

## How does the pandemic affect office workers' housing plans?

The Norwegian Euroconstruct representative, Prognosesenteret, has in cooperation with DNB conducted surveys to answer this question. DNB is Norway's largest financial services group and one of the largest in the Nordic region. We have named the surveys and the consequent reports "Future Office". The reports are not made public. Our main goal was to shed light on whether the possibility of working remotely is affecting Norwegian office workers' housing preferences and plans. The first survey was conducted in November 2020, a second one followed in May 2021 and the latest one was undertaken in November 2021. Each of the surveys has consisted of at least 1.000 Norwegian office workers.

Let's start off with some quick stats about Norwegians' mobility. According to Prognosesenteret's own statistics, 702.000 Norwegians moved to a new home within the country's borders in 2020. This is about 13 % of the total population (an increase of 0.8 % compared to 2019). This is just marginally higher than the population growth the same year. The majority do not like to move far, and in 2020 the median moving distances was 8 km. This is marginally shorter than in 2010. The highest share of relocations is still within the most urban areas, and very few households move from the most central or urban areas to the least central. Prognosesenteret defines centrality in a different way (based on smaller geographic areas than municipalities) than Statistics Norway does. In general, very few changes to Norwegian mobility or moving trends were witnessed in 2020 compared to earlier years.

Providing an international comparison, and according to OECD, mobility is highest in Australia and the United States, where more than 40 % of individuals move over a five-year-period. This is then followed by the Nordic countries. The figure is much lower in Southern and Eastern European countries, where less than 10 % of individuals move over a five-year-period.

Back to results from the "Future Office" survey. First of all, two-thirds of Norwegian office workers do not have any plans to move in the upcoming five years. However, the remaining one-third with such plans, differ from the rest when assessing if or how the possibility of working remotely has affected their housing preferences. Not surprisingly, we find the highest share with moving plans among the youngest office workers.

In general, we see no clear changes in housing preferences for office workers due to the pandemic and the subsequent increased use of remote working or home offices. About two-thirds of the respondents disagree that the opportunity of working remotely has led them to consider moving to (i) a larger dwelling, (ii) a cheaper area or (iii) a less central/urban area. One out of five are neutral, while around one in ten agree that it has affected their plans. The results have been quite consistent across the three surveys (from November 2020 through to November 2021). However, there are some differences when we dig down into different background variables.

The youngest office workers are more likely to respond that the increased use of remote working has affected their housing preferences. In particular, the need for more space and plans of moving to a cheaper area are more present in this group. In another recent survey where we asked young adults how the pandemic has affected them (a part of Prognosesenteret's concept "Future Living"), the majority confirmed that the pandemic has led them to reconsider their housing situation. This other survey was directed towards not only office workers, but all kinds of professions.

The effect of the pandemic on housing preferences or plans seems to diminish strongly with increasing age. What the net effect of these different preferences within the different age groups will be, is not unambiguous. In the past few years, almost all population growth in Norway has come from persons of retirement age. This trend will only intensify in the upcoming years. For young adults, however, the growth trend is reversed. On the flipside, the vast majority of moving activity in Norway comes from persons aged 25 to 35. The older you get, the less frequent you move. In the short run, the latter effect will perhaps dominate.

If office workers cannot work from their regular place of work, about two-thirds prefer to work from home. This is the most preferred option regardless of age, region, household size and employment sector (private or public). The two other alternatives, (i) co-working areas close to their home or (ii) a common residents' office in the building they live (for those who live in a housing association or co-ownership with common areas), are less preferred. Each of these two alternatives are preferred by 12 % of respondents, and for both we observe a slight decline in the share over the past year. 15 % of the office workers are not sure which alternative they prefer if they cannot work from their regular office.

Regarding how often Norwegian office workers worked from home before the pandemic, how often they do it currently and how often they want to work from home after the pandemic, we also do not see any major changes across these three surveys. One third say that they never want to work from home again after the pandemic, while the remaining two thirds want to work from home with some frequency even after the pandemic ends. The alternative "sometimes per month" is the most popular (27 % of the respondents). Only 7 % prefer the choice "working from home 4-5 days a week" once the pandemic is over.

The next survey will be conducted in the spring of 2022, and it will be interesting to see if the recent lockdown and the duration of the pandemic will affect future housing preferences more than it has done so far. Feel free to contact Prognose-senteret if you have questions about these surveys.



## CONTACT

Ms Nejra Macic  
Prognose-senteret AS  
[nm@prognosesenteret.no](mailto:nm@prognosesenteret.no)  
[www.prognosesenteret.no](http://www.prognosesenteret.no)