Retirement Village Lifestyle

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Notions of ‘active’ and ‘productive’ ageing are important and compelling, as too is the active and productive lifestyle often associated with retirement villages. Based on a case study of one retirement village, this article details the growth of the retirement industry in Australia and limits of current understandings of active and productive ageing. We argue that what is often overlooked is the increasingly commodified nature of retirement village life where lack of financial resources can prevent participation and lead to exclusion and isolation.

Introduction

The retirement village industry sells dream lifestyles through glossy sales brochures that promote a multitude of facilities, amenities and services. This article discusses the implications of the active ageing dream and argues that the notions of ‘active and productive ageing’ fail to capture the increasingly commodified nature of retirement village life. We argue that active ageing in a retirement village comes at an economic and social cost, and that non-participation entails penalties that can result in social exclusion and isolation. The article is based on a case study of one retirement village on the Sunshine Coast, Queensland, Australia. We outline the nature and growth of the retirement industry in Australia and the value and limitations of current understandings of active and productive ageing. We show how active ageing is enmeshed in practices of commodification and how productive ageing requires theorising through a socio-economic lens to understand how residents end up participating in the for-profit activities of the retirement industry and the limits of current retirement village options.

Commercial retirement villages usually comprise between 100 to 280 housing units and the age of entry varies from 55 to 65 years. These villages offer contract agreements ranging from leasehold, lease/loan, lease/licence or a form of freehold (strata) title, usually for 99 years (McGovern and Baltins 2002: 39-41). Housing designs vary, ranging from freestanding villas to duplexes and apartments. Retirement village fees include the up-front purchase price, monthly village fees, which incorporate all operating costs, and finally, the exit fee, which varies between villages and ranges from 30-49% of either the original purchase or the current market price. Retirement villages and boutique resorts, containing a wide range of facilities, amenities, services, resident organised activities and entertainment can be regarded as ‘one-stop’ villages (Lederbauer 2014: 80-3).

Commercial villages on the Sunshine Coast can be one of three types: i) up market villages and boutique resorts with 5-star facilities, ii) benchmark villages with community-standard accommodation and the potential for subsidisation from government funding or charitable organisations, and iii) basic villages with no frills accommodation, few on-site facilities and largely
subsidised through government funding or charitable agencies. All retirement villages cater for residents in overall good health. Higher end villages may include serviced apartments, meals, and supplementary care options such as nursing home accommodation. Boutique and benchmark villages offer strata title (freehold), leasehold, loan and licence, while basic villages are only available for rental, with low entry fees and high exit fees (Stimson 2002: 36).

Typically, a facilities manager controls the daily operations and directs several administrative and facility staff. The most common facilities include a clubhouse, offering indoor entertainment, indoor/outdoor pools and hobby workshops. Services are provided through hair dressing salons, medical suites, libraries, and computer rooms, bus services to local shopping centres and mobile retail services. Social committees often organise village activities, such as bingo, trivia, bus excursions, and ‘Happy Hour’ (Lederbauer 2014; Lend Lease: 2012; Stockland: 2014).

Today, many commercial villages are owned and managed by multinational corporations with backgrounds in finance, insurance and property development (Lederbauer 2014; 80, 84-5, 88-9, 92-3; Lend Lease 2012; Stockland 2014). In comparison, United States retirement communities/complexes fall into different categories: Retirement New Town, Retirement Village, Retirement Subdivision, Retirement Residence and Continuing Care Retirement Centre (Manicaros and Stimson 1999: 33).

In the early 1970s there were few commercial retirement villages in Australia. In 1973, the founder of Buderim Gardens, Charles Hawtree, established a retirement village, as a family trust on Queensland's Sunshine Coast. The village was owned, managed and operated as a mainstream commercial enterprise (Hawtree, C. 1999, pers. comm., 10 Oct. 1999). Village accreditation was voluntary, following the policies of the age-care industry. Although these villages operated according to commercial principles, eventually a need arose to develop an overarching organisation dictating specific policies/principles of the new industry. This organisation was known as the Retirement Villages Association Australia (currently a division of the Property Council of Australia 2006 – 2016).

The socio-economic restructure of Australia after WWII saw the emergence of a consumer material-orientated society, which tended to exclude the elderly. The inequalities of the era were to some extent remedied by the provision of support detailed in the Aged Persons Homes Act (1954), later amended to the Aged and Disabled Homes Act. The Act provided Commonwealth assistance towards the provision of homes for aged and disabled persons. Under the Act, government capital subsidies were granted to facilitate the building of retirement villages by religious and not-for profit organisations. The phasing out of capital subsidies by the Whitlam Government in 1974 (Le Guen 1993: 9-10) stimulated the emergence of the early commercial retirement village industry (Stimson and McGovern 2002: 6-7).

Post-1974 saw many small companies/family trusts being bought out by the corporate sector and the creation of the retirement village industry. This represented a significant change from a non-commodified retirement service to a profit-making venture. Although these new enterprises ‘entered the market on substantially the same commercial footing as the voluntary sector operators’, they were not subject to any government regulations and operated along free market principles (McGovern and Baltins 2002: 24). The initial Queensland Retirement Villages Act (QRVR 1988) proved unsatisfactory and was later repealed and replaced with a new Act (QRVA 1999); the latter is subject to ongoing amendments. The new act clarifies village operators’ rights and obligations in ‘protecting and explaining the rights/interests of village residents’ (McGovern and Baltins 2002: 24).

Modern market exchange underpinned by free market ideology reflects the dominance of neoliberalism in the operations of public and private activities (Brown 2005: 38). These conditions inform the operations of commercial retirement. Management is driven by economic motives where goods and services are produced for profit, under the conditions of market exchange (Scott 2001: 12; Williams 2002: 2). Regrettably, little literature in the field specifically investigates retirement villages as commercial enterprises that consolidate consumerist practices. This article seeks to rectify this omission.

In the early 1990s, large national and multinational corporations began to enter the retirement village market. Today, retirement villages are dominated by an industry that is financed by construction, finance, insurance and property and development corporations (McGovern and Baltins 2002: 24). Corporations such as Lend Lease and Stockland are public companies, which, at times, raise capital to further invest in and develop the retirement village industry. Smaller ventures could not compete with big business and were bought out or taken over (Stimson and McGovern 2002: 6-7). Indeed, an estimate claimed that by mid-2007, increased corporate investment in the retirement villages sector resulted in about 26% of the industry in Australia being under the management of 11 major industry participants.

In line with notions of corporate social responsibility, the retirement village industry has adopted World Health
Organization (WHO) definition of “active ageing” as ‘the process of enhancing and optimising the health, participation, security and quality of life of those who are ageing’ (WHO 2002a: 12). However, although the industry argues that it recognises its responsibility concerning the social and welfare objectives of society, village operators are often unable to balance social objectives with profit maximisation (McGovern and Baltins 2002: 46).

This is evidenced in the many disputes previously adjudicated by the Queensland Retirement Villages Tribunal. The various commercial tribunals were later merged into a new agency (QCAT 2009). In addition, various disputes are also heard in the Queensland District Courts and/or the Supreme Court of Queensland. In this context, a Queensland retirement-village residents association provides appropriate advocacy services (ARQRV 2014). Most cases relate to financial issues or interpretation of the Queensland Retirement Village Act 1999 (Lederbauer 2014: 35). Problematically, multiple contract types and structures allow operators to engage in unethical and unjust behaviour (Keogh and Bradley 1999). Most cases relate to financial issues or interpretation of the Queensland Retirement Village Act 1999 (Lederbauer 2014: 35). Problematically, multiple contract types and structures allow operators to engage in unethical and unjust behaviour (Keogh and Bradley 1999). Most cases relate to financial issues or interpretation of the Queensland Retirement Village Act 1999 (Lederbauer 2014: 35). Problematically, multiple contract types and structures allow operators to engage in unethical and unjust behaviour (Keogh and Bradley 1999). Most cases relate to financial issues or interpretation of the Queensland Retirement Village Act 1999 (Lederbauer 2014: 35).

Productive and Active Ageing
The notions of active/productive ageing have been taken up and subsequently incorporated into commercial business models. The idea of active ageing is captured in the simple phrase “engaged in life” (Buys and Miller 2006 4: 6). Broadly speaking active ageing holistically involves the interconnectedness of all aspects of ageing; socio-economic, psychosocial and bio-medical. By way of contrast the concept of productive ageing can be understood as: activities that produce or develop the capacity to produced (paid or unpaid) goods or services. Productive ageing is thus not limited to economic activities (Hinterlong et al. 2001: 3-7) but includes socially valued non-commercial informal activities (Bass and Caro 2001: 39). Though productive ageing is a component of active ageing, there are important distinctions. This makes productive ageing a useful way of theorising the socio-economic elements of retirement village activity because it acknowledges the social importance of economic and social productivity such as volunteering and care giving in domestic settings and career-related activities undertaken through educational programs, vocational training centres, community colleges or university (Bass and Caro 2001: 41).

The focus on productivity does not over-emphasise the biomedical aspects of ageing, which are problematic in notions of active ageing. A focus on the economic factors of active ageing, i.e. income, work and social protection fails to fully attend to other aspects of productivity (Bass and Caro 2001: 41). Unfriendly environments and lack of social support often prevent older people from volunteering. For instance, Miller’s (2009) study of older Australians’ leisure-time physical activity compared community retirees with retirement village residents. She emphasises the way demographic, social, physical and environmental factors come together to enable or restrict physical activity and productivity. Retirement village residents led more active lifestyles than their peers in the community because they were able to receive more social support than their peers in the community (Miller 2009: 20). In the case of the Sunshine Coast retirement village, those who could afford to pay for access services such as transport and exercise classes had access to social support services and were thus more able to stay productive.

Voluntary work is a particularly important aspect of productive ageing. It takes place in and outside retirement villages and benefits the older person and the wider community (Davis-Smith and Gay 2005: 22). It enables older people to stay connected to society and use their expertise and also maintain a sense of purpose. Sustaining innate value and self-respect, results in independence, better health and well-being (WHO 2002b: 1-3). Additionally, voluntary work unlocks a wealth of knowledge, expertise, skills and wisdom for younger generations. Unfortunately however, often volunteering can be impeded by practical barriers and restrictions such as ‘insurance issues, lack of access for disabled volunteers, legislation on health and safety, health of volunteers’ (Davis-Smith and Gay 2005: 14). Such restrictions prevent older people from taking risks and contribute to a sense of worthlessness and non-productivity can lead to social self-exclusion. The loss of productive contribution is a great loss to society in general (WHO 2002b: 1-3).

Consuming and commodifying retirement
Retirement living is no less enmeshed in the materialism of contemporary consumer society than any other element of society. In this section we argue that active and productive ageing extends and stimulates new forms of commodification and consumption (Hepworth and Featherstone, 1982). Indeed, the retirement village sector itself draws from mainstream marketing principles to commodify its clients into a marketable product.

Consumerism and commodification are imprecise terms. Consumerism tends to refer to general situations of choice (Giddens 2003). The term commodification more specifically focuses on various transactions involving commodities. Nevertheless both terms are somewhat problematic because they tend to refer to the purchasing
decisions and choice as opposed to cultural and identity projects. The modern self has become a project of consumption based on the accumulation of goods and lifestyles (Giddens 1991). However, ‘commodification is unevenly contoured’ (Williams 2005: 14) and ‘both the commodified and non-commodified spheres co-exist in a relationship of complementarity’ (Williams 2005: 133). Below we argue that these processes are at large in the retirement village sector where commercial and non-commercial activities occur. However we suggest that non-commodified activities are gradually being erased to establish unequal consumerist-commodified conditions.

Retirement village residents in the Sunshine Coast retirement village experienced the impact of financial inequality caused by commercial marketing principles. They were prone to financial inequalities because services and activities are provided at a cost. Interestingly the corporate retirement village sector has successfully circulated the romantic image of the retirement village as a ‘cottage industry’ while at the same time leading the sector into the mainstream neoliberal economy such that the retirement village sector has become indistinguishable from other paid for service sectors of society. Financial exclusion as noted by Conolly et al. (2011) and marginalisation occur due to the ever-increasing costs that make it difficult for pensioner-residents to participate in activities that require additional fees such as bus excursions, bingo and so on. Social exclusion is often a consequence of economic exclusion (Kneale 2012). Non-participation in village activities may prevent the formation of friendships. The choice of housing design and location may also influence a new residents’ social acceptance or exclusion by determining his/her social status. Interestingly, older residents pursuing less active lifestyles are not as affected in the same way. Indeed they could be ascribed with a status of ‘doyen’ commanding respect such that their self-imposed isolation may instead result in a form of social inclusion.

In the Sunshine Coast retirement village, those with financial means are more able to participate in costly village activities such as bus excursions and river cruises than those with low economic capital. Consequently a dual village society is in the making. Village facilities and amenities require services and human resources. The village provides a dedicated hair salon facility; however the salon required a hairdresser to provide the service and the service provider required payment. A clubhouse facility was present onsite, but again this facility required paid staff and/or volunteers to organise activities. In addition, users were often required to pay additional fees for equipment or to subsidise prizes.

The point to be made here is that the relationship between the commercialisation of a retirement village and the commodification of the retirement village lifestyle is intricately connected to socio-economic status. Although socio-economic status is primarily determined by wealth, it also relates to cultural social standing. Bourdieu (1984: 226-56) distinguishes economic and wealth based-capital from cultural-social capital (gained through education, knowledge or interest in the classic arts). These different types of capital can be combined in various ways. For instance high or low economic could be combined with high or low cultural-social capital in various combinations. Conditions in the retirement village challenge this model. Wealthier self-funded residents with high economic capital tend to have high socio-economic status, regardless of the level of their cultural-social capital.

However, socio-economic status is not the final arbiter of social inclusion. Individuals, groups and business entities often collude or conspire regardless of age or status to mitigate for or against inclusion. For example a residents’ committee called for a special resolution to change the residents’ constitution, giving increased powers to the committee and indirectly greater control to village management, thereby reducing the power of most villagers. Indeed one new resident went so far as to lobby on behalf of management and management interests in the assumption that those interests were aligned to his own.

Conclusion

The retirement village industry, corporate village owners and village residents and their lifestyles are undergoing significant changes as the industry transitions retirement service into a profit-making venture. The commodification of the retirement village lifestyle stimulates inequality in complex ways. Many retirees perceive the commercialised retirement village system as desirable or at least are unable to see any alternative. While the nature of retirement may have changed significantly, from that of a passive lifestyle to an active one, the retirement cohort is less an emblem of active and productive ageing than a product of contemporary consumer society, embracing commercialisation and subscribing to principles of commodification. That is not to undermine the importance of productive ageing which includes both commodified and non-commodified components and which includes participation in volunteer activities inside and outside the village. However it does underline the fact that the promotion of active ageing by corporate village owners facilitates commodification. Retirement villages are subject to the same principles as mainstream commercial organisations. It is not clear whether the pre-1973 not-for-profit village sector operated by charitable/church/municipality councils was fairer and more equitable. However it is clear that we need to consider the feasibility and desirability of alternative ways of achieving productive ageing.
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