



Policy Snapshot

At Risk:

405,000 older women risk homelessness without urgent policy reform

- Housing for the Aged Action Group and Social Ventures Australia, August 2020





Overview

Older women have a right to appropriate and affordable housing as a foundation for their wellbeing, however they are the fastest growing cohort of people experiencing homelessness in Australia.¹ Older women's pathway to homelessness is a gendered issue and a consequence of long-term systemic issues.

Women retire with lower average superannuation balances than men as result of a range of structural social and economic factors including: the gender wage gap; time taken out of the workforce to care for children or other family members; female dominated industries being more likely to be low paid, casual and part-time; experiences of family violence; and, gender and age discrimination in the workforce.²

The problem is exacerbated by Australia's lack of appropriate and affordable housing, particularly for those on low incomes, which means that increasing numbers of older women are left with nowhere to go. This is an unfolding crisis that is only worsened by the economic, social and health impacts of COVID-19,³ which has highlighted the critical link between safe, secure and affordable housing and good health and wellbeing, particularly in older age.

While there have been estimates of the scale of this issue, until now there have been significant gaps in the available data and evidence. Researchers at the University of Adelaide have developed a new approach to provide a more specific estimate of the numbers of older women at risk of homelessness

¹ Australian Bureau of Statistics (ABS), *Census of Population and Housing, Estimating Homelessness: 2011 & 2016*.

² Senate Economics References Committee, 2016, 'A husband is not a retirement plan': Achieving economic security for women in retirement. Canberra.

³ Brotherhood of St Laurence and Nous Group, 2020, *Hidden in plain sight: The impact of the COVID-19 response on mature-age, low-income people in Australia*, Victoria.

in Australia and the social and economic factors that influence this risk (for the full research findings see: Understanding the population size and demographics of older women at risk of homelessness in Australia⁴).

Unfortunately, there is no one data set that captures all of the factors that influence low income/asset older women's risk of homelessness. This research utilises the Household Income and Labour Dynamics in Australia (HILDA) data which is collected annually from a sample survey of approximately 17,000 Australians. An econometric model of **At Risk of Homelessness (AtRisk)** has been generated analysing HILDA data post global financial crisis (GFC). This model incorporates the experiences of women aged 45 and over in housing tenures that include mortgage holders, private renters and renters of public housing.

Key findings

405,000 women aged 45 years and over are estimated as being at risk of homelessness.

This includes:

- 165,000 women aged 45-55 years; and,
- 240,000 women aged 55 years and over.⁵

A range of social and economic characteristics were considered. The following factors were found to increase the probability of women aged 45 years and above being at risk of homelessness:

- are not employed full time;
- are an immigrant from a non-English speaking country;
- are in a private rental;
- would have difficulty raising emergency funds⁶;
- identify as Aboriginal and/or Torres Strait Islander;
- are a lone person household;
- a lone parent (excluding those never married);
- have a low-level of social support; and,
- have previously met the criteria for being at risk of homelessness.

Each factor listed above on average places an older woman at risk. The presence of multiple factors amplifies the likelihood of risk. The risk for older women who live alone is estimated to eight to nine times higher than women in a dual person household.

Older single women in the private rental market face increased risks and are over twice as likely to be at risk compared to older single women who hold a mortgage. For women aged 55-64 in living private rental, the probability of being AtRisk is approximately 28 per cent. This number rises to over 85 per cent for women who are also not employed full-time and have experienced at least one prior occurrence of being AtRisk.

⁴ Faulkner, D. and Lester, L, 2020, *Understanding the population size and demographics of older women at risk of homelessness in Australia*, Centre for Housing, Urban and Regional Planning, The University of Adelaide.

⁵ Estimates are indicative for 2018 and should not be treated as a definitive "number" as in many cases they are based on small sub-samples.

⁶ Defined as the inability, or a high level of difficulty, to raise \$2000 within a one-week period for emergency purposes.

The type of employment women are engaged in plays a significant role, with women in part-time employment, experiencing unemployment or not currently in the labour force all likely to have elevated risk of homelessness.

The model indicates that, when controlling for multiple individual attributes, location appears to have no material influence on the probability of being at risk of homelessness. Based on HILDA survey data weighted for population levels, estimates show 110,000 women aged 45 and over at risk of homelessness in New South Wales, 120,000 in Victoria, 100,000 in Queensland, 20,000 in South Australia and 50,000 in Western Australia.

The issue

Most older women experiencing homelessness have not been homeless before and have experienced ‘conventional’ housing histories throughout their life. This means they often do not identify as being homeless or know where to turn for help. For this reason, the cohort of older women at risk of homelessness is often described as ‘invisible’.

We are at a critical juncture for housing and homelessness policy. There is an urgent need to remove the barriers stopping older women from accessing housing when intervention is simpler and less expensive, before they reach crisis point. Homelessness services will be overwhelmed by a rapidly growing group of people seeking support. A preventative approach avoids unnecessary stress being placed on an already stretched social housing system and ensures those with more complex needs continue to be supported.

Rising housing prices have increasingly placed pressure on people with low incomes, pensioners and people with little to no assets or superannuation. One of the assumptions on which Australia’s retirement system is based is that you own your own home. For many, this is no longer realistic. Many of these women have never experienced homelessness previously but the combination of job insecurity, low-retirement savings and assets and; living in a private rental, leaves them vulnerable to life shocks including separation and divorce, the loss of a job or a sudden illness.

During the COVID-19 crisis economic hardship will increase the risk factors of homelessness for older women and exacerbate longer term experiences of vulnerability – most notably through reduced retirement savings, increased barriers to workforce participation due to rising levels of unemployment and restrictions to activity due to isolation measures.

Marie's story

I was 55 years old when I first encountered housing stress. Prior to this I had been educated to College Diploma level, worked in positions of responsibility, raised my son, and owned houses in the UK and Australia.

Everything changed when I got burnt-out in my job and my relationship ended.

Then followed 3 years of temporary, insecure housing situations including house-sitting, informal "rentals", living with friends, staying with my son, and a spell in a caravan park. I made 18 moves and the toll on both my physical and mental health was huge.

When my husband and I separated, I had \$30,000 in superannuation. My share of our matrimonial home settlement was not enough for me to buy anything, so I put it into my superannuation. After I reached my preservation age, I set up an income account with my superannuation and have since been drawing on that. I am now 63 years old. I still have health issues and have not been able to sustain paid work or even volunteering for any length of time since this phase of my life began.

My psychologist suggested I might be eligible for National Rental Affordability Scheme (NRAS) housing. I hadn't heard of it, went online for information and applied online. My NRAS apartment is the first secure housing I've had during this time. However, with the NRAS license due to expire in July 2022 I am already considering my options to meet my future housing need. *Marie, Brisbane, Queensland, Age 63*



Urgent policy reform is required

Multiple changes are required to our housing, retirement and social service systems to mitigate the risk of lower income older women at risk of homelessness from becoming homelessness. If we act now we can reduce future social and economic costs and avoid additional pressure by placed on already stretched homelessness and crisis response services.

Recommendations for policy reform include:

Increasing the availability of affordable and appropriate housing for older women at risk of homelessness. This will be enabled through:

- Development of a coherent National Housing Strategy by the Federal Government to address the identified shortfall of 500,000 social and affordable rental homes, including the housing needs of older women on low incomes and with low levels of assets⁷;
- Investment from Federal, state and territory governments;
- A new tax incentive or direct subsidy to leverage capital from institutional investors, such as, superannuation funds;
- Extension of the National Rental Affordability Scheme (NRAS) beyond the current 10-year incentive period so that existing tenants do not face homelessness.

Investing in service systems to support older women before they reach crisis:

- Ensure older women who are not yet homeless, yet who lack appropriate housing, can access immediate temporary accommodation that enables them to shelter safely from COVID-19, pending safe, secure and affordable housing;
- Establish state-wide housing information and support services for low income/asset older people based on the proven Home at Last model that includes early intervention via community engagement to reach people before they hit a housing crisis point, housing information and warm referrals, and one-on one housing support for those in crisis;
- Approve and act on the Homelessness Action Plan developed by the Diversity sub-committee of the Aged Care Sector Committee, including increased investment in the Assistance with Care and Housing Program⁸

Addressing gender inequality in Australia:

- Implement the recommendations from the 2016 Senate Inquiry into Economic security for women in retirement which incorporate a broad range of tax, superannuation, workplace, housing and aged care policy reforms⁹;
- Apply gender analysis to policy making to identify and mitigate inequities and structural discriminations.

⁷ Refer Everybody's Home campaign <https://everybodyshome.com.au/>

⁸ <https://www.oldertenants.org.au/i-want-change/projects/aged-care-homelessness-action-plan>

⁹ Senate Economics References Committee, 2016, '*A husband is not a retirement plan*': Achieving economic security for women in retirement. Canberra.

Policy Solution Example 1: Home at Last - reaching older women before they hit a crisis point and providing those in crisis with housing support

Many older women who have experienced homelessness say they did not know where to turn to for help. They often feel a sense of shame. Housing, homelessness and aged care systems are difficult to navigate even for the most computer literate. For many it is their first time asking for help.

There is a need for tailored information for older women so they can plan for their housing future before they reach crisis point; and, direct housing support for those in crisis including assistance with housing applications, support during the move, establishing a new home and referrals into aged care and other supports.

The Housing for the Aged Action Group (HAAG) Home at Last program in Victoria provides support for older people to achieve better housing outcomes via the existing service system. Home at Last supports over 1,000 older people a year and houses on average 10-12 each month into long-term affordable housing. A majority of clients are older women.

Home at Last takes an early intervention and prevention approach to homelessness, which involves community and professional education to alert people to what places older people at risk of homelessness and identifying housing options and pathways to support. The service has a strong focus on reaching Cultural and Language Diverse (CALD) communities. A team of bilingual workers provides community education to groups of older people from non-English speaking backgrounds. They reach people at risk of homelessness by connecting with community leaders and via peer educators, who have a lived experience of homelessness.

HAAG recommends that information and housing support services for older people be established in all states and territories, based on the proven Home at Last model.



Policy Solution Example 2: Social Housing Fund - opening the door for institutional investment into social housing

Addressing the chronic shortfall in affordable and appropriate housing in Australia requires investment of significant magnitude. While government investment is essential to responding to this need, there is an opportunity to unlock significant capital from the funds managed by the superannuation industry.

Social impact investing provides one avenue for government to address the housing supply shortfall. As we are currently seeing in the Specialist Disability Accommodation market, the creation of appropriately structured subsidies has the potential to attract significant private investment into the creation of housing for cohorts in need.

Social Ventures Australia (SVA) has been leading the development of Australia's social impact investing market, including the creation of the Synergis Fund, a new disability housing investment fund that is targeting to raise \$600 million of funds over the next 5 years, with a long term ambition to scale the fund to over \$1 billion.

SVA believes that establishing an equivalent fund focused on social housing has the significant potential to address some of the challenges and tensions present within current policy and financial settings, an increase the availability of affordable housing at significant scale. Such investments could be particularly attractive to super funds, as they provide a stable long-term financial return, while also supporting better outcomes in retirement for their fund members.



Mary-Ann's story



I have a Bachelor of Arts degree. I have worked in a range of sectors, in support and program management roles. I have re-trained a couple of times, most recently completing a Certificate 3 in aged care. I have always expected to and have looked for opportunities to work. Most of my jobs have been low paid and I've had a few periods out of the workforce due to mental and physical ill health. I also had to deal with the sudden death of my partner.

The situation I found myself in crept up on me. It felt like there were compounding factors. I had started dipping into my savings and was otherwise living pay cheque to pay cheque. I moved houses five times. Then I was made redundant. My payout was not enough to cover my expenses for long and I soon found myself in rent arrears and ultimately unable to pay rent. It was only then I realised I needed help. Prior to that point I had always thought I would figure something out.

I contacted a number of service providers but had very limited response and no luck. I was floundering. I never pushed for support. I didn't want to seem ungrateful. A friend put me onto Housing for the Aged Action Group and things turned around from that point. I now live in community housing. I have a small amount of superannuation which I draw on annually to help pay for things such as my car registration. *Mary-Ann, Melbourne, Victoria, Age 58*



Further Information

The full version of this report is available online at oldertenants.org.au/at-risk-full-report



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