

# Long Term Residents Caravan Parks and Manufactured Housing Estates

A Census 2016 Social Trends Report





# WHO WE ARE



Formed in 2015, the Residential Land Lease Alliance (RLLA) is the national representative body of land lease community providers. The RLLA provides representation on relevant federal governments working committees of discussions on issues concerning affordable housing, rental assistance, GST, taxation and any other matter affecting the industry.

The RLLA has been particularly active in lobbying state and federal government to recognise land lease communities as an innovative and effective housing affordability solution, particularly for semi-retired and retired people wishing to downsize.

The RLLA also works with state and national based organisations to promote and develop the industry. The RLLA currently has ten members from the industry which includes CEOs, Directors and General Managers of land-lease communities around Australia as well as key associations within the industry.



Caravan Industry Association of Australia operates as a not-for-profit organisation with a membership base comprising the individual state caravanning and camping industry associations, who work collaboratively on matters concerning the caravanning and camping industry in Australia. The Association represents over 3,500 businesses including manufacturers, dealers, caravan parks, manufactured home estates, service suppliers and repairers. Our members are:

- Caravan, Camping and Touring Industry and Manufactured Housing Industry Association of NSW Limited
- Caravan Industry Association Western Australia Incorporated
- Northern Territory Caravan Parks Association Incorporated
- Caravan Trade and Industries Association of Queensland
- Caravan Parks Association of Queensland Limited
- Caravan and Camping Industries Association of South Australia Incorporated
- Caravan Parks Association of South Australia Incorporated
- Caravanning Tasmania Incorporated
- Victorian Caravan Parks Association Inc.
- Caravan Trade and Industries Association of Victoria

The 2018 Long Term Residents in Caravan Parks and Manufactured Housing Estates report examines the social, demographic and geographical trends underpinning this industry. The insights in this report are drawn from the 2016 Population Census undertaken by the Australian Bureau of Statistics and can be used to support commercial decision making, discussion with government and the development of marketing strategies.

# CONTENTS

INTRODUCTION .....	5
CARAVAN PARK AND MHE RESIDENTS .....	8
DEMOGRAPHICS .....	10
Age and Gender .....	10
Household Composition and Marital Status .....	12
Education .....	13
Ancestry and Ethnicity .....	14
Employment .....	16
Income .....	18
VEHICLES OWNED .....	19
INTERNET ACCESS .....	20
HEALTH AND NEED FOR ASSISTANCE .....	21

## A note on the Census and Definitions

As Australia's largest statistical collection, the information collected in the Census helps estimate Australia's population, which is used to set electoral boundaries for all levels of government, underpins the distribution of billions of dollars in public funding and informs planning for services and infrastructure for communities in Australia. While some of this information is available from other sources, only a Census can provide the information for the entire country, including small geographic areas and small population groups.

For this report, long-term residents are defined as those people who indicated that they were at their home which was either a caravan park or a manufactured home estate (MHE) during the ABS census in 2006, 2011 or 2016. Any totals are reliant on the resident accurately identifying the area they are living in and are subjective. Additionally, as some census responses are left incomplete, totals may not always add to the identical amount expressed in other reports.

Note: The expression 'Manufactured Home Estate' is most commonly used in New South Wales and Queensland; hence, populations outside of these states may not have accurately recorded their living arrangements if they lived in Manufactured Home Estates.





# Key Statistics

71,174 residents *live* in Caravan Parks and Manufactured Home Estates in Australia

33% of Residents live *outside* of urban centres

The average age of residents is **58 years old**

65%

are *not* in the labour force voluntarily

5% are *unemployed*

30% are employed *full time or part time*



Accommodation and food sectors account for 26% of jobs for employed residents

58% of residents are *male*

37% of residents *live alone*



64% of dwellings *have* an internet connection

10% of residents required assistance with *core activities*



88%

of residents were *born* in Australia

2% of Australians over 65 live in MHEs or Caravan Parks

# INTRODUCTION

In the 2016 census, approximately 9,090 people indicated that they lived in a Manufactured Housing Estate while 62,080 resided in a caravan park. Combined, were this to be a town, it would be the 25th biggest in Australia. These long-term resident communities have evolved from caravan parks which traditionally catered for short term visitors seeking longer term tenancies for holiday homes, which in turn led to people leasing the land as a long-term living arrangement. Over the past thirty years, communities have evolved as technology and the ability to provide homes that more resemble their brick and mortar counterparts, have improved with lower costs and increased scalability of production.

Long-term Residents in caravan parks and MHEs differ from short-term visitors as they engage in tenancy agreements which separate land ownership and home ownership, where the home is fully owned by the resident (in most cases), however the land is owned by the operator and leased to the tenant. Historically, these residential communities have provided long-term accommodation options for a diverse range of Australians from a variety of socio-economic backgrounds. This includes providing accommodation to those who do not have access to traditional housing, migrational labour working in mining and agriculture, and downsizing opportunities for older generations who are moving towards retirement age.

Long term residency in caravan parks and MHEs, often marketed as an alternative to retirement villages, provides a wealth of benefits to the over 50s market as they move into retirement. This includes downsizing their property after their children have moved out, the freeing up of equity to support retirement, and the provision of a social environment.<sup>1</sup> This last point is significant considering that the census highlights that more than 1 in 5 Australians over the age of 60 now live alone.

The increase trend of retirees and empty nesters who seek to downsize their homes to move into caravan parks and MHEs, along with the need to free up housing stock and improve affordability for families to enter the housing market, has led to increased investment. As a result, capital has entered the sector through investment in headstock of the listed companies that manage and develop these communities. In turn, this has led to the emergence of corporate aggregators who are regenerating old land lease communities into resort and lifestyle type villages.

Caravan Parks and MHEs also represent an important bastion for the community in providing a safety net for those people that are unable to access housing as well as those in need of social services. The Council of Homeless Persons<sup>2</sup> notes that Long Term Residential Parks are in many ways, the last option for Australians at risk of becoming homeless and sleeping rough on the streets. In many cases, long term parks also provide a halfway point for women fleeing domestic violence along with those people suffering serious mental health issues. Furthermore, when considering that over 90% of caravan parks and MHEs are in regional areas, they have a significant role in supporting the community where over 59% of long term residents earn less than \$500 per week.

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<sup>1</sup> Colliers International, "Manufactured Home Estates, Australian Market Overview", prepared for GE Capital, 2014.

<sup>2</sup> Smith, J. (2017), <https://www.theage.com.au/national/victoria/caravan-park-closures-shrink-options-for-those-on-the-brink-20170327-gv79be.html>

The ABS Census data highlights that long term residential parks form an important part of providing housing for seasonal and migratory workers, with significant influence in Western Australia, Queensland and the Northern Territory. However, Census 2016 highlights a notable change in labour force participation amongst those residents living long term in caravan parks and MHEs, with only 19,000 residents currently employed as opposed to the 42,000 measured in Census 2006. The extra nearly 20,000 workers in 2006 is reflective of the increased labour needed to service regional and remote areas during the mining boom. With KPMG<sup>3</sup> highlighting promising signs of growth within the mining and resource sectors, this may lead to increased long-term tenancies in caravan parks and MHEs over the coming years by those in the labour force.

Census 2016 demonstrates that the demographics of long-term residential communities differ in several ways to the rest of Australian society and, since 2006, have developed separately. Noticeable is the limited connection caravan parks and MHEs have with Australia's migrant population, especially those of Asian ancestry. This trend highlights an opportunity for caravan parks and MHEs to connect with new markets, which is evident in North America where they have successfully engaged a more culturally diverse market in their caravan parks.

Of importance to the development of properties and in seeking government funding, residents in MHEs and caravan parks in 2016 are nearly twice as likely to require assistance for core activities compared to the rest of Australia. These are people with a profound or severe disability needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication. In general, the need for assistance across Australia has increased, which is reflective of the ageing population. Therefore, it is important that mobility, accessibility and the health needs of residents are considered in the development of caravan parks and MHEs in the decades to come.

The following pages will examine a range of trends across residential needs, household composition, education, ethnicity, employment, internet accessibility, vehicle ownership and health assistance. The data will highlight a diverse sector of Australia's population living in caravan parks and MHEs, with differing needs ranging from transportation and digital access, to healthcare and social inclusivity. While some of the trends will highlight challenges that caravan parks and MHEs will face in the future with an ageing population, it also provides immense opportunity to connect to new markets along with providing new products and services.

<sup>3</sup> KPMG. (2016), <https://assets.kpmg.com/content/dam/kpmg/pdf/2016/06/mining-resources-sector-outlook-june-2016.pdf>



# CARAVAN PARK AND MHE RESIDENTS

In the 2016 census, a total of 71,174 Australians indicated that they resided in a caravan park or MHE across the country. This represents a 6% decrease in total residents from 2011 and a 38% decrease since 2006. This significant decline can be mainly attributed to the end of the mining boom which witnessed a decrease in Fly-In Fly-Out (FIFO) workers living in MHEs and caravan parks in regional areas where temporary housing solutions were required.

In 2016, residents of caravan parks and MHEs represented 0.7% of Australia's total population, and around 2% of Australia's over 65 population. In the over 60s, there was robust growth of 18% from 2011 to 2016 for residents in caravan parks. A total of 33% of residents in MHEs and caravan parks reside outside of major urban areas, compared to 13% of all Australians who live regionally. This trend is associated with development patterns over the previous decades with caravan parks primarily located in more isolated regional destinations which have grown in time to become regional centres and larger communities. The need for larger blocks of land for development, which are more unattainable within Australia's urban centres, has also encouraged developers to seek greenfield land along the metropolitan fringe.

By state, New South Wales and Queensland have the highest number of residents in both caravan parks (18,234 and 20,092) and MHEs (3,508 and 3,306). This is perhaps unsurprising as both these markets are popular retirement locations for Australians keen to seek a warmer climate away from the colder south. Of the other states and territories, Northern Territory and Tasmania are the only two states/territories that do not have any residents who identified as living in MHEs in 2016.

**Table 1: State Distribution of MHE and Caravan Park Residents in 2016**

State / Territory	Residents		
	MHEs	Caravan Parks	Total
ACT	112	361	473
New South Wales	3508	18234	21742
Northern Territory	0	2233	2233
Queensland	3306	20092	23398
South Australia	608	2938	3546
Tasmania	0	740	740
Victoria	1194	9000	10194
Western Australia	368	8475	8843

*Note overseas territories are omitted hence figures may differ slightly from totals. (ABS Census, 2006, 2011 & 2016).*

### Long-term Residents in Caravan Parks and MHEs

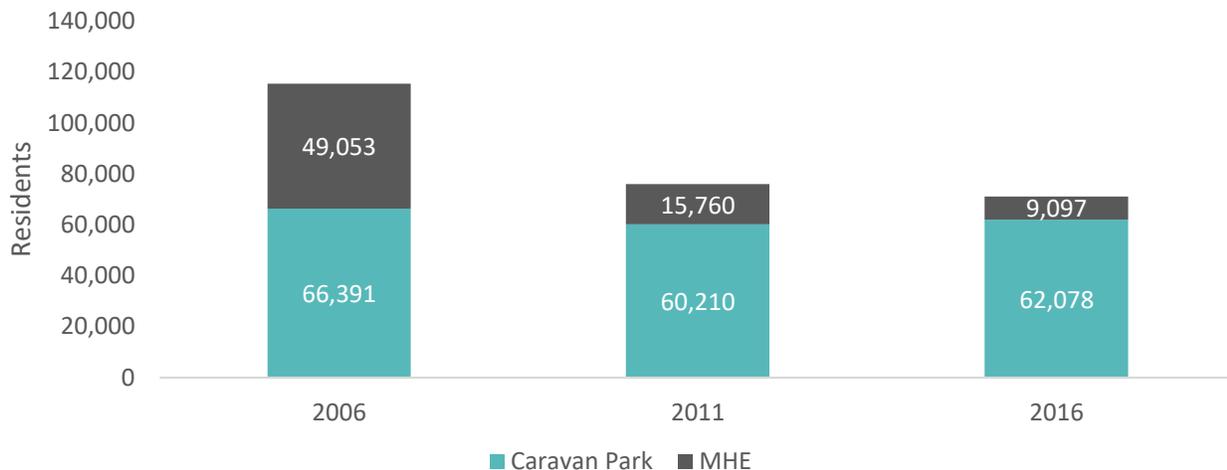


Figure 1: Total Residents in Caravan Parks and MHEs (ABS Census, 2006, 2011 & 2016).

### Over 60s: Residents in Caravan Parks and MHEs

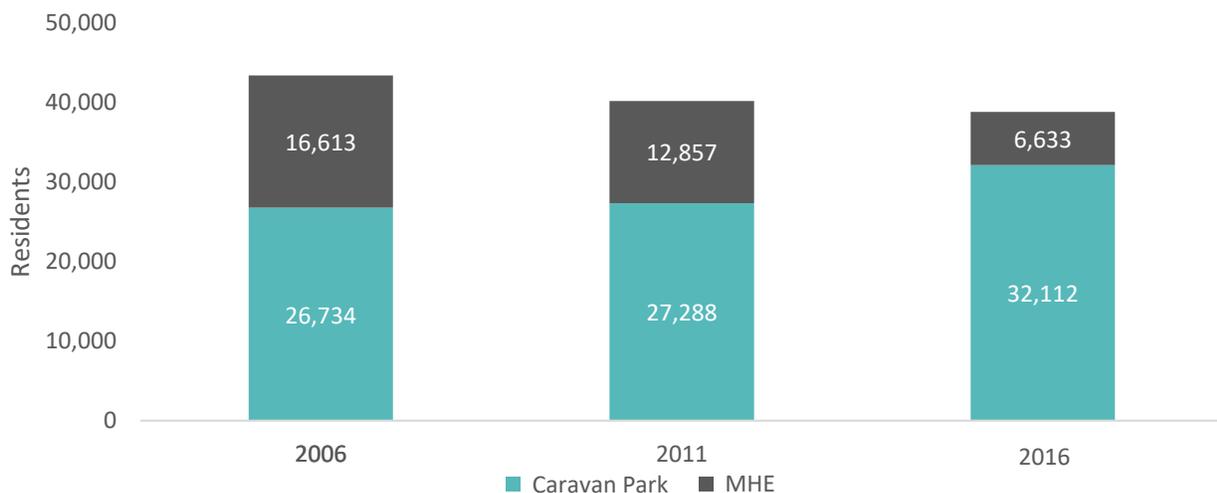


Figure 2: Over 60s residents in MHEs and Caravan Parks (ABS Census 2006, 2011, 2016).

### Residents in Caravan Parks and MHEs by State



Figure 3: Residents in Caravan Parks and MHEs by state (ABS Census 2006, 2011, 2016).

# DEMOGRAPHICS

## Age and Gender

The average age of residents in caravan parks is 57 years (up from 55 years in 2011) and 66 years for MHEs (down from 68 in 2011). The combined overall average being 58 years, which remains similar to Census 2011. Approximately two-thirds of caravan park residents are over 55 years of age and males represent 59% of all residents. However, regarding MHEs, the gender balance is reversed with 56% of residents being female.

As shown in figures 4 and 5, the age profile of caravan parks and MHE residents has changed over the past ten years. This is primarily related to the mining boom and the spike in working age people using caravan parks and MHEs as accommodation in 2006. As the mining boom declined from 2006, we see the proportion of residents aged over 60 years increasing (refer to figure 5) and the proportion of people under the age of 50 declining significantly.

Total Residents in Caravan Parks and MHEs  
2006

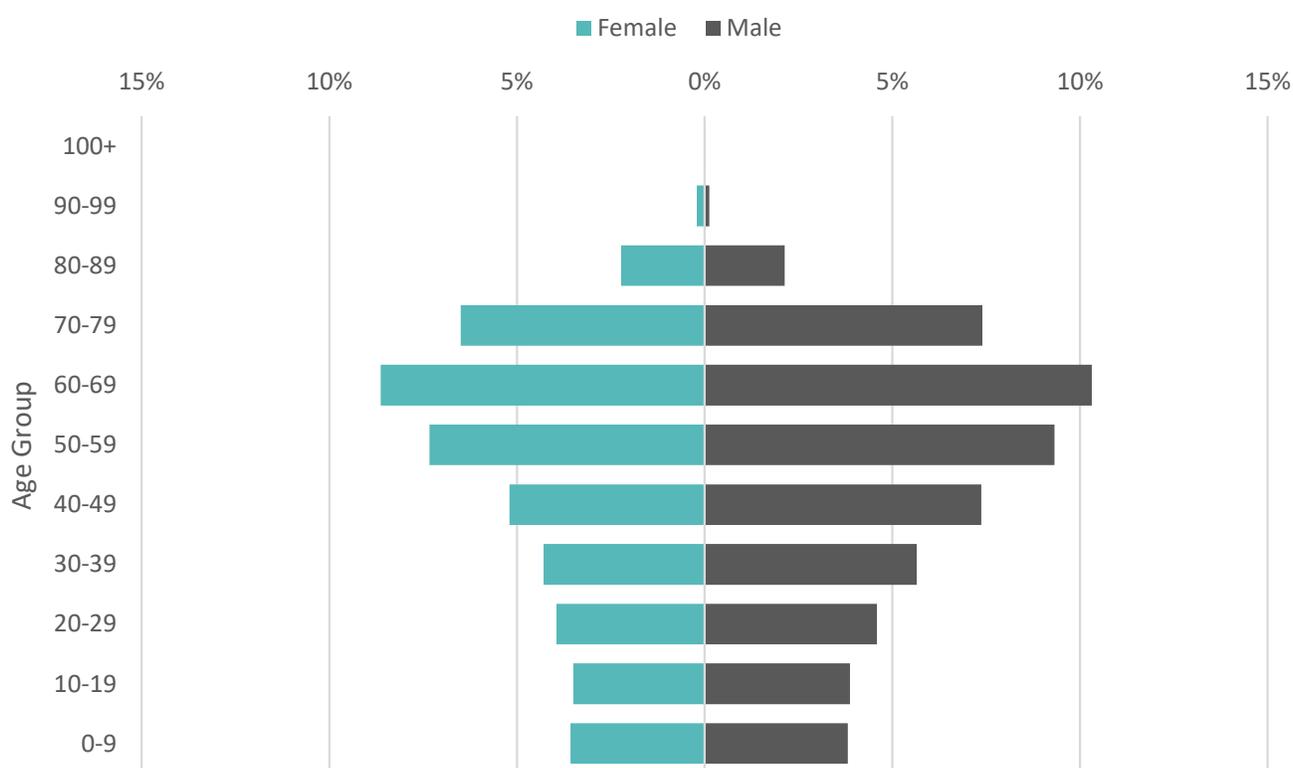


Figure 4: Age/Gender Pyramid: Residents in Caravan Parks and MHEs 2006, 2011, 2016 (ABS Census 2006, 2011, 2016).



### Total Residents in Caravan Parks and MHEs 2016

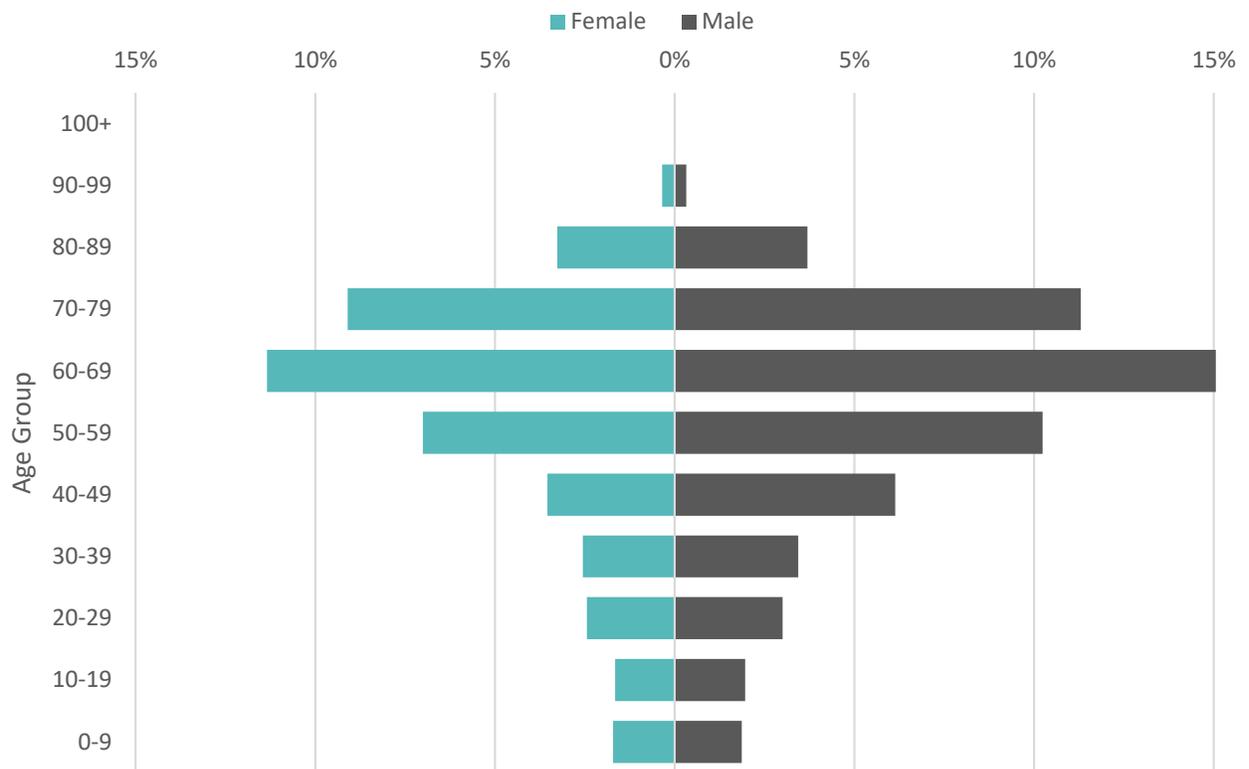


Figure 5: Age/Gender Pyramid: Residents in Caravan Parks and MHEs 2006, 2011, 2016 (ABS Census 2006, 2011, 2016).

## Household Composition and Marital Status

Registered marital status of residents reflects the ageing demographic with 37% of long term residents being married, 26% divorced or separated, and 9% of residents being widowed in 2016. A total of 23% of residents reported having never been married. These figures are explainable by the older demographic that typically lives in caravan parks and MHEs and comparable to the broader Australian population. In addition, 0.43% of people identified as being in a same sex relationship, an 100% increase from 2006 as a proportion of overall residents.

In terms of family composition, a total of 9% of households living in MHEs and caravan parks in 2016 lived with children, significantly less than the 57% of all Australian households. This trend is reasonable given the older demographics living in these residential communities.

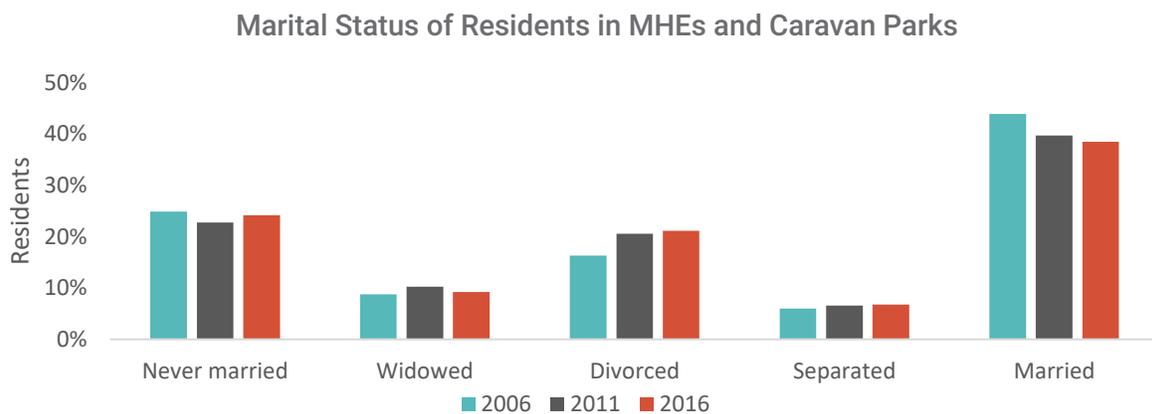


Figure 6: Marital status of Caravan Park and MHE residents - 2006, 2011, 2016 (ABS Census 2006, 2011, 2016).

Approximately 37% of long-term residents reported in the 2016 census that they were living alone, while a further 41% were living in a household with two people. In contrast to the wider Australian population, only 10% of people reported living alone with 26% living with one other person. This highlights the increased propensity of residents in caravan parks and MHEs to be living in a more isolated social situation than an average Australian, although their choice to live in a caravan park or MHE may be to seek more social inclusivity.

When cross referenced with gender, 68% of lone residents were male in caravan parks, however for lone person households in MHEs, 65% were female.

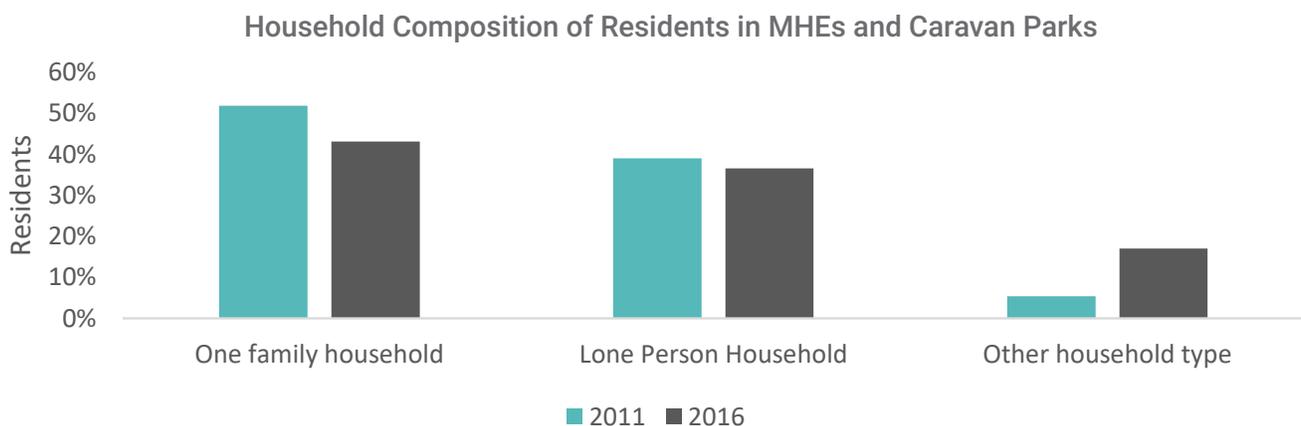


Figure 7: Household Composition. Other households include: group households (<1% for each year), two family households (<2% for each year), three family households (<1% for each year) and non-classifiable households. No data available for 2006 (ABS Census 2011, 2016).

## Education

In terms of highest levels of education achieved, 43% of residents indicated in the 2016 census that they had completed secondary school (year 10 and above), followed by 23% of residents who indicated that they had completed a Certificate equivalent to III, IV or higher.

Figure 8 indicates that, in general, the figures do not differ dramatically from population-wide figures. However residents in caravan parks and MHEs are 13% less likely to have completed secondary education beyond year 9, and, whilst 26% of Australians have completed a qualification at university, this number is 7% for residents in caravan parks and MHEs.

It is important to note that residents of caravan parks and MHEs are generally of an older generation who, when they were of 'university' age, were living in a period when university was not taken up on the scale it has been over the past two decades.

**Highest Level of Education Attained by Residents in Caravan Parks and MHEs compared to Australian Average 2016**

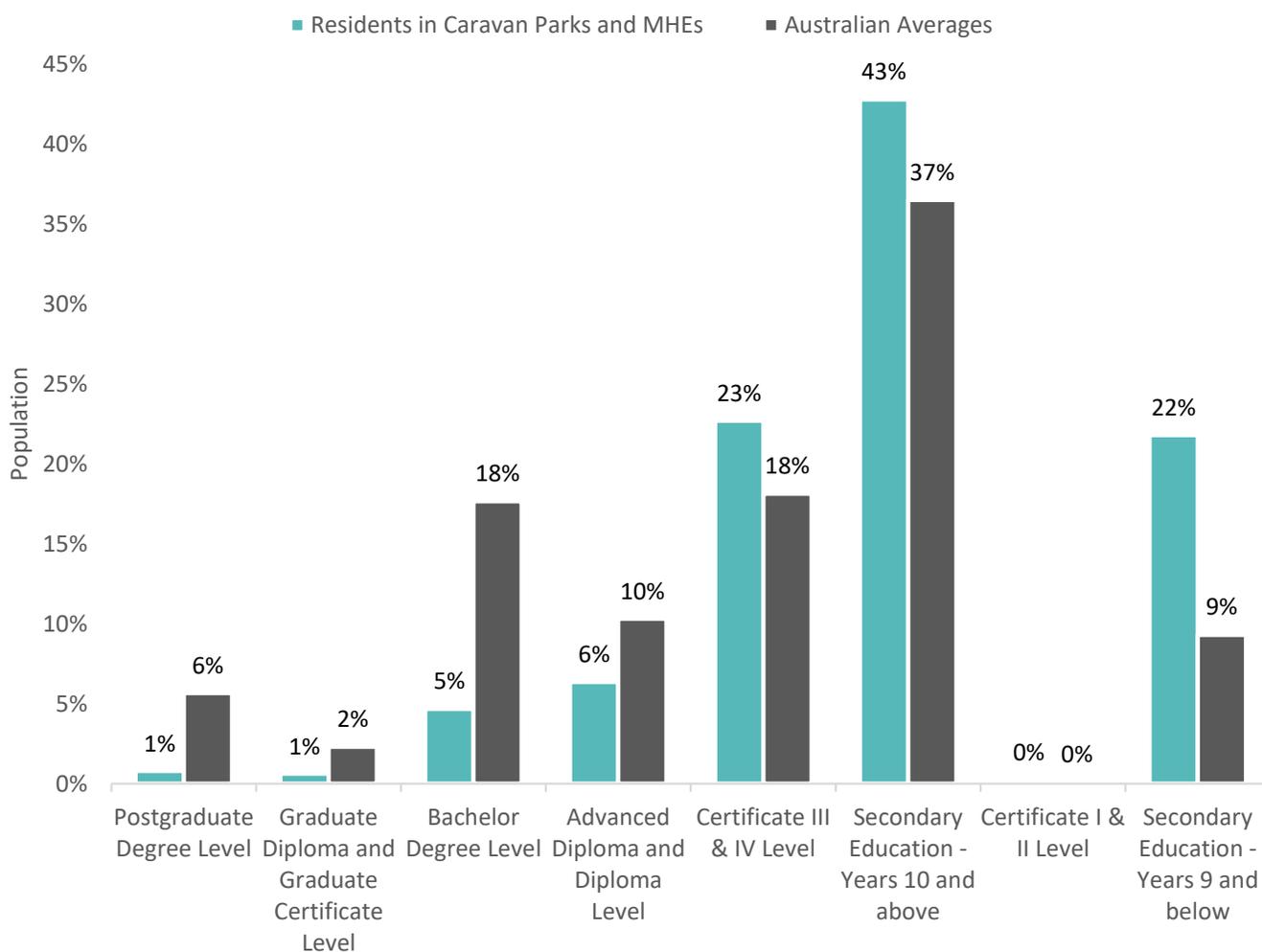


Figure 8: Highest level of education achieved by Caravan Park and MHE residents compared to Australian averages 2006-2016 (ABS Census 2006, 2011, 2016).

## Ancestry and Ethnicity

Australia in 2016 was considerably more diverse in terms of those born overseas and reported ancestry compared to the 2011 and 2006 Censuses. However, this increasing diversity has not entered Australian caravan parks or MHEs with Census 2016 data revealing the limited connection caravan parks and MHEs have with Australia's migrant population along with those of Asian ancestry.

From 2006 to 2016, the amount of people who identified as having European or Oceanian ancestry in Australia decreased from 89% to 82%, while these same ancestries in caravan parks and MHEs moved from 96% to 97% of residents. From 2011 to 2016, the amount of people who spoke a language other than English at home increased by 18% to 4.9 million people across Australia. However, in MHEs and caravan parks, the amount of people who spoke languages other than English decreased by -1% to just over 2000 residents.

When measuring by another diversity metric in country of birth, from 2011 to 2016, the amount of people living in Australia who were born overseas increased as a proportion of the population from 24% to 26% (approximately an additional 900,000 people). However, in caravan parks and MHEs, the proportion of residents who were born outside of Australia dropped from 15% in 2011 to 12% in 2016.

Therefore, broadly it can be stated that residents in caravan parks and MHEs by ethnicity and ancestry are more homogenous and less diverse than Australian society. This trend highlights an opportunity for caravan parks and MHEs to connect with new markets, which is evident in North America where they have successfully engaged culturally diverse markets within their caravan parks.



### Ancestry (First Response) of Australian Population Compared to Caravan Park/MHE Residents

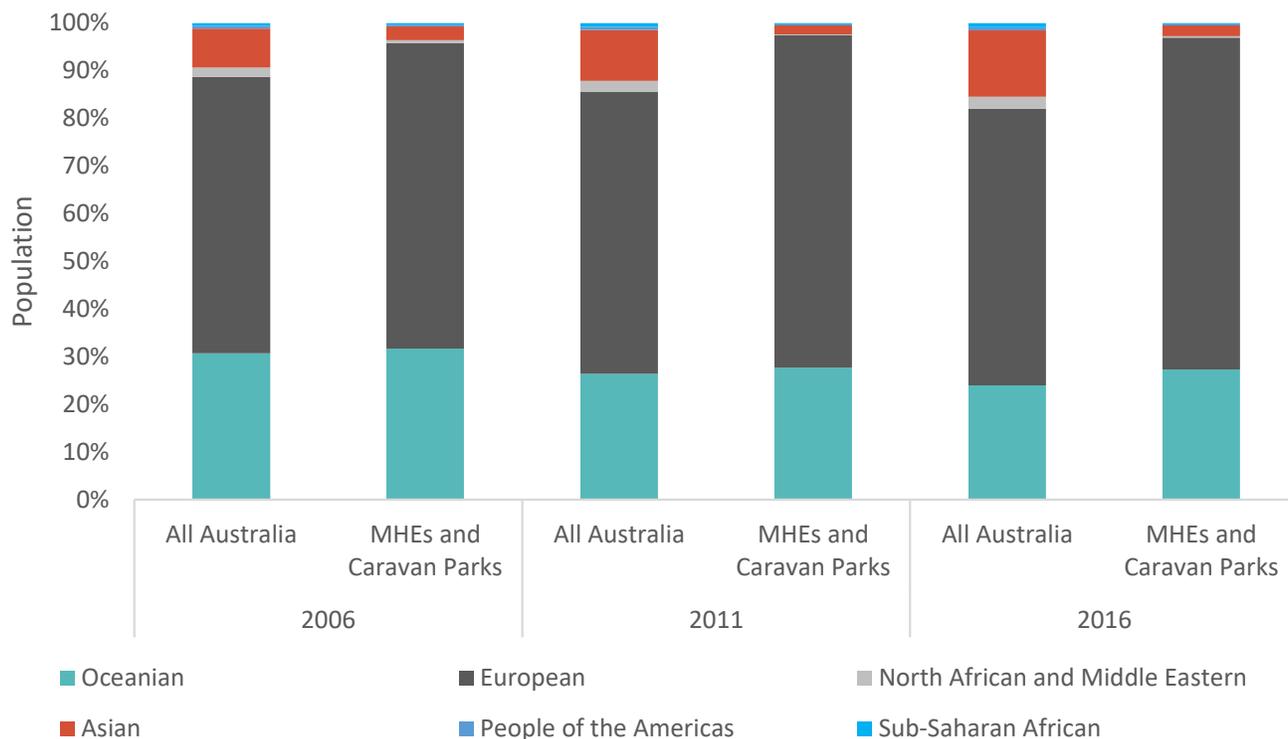


Figure 9: Ancestry of Australian Population compared to Caravan Park and MHE residents (ABS 2006, 2011 and 2016).

### Percentage of Residents born in Australia Caravan Parks/MHE Compared to Australian Population



Figure 10: Country of Birth (ABS 2006, 2011 and 2016).

## Employment

In terms of labour force participation, figure 11 demonstrates that in 2006, 46% of caravan park and MHE residents were engaged in the labour force or seeking employment. This dropped to 36% in 2011 and remained consistent through Census 2016. The predominant reason behind this is that in 2006 there were more than 42,000 caravan park and MHE residents in the labour force, a number that dipped to 23,000 then 19,000 in the following two censuses.

The extra nearly 20,000 workers in 2006 is reflective of the increased support staff needed across all sectors to service regional and remote areas during the mining boom which peaked in 2006. Hence, whilst mining itself wasn't a large employer in 2006 for long term residents, all other industries of employment were heightened with an increase in population that was a phenomenon of the mining boom.

An analysis by market share reveals that over the last three censuses, a significant move away from employment in the manufacturing sector (13% of the market share in 2006, 7% in 2016), which is reflective of challenging manufacturing industry in Australia as well as the support role it had to the mining sector.

Although in real terms the amount of people working in food and accommodation services has dropped since 2006, by proportion of overall workers, this sector has consistently increased to provide more than a quarter of all jobs for those participating in the labour force for caravan park and MHE residents in 2016 (27%).

It should be noted that a substantial portion of residents working in accommodation would be the managers of the caravan parks and MHEs, who live on site due to regulation requirements. Construction (11%), Healthcare and Social Assistance (10%), and Transportation (9%) represented the next three largest sectors of employment.

**Labour Force Status of Long-term Residents in Caravan Parks and MHEs**

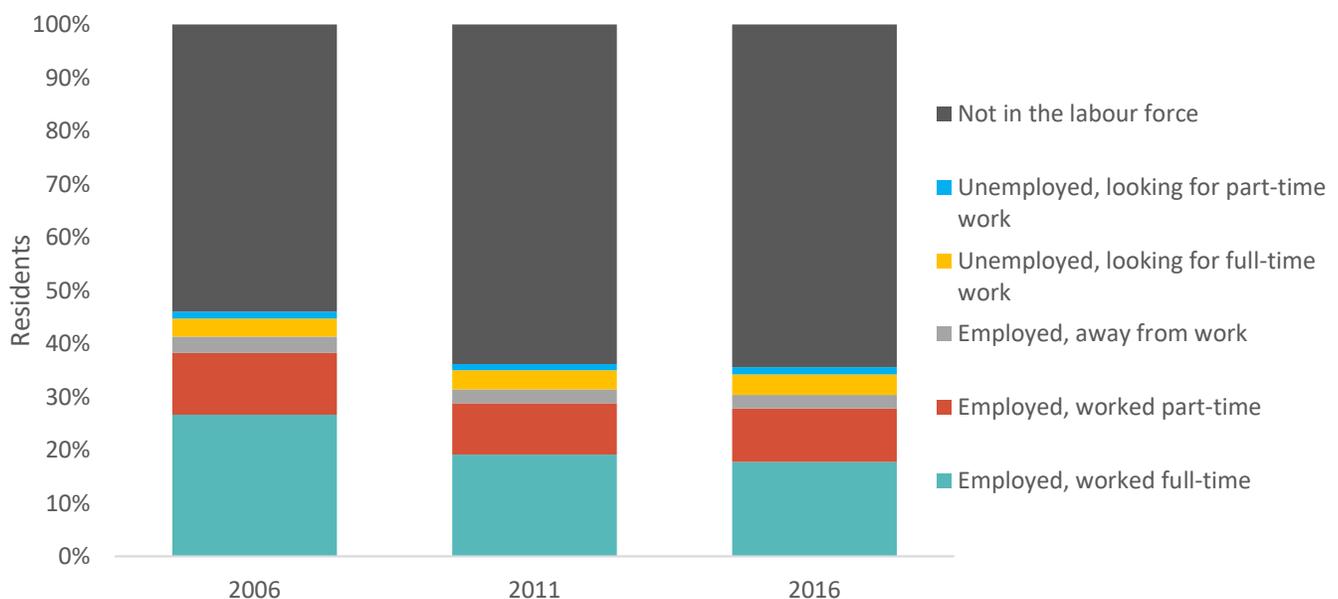


Figure 11: Labour Force Status of Caravan Park and MHE Residents (ABS 2006, 2011 and 2016).

### Employment by Sector - Residents in MHEs and Caravan Parks

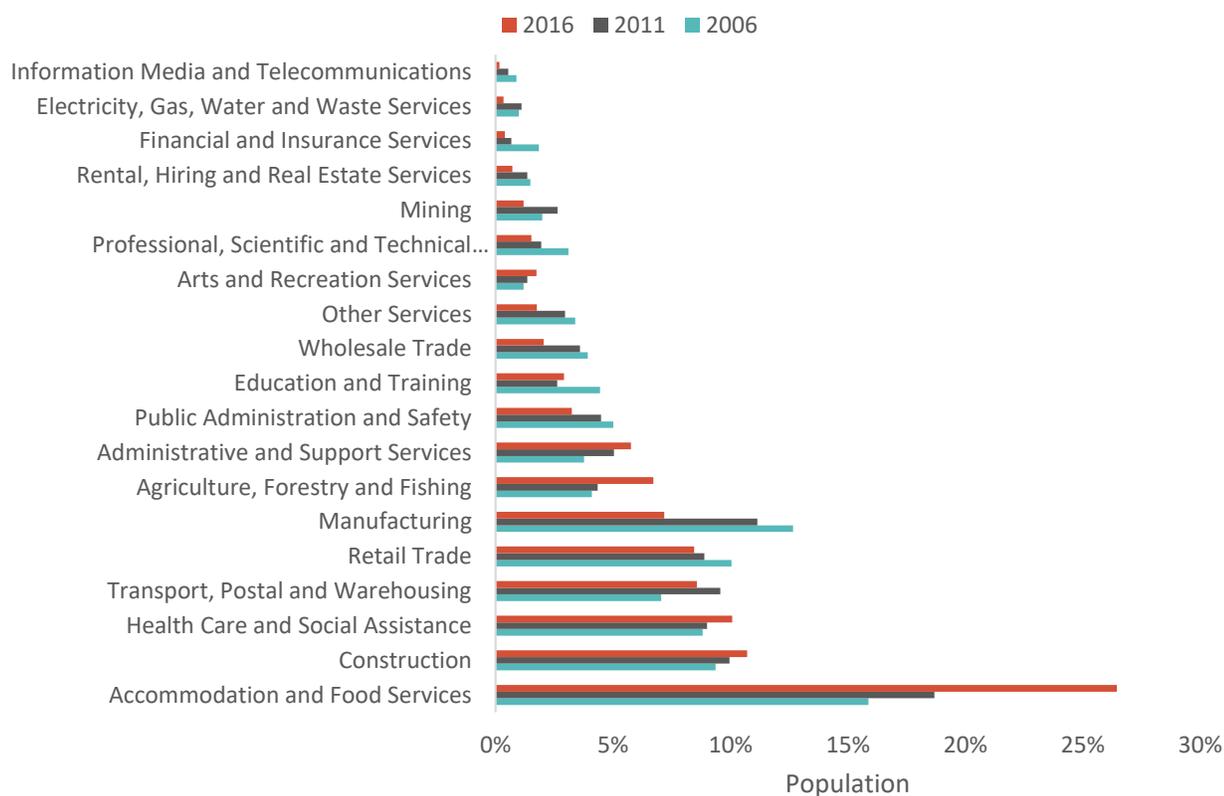


Figure 12: Market share of labour force by sector of employment: Caravan Park and MHE residents (ABS 2006, 2011 and 2016).

### Employment by Sector, Residents of MHEs and Caravan Parks

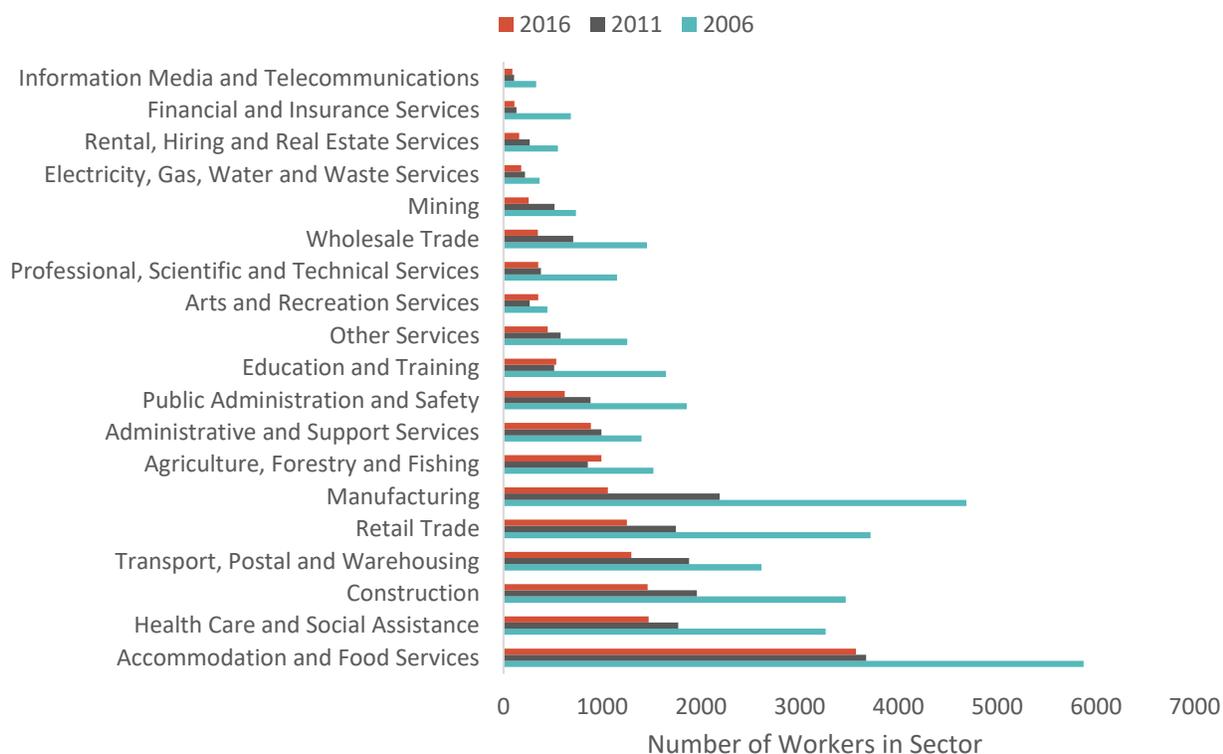


Figure 13: Number of employees by sector of employment: Caravan Park and MHE residents (ABS 2006, 2011 and 2016).

## Income

Of those residents who identify as being employed, the average personal income was approximately \$573 per week, with 43% earning between \$300 and \$500 per week as shown by figure 14.

The chart below indicates a grouping of incomes in the low-middle ranges of \$150-\$649 per week when compared to the Australian ranges. Whilst a significantly lesser proportion of residents in caravan parks and MHE earn above \$800 per week compared to the Australian average.

The average wage for caravan park and MHE residents (who are employed full-time or part time) increased by 15% from 2011, however this number is 37% below the Australian average of \$903 weekly wage.

It is important to note that the Census does not discern between income streams, hence social benefits, pensions and salaries are included collectively.

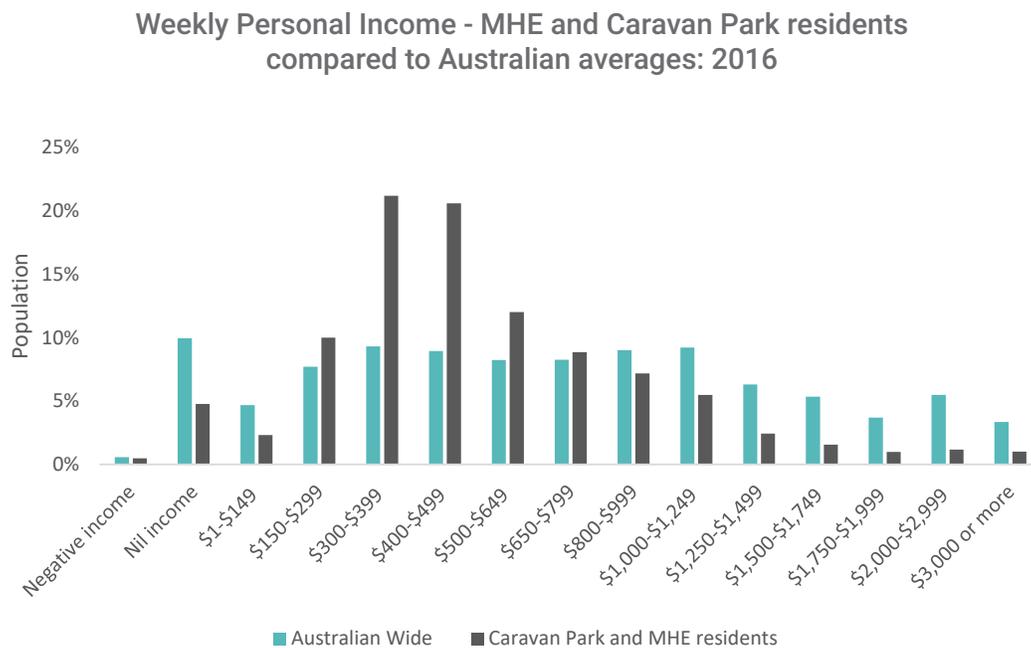


Figure 14: Average weekly income: Caravan Park and MHE residents compared to Australian averages 2006-2016 (ABS 2016).



# VEHICLES OWNED

The overall proportion of caravan park and MHE households in Australia who own motor vehicles has increased from 84% to 88% from 2011 to 2016, with 29% of households owning two or more vehicles in 2016, up from 23% in 2011. A total of 59% of households in caravan parks and MHEs own a single motor vehicle, with 29% owning two vehicles or more. Approximately 12% of residents in the 2016 census reported owning no motor vehicles.

As 33% of MHE and caravan park residents lived outside of urban areas, ensuring there is adequate local transportation and infrastructure in regional communities is important to ensure mobility and connectivity for residents.

Motor Vehicle Ownership in Caravan Parks and MHEs

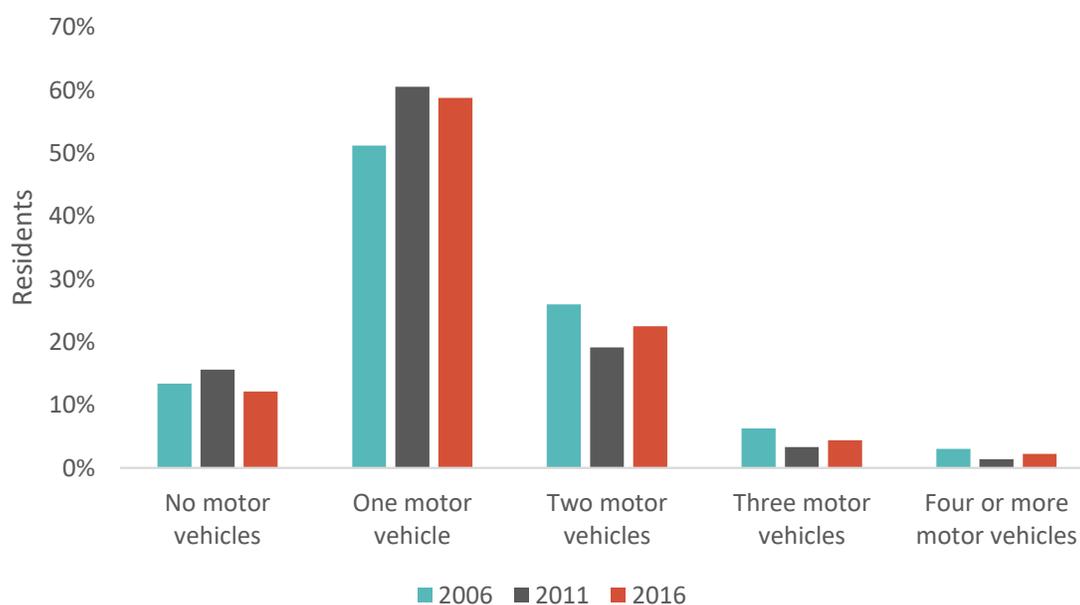


Figure 15: Motor Vehicle Ownership: Caravan Park and MHE. ABS 2006, 2011 and 2016.



# INTERNET ACCESS

In 2016, approximately 64% of dwellings in MHEs and caravan parks had access to the internet, this has increased at approximately 10% each census since 2006. In comparison, the Australian average remains considerably higher with 90% of dwellings having an internet connection in 2016. However, this gap has closed slightly since 2011 which showed a 31% difference between internet connectivity in caravan parks and MHEs compared to the rest of Australia.

With more than a third of dwellings in caravan parks and MHE without internet connectivity, there is increased risk of isolation and a digital divide between residents in MHEs and caravan parks compared to the overall population.

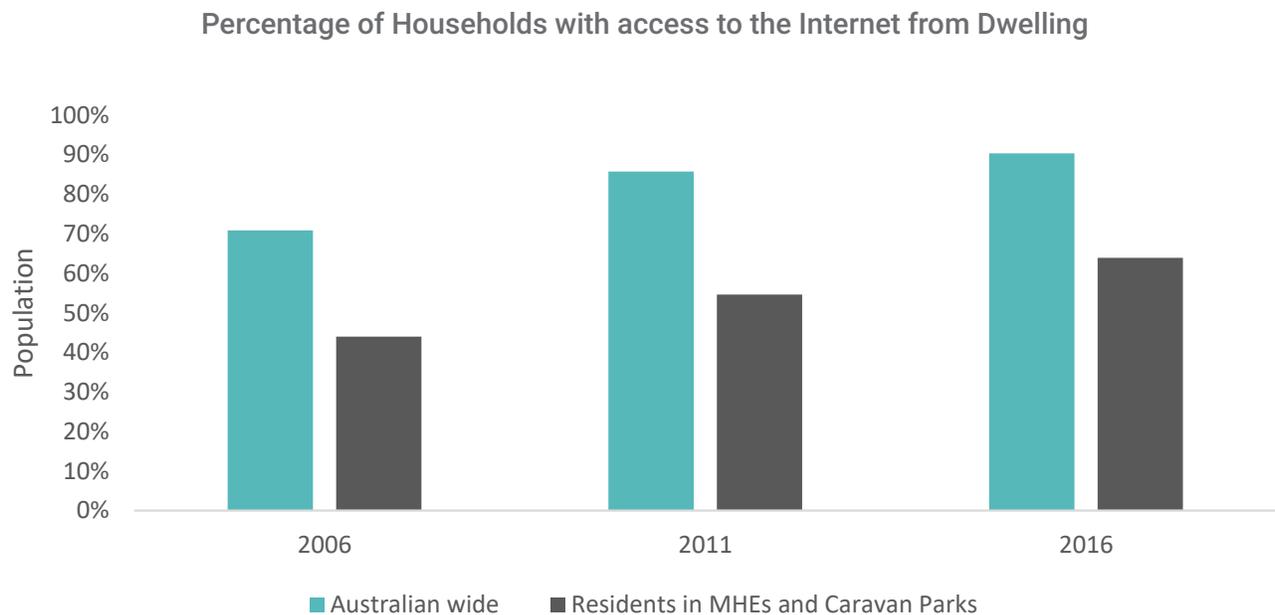


Figure 16: Internet availability from dwelling: 2006 – 2016 (ABS 2006, 2011 and 2016).



# HEALTH AND NEED FOR ASSISTANCE

The ABS define 'Need for Assistance' as: "Those people needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication, because of a disability, long-term health condition (lasting six months or more) or old age."

Residents in MHEs and caravan parks in 2016 are nearly twice as likely to require assistance with core activities compared to the rest of Australia. In general, the need for assistance across Australia has increased, which is reflective of the ageing population. In caravan parks in 2016, 9.8% of residents required assistance with core activities compared to 5.5% of all Australians. In MHEs this number was 14.4%, nearly triple the Australian average. In addition, of those requiring assistance in 2016, 37% lived alone – equating to more than 2000 residents across caravan parks and MHEs.

**Caravan Park and MHEs Residents in Need of Assistance with Core Activities Compared to Australian Average**

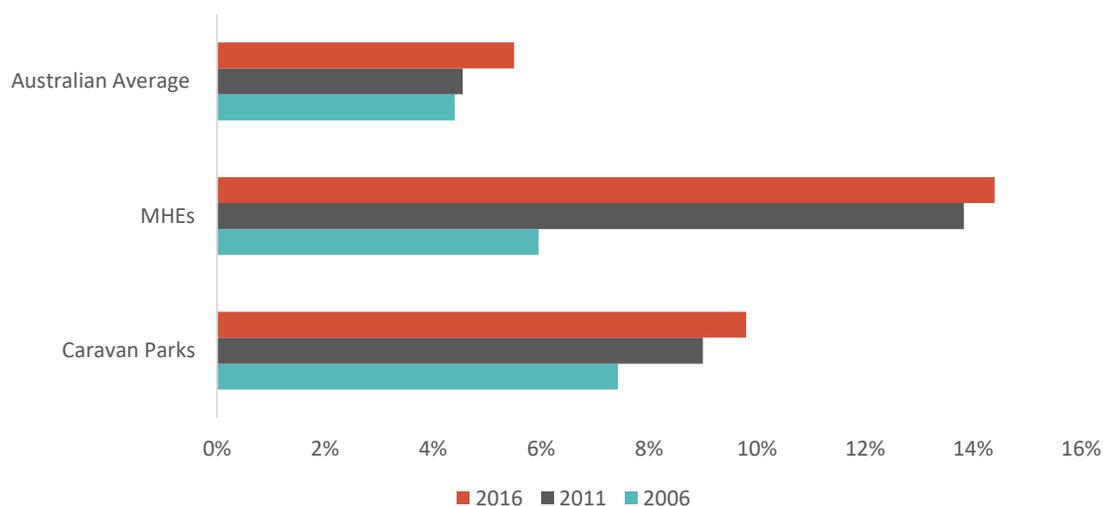


Figure 17: Need for assistance with core activities 2006 – 2016 (ABS 2006, 2011 and 2016).





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