
DEMOGRAPHIC TRENDS AND EVOLVING HOUSING NEEDS IN LATVIA: IMPLICATIONS FOR SOCIAL HOUSING POLICY

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Abstract. This article examines demographic shifts and changing housing needs in Latvia, with a focus on their implications for social housing policy. Latvia faces significant demographic challenges, including population decline, rapid ageing, and changing household structures. The study analyses historical trends in population, age structure, household composition, and migration patterns based on data from the Latvian Central Statistical Bureau and Eurostat. It also assesses the current housing landscape, including characteristics of housing stocks, homeownership rates, rental market dynamics, and social housing provision. The research reveals a growing mismatch between the existing housing stock and evolving needs, particularly for smaller, accessible units suitable for an ageing population. Based on these findings, the article proposes policy recommendations to address Latvia's evolving housing needs. These include short-term adjustments to current policies, long-term strategic planning for housing development, and innovative financing mechanisms for social housing. The study also explores potential challenges in implementing these recommendations, such as funding restrictions and political acceptance. By aligning housing policy with demographic realities, Latvia can better meet the needs of its changing population and enhance the overall quality of life of its citizens. This research contributes to a better understanding of the adaptation of housing policy adaptation in the context of significant demographic change.

Keywords: Latvia, demographic trends, social housing, ageing population, housing policy, urban planning, property reuse, adaptive housing.

INTRODUCTION

Latvia, like many European countries, is experiencing significant demographic changes that are transforming its housing needs and challenging existing social housing policies (Freimane, 2020; Petersons, 2019; Rupeika-Apoga et al., 2019; Treija & Bratuškins, 2019). This article examines these demographic trends and their implications for Latvia's housing sector, with a particular focus on social housing policy.

The Baltic nation has been facing a steady population decline since regaining independence in 1991 (Petersons, 2019). According to the Central Statistical Bureau of Latvia (2024), the country's population is projected to decrease from 1885 thousand in 2022 to 1257 thousand by 2070, a decrease of 628 thousand people. This dramatic change is driven by a combination of factors, including low birth rates, high emigration, and an ageing population. In 2023 alone, Latvia's population decreased by 11.1 thousand, or 0.6 %, bringing the total to 1.885 million (Central Statistical Bureau of Latvia, 2024).

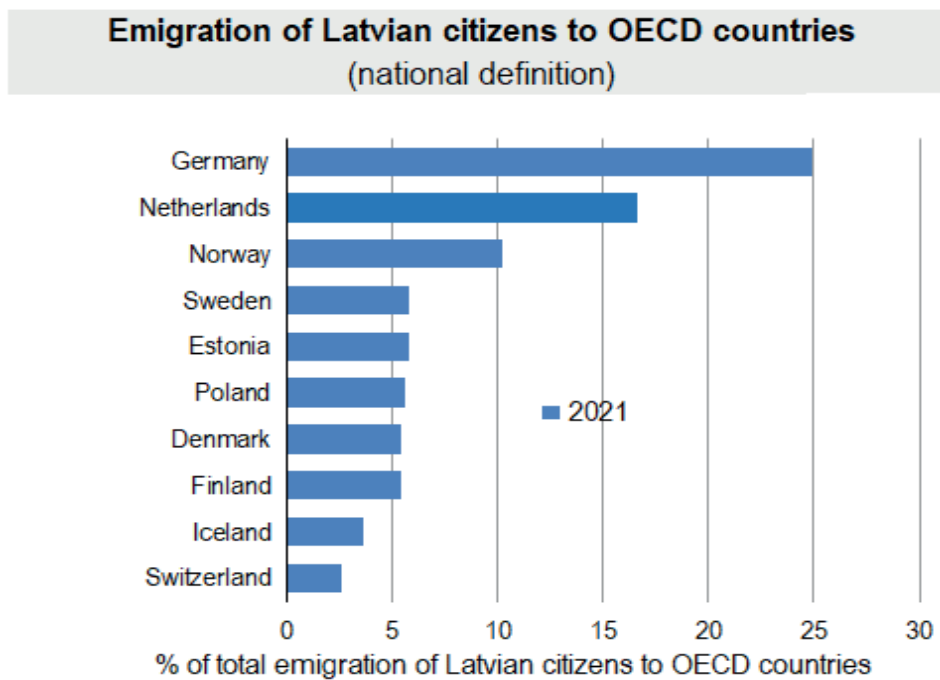


Fig. 1. Emigration of Latvian citizens to OECD countries (OECD, 2023).

Along with this overall population decline, Latvia is experiencing rapid ageing. The median age increased by 1.8 years from 2013 to 2023, reaching 44 years (LSM.lv, 2024). The proportion of very old (aged 80+) within the elderly population (65+) is also increasing, indicating significant ageing among the elderly themselves (Ministry of Welfare of Latvia, 2023).

These demographic shifts have profound effects on Latvia's housing needs. The growing number of single senior households, both in urban and rural areas, is creating demand for smaller, more accessible housing units (Rasnaca & Rezgale-Straidoma, 2019). At the same time, the high rate of homeownership resulting from the privatisation policies of the 1990s has left Latvia with a limited stock of public rental housing available for those in need (Treija & Bratuškis, 2019).

The purpose of this article is to analyse these demographic trends in detail, assess their impact on Latvia's evolving housing needs, and explore the implications for social housing policy. By understanding these dynamics, policymakers can better align housing strategies with the changing needs of Latvia's population, ensuring adequate and appropriate housing for all citizens.

The article is structured as follows. First, we present a comprehensive overview of Latvia's demographic trends, drawing on the latest statistical data. Next, we examine the current housing landscape in Latvia, including the characteristics of the housing stock, homeownership rates, and the state of social housing. Then we analyse the evolving housing needs that result from these demographic shifts. Based on this analysis, we propose policy recommendations to adapt Latvia's social housing strategy to meet these changing needs. Finally, we discuss potential challenges in implementing these recommendations and areas for further research.

1. RESEARCH METHODOLOGY

This study uses a quantitative approach, primarily using secondary data analysis and trend analysis to examine demographic trends and their implications for housing needs in Latvia. The research methodology is designed to provide a comprehensive understanding of the evolving demographic landscape and its impact on social housing policy.

Secondary data analysis forms the core of our research method. We collect and analyse data from reliable sources such as the Latvian Central Statistical Bureau, Eurostat, and other relevant national and international databases. Data include key demographic indicators such as population growth/decline, age structure, household composition, and migration patterns. Additionally, we gather data on housing stock characteristics, occupancy rates, homeownership trends, and social housing provision. The time frame for the data analysis spans from Latvia's independence in 1991 to the most recent available data, with projections extending to 2070 where available. This extended time frame allows for a thorough examination of long-term trends and their potential future trajectories.

Trend analysis is the second key component of our methodology. We analyse historical trends in the collected demographic and housing data collected to identify patterns, changes, and potential future developments. This includes examining the rate and nature of population decline, the pace of population ageing, changes in household structures, and changes in migration patterns. For housing trends, we focus on analysing changes in housing stock composition, homeownership rates, rental market dynamics, and the evolution of social housing provision. By projecting these trends forward, we aim to anticipate future housing needs and challenges. Throughout the analysis, we remain aware of the limitations inherent in long-term demographic projections and strive to present a balanced view that accounts for potential uncertainties in future trends.

2. RESULTS AND DISCUSSION

Our analysis of Latvia's demographic trends reveals significant shifts that are profoundly impacting housing needs and policy implications. The country is experiencing a persistent and substantial population decline, with projections indicating a decrease from 1 885 000 in 2022 to 1 257 000 in 2070, representing a 33.3 % reduction over 48 years. This decline is not merely a future prospect but an ongoing reality, as evidenced by the 0.6 % population decrease in 2023 alone.

Simultaneously, Latvia's population is rapidly ageing, with the median age reaching 44 years in 2023, an increase of 1.8 years over the past decade. More critically, the proportion of the population aged 50 and older is projected to increase from 38.6 % in 2012 to 45.6 % by 2030, accompanied by a corresponding decrease in the working-age population. These demographic shifts are reflected in changing household structures, with a clear trend towards smaller household sizes, particularly an increase in single-person households among the elderly, evident in both urban and rural areas.

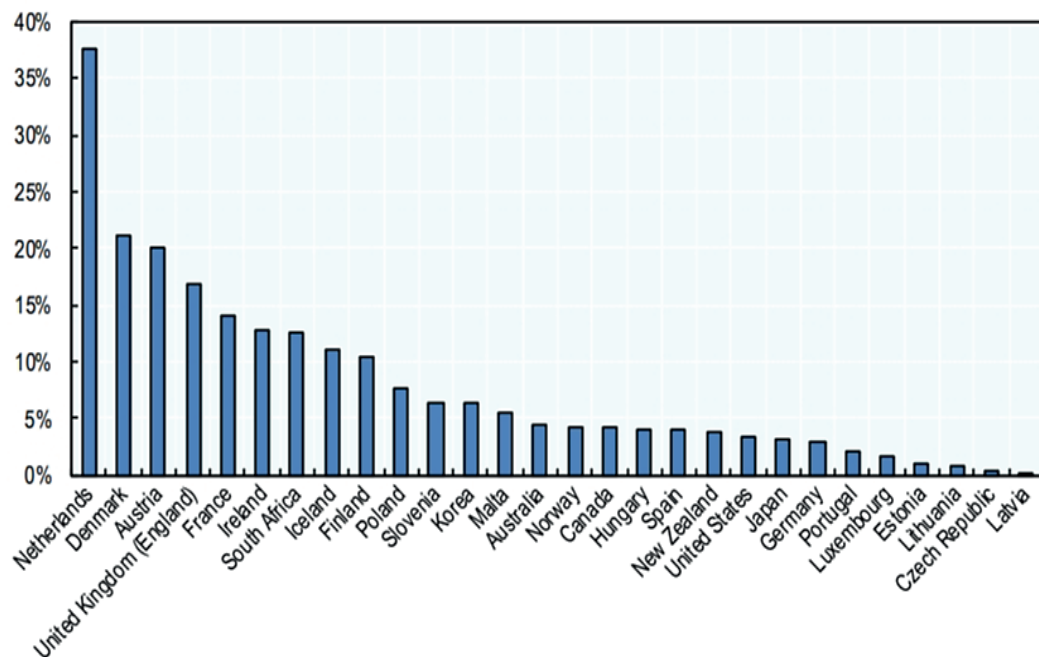


Fig. 2. Share of social housing among OECD Countries (OECD, 2023).

An examination of Latvia's current housing landscape reveals several key characteristics and challenges. The housing stock is dominated by Soviet-era housing estates, particularly in urban areas, presenting challenges in terms of energy efficiency, accessibility, and adaptability to current needs (Hess & Tammaru, 2019; Krišjāne et al., 2019). High homeownership rates, resulting from the privatisation policies of the 1990s, have led to a limited stock of public rental housing, potentially restricting options for vulnerable groups. The rental market is relatively underdeveloped compared to many Western European countries, potentially limiting housing flexibility and mobility (Krišjāne et al., 2019). Furthermore, Latvia has one of the lowest incidences of social housing in the EU, with limited provision mainly concentrated in larger cities, leaving many rural and vulnerable populations inadequately served.

The intersection of these demographic trends and the current housing landscape is creating new and evolving housing needs. There is a growing demand for smaller and more accessible housing units, driven by the increase in single-person households, particularly among the elderly. This trend contrasts sharply with the

predominance of larger apartments in the current housing stock. The ageing population requires a greater focus on accessible housing design, including features such as no-step entrances, wider doorways, and accessible bathrooms (Mulliner et al., 2020; Georgiev, 2020; Antipanova & Barysheva, 2020). Despite the overall decline in population, there remains a need for affordable housing options for young families and low-income groups, particularly in urban areas where job opportunities are concentrated. The dynamic nature of migration patterns also suggests the need for flexible housing solutions that can accommodate temporary residents or Latvian expatriates (Kerbler & Kolar, 2018).

These findings point to several critical implications for Latvia's social housing policy. There is a growing disconnect between the existing housing stock and evolving demographic needs, which calls for policy interventions focused on adapting existing properties and encouraging the development of smaller and more accessible units. The limited stock of social housing is under increasing pressure, necessitating policies aimed at not only increasing the quantity of social housing but also diversifying options to meet varied needs. Given the large stock of older properties, there is significant potential for adaptive reuse strategies, and policies should encourage the repurposing of existing buildings to meet current social housing needs. Policy approaches should be tailored to different urban and rural contexts, with urban areas potentially requiring new construction and densification, while rural areas may benefit more from renovation support and strategies to maintain essential services in depopulating regions. The trend of ageing populations also calls for closer integration of housing and care services, encouraging the development of housing models that incorporate care provision.

Although our findings point to clear policy directions, several challenges may impede implementation. The significant investment required for housing stock adaptation and expansion may face budgetary limitations, particularly given Latvia's demographic challenges and shrinking tax base. The long-term nature of demographic shifts may not align with short-term political cycles, potentially hampering the implementation of necessary long-term strategies. Policymakers will also need to balance the needs of different demographic groups, ensuring that efforts to address the needs of an ageing population do not come at the expense of other vulnerable groups.

In conclusion, Latvia's demographic trends are creating a complex and evolving set of housing needs that current policies and housing stock are not equipped to meet. Addressing these challenges will require a comprehensive long-term approach to social housing policy that emphasises flexibility, accessibility, and sustainability. Future research should focus on developing innovative financing mechanisms, exploring new models of intergenerational living, and assessing the potential of emerging technologies to support ageing in place. By aligning the housing policy with these demographic realities, Latvia can better meet the needs of its changing population and improve the overall quality of life of its citizens.

CONCLUSIONS

This study has examined the intricate relationship between Latvia's demographic trends and evolving housing needs, with a particular focus on the implications for social housing policy. Our analysis reveals a nation undergoing significant demographic transformation, characterised by persistent population decline, rapid ageing, and fundamental shifts in household structures. These demographic dynamics are creating unprecedented challenges for Latvia's housing sector, which remains largely defined by its Soviet-era legacy and the privatisation policies of the 1990s.

The mismatch between the existing housing stock and the emerging demographic realities is stark. Although Latvia's housing landscape is dominated by larger, often less accessible Soviet-era apartments, the growing number of smaller, elderly households calls for a different type of housing solution. This discrepancy underscores the urgent need for a comprehensive overhaul of Latvia's approach to housing, particularly in the realm of social housing policy.

Our findings highlight several critical areas for policy intervention. First, there is a pressing need to expand and diversify the social housing stock, with a focus on smaller, more accessible units that cater to an ageing population. Second, adaptive reuse strategies must be prioritized to repurpose existing buildings, particularly in areas experiencing depopulation. Third, policies must be tailored to address the divergent needs of urban and rural areas, recognising that solutions cannot be one-size-fits-all.

In addition, the integration of housing and care services emerges as a key consideration in light of the trend of the ageing population. Future housing models should incorporate elements of care provision, such as assisted living facilities and multigenerational housing concepts, to better serve the evolving needs of Latvian citizens.

However, implementing these changes will not be without challenges. Fiscal constraints, the need for long-term political commitment, and the complexity of balancing competing needs across different demographic groups all present significant hurdles. Overcoming these obstacles will require innovative financing mechanisms, cross-sector collaboration, and a sustained commitment to evidence-based policymaking.

In conclusion, Latvia is at a critical juncture where demographic realities are outpacing the adaptability of its housing sector. By aligning housing policy more closely with these demographic trends, Latvia has the opportunity to not only address immediate housing challenges but also to improve the overall quality of life for its citizens in the long term. This study contributes to the growing body of research on the adaptation of housing policy in the face of significant demographic change, offering insights that may be valuable not only for Latvia but for other nations facing similar demographic shifts.

Future research should focus on developing and evaluating innovative models of social housing that can adapt flexibly to changing demographic needs. Furthermore, exploring the potential of emerging technologies to support ageing in place and enhance the efficiency of housing stock management could yield valuable

insights. By continuing to deepen our understanding of these complex interactions between demographics and housing, we can work toward creating more resilient, inclusive, and sustainable housing solutions for the future.

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