

## RETIREMENT LIVING COUNCIL FACT SHEET

### Australia's ageing population and the role of retirement villages

Australia is ageing rapidly. The most recent Intergenerational Report shows that in 2014-15, there were 3.6 million Australians aged 65 years or older. This figure is projected to increase to 8.9 million in 2054-55, or one in four Australians. This presents two main challenges:

- Increased pressure on government-funded aged care services; and
- Ensuring the good health and wellbeing of older Australians.

It is a little known fact that almost as many older people live in retirement villages (184,000) as residential aged care facilities (192,800).

#### Increased pressure on government spending

The federal government provides funding for residential aged care and community care services.

Government spending on aged care is predicted to increase over the medium term from 0.9% of GDP in 2014-15 to 1.7% of GDP in 2054-55.

Of the senior Australians who receive taxpayer funded community care packages, 9.6% live in a retirement village while 87.2% live at home (that is, a private residence that is not a retirement village or aged care). Fewer recipients live in retirement villages because age-appropriate village design results in less need for personal assistance, as well as because many village operators provide a level of care and assistance to residents as part of their contract.

#### Health and wellbeing of older Australians

The *top issues of concern to seniors* are loneliness and social isolation; mobility and access to transport; lack of independence; and insufficient money.

Their *top health concerns* are dementia and memory loss; mobility; frailty; and mental health (including depression).

Retirement villages are especially designed for older people and can help alleviate these concerns. **The Productivity Commission found that “age-friendly housing and neighbourhoods can have a positive effect on the health and quality of life of older Australians”.**

A significant portion of retirement village residents are single or widowed. Villages offer many opportunities for residents to interact, without living in each other’s pockets, through on-site recreational facilities, community meeting centres and social activities. In the largest village survey conducted to date by independent researchers, the McCrindle Baynes Villages Census 2013, only 3% of those surveyed did not participate in activities organised by the village.

Village living can be a step before moving into residential aged care, or a way to reduce the need for a move to aged care because *villages offer assistance that help residents remain independent for longer*. Declining health is the key driver behind older people considering the move to a retirement village, and 90% of residents rank the ability to remain living independently as the most beneficial aspect of living in a village. Many villages have their own bus, allowing them access to local shopping centres and cultural amenities. It is also common for retirement villages to offer personal services such as cleaning or laundry (usually for an additional fee).

Read our other factsheets at:  
[www.retirementliving.org.au/factsheets](http://www.retirementliving.org.au/factsheets)

Learn more about our research at:  
[www.retirementliving.org.au/research](http://www.retirementliving.org.au/research)

The Retirement Living Council acknowledges the continued support of our Corporate Partners

