death of a spouse or problems of declining health loomed as the reasons which would most precipitate a move for respondents in the future as they aged. There were some respondents who had moved from owning to renting. One commented “I have less problems. I don’t

have to look after things, that's now the landlord's responsibility and I can move when and where I want". One man said the move to renting privately presented significant financial advantages, commenting "Just the interest on the proceeds of the sale of my house pays the rent".

There were surprisingly small variations in attitudes and intentions between men and women except on issues where women's lower economic status affected their intentions. For example, women had far fewer options for paying for future needs. More than a third expected to be entirely reliant upon government-provided benefits. And for example 20 per cent of women said that they could not afford to move.

Home ownership was seen as the conduit to greater possibilities of an older person's future lifestyle choices. Home owners spoke of their home as offering them a diversity of choices for the future, four out of five indicated that owning a home means that one is free to make decisions about how one lives, and that it represents an investment for the future. Three quarters also saw their home as an asset that they could sell or borrow against to provide for their needs on old age, whether this be in the form of basic needs such as healthcare or for lifestyle pursuits. It is here that the foundations of traditional family obligations will be seriously tested because the evidence suggests that in many cases people are prepared to use their greatest asset, the family home, to achieve those desires.

For many respondents the home is their major asset. Indeed for many the family home is their only capital asset and their only income comes from superannuation, insurances or government provided age service or disability support pensions. Downsizing, equity conversion or extraction and capitalizing assets were all seen as acceptable options. Some were candid about capitalizing on their assets, several referring to themselves as OWLS (Oldies Withdrawing Loot Sensibly). Yet less than seven per cent said they would take out a loan on their home to provide for future financial needs. And there was widespread dissatisfaction expressed with reverse mortgage products currently available in the market.

It is clear as our data shows, and as evidenced in the plethora of media representations of home improvement, consumption and lifestyle shows that the place of "the home" is rapidly changing. The shift we are observing is from the home itself as the material and symbolic foundation of personal and family identity to the notion of home as

location, a place which provides access to cultural sites where lifestyle and consumption can be enacted, witnessed and shared by others. In short, the shift is from home ownership as an end in itself, to home ownership as a means to an end, in this case access to lifestyle.

Many of our respondents commented the past or future shift represented a lifestyle decision, moving as some said to a “better place” or to “warmer weather” or to “access better recreational facilities”. Many of the one in five respondents now living in country or coastal towns (21%) had moved to those areas (particularly to coastal areas) in the past 5 years – the well-known ‘sea change’ or ‘tree change’ phenomenon.

Most successful moves were by respondents who had formed or joined intentional communities or friendship enclaves, either moving to a location or a retirement village where they already had friends. This is not the traditional family-based neighbourhood community. Rather it is a set of emerging consumer classes, groups of people who find commonality in lifestyle and consumption patterns. These new consumers pride themselves on their cultural literacy, as it were, on the choices they make about where to live and what to buy.

Our research shows that this priority for lifestyle is no longer the domain of young singles with high disposable incomes. Our findings point strongly to an emerging retirement class which expresses strong desires to enjoy the fruits of its labours in active consumption and lifestyle activities.

EXTENDED FAMILY LIVING

The question of agreeing to mutual living arrangements with children, be it in the form of cohabitation or the ‘granny flat’ option was met with quite animated articulations of disdain and dismissal. Although some recognised these arrangements would be to the mutual financial benefit of both parties, these options were dismissed out of hand by the vast majority of respondents. Moreover, the issue of entering into these arrangements out of the desire to enjoy the fruits of the extended family especially from the standpoint of the grandchildren, was rarely mentioned, except by some respondents from culturally and diverse backgrounds. Indeed, when questions pertaining to the satisfactions of an extended family set up were raised, they were usually greeted with a sense of disbelief, as if the interviewer had no idea about the ‘real world’ of family relations in the 21st century. This

is understandable, as we have witnessed the decline of the extended family and even the nuclear family - particularly amongst Australians of Anglo-Celtic heritage. People now regard the single parent and blended family structures as one of the many 'norms' to define the family unit.

Many respondents were openly critical of their family relationships. Many codified their criticism using the modality of humour. One woman said:-

"Never in a million years would I consider moving in with my children. One of us would be gaoled for murder".

Another woman said:-

"I could live with my daughter as we have a good relationship but I'd have to get rid of her husband as he and I don't get on".

This, one suspects, is because people across generations can now draw on available media codes and narratives which signify the family as the primary site of dysfunctionality. Indeed, a feature of these joking responses was that people often quoted television shows and their characters 'complaining about the kids'.

In terms of the emotions it generated, sharing with children was easily the most stand out issue, both with the focus groups, the internet chat rooms and the survey data. It was quite extraordinary just how open people were about how difficult were their relationships with their children. Mostly they tended to blame it on society and modern values. But they were also open about the fact that it was no better in their days. Stories of grandparents living with them were also generally negative. Intergenerationally, the narrative remained the same; extended families or multi-generational families are often negative and destructive. The narratives of family were characterised by repeated references to underlying tensions and hostilities which could erupt at any time given the right set of circumstances. In many instances people spoke about painful memories of past experiences of living in extended family situations. Typical of these responses were:-

'...I wouldn't consider it. I have vivid memories of my boyhood when my grandfather lived with us and how demanding he was of my mother' and

'...I would never do that, I saw what happened in my family when my grandmother moved in with us'.

When the older respondents talked about shared living of the past (as with the other examples) the curious thing was that they always seemed to demonise the grandparents and speak of the suffering of their parents:-

"...so we had my grandfather living with us, an old pig he was too. My father hated it most of all'.

CONCLUDING REMARKS

Overall the most significant feature of the responses of older Australians was their desire to have a sense of flexibility with regard to their lifestyle intentions during the last years of their lives. Whether the choice was to sell and spend, or sell and move to a location which provided access to better lifestyle opportunities, the prevailing attitude was the same; that after years of hard work they have earned the right to enjoy the fruits of their labour in any way they choose, regardless of the well-worn tradition of ageing in place with the sole aim of providing security for the next generation.

And, while for many the family remains the strong foundation for their identity, the notion of a universally strong and supportive family structure has been greatly diminished. Family relationships are now constructed within personal narratives and popular political rhetoric and mass media representations (particularly advertising and marketing) which give priorities to individual consumer preferences and lifestyle priorities.

As 'new' family structures replace previous nuclear families – divorce and serial marriages create blended families, and there are single parent families, childless couples, same sex couples and transformations within traditional ethnic families, the findings of this research demonstrate that social mobility has increased, there is less family interdependence and family relationships have become far more complex, sometimes subject to greater tensions.

People's greater expectations for retirement lifestyles, their growing recognition that they may increasingly have to fund their own old age

have contributed to a “Put yourself first because you deserve it” attitude. The desire to bequeath assets to the next generation seems to be significantly diminishing. Many respondents said their children had told them to go ahead and spend their money, but many stated they still felt their children had expectations about inheriting the family home. On the basis of these findings, there are indications that the expectations of Baby Boomers and of their children the Generation X-ers that they will inherit the family home will not be realised.

As a consequence, the ‘Great Australian Dream’ of universal home ownership – that cornerstone of our egalitarian society – may be no more. Young people will now make lifestyle choices opting for inner-city apartment living or long term rental accommodation, but no longer will their longer term expectations for a suburban home on a quarter acre block with parental support or through an inheritance legacy be forthcoming.

These far reaching transformations in personal identities and family values in Australian society are ongoing. The findings will doubtless provoke discussion within Australian families, and may in so doing resolve some of the previously unexpressed resentments and hostilities within families, or at the very least result in more open communications between generations. These are particularly important issues for, as was reported in the previous Positioning Paper, legal challenges to wills are escalating and court proceedings only waste money which could more productively be used by family members of whichever generation.

Many recognised it was now more difficult for young people to purchase a home, and more than one third had given their children financial assistance, in almost all cases in the form of a loan not a gift, and mostly an informal no interest loan. For some respondents the loan had not been repaid and there was resentment about this. The data demonstrated the explicit outcomes – that is that people whose parents had paid off their home or whose parents had already downsized their family home or moved into a retirement village were far more likely to be provided with financial assistance to buy a home. Also, that people whose parents are renting have very little prospect of gaining parental assistance for home purchase.

One in five respondents said they expect to use up all their assets before they die. A quarter of Baby Boomers said this was the case. Almost 70 per cent of people renting said they will leave no assets

behind when they die. Some respondents said they hoped there would be enough left for their funeral but that would be about all. Only self-funded retirees were confident they would leave a legacy, only 17 per cent expecting to use up all their assets before they die. A surprisingly small number of respondents (7%) had made provision in their wills for charitable bequests. Many respondents used the expression SKIERS (Spending Kids Inheritance) to describe themselves.

People who had remarried or were in new relationships said they had made special provisions in their wills for their respective children. Some anticipated that there may be problems ahead in conflict over their assets, several commenting that this was the best reason for them to spend all their money while they were alive. Some commented that they had always tried to provide the best education for their children in their first or second or even third marriages, but that there was a lot of hostility between their former spouses and the children of different families.

Thank you.

SHOW CARTOON

[f1]Olsberg The words appropriately reflect the research questions so I think it would be obvious to the reader.