

# Learning from the Past, Looking into the Future

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We are currently seeing a spike in older women needing assistance with the affordability and security of their housing, homelessness and the costs of living. With the working conditions, women experienced years ago, lower wages, time off for raising children and no superannuation, it is easy to see why this crisis is happening for a generation of women today. We must learn from the past and put energy into planning for the future before it is too late.



Forty-three years ago, in 1975, when today's 65-year-olds were my age, the work environment was completely different. Until 1966, women employed in the Australian public service were faced with a choice that is difficult to comprehend today. Under the 'marriage bar,' they were required to give up their jobs once they married. Even in years after that, there were unwritten expectations to stay at home and raise children. The cost of housing today, means that there is little choice but for both parents to work, if they are to be able to afford to keep a roof over their heads.

Many women have been carers for children and older parents, and may have not worked in the paid workforce for their whole lives. It was only in 1992 that compulsory super was introduced, but even then, some women had lower income levels than their male counterparts.

Due to family crises such as divorce, separation, widowhood or domestic violence, some women are more likely to be living in housing that is unaffordable, insecure or experiencing homelessness, and women can be left with nothing; no home, no savings and no super. Given their age now, at 65 years of age many women would not have the capacity to earn additional income.

Older women living on low incomes who are living with housing stress or experience homeless do not always have complex needs and therefore will not be prioritised for social housing. We know that older women are marginalised in the private rental market and limited

good quality, safe, secure, long-term, affordable housing options create considerable instability for these women.

The *National Rental Affordability Index*<sup>1</sup> shows a severely unaffordable private rental market for single aged pensioners and Newstart recipients across Australia. Rising rents put even more pressure on retirees who are living on the Aged Pension and unfortunately, the Federal Budget 2018 offered them no respite. The number of older women renting in the private rental market is growing, at a time of increasing unaffordability in that market — from 91,549 women in the 2006 Census to 135,174 women in 2011.<sup>2</sup>

Three Commonwealth Social Security payments are currently inadequate for older single women to afford housing, including, Newstart, the Age Pension and Commonwealth Rent Assistance (CRA). Newstart has not been increased for over 20 years and the Age Pension level was set on the assumption that upon reaching retirement age, people would be living as couples and own their own homes. Neither scenario is correct for older single women reliant on Social Security.

Things are slowly changing. Women have more opportunities to work, and do not have to resign to raise children. We are slowly but surely working on the wage gap, and we all pay compulsory super contributions. But there are still existing challenges that need to be solved, and new challenges that need to be planned for to ensure no women are marginalised in the future.

Rent is at an all-time high, and home ownership is getting further out of reach. As a single young woman working full time in the community services sector, it will take me around five years to save enough for a 20 per cent deposit, according to an online banking calculator. The calculator does not account for house cost inflation and I would probably be left with no funds to furnish the house or eat if I do achieve a deposit, and as I am renting currently, there is already not much left over for savings.<sup>3,4</sup>

Alternatively, if I rented a house my whole life I will reach retirement, one day, possibly with no assets, and probably unable to afford aged care services if I need them. Imagine if Newstart does not increase for another 20 years, or if the Age Pension does not change? National Shelter has longed called for the development of a National Housing Strategy to ensure that

there is affordable housing available for all citizens, including older women, and that income support grows with the increased cost of living to meet housing costs into the future.

National Shelter<sup>5</sup> also calls for the Age Pension assets test to include more of the value of high priced homes and for the Pension Loans Scheme to be extended so people disqualified from the Age Pension by their assets can borrow income up to the rate of the Age Pension against the security of their home. Increasing Commonwealth Rent Assistance is also a critical part of planning.

Other groups have come together to ask for action on this issue. The Mercy Foundation has been leading a working group specifically looking at older women and housing, and their plan for change will outline seven key policy recommendations for Federal Government.

One of the actions is also the development of a National Housing and Homelessness Strategy that includes actions and measurable targets to create additional social and affordable permanent housing for women, and particularly for older women in each State and Territory.

We must act now for women experiencing housing affordability problems today as a result of a lack of planning in the past, and plan ahead for women in the future.

#### Endnotes

1. SGS Economics and Planning, National Shelter, Brotherhood of St Laurence, Community Sector Banking 2018, *National Rental Affordability Index*, SGS Economics and Planning Pty Ltd, Canberra, Australian Capital Territory, pp. 1-39.
2. Australian Bureau of Statistics 2016, *ABS staff sleep rough to highlight importance of Census homelessness count*, ABS, Canberra, Australian Capital Territory.
3. Realestate.com.au, 2018, *Median property price*, Adelaide, South Australia.
4. ANZ Bank 2018, *Deposit Calculator*, Adelaide, South Australia
5. National Shelter 2018, *National Shelter Policy Platform*, National Shelter, <<https://www.shelter.org.au/>>

