

Cradle Coast Housing Analysis Report

Update – Oct 2022

Executive Summary

Over the last five years, rental availability in the Cradle Coast has changed from having adequate supply, to a near zero vacancy rate. At the same time, rental and purchase prices have risen while the number of property listings available on the market has dwindled. This is despite hundreds of residential Development Approvals each year across the region, significant housing construction expenditure, and slow population growth. The traditional measurements of supply of housing to the market, and changing demand due to population, do not adequately explain the extreme changes in the rental and sales housing markets observed over recent years in the Cradle Coast region.

This report explores several factors potentially impacting on the housing market. It is shown that, while short term rentals always have some impact on the surrounding housing market, the number of Airbnb listings in the Cradle Coast region is relatively small (616 compared to 55,300 total dwellings in the region), and are concentrated in holiday destinations, whilst being sparsely located in popular residential areas.

Analysis of recent Census data shows that over the past 10 years, the median age of the Cradle Coast has risen higher and faster than the rest of the state. In 2011 the Cradle Coast's median age was only one year higher than the state's average. Now, the median age is 3 years higher than the state average, with some LGAs having median ages of 48 and 49. The Cradle Coast is the oldest region in the state and is ageing the fastest.

Household sizes are shrinking, which means that around 1400 dwellings added to the region's stock over the last ten years have not housed a single additional person. The population is also moving to larger properties, with an increasing proportion of dwellings being separate houses rather than more dense styles of housing. Larger space requirements for dwellings present challenges for infrastructure, exacerbate the impact of urban sprawl on the environment and agricultural land, reduces liveability and equality as residents become increasingly car dependent to reach essential services, as well as erodes community connectivity.

Future population growth in the region is projected to be driven by people moving to the region from other regions in Australia, rather than natural growth or international migration. Many of these will be older Australians who are "downsizing" – or more accurately, "right-sizing". "Right sizers" regard spare bedrooms as essential, as they seek to achieve a particular lifestyle while reducing the burden of property and garden upkeep requirements. They do not want one and two-bedroom apartments. Understanding and providing for the needs of this growing cohort will give better housing outcomes for the entire community, including those with less financial capacity, whose accommodation is often determined by availability rather than suitability.

Background

In January 2020, a report titled "Cradle Coast Housing Analysis Report Jan 2020" was prepared for the Cradle Coast Authority's Regional Economic Development Steering Group (REDSG). Being completed just before the Covid-19 pandemic began, it documents a point in time before the subsequent global disruption. That report was presented to the REDSG in early 2020 and became the key reference document for the later report, "Cradle Coast Regional Futures Plan Population Strategy".

In this updated report, observations identified in the Housing Analysis in 2020 are revisited to identify changes that have been measured over the subsequent two years.

Observations

Observation from 2020 report: "There had been growth in the regional population over last 3 years, following a 5-year population decline"

Regionally, the Estimated Residential Population has continued to grow since early 2020 as shown in Figure 1 below. While the region's population grew by 0.9% from 2019 to 2020, the rate of growth decreased to 0.21% from 2020 to 2021. The region's total Estimated Residential Population (113,998) has now recovered to almost the same level as 2011 (114,084).

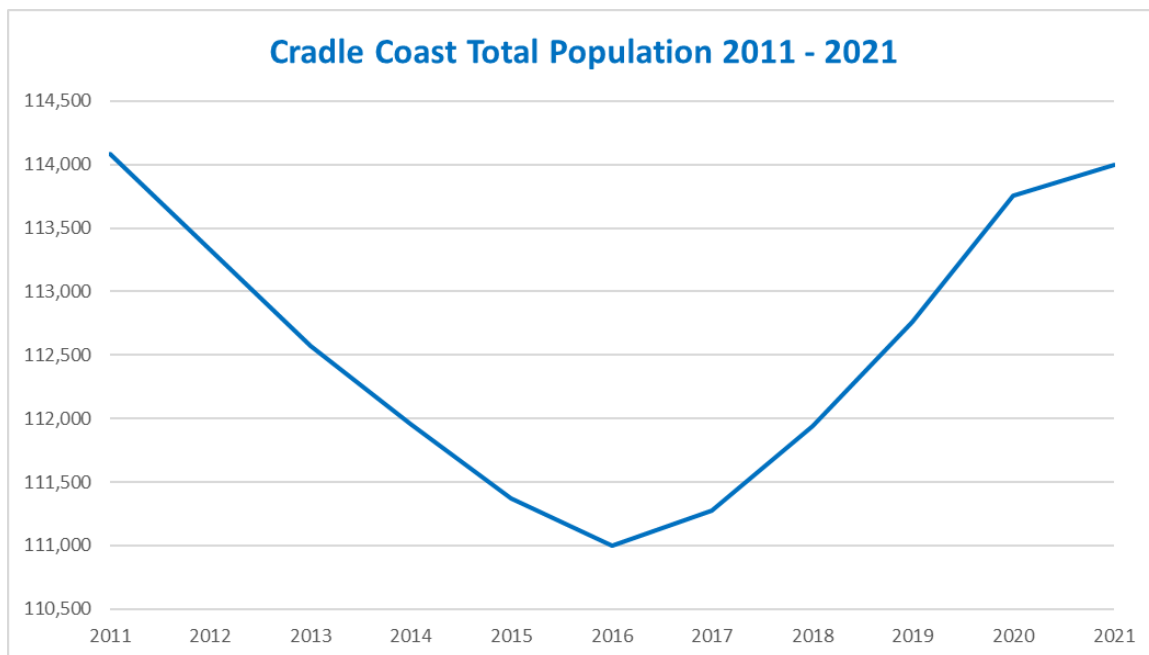


Figure 1. Source https://population.gov.au/sites/population.gov.au/files/2021-12/population_statement_2021.pdf,
<https://www.abs.gov.au/statistics/people/population/regional-population/2020-21>
<https://profile.id.com.au/tasmania/population?WebID=410>

Observation from 2020 report: "The rental vacancy rate was higher in 2016 than it was in early 2020. Despite being very low in 2020, the rate has continued to reduce further"

Rental vacancy rates for a representative selection of postcode areas within the region are shown in Figure 2 below. As stated in the 2020 report, "according to Domain Housing Research Feb 2019, 0.9% rental vacancy is considered low and can lead to higher rents, 1.8% rental vacancy will provide plenty of choice to renters and some landlords will not be able to fill houses, while 2.8% rental vacancy will lead to lower rental prices."

Residential Rental Vacancy Rates and Dec-16 to Dec-21

Council	Area	Postcode	Vacancy Rate %		
			Dec-16	Dec-19	Dec-21
Burnie	Burnie	7320	2	0.7	0.3
BCC + WWC	Waratah	7321	4.4	1.8	1.7
Waratah Wynyard	Somerset	7322	0.9	0.2	0.2
Waratah Wynyard	Wynyard	7325	1.9	0.9	0.4
Circular Head	Smithton	7330	2.1	0.8	0.6
Central Coast	Penguin	7316	1.1	1.5	0.4
Central Coast	Ulverstone	7315	0.5	0.5	0.1
Devonport	Devonport	7310	1.5	0.4	0.1
Kentish	Railton	7305	1.3	1	0
Kentish	Sheffield	7306	2.9	0	0
King Island	King Island	7256	0	0.7	0
Latrobe	Latrobe	7307	1.8	0.5	0.5
West Coast	Queenstown	7467	7.6	0	1.5
West Coast	Strahan	7468	5	1.4	0.7
West Coast	Zeehan	7469	11	1.7	0
West Coast	Rosebery	7470	8.1	0.8	0

Figure 2. Source: SQM Research

While six of these postcodes had a vacancy rate of over 3% in 2016, indicating an oversupply of rental properties available, by 2019 rental demand exceeded supply in all postcodes, indicated by vacancy rates below 2.8%. In nearly all cases, rental markets have tightened even further over the past two years. Vacancy rates are close to zero across the Cradle Coast region.

Rental availability is a barrier to attracting new people to the area and retaining current residents who rent their homes and may reduce liveability as residents are forced into accommodation that is less suitable for their household's needs. A rental market which is as constricted as it is now doesn't just affect people on limited incomes – existing and potential residents on all budgets are being left without any rental housing options that meet their needs.

Observation from 2020 report: "Rental availability was low, which was causing rental prices to increase"

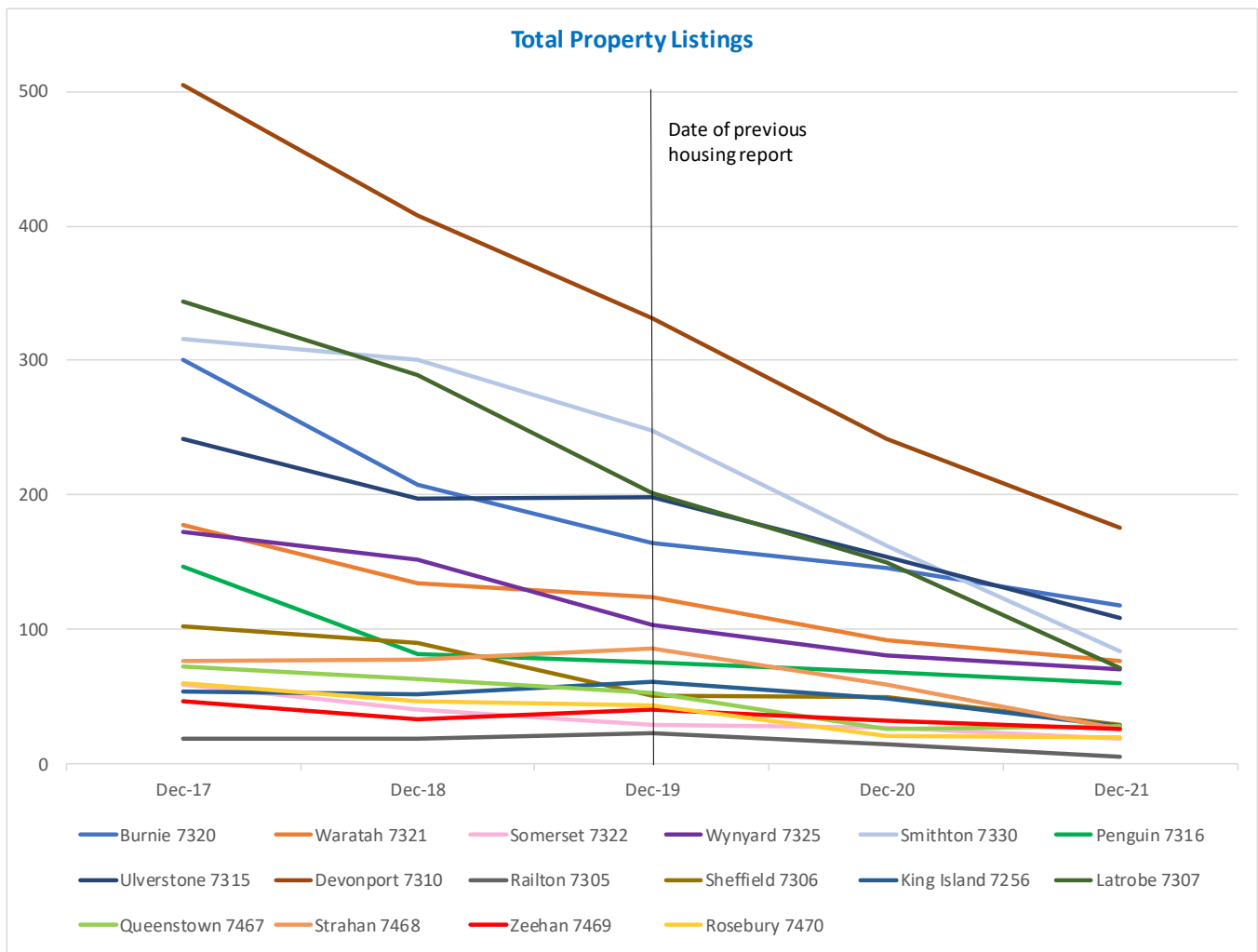
SQM Research considers 3% vacancy rate as equilibrium – where supply of rental properties is meeting demand. Below 3% vacancy rate, demand for rentals is strong, and demand is outstripping supply. In the previous report there were no postcodes with a vacancy rate above 1.8%, and three postcodes had a vacancy rate at or below 0.2%. There are still no postcodes with a vacancy rate above 1.8%, and 8 postcodes of the 16 postcode areas analysed have a vacancy rate at or below 0.2%.

Residential Rental Vacancy Rates and Prices by Postcode Areas								
Council	Area	Postcode	Vacancy Rate		Avg. Rental Prices		Change in Avg. Rental Prices	
			Dec-19	Dec-21	Dec-19	Dec-21	3yr increase to Dec-19	Increase Dec-19 to Dec-21
Burnie	Burnie	7320	0.7	0.3	\$426	\$337	18.80%	-20.89%
BCC + WWC	Waratah	7321	1.8	1.7	\$288	\$313	25.30%	8.68%
Waratah Wynyard	Somerset	7322	0.2	0.2	\$289	\$357	2.60%	23.53%
Waratah Wynyard	Wynyard	7325	0.9	0.4	\$326	\$411	23.10%	26.07%
Circular Head	Smithton	7330	0.8	0.6	\$219	\$322	-1.10%	47.03%
Central Coast	Penguin	7316	1.5	0.4	\$312	\$347	17.90%	11.22%
Central Coast	Ulverstone	7315	0.5	0.1	\$321	\$371	21.90%	15.58%
Devonport	Devonport	7310	0.4	0.1	\$309	\$348	22.40%	12.62%
Kentish	Railton	7305	1	0	\$267	\$349	30.50%	30.71%
Kentish	Sheffield	7306	0	0	\$276	\$275	-4.40%	-0.36%
King Island	King Island	7256	0.7	0	\$324	\$400	62.10%	23.46%
Latrobe	Latrobe	7307	0.5	0.5	\$326	\$384	8.80%	17.79%
West Coast	Queenstown	7467	0	1.5	\$169	\$207	15.50%	22.49%
West Coast	Strahan	7468	1.4	0.7	\$245	\$322	40.80%	31.43%
West Coast	Zeehan	7469	1.7	0	\$179	\$199	32.30%	11.17%
West Coast	Rosebery	7470	0.8	0	\$169	\$142	16.30%	-15.98%

Figure 3. Source: SQM Research

Rental prices have risen significantly in many Local Government Areas (LGAs) in the Cradle Coast region in the three years prior to December 19 and have continued to rise since.

Observation from 2020 report: "Housing stock on market was the lowest in 10 years, but at that point in time not undersupplied"



Since 2020, housing stock on market has reduced in every LGA by between 21.1% (Penguin) and 78.3% (Railton). Over the last four years, housing stock on market has reduced in every area by between 44.7% (Zeehan) and 79.4% (Latrobe).

Figure 4. Source: SQM Research

A new trend has been observed over the past few months, with city and regional property listings now significantly diverging¹. After two years of very low listings in both city and regional areas, recently there has been a surge in new listings in city areas, while the number of new listings in regional areas has continued to reduce even further.

¹ <https://www.realestate.com.au/insights/proprtrack-listings-report-february-2022/#tas>

How the past two years have compared to previous trends

Tasmania's total population increased by 779 people from June 2020 to June 2021. Over that 12-month period, 450 more people left by migrating overseas than those that arrived. 109 more people left by moving interstate than arrived. All of Tasmania's net population increase was due to there being more births than deaths² (1338 more births than deaths).

Comparing the latest Tasmanian population forecast for the next ten years to the forecast that was made the previous year, current expectations are that:

- net internal migration (more people arriving from interstate to Tasmania than leaving) will comprise a significant proportion of our annual population increase, which is a change from the previous forecast which predicted state migration into and out of the state would result in a net zero change
- international migration will comprise a significantly smaller proportion of the state's annual population increase than previously forecast
- Tasmania's natural increase (births minus deaths) will become negative sooner than previously predicted.

All three of these observations point towards the state's rate of ageing increasing faster than had been predicted prior to the Covid pandemic. This may have implications specifically for the Cradle Coast region that will require further analysis. For example, previously, most of the state's international migration has been to the Hobart region. If the state's total population growth rate is expected to continue to increase at a similar rate, but with more interstate migration and less international migration, this raises a question of whether this change in migration profile will result in a higher rate of growth in the Cradle Coast region, or specific areas within the region. Changes to the profile of population growth like these could lead to different housing needs for people moving into the area.

² <https://www.abs.gov.au/statistics/people/population/regional-population/2020-21>

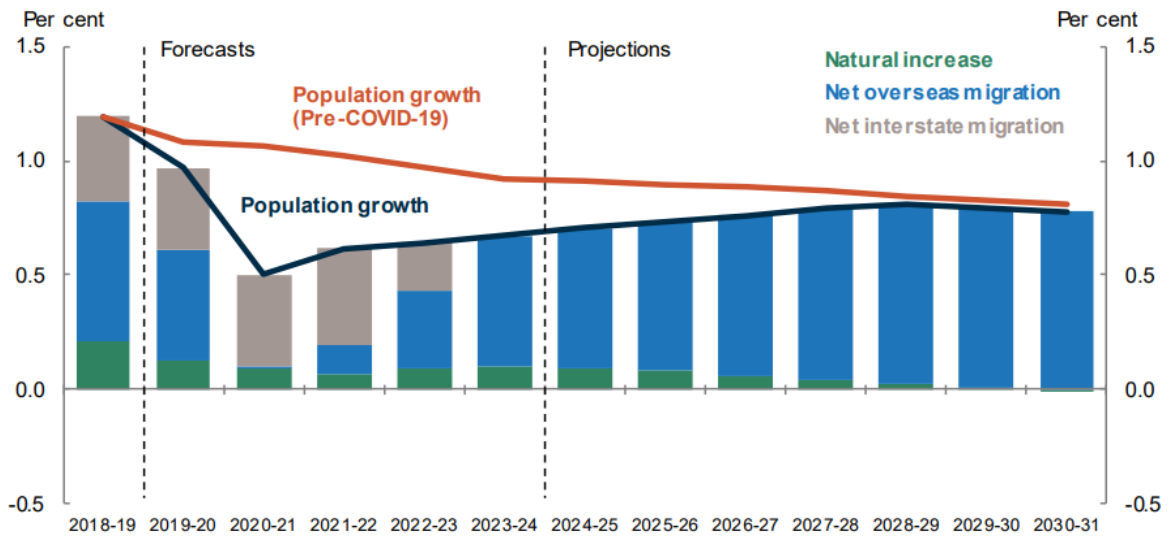


Figure 5. 2020 Tasmanian Population Forecast (pre Covid impact). Source: https://population.gov.au/sites/population.gov.au/files/2021-09/population_statement_2020.pdf

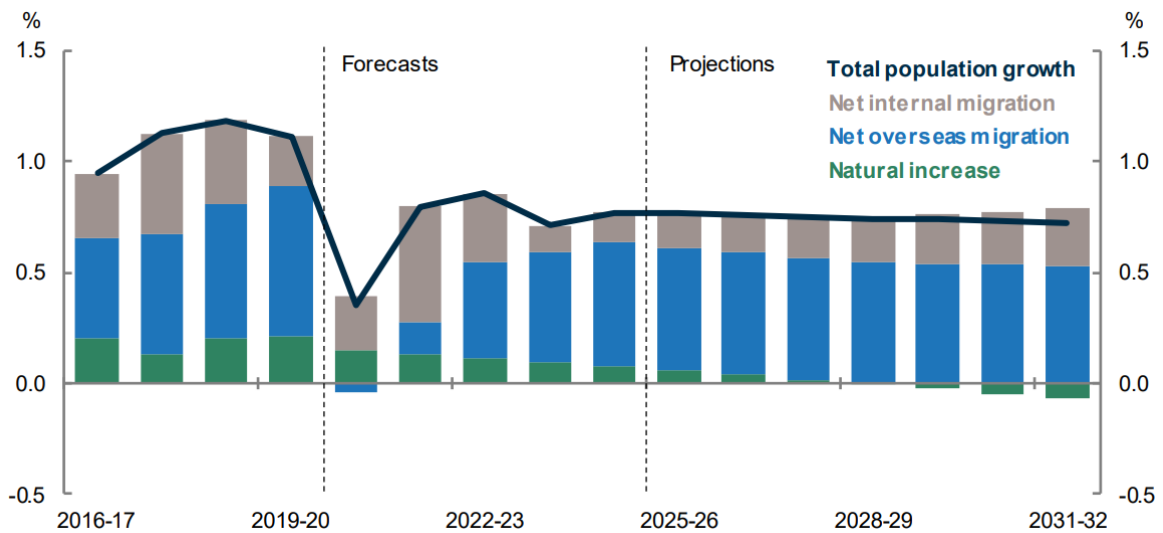


Figure 6. 2021 Tasmanian Population Forecast (with Covid impact). Source: https://population.gov.au/sites/population.gov.au/files/2021-12/population_statement_2021.pdf

After remaining steady for several years, the total number of dwelling approvals in the region increased in 2020 and 2021

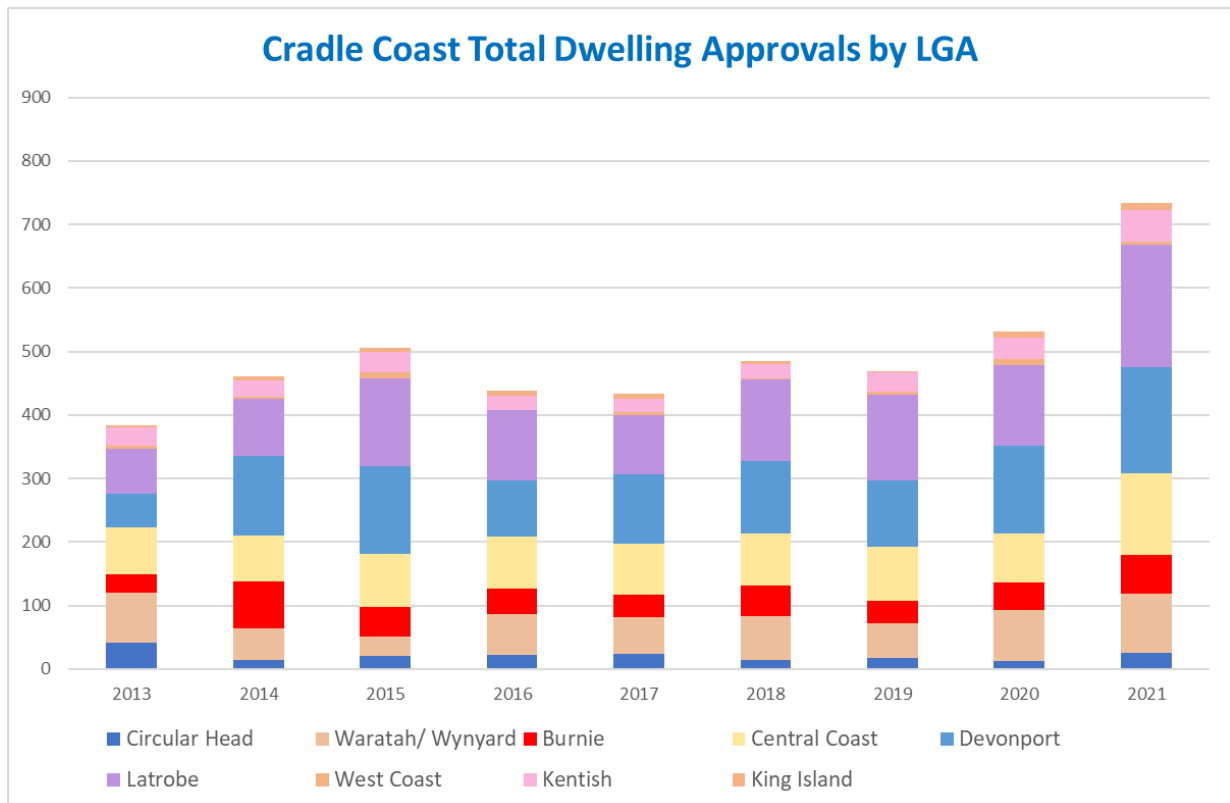


Figure 7. Sources: <https://www.abs.gov.au/statistics/industry/building-and-construction/building-approvals-australia>

Along with increasing dwelling approvals, total residential construction spending increased considerably across the Cradle Coast over the past two years, meaning that the increase in approvals is translating to increased residential building activity in the region

Residential building spend across the region was almost double in 2021 compared to what it was in 2019, as shown in Figure 8 below. Large increases were seen in every LGA with total construction spend more than doubling in Waratah Wynyard, Burnie and King Island. This increasing investment confirms that the residential construction industry is responding to the region's recent uptick in population growth and housing demand.

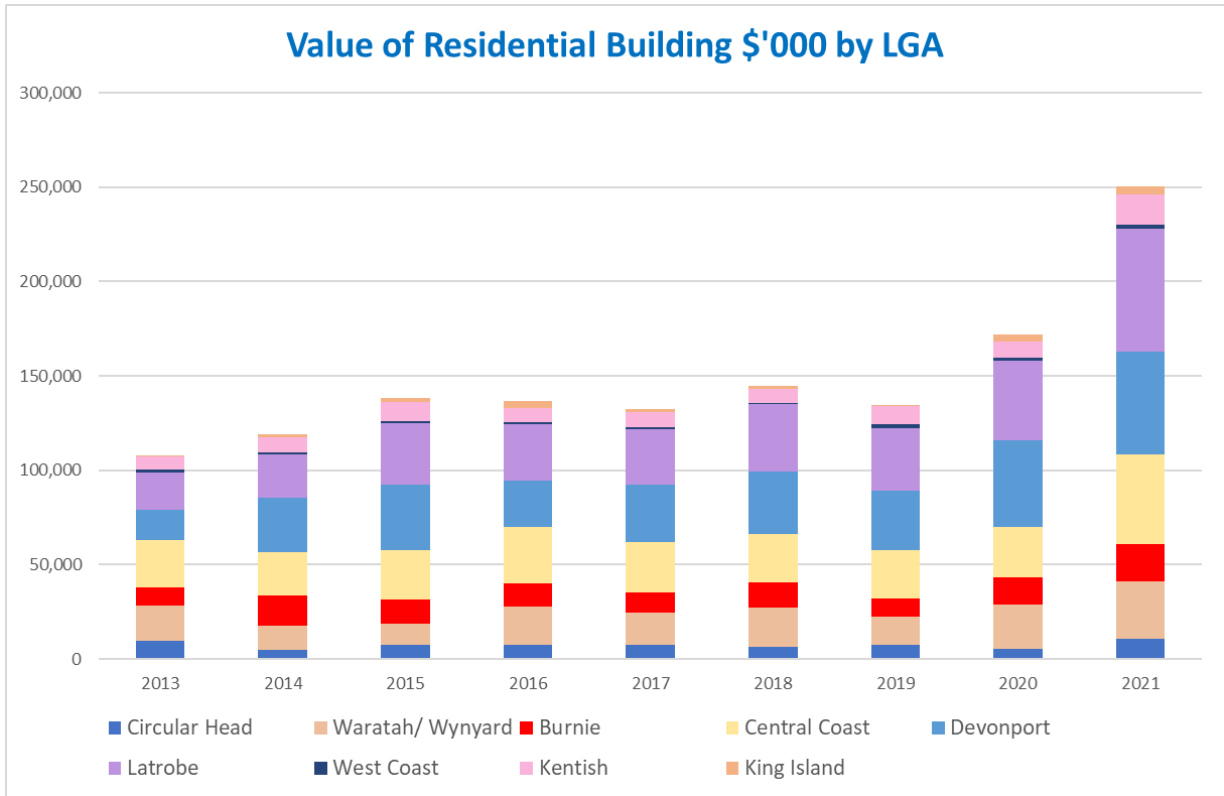


Figure 8. Source: <https://www.abs.gov.au/statistics/industry/building-and-construction/building-approvals-australia/latest-release>

Factors that may be contributing to the Cradle Coast's housing shortage

Airbnb

The disruption of short-term housing rental on the housing market accelerated in Australia in 2012, with the arrival of Airbnb³. In Tasmania, the number of Airbnb listings almost doubled between 2016 and 2019, to 5218. Currently there is 5036 Airbnb listings across the state, including 4268 "entire homes/apartments"⁴. There are 616 "entire homes/apartments" listed in the Cradle Coast region. These figures are taken from the "Inside Airbnb" website which uses publicly available information from Airbnb and is considered a reliable alternative source of Airbnb data, as Airbnb does not directly provide this data.

Number of "entire homes/ apartments" Airbnb listings by LGA

Circular Head	77	Most located in Stanley, half of listings owned by 12 owners
Waratah/ Wynyard	78	Most in Sisters Beach and Boat Harbour Beach
Burnie	43	Almost all close to or within Burnie CBD
Central Coast	102	Most in Penguin and Ulverstone
Devonport	64	Most within Devonport township
Latrobe	47	More than three quarters in Port Sorell and Hawley Beach
West Coast	93	More than two thirds are located in Strahan
Kentish	94	Scattered throughout LGA, several multi cabin purpose built properties
King Island	18	Almost all around Currie/ airport
Total	616	

Figure 9. Source: <http://insideairbnb.com/tasmania>

For comparison, there is 399 "entire homes/ apartments" listed just in the Glamorgan/ Spring Bay LGA alone, and 859 in the City of Hobart LGA. Airbnb listings include some properties that would not be suitable for permanent accommodation, including "glamping" structures, and purpose-built short stay cabins that may not have laundry or full kitchen facilities.

In the Cradle Coast, listings tend to be highly concentrated in coastal "holiday" towns and villages such as Stanley, Sisters Beach, Boat Harbour Beach and Port Sorell/ Hawley Beach. These are areas where there have traditionally been a higher number of holiday homes or "shacks" that weren't permanently occupied before Airbnb arrived.

Across the Cradle Coast region, the number of Airbnb "entire homes/ apartments" represents 1.1% of the total dwellings⁵. Again, for comparison, Airbnb "entire homes/ apartments" represent 9.0% of the total dwellings in the Glamorgan/ Spring Bay LGA, and 3.6% in the City of Hobart LGA.

³ https://shelertas.org.au/wp-content/uploads/2022/01/STR-Baseline-Report-June-2022_FINAL-combined-files.pdf

⁴ <http://insideairbnb.com/tasmania>

⁵ <https://abs.gov.au/census/find-census-data/quickstats/2021/>

"Entire homes/ apartments" Airbnb listings proportion of all dwellings

		Total Dwellings	Airbnb Listings
Circular Head	1.9%	4,037	77
Waratah/ Wynyard	1.1%	6,895	78
Burnie	0.5%	9,236	43
Central Coast	1.0%	10,404	102
Devonport	0.5%	12,047	64
Latrobe	0.8%	5,798	47
West Coast	3.0%	3,105	93
Kentish	3.2%	2,893	94
King Island	2.0%	888	18
CRADLE COAST	1.1%	55,303	616
TASMANIA	1.7%	258,611	4,268

Figure 10. Source: <http://insideairbnb.com/tasmania> <https://abs.gov.au/census/find-census-data/quickstats/2021/>

The business hubs of Burnie and Devonport have the lowest proportion of Airbnb listings compared to the total number of dwellings in the LGA. Circular Head, West Coast, Kentish, and King Island have the highest proportions of Airbnb listings.

Figure 11 below shows the distribution of Airbnb "entire homes/ apartments" in the Latrobe LGA, as an example of how they tend to be highly concentrated in the region's holiday destinations.

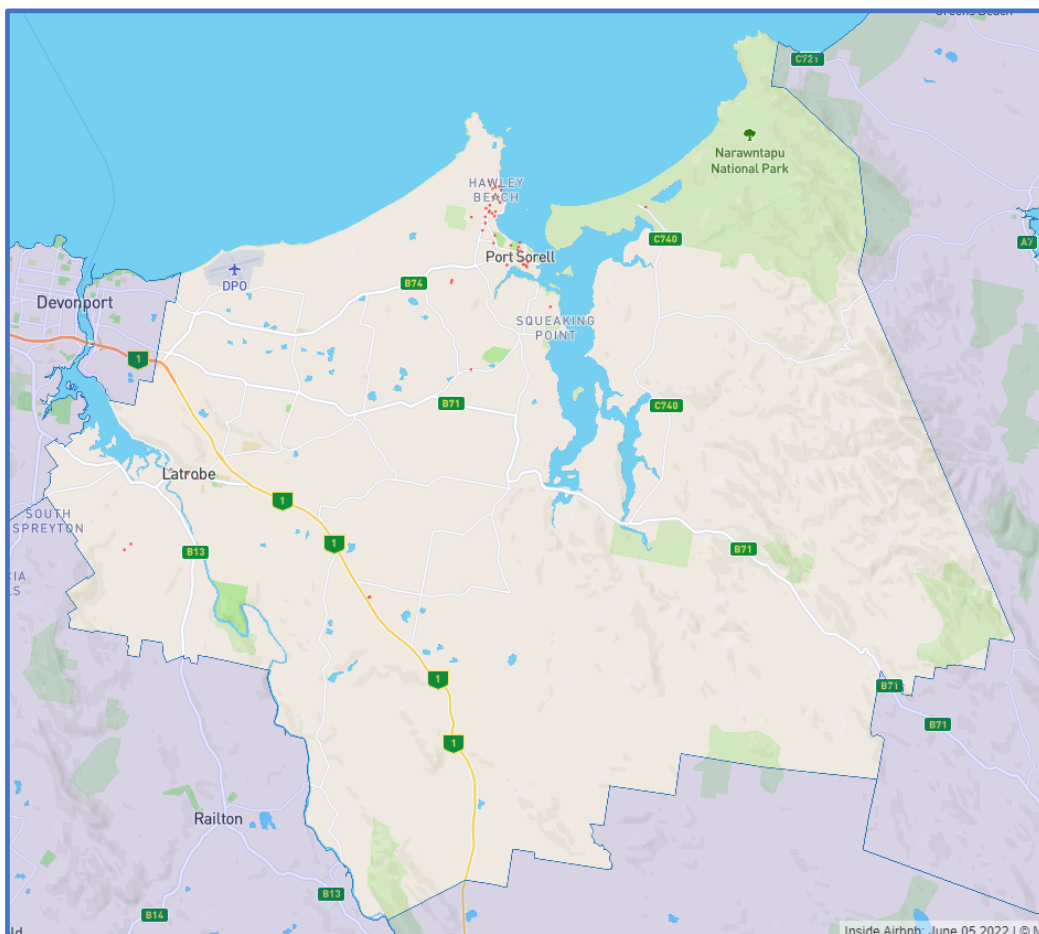


Figure 11. Source: <http://insideairbnb.com/tasmania>

While many reports⁶ have shown that Airbnb does affect rental prices, these reports have also shown that the impact of Airbnb on long term rental markets intensifies when the number of Airbnb listings represent a significant share of the total housing stock. It is worth noting that the LGAs where the proportion of Airbnb listings are the highest within the Cradle Coast are also areas with an unusually high proportion of unoccupied housing, as shown in Figure 12.

"Entire homes/ apartments" Airbnb listings and "Unoccupied Dwellings"

		Total Dwellings	% "Unoccupied"
Circular Head	1.9%	4,037	25.0%
West Coast	3.0%	3,105	39.6%
Kentish	3.2%	2,893	15.3%

Figure 12. Source: <http://insideairbnb.com/tasmania> <https://abs.gov.au/census/find-census-data/quickstats/2021/>

While Airbnb can not be entirely discounted as a contributing factor to the rising prices and lack of availability of properties in the Cradle Coast region, it appears there may be other factors that, due to their unique interaction within the region, are playing an increasingly pivotal role.

Ageing Population

As Tasmania's median age continues to rise, the Cradle Coast's median age is rising higher, and faster, than the rest of the state.

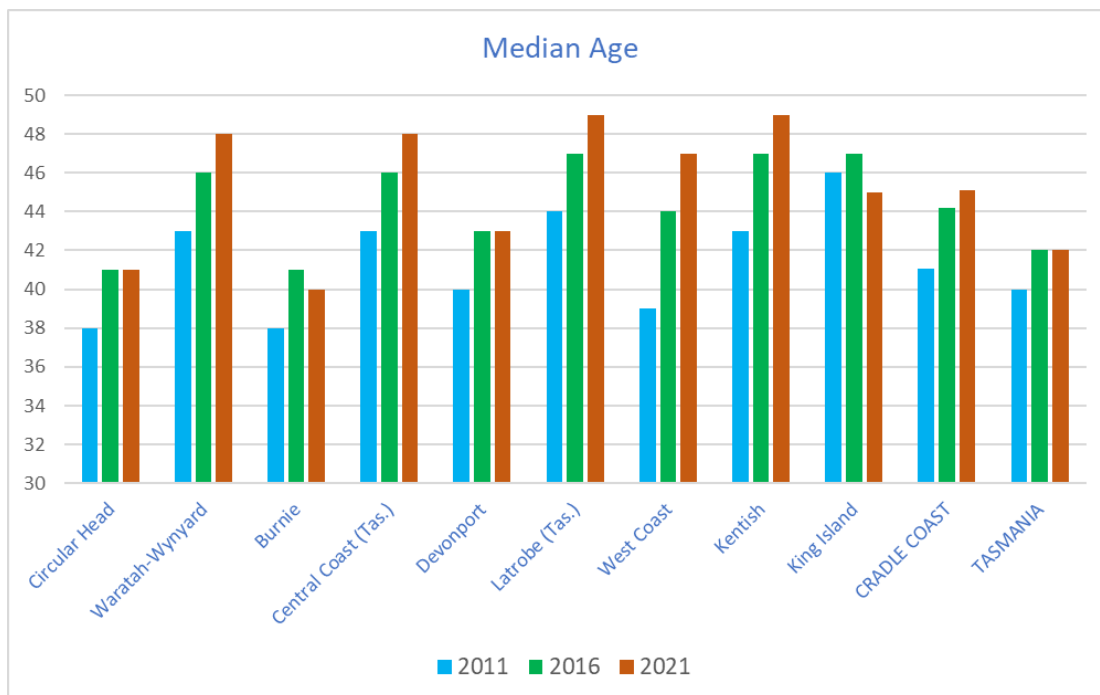


Figure 13. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Latrobe and Kentish now have a median age of 49, while Waratah-Wynyard and the Central Coast have reached 48. In 2011, the region's median age was only one

⁶ https://sheltertas.org.au/wp-content/uploads/2022/01/STR-Baseline-Report-June-2022_FINAL-combined-files.pdf

year higher (41) than the state average (40), however in 2021 the Cradle Coast's median age has risen to 45, which is 3 years higher than the state median (42).

The Cradle Coast' age profile is different and is moving differently to other regions in the state as shown in Figure 14 below.

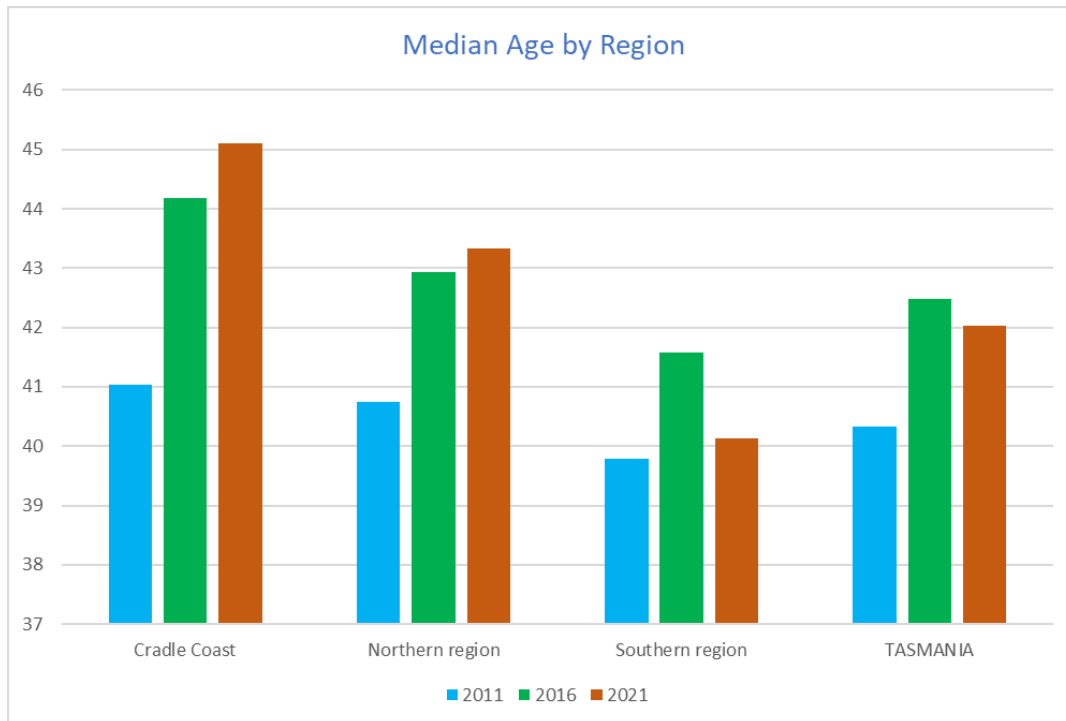


Figure 14. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Increasing Population

The Cradle Coast is growing at a slower rate compared to the whole state. According to the latest Census data, while Tasmania's population grew by 12.6% between 2011 and 2021, the Cradle Coast grew by 6.4%.

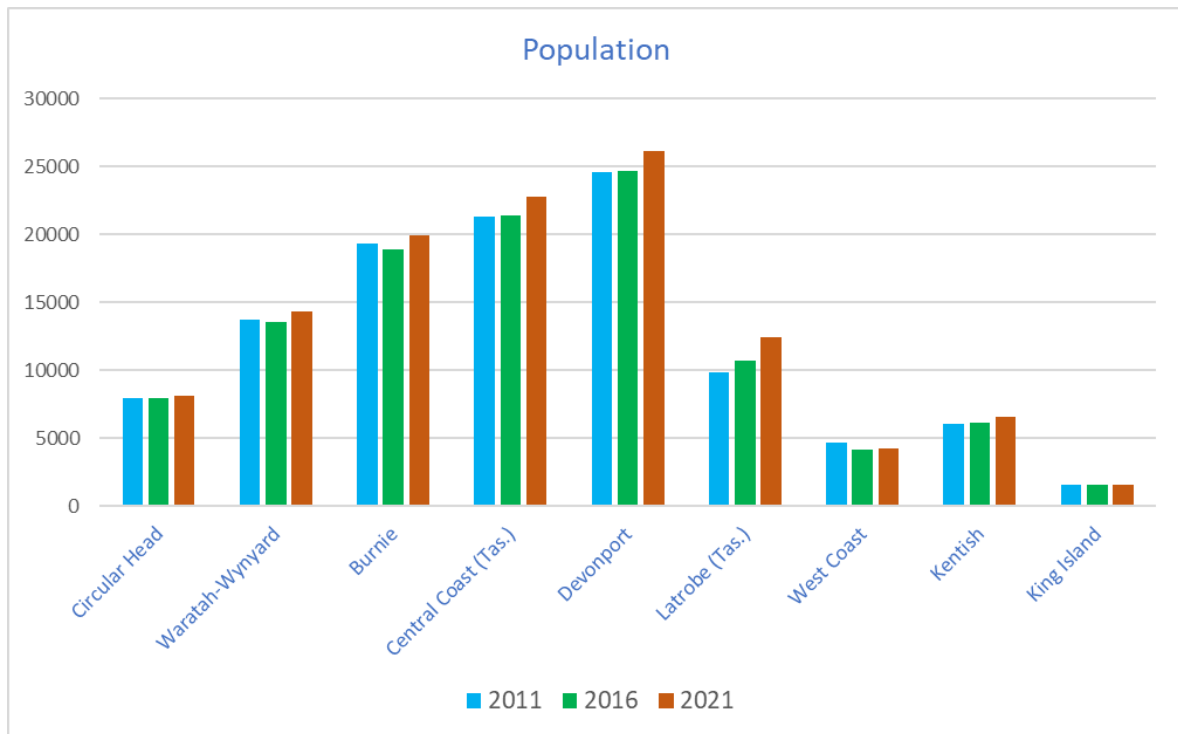


Figure 15. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Smaller Households

As the population ages and grows larger, the average number of people living in a household has become smaller. In 2011 and 2016, the average household size (number of persons per occupied dwelling) was similar to the state's average. However, in 2021, the number of people per household has reduced by 3%. This means that even with no population growth, the region would require 3% more dwellings just to house the same number of people. With the reduction in household size, 1410 more dwellings were required to house the existing population level from 2011. An additional 2800 dwellings were required by the population growth of 7000 additional people over this period. If the number of people per household had remained the same as it had been in 2011, 1500 less dwellings would have been required to house the region's current population.

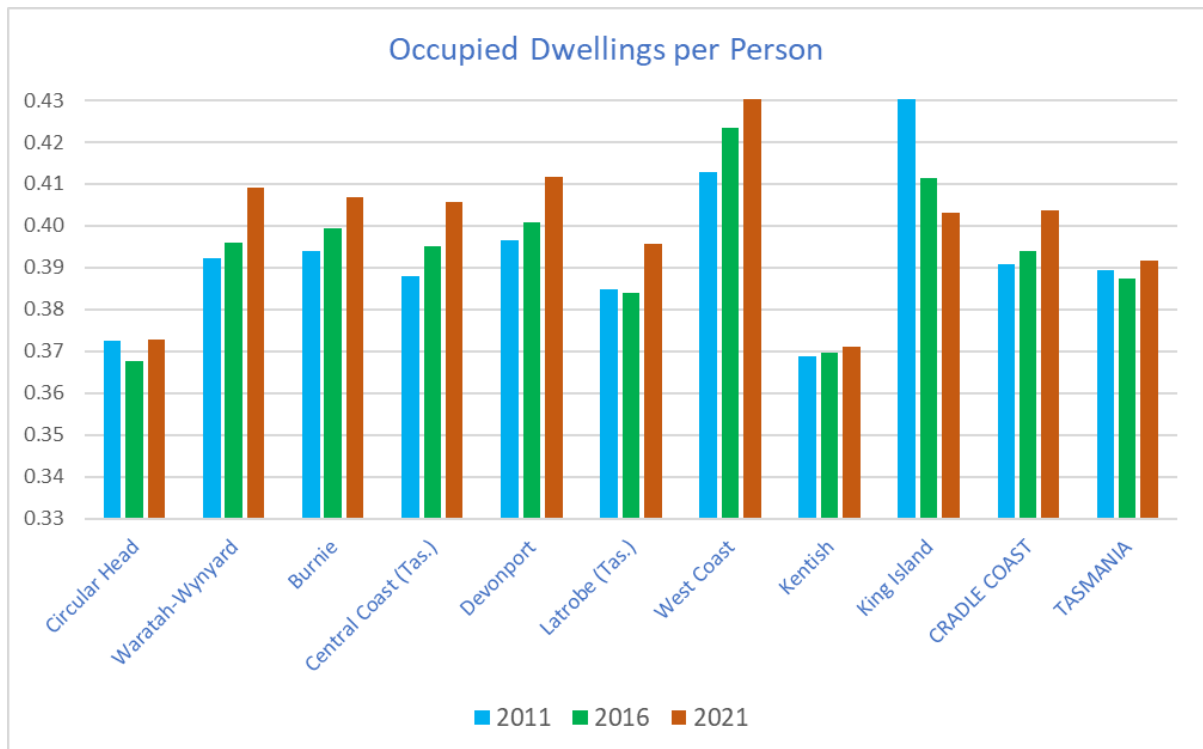


Figure 16. Source: <https://abs.gov.au/census/find-census-data/quickstats>

The number of people per household has reduced in all LGAs in the Cradle Coast from 2011 to 2021, other than King Island. As King Island has a small housing stock, small changes in how data is recorded can lead to outlying results. As an example, Census data collection does not distinguish between short term and long-term rentals. Holiday houses that were unoccupied when the data was collected in 2011 but were occupied on data collection night in 2021 may give the appearance of a higher housing occupancy rate. However, as the number of people per household has reduced in every other LGA in the region, it is reasonable to conclude that reducing household size is a region-wide trend.

Figure 17 below shows how many additional dwellings are required to house the current population of each LGA with the current number of people per household, compared to how many dwellings would be needed had the number of people per household remained the same as it was in 2011.

Additional housing required due to smaller household size 2011 to 2021

Circular Head	0.1%	3 extra dwellings required
Waratah/ Wynyard	4.3%	253 extra dwellings required
Burnie	3.2%	263 extra dwellings required
Central Coast	4.6%	422 extra dwellings required
Devonport	3.9%	417 extra dwellings required
Latrobe	2.9%	142 extra dwellings required
West Coast	6.6%	123 extra dwellings required
Kentish	0.7%	16 extra dwellings required
King Island	-6.6%	-43 extra dwellings required

Figure 17. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Larger Dwellings

The population is moving to less dense housing. Using the proportion of dwellings that are classified as a “separate house” (as opposed to semi-detached, apartments or “other dwellings”) as an indicator of housing density, the region is moving to larger living spaces. The proportion of dwellings classified as a “separate house” is now 91%, while the state average is 88%. While the higher proportion of housing stock as “separate housing” is consistent with the rural profile of much of the region, the change in the measurement over time reveals that the region is being increasingly housed in less dense housing, which will generally require more land and result in higher infrastructure costs, and contribute to urban sprawl.

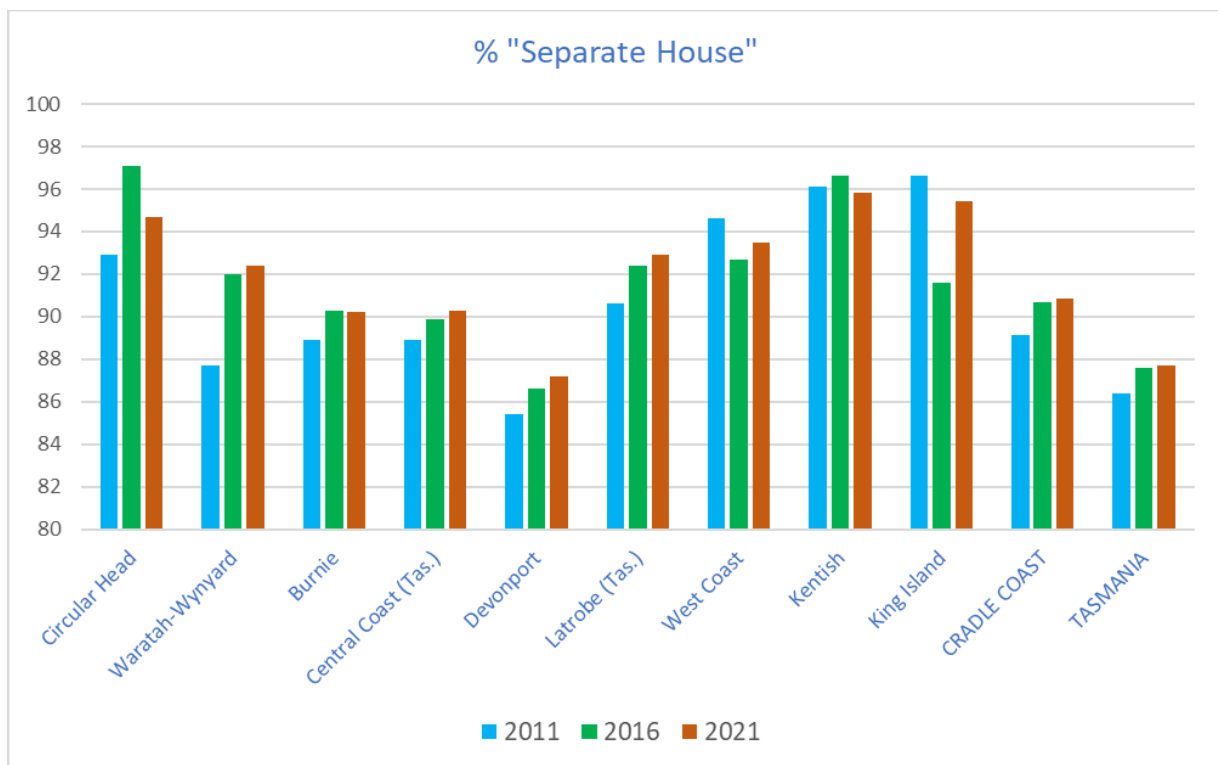


Figure 18. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Unoccupied Dwellings

Another significant issue is that the Cradle Coast region has a relatively high proportion of “unoccupied dwellings”. Tasmania’s proportion of “unoccupied dwellings” is 11%⁷ while on the Cradle Coast the proportion is 15%. Between 2016 and 2021, the number of “unoccupied dwellings” on the Cradle Coast reduced by 879, which may indicate that as the population grew, previously unoccupied properties became occupied again. However, Circular Head, the West Coast, Kentish and King Island have more “unoccupied dwellings” now than they had five years ago.

⁷ <https://abs.gov.au/census/find-census-data/quickstats/2021/6>

Change in Total and Unoccupied Dwellings 2016 - 2021

	Total Change	Unoccupied
Circular Head	219	105
Waratah/ Wynyard	296	-178
Burnie	372	-188
Central Coast	555	-241
Devonport	500	-372
Latrobe	688	-119
West Coast	181	63
Kentish	190	5
King Island	46	46
Total	3047	-879

Figure 19. Source: <https://abs.gov.au/census/find-census-data/quickstats>

Emerging Pressures on Housing Availability in the region

1. Gentrification – across Australia, people with higher salaries are moving from urban to regional areas, driving up housing prices and displacing local people⁸. Within urban areas, gentrification is expanding out from the inner urban areas as gentrifiers are no longer able to access the inner city housing market⁹, impacting traditionally affordable suburbs
2. Property listings are surging in the Hobart city area, while continuing to tighten elsewhere in Tasmania, particularly the Cradle Coast. In January 2022, new listings in the Hobart area were up 36%, while in the Cradle Coast, they fell 23% compared to December. New listings in Hobart were up 13% compared to January 2021, and down 5% in the Cradle Coast¹⁰.
3. In most areas in the Cradle Coast, gross implied rental yield (current rental price relative to current property price) has reduced substantially over the past two years, as housing prices have been increasing at a faster rate than rental prices. This observation is accurate regardless of how much available housing stock has been added to the area. Penguin and Ulverstone are the only areas where housing yield has increased over the past two years, suggesting rental prices are increasing faster than property prices, however both areas had seen decreasing yield over the previous two years. The highest yields are still in the West Coast areas of Queenstown, Zeehan and Rosebury, however these have also decreased overall over the past two years, allowing for fluctuations due to the small housing pools¹¹.
4. Older Australians (55+) are more inclined to “downsize” if they are “comfortably off”, however, they are most likely to “downsize” to a three-bedroom house, as

⁸ <https://inql.com.au/news/2021/09/20/too-much-love-regional-towns-warned-of-gentrification-from-population-shift/>

⁹ <https://www.uq.edu.au/news/article/2020/07/gentrification-no-longer-inner-city-phenomenon'-aussie-cities>

¹⁰ <https://www.realestate.com.au/insights/proprack-listings-report-february-2022/#tas>

¹¹ SQM Research

they consider spare bedrooms necessary. Almost no older Australians have any desire to move into a one-bedroom apartment¹².

Conclusion and the Way Forward

While regions around Australia face housing pressures, the Cradle Coast's unique and uniquely changing demographics indicate that the contributing factors to the housing shortage are different to other regions, requiring a different response.

While studies show that Airbnb always impacts the housing market surrounding its listings, the proportion of Airbnb listings in the Cradle Coast is significantly lower than the state average, and tends to be concentrated in tourist centres rather than residential hubs. This may still impact residential areas, for example if Airbnb listings in towns such as Port Sorell are pushing residents into surrounding residential areas such as Latrobe and Devonport.

The Cradle Coast has a relatively high number of unoccupied dwellings compared to the rest of the state. Some of these may be holiday homes that are not permanently occupied, but there may be other reasons why so much housing is not available for occupation that needs to be understood.

The Cradle Coast's changing population is putting extra pressure on housing stock. As the region ages higher and faster than the rest of the state, households are becoming smaller, which means more dwellings are required to house the same number of people. People are moving towards less dense housing, increasingly living in separate houses, which require more land and more costly infrastructure, and increases vehicle dependency and the environmental burden. Large housing spaces and urban sprawl impede the achievability of a "walking city", where most local services including fresh food, child care, health services and leisure, social, cultural and learning infrastructure can be reached within a reasonable walking distance.

Despite the urban sustainability challenges presented by large living allotments, older Australians have no desire to move into small apartments. Faced with the choice of small apartments or large houses, older people who are financially comfortable will continue to choose the larger house. If the growth in separate dwellings in the region is being fuelled by older purchasers, developers and Councils ideally need to consider how they can bring larger apartments or cottage lots into the market.

Covid has permanently impacted the way the Cradle Coast's population profile will evolve over the coming decades. It is expected that population growth in the region will be due more to net interstate migration and less due to net international migration. This will lead to a further ageing population¹³, and net natural population

¹²

https://www.researchgate.net/publication/338694586_Effective_downsizing_options_for_older_Australians

¹³ <http://ecite.utas.edu.au/133720>

growth (births minus deaths) to become negative sooner than what was predicted in pre-covid times.

Any population strategy from this point will need to take into account how the demographics of the region have changed over the past few years, and how much the region's population profile has diverged from the "average" Tasmanian profile. While residents who are comfortably off have the financial capacity to "downsize" or "right size", the rest of the population, including many who are renting into retirement, need to "fit" however they can into the balance of available housing, which may be unsuitable in size, location, cost, and the level of upkeep required.

Older Australians moving from interstate and from elsewhere in Tasmania are projected to drive population growth in the region in coming decades. These people have the financial capacity to choose the style and size of housing they want, and they are not seeking one- and two-bedroom apartments.

If Councils and developers are not providing the three-bedroom properties "right sizers" want, they will continue to move into the larger properties that the bigger, but less financially capable, households actually need. Providing three bedroom apartments and "town cottages" in desirable locations may attract "right-sizers" seeking certain lifestyle and lower property maintenance goals, and may free up family-style housing to be again occupied by families.