

Drivers of Economic Outcomes for Single Women without Children in Retirement

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*Women, especially single women, are much more likely than men to live in poverty in old age and have lower median superannuation balances than men. This is generally attributed to interrupted workforce participation and the gender pay gap. This article examines the effects of Australian policy settings on a subgroup of older single women: older single women without children. Little is known about this group, including to what extent gender inequalities persist when the motherhood penalty is removed. The study included: a review of relevant legislation; an analysis of Australia's *Housing and Labour Dynamics in Australia (HILDA)* Survey; qualitative research with an online community of 45 older single women and interviews with 10 financial services providers. Findings suggest that higher earning capacity did not translate into better financial security in old age, as being single resulted in lower household wealth, including home ownership. This group also experiences career interruptions associated with family care. This led to insecurity in later life.*

INTRODUCTION

Australia's population is ageing and women, especially single women, are much more likely to live in poverty in old age.¹ Older single women are the fastest growing group experiencing homelessness in Australia.² As a result, the factors contributing to their economic insecurity have become the subject of increasing research³ and growing advocacy and policy attention. The poorer economic outcomes for older single women are often attributed to the "motherhood penalty", a term used to describe the effects of having and rearing children on labour market participation and progression and earnings over the life-course.

However, roughly 16% of Australian women do not have children⁴ and this proportion is growing as patterns of family formation change. Australian projections suggest that roughly one in four women of reproductive age today will never have children.⁵ Little is known about older single women who *do not have children*, including their economic outcomes in later life. This article sets out to examine the economic circumstances of older single women without children (whom we call SWWC), the effects of the tax-transfer and superannuation systems, and whether gender inequalities in old age persist when the motherhood penalty is no longer relevant.⁶

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¹ Australian Human Rights Commission, "Accumulating Poverty? Women's Experiences of Inequality over the Lifecycle" (Issues Paper, September 2009);

² Australian Human Rights Commission, "Older Women's Risk of Homelessness: Background Paper Exploring a Growing Problem" (Background Paper, April 2019).

³ S Austen, R Sharp and H Hodgson, "Gender Impact Analysis and the Taxation of Retirement Savings in Australia" (2015) 30(4) *Australian Tax Forum* 763

⁴ T Koropecj-Cox and V Call, "Characteristics of Older Childless Persons and Parents" (2007) 28(10) *Journal of Family Issues* 1362.

⁵ Australian Bureau of Statistics, *Australian Social Trends, 2002*, Catalogue No 4102.0 (12 April 2006).

⁶ Here we mean that the interruptions associated with having children are removed. We do recognise, however, that the motherhood penalty can affect non-mothers in insidious ways, such as discrimination and stereotyping based on assumptions about women

In the article we define older SWWC as women who do not currently have a partner (but may have been partnered in the past) and who have never had children. We focus on SWWC who are aged 45 and above as that is the age range used by the Australian Bureau of Statistics to define “mature workers”.⁷ As the financial security of older SWWC is affected by the combination of their age, gender, not having a partner and not having children, the article focuses on the intersections of these axes of inequality in the production of financial (in)security in later life.

Drawing on a mixed method research design, the project⁸ asked the following questions:

- How are older SWWC faring in employment, superannuation, housing and aged care? How does this compare with other gender and relationship groups?
- What is the effect of public policies, including the tax-transfer and superannuation systems? How can they support SWWC to obtain financial security in later life?

A third question asked how financial services providers, including accountants, financial advisers, mortgage brokers and rental service providers can support SWWC to navigate these systems, but this component of the study is outside the focus of this article.

The project included four phases. The first phase was an analysis of the policy frameworks that have an impact on the financial security of older SWWC. The second stage was an analysis of Australia’s nationally-representative Household Income and Labour Dynamics in Australia (HILDA) Survey data to understand the economic circumstances of older SWWC. The third and fourth phases collected qualitative data, first through a three-day online forum of 45 older SWWC and then through interviews with 10 financial services providers. The focus of this article is on the qualitative data in the study.

Most of the data for this project was collected prior to the onset of the COVID-19 pandemic. However, early analysis on the impacts of the COVID-19 pandemic suggests that many of the challenges experienced by older SWWC are likely to have been exacerbated by it, making this cohort a more pressing subject of research and policy. The article identifies opportunities for policy to support older SWWC to achieve financial security in later life.

BACKGROUND: THE ECONOMIC CIRCUMSTANCES OF OLDER SINGLE WOMEN

There is now a substantial evidence base that finds that older single women are at higher risk of economic disadvantage than other groups in the community. Although labour market participation rates are increasing, the evidence set out in this section shows that older, single women continue to experience poor economic outcomes, and that this is likely to continue.

The number of women engaged in the labour market has increased over the past 50 years: in 1966, 41.4 % of women aged 45 were in employment, compared to 77.6 % in 2020. Women are also working longer, with significant increases in employment rates among women aged between 45 and 60.⁹ The majority of the increase has been in part-time employment, with analysis of the full-time employment rate showing 33.6% of women born between 1925 and 1945 working full time at age 45 compared to 43.2% of women born between 1965 and 1979.¹⁰ Labour market outcomes for people in part-time and casual work are uncertain, with a female underemployment rate of 7.9% in February 2022, 50% higher than the male underemployment rate.¹¹

being “of child bearing age” or “naturally maternal”, affecting opportunities for work or treatment in the workplace. See, for eg, S Charlesworth, “Working Mums: The Construction of Women Workers in the Banking Industry” (1999) 4(2) *Journal of Interdisciplinary Gender Studies* 12.

⁷ Australian Bureau of Statistics, *1301.0 – Year Book of Australia, 2005* (2005).

⁸ M Hamilton et al, *Security in Old Age for Older Single Women without Children*, Report (May 2021). We acknowledge CPA Australia for funding the original report through the Global Research Perspectives Program. Ethics approval UNSW HC 19036.

⁹ Australian Bureau of Statistics, *Changing Female Employment over Time* (18 March 2021) Chart 1.

¹⁰ *Ibid*, Chart 3.

¹¹ Australian Bureau of Statistics, *Labour Force, Australia Feb 2022* (17 March 2022).

However, increased labour market participation and earnings do not automatically translate to economic security in retirement, as this is largely related to accumulated wealth that can be drawn down in retirement. While falling, the gender pay gap is intractable, reflecting not only participation rates but lower pay rates in feminised industries and cultural norms in other sectors, and on average women (single and partnered) continue to have lower lifetime earnings than men.¹²

Being single is known to have a negative relationship to economic security. Data collected by HILDA over the period from 2001 to 2019 shows that the poverty rate for single older women is consistently higher than other family types,¹³ with single parents the only family type to consistently experience higher poverty rates after housing costs are taken into account.¹⁴ While it might be expected that being childless would be a protective factor, this seems to be less significant than being single.

The retirement system in Australia is regarded as having three pillars: the superannuation guarantee, voluntary savings and the age pension, although it is now widely acknowledged that housing is also of critical importance. Being single restricts the ability to accumulate wealth for retirement through superannuation, savings and home ownership is linked to lifetime earnings. The superannuation guarantee is based on earnings, but the ability to save or acquire property is largely determined by household income and expenditure, regardless of labour market participation rates. A person living alone does not benefit from economies of scale from sharing household expenditure.

Age represents the second negative factor in the analysis. Ageism continues to limit workforce participation,¹⁵ and according to data released by the Australian Parliamentary Budget Office, that showed that women aged over 45 are the fastest growing group of recipients of mean-tested unemployment benefits (called “Jobseeker”), and single women are likely to be overrepresented in these numbers.¹⁶

Despite increased participation in paid work, older women also experience increased levels of housing insecurity in later life. The rate of home ownership among older men and women is falling and more Australians are entering retirement with a mortgage.¹⁷ *Single older women* appear to be faring particularly poorly when it comes to housing security in later life. Australian research suggests that in 2010, older single women were less likely than older single men and older partnered people to own their home.¹⁸ Existing evidence also suggests a lack of affordable rental housing, particularly where the household is on a single income or in receipt of an income support payment.¹⁹ Australia’s recent Retirement Income Review found that more than 60% of single older renters are in income poverty compared to 16% of all retirees.²⁰ The poverty rate for single male and female homeowner retirees is similar, at 25% and 23%, but the poverty rate for single female renters is higher for women than for men: 63% and 59%.²¹ Housing insecurity among older women can also be precipitated by relationship

¹² R Cassells and A Duncan, *Gender Equity Insights 2021: Making It a Priority* (BCEC|WGEA Gender Equity Series, Issue No 6, March 2021).

¹³ Roger Wilkins et al, *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 19* (Melbourne Institute: Applied Economic & Social Research, The University of Melbourne, 2021) Figure 3.5.

¹⁴ Cassells and Duncan, above n 13, Figure 3.7.

¹⁵ AHRI, *Employing and Retaining Older Workers* (Australian Human Rights Commission, April 2021).

¹⁶ Parliamentary Budget Office, *JobSeeker Payment: Understanding Economic and Policy Trends Influencing Commonwealth Expenditure*, Report No 03/2020 (30 September 2020).

¹⁷ R Ong et al, *Mortgage Stress and Precarious Home Ownership: Implications for Older Australians*, AHURI Final Report No 319 (27 August 2019).

¹⁸ L McFerran, “It Could Be You: Female, Single, Older and Homeless” (2010) 23(10) *Parity* 15.

¹⁹ S Tually, A Beer and D Faulkner, *Too Big to Ignore: Future Issues for Australian Housing 2006-2025*, Report (September 2007), cited in Senate Economics References Committee, *A Husband Is Not a Retirement Plan*, Report (April 2016) 120.

²⁰ Treasury, *Retirement Income Review*, Final Report (20 November 2020) 139. Note: data is not disaggregated by Gender.

²¹ Treasury, n 22, 139, 142.

breakdown, including women who leave family violence.²² Single older women are the fastest growing group among Australia's homeless population.^{23, 24} The Australian Bureau of Statistics (ABS) has estimated that between 2021 and 2041 there will be an increase in female lone person households of between 18% and 42%, concentrated among older age groups.²⁵

Older SWWC experience an even greater disadvantage in housing insecurity in later life. There is an increasing trend in Australia in the percentage of older SWWC, from 2.2% in the early 2000s to 2.5% in the late 2010s. In Australia in 2010, older single women were less likely than older single men and older partnered people to have access to a "family safety net" that could provide them with secure housing, such as living with their adult children.²⁶ Over 65% of women over the age of 70 are cared for by a partner or adult children, but growing numbers of older women do not have a spouse or adult children that can support them if care needs arise. Women born between 1945 and 1964 are even more likely to be daughterless and single than women born before 1945,²⁷ and therefore to lack this important housing safety net.

Much of the economic disadvantage experienced by older women arises from lower lifetime earnings. A large contributor to this is the "motherhood penalty", or the reduced time spent in the labour market, and foregone opportunities for career progression associated with having and rearing children.²⁸ Mothers are more likely than fathers, and women without children, to take time out of the labour market while they care for young children, and where they do participate in employment, are more likely to work part time. Effective marginal tax rates create a workforce disincentive for the second earner in a two-income household as increased earnings of the second earner reduce family tax and childcare benefits. Modelling undertaken for the Retirement Income Review suggests that the working-life earnings pay gap for a woman with two children who has worked part-time until her younger child has turned five is 41.2%.²⁹ Women also take on a significant role in caring for family members with a disability, chronic illness or frailty due to old age, with considerable effects on their labour market participation, though this is less well understood than the effects of having children on labour market participation.³⁰ Women are also at an economic disadvantage due to the gender pay gap, currently around 13.4%,³¹ or their lower average full-time earnings than men. Australia's Workplace Gender Equality Agency data shows that the primary causes of the gender pay gap are interruptions to employment resulting from care of children and other family members (39%), gender discrimination (39%) and occupational segregation (17%).³²

The literature on the "motherhood penalty" suggests that SWWC should be at a relative advantage in the labour market, and consequently should need less support through transfer payments. Indeed, research comparing women with children and women without children without reference to relationship

²² Alana Piper and Ana Stevenson, *Gender Violence in Australia: Historical Perspectives* (Monash University Publishing, 2019).

²³ Australian Human Rights Commission, [above n 7](#); Senate Economics References Committee, [above n 21](#)

²⁴ Delete footnote.

²⁵ Australian Bureau of Statistics, *Household and Family Projections, Australia* (14 March 2019).

²⁶ McFerran, n 20.

²⁷ B Bradbury and L Craig, "The Changing Family Networks of Older Australians" (Presentation at the Longitudinal Data Conference, Canberra, 2016).

²⁸ Australian Human Rights Commission, "Investing in Care: Recognising and Valuing Those Who Care" (Research Report, January 2013).

²⁹ Treasury, n 22, 262, 514.

³⁰ Australian Human Rights Commission, n 30.

³¹ The GPG is calculated by the Workplace Gender Equality Agency as the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. It has varied between 19% and 13.4% over the last two decades. WGEA, *Australia's Gender Pay Gap Statistics 2021* <<https://www.wgea.gov.au/publications/australias-gender-pay-gap-statistics>>.

³² KPMG, "She's Price(d)less: The Economics of the Gender Pay Gap" (Summary Report, 22 August 2019).

status, suggests that women without children have better economic outcomes.³³ However, research on the intersection between relationship status and parental status is extremely limited. Being partnered can be a disadvantage for economic outcomes, as married women (with or without children) have lower rates of labour market participation than never partnered women.³⁴ However, married women (with or without children) are more likely to (co-)own their own home than single women.³⁵

Overwhelmingly, women have worse economic outcomes than men, regardless of their relationship and parenting status. While there is a small but mixed body of evidence on the impact of the intersections of relationship and parenting status on employment and housing, little is known about how these outcomes play out in the longer term, shaping the capacity of older SWWC to obtain security in later life.

METHOD

Policy Review

The first stage of the research was to undertake a scan of the relevant policies and a literature review to discern the effect of policies in respect of the tax-transfer system; retirement income; employment; housing and aged care. The review identified key areas in which public policy affects the intersection of gender, age, partnership and parenting status, and this was used to inform the design of the quantitative and qualitative phases of the study.

Analysis of HILDA

The HILDA Survey is a household-based panel study that collects data about economic and personal wellbeing, labour market dynamics and family life. It commenced in 2001, and this analysis included data up to 2018. The data for this project was drawn from a range of variables on labour market outcomes, income and wealth. In this study, an analysis was conducted of the data on HILDA participants aged 45 and over, based on three dimensions: gender, current partnership status and whether they had ever had a child. Specific comparisons were drawn where there was a single point of difference: single men without children (gender); single women who have had a child and currently partnered women without children. Using these three dimensions the following eight demographic groups were constructed for comparison:

	Gender	Currently Partnered	Have Ever Had a Child
1. Single women without children	Female	No	No
2. Single men without children	Male	No	No
3. Single women with children	Female	No	Yes
4. Single men with children	Male	No	Yes
5. Partnered women without children	Female	Yes	No
6. Partnered men without children	Male	Yes	No
7. Partnered women with children	Female	Yes	Yes
8. Partnered men with children	Male	Yes	Yes

The analysis was focused on comparing SWWC with the three other demographic groups where there was a single point of difference: gender; having ever had children; and currently being partnered: Lines 2, 3 and 5 above. The comparisons were controlled for education levels with the analysis showing that when they have the same education, SWWC aged 45–54 have significantly lower personal incomes than single men without children and single women with children (see [Table A1](#)). The details of this analysis

³³ Koropecj-Cox and Call, n 2.

³⁴ J Cwikel, H Gramotnev and C Lee, “Never-Married Childless Women in Australia: Health and Social Circumstances in Older Age” (2006) 62 *Social Sciences and Medicine* 1991; Koropecj-Cox and Call, n 2.

³⁵ G Wood et al, *The Implications of Loss of a Partner for Older Private Renter*, AHURI Final Report No 116 (14 May 2008); L Brown and J Li, “For Richer, for Poorer; Divorce in Australia” (AMP-NATSEM Income and Wealth Report Issue 39, December 2016).

are included at Appendix A, where results for the three highlighted comparison family types are shown, and in the original report³⁶ for all family types. This analysis was used to identify the areas to be explored in the qualitative phase of the study.

Online Community

Having identified the areas where the experiences of SWWC are different from other groups of Australians we used qualitative data analysis to explore the lived experience of older SWWC. In order to efficiently reach the target group, a private online discussion group – or “online community” – was established. Ethics approval was obtained from the University of New South Wales, in respect of the online community and stakeholder interviews.³⁷ The online community was set up and recruited by the recruitment company Stable Research, which drew on its national panel of over 100,000 people to provide a sample of 45 SWWC aged 45 years or above with diverse socio-economic circumstances and relationship histories. Participants were asked to log on between one and three times a day over a three-day period in October 2019 (pre-COVID) to respond to a series of questions. After they had posted their own responses, they could see responses from other participants and engage in online discussion. The process was facilitated by a team member, who could add prompts as themes emerged in the discussion. Participants could also communicate privately with the facilitator. This discussion was then analysed using NVivo. The analytical framework combined axial and open codes in order to allow analysis of the project’s research areas and the emergence of other themes.³⁸ These themes informed the questions in our stakeholder interviews, in the final stage.

Stakeholder Interviews

The final qualitative stage was a series of discussions with key stakeholders who provide advice to older SWWC: financial planners, accountants, and as housing emerged as an issue of concern in the online community, housing specialists. The areas that had emerged in the online community that were explored further with the stakeholders included employment, earnings and savings; housing; family care, financial capability, and the limitations of current policy settings.

FINDINGS

The financial security of this cohort is affected by the combination of their age, gender, not having a partner and not having children, and other factors. According to the policy review, while gender is not an explicit factor in the tax-transfer system, the intersection of gender with earnings, wealth, housing and care creates specific challenges for this cohort of women, particularly as they age. Our scan of the policy settings indicated that SWWC benefit from the individualised progressive taxation system as, unlike the second earner in a domestic partnership they do not experience the workforce disincentives associated with family and childcare benefits.

However, this is outweighed by the lack of a second income in the household. Much of the opportunity to build wealth arises through taxation incentives on capital investments, including negative gearing, capital gains tax concessions and accumulating retirement savings in superannuation, most of which require high household earnings and wealth in order to enjoy, and household wealth is higher in couple households than single households (see below). The value of transfer payments is adjusted for unpartnered people, however, the adjustment is insufficient to compensate for the economies of scale that couples experience in household spending. Transfer payments do take account of parental status, with additional benefits to low- and middle-income parents. Hence while policies and legislation are gender blind, there are indirect effects of policy settings that shape the financial wellbeing of this cohort.

³⁶ Hamilton et al, above n 10.

³⁷ UNSW Human Research Ethics Committee Application HC 19036.

³⁸ C Grbich, *Qualitative Research in Health: An Introduction* (Sage Publications, 1999).

EMPLOYMENT, INCOME AND SAVINGS

Our analysis of HILDA data suggests that gender, partnership status, parenthood and age combine in complex ways to produce economic outcomes for older SWWC. The analysis revealed that SWWC have longer working lives than mothers, but shorter working lives than partnered women without children and all groups of men. SWWC do experience career interruptions but these are more likely to be concentrated after the age of 50. Employed SWWC also report a decline in job security with age (see [Table A2](#)). The analysis of HILDA showed that, when education levels are taken into account, the gender pay gap narrows but persists between single women and men without children. It also revealed that not having children is associated with higher personal incomes than having children, with SWWC having higher personal incomes than mothers (partnered or single) (see [Table A1](#)).

However, the advantages of not having children are overshadowed by the disadvantages of being single. According to HILDA, while women without children do better than women with children when it comes to personal incomes, partnered people do better than single people on all other measures of income and wealth: equivalised household incomes, higher personal superannuation wealth and higher household net wealth. The only groups doing worse than SWWC on these measures are lone parents (see [Tables A3–A5](#)). Having a partner is also a protective factor when it comes to financial hardship, as single women aged 45–54 live in more disadvantaged regions than partnered women (see [Table A6](#)), and this extends to being unable to pay a utility bill on time or to ask for financial help from friends or family. Hence, while not having children increased the earnings potential of SWWC, this does not translate into better financial security in later life because being single limits their ability to rely on the economies of scale associated with partnership that also enable faster accumulation of superannuation and wealth.

The online community provided deeper insight into the patterns of employment, income and savings. All participants in the online community reported that not having children had increased their employment opportunities and accelerate career progression, as they could be more flexible in their career decisions and daily work patterns than women with children.³⁹ This allowed them to meet their employers' needs and participate in networking opportunities outside of working hours, both important contributors to career progression. They reported that being single and not having children was viewed by their employers as a positive attribute.

At the same time, many participants reported that employers sometimes expected more of them at work than they did of parents with children as they are perceived as “unencumbered” by childcare responsibilities, potentially leading to extra pressure by employers on their personal and non-work time, such as being asked to work when others had left to pick up their children, or being asked not to take leave during school holidays, which was reserved for parents. One participant put it like this:

I don't think being single affects my employment opportunities. But at times at work I feel like I have to step up more to cover staff who need time off for family reasons (eg attend a child's school assembly performance, doctor's appointments etc) but this is never an option for me. I feel as I don't have family responsibilities more is expected of me in my own time (On-Line Participant 28).

However, two-thirds of participants had experienced an extended involuntary career interruption for reasons not associated with having children. Personal illness was the most cited reason, but about one in four participants took a significant role in caring for other family members, and redundancy was a third reason. The impacts of these career interruptions were substantial as there was no second household income to cushion the financial shock. Consequently, job security was more important to most participants' sense of financial security than income.

The SWWC who participated in the online community also emphasised the pressure associated with being solely responsible for earning sufficient income to meet their needs. They frequently referenced their inability to access the financial benefits of being a couple, including pooled resources that provide

³⁹ Of the 45 participants, of which 42 were under the age of 65, 34 were employed. Thirteen of these were in part-time or casual employment.

economies of scale and extra disposable income that can be invested in housing, other investments, or topping up superannuation:

On a single income it's hard to save. Once you've paid you're mortgage and bills, there's not much left over (On-line Participant 1)

... the single tax. So, when you are a single income, you have to pay the entire power bill, the entire rates bill, the entire strata bill, for example. Your income doesn't quite go as far (Financial Stakeholder 1).

A second earner also provided a safety net during career interruptions. This anxiety over security of employment increased as women aged, as employment opportunities decreased. Our participants identified the value of having close kin for sharing financial capability and supporting financial resilience and financial decision-making. However, as many had only limited close kinship networks, they viewed this as an additional barrier to financial wellbeing.

Hence, while not having children increased the earnings potential of SWWC, this does not translate into better financial security in later life because being single limits their opportunities to accumulate superannuation and wealth. The effect is compounded as this restricts access to concessionally taxed capital gains and superannuation.

HOUSING

The analysis of HILDA revealed that the pattern in earnings and wealth was also reflected in housing, with SWWC having lower rates of home ownership than partnered people, but faring better than single women with children (see [Table A7](#)).

For the SWWC in the online community, and as observed by the financial stakeholders, challenges obtaining suitable housing were strongly associated with being single and these challenges worsened as women aged. SWWC homeowners in the online community felt more secure than renters in their financial outlook as they approached retirement and considered themselves fortunate. Despite this, they also experienced a sense of precarity in their housing arrangements because they were on one income. Managing mortgage repayments alone, in addition to the other costs of home ownership, limited their capacity to contribute to their superannuation. About one in five participants who were homeowners reported renting out a room of their house to a housemate or placing a room on Airbnb to help manage the costs.

Home loans are a particular challenge for SWWC. Some of our participants expressed their frustration at being unable to save a deposit and then qualify for a loan on a single income. The industry stakeholders also noted the difficulties for single women seeking mortgage finance. Perversely, these challenges have prevented some current homeowners in the cohort from refinancing in the current low interest rate environment. The barriers to securing a home loan intensify as SWWC age, permanently locking some renters out of the housing market. Few SWWC would be able to access the tax benefits of negative gearing to purchase property or other assets.

For older SWWC who were not homeowners, stable long-term rental accommodation is important to maintain financial security and wellbeing. Some online participants had found not having children an advantage in the housing market, as they had more flexibility, needed less space, and they thought that at times landlords regarded them as cleaner tenants. Conversely, being single could be a barrier to obtaining a rental property without the extra income and security of a second earner, and pets, often regarded as family for this cohort, presented a further barrier to finding appropriate rental accommodation:

It's always been a huge struggle, from both a physical and monetary perspective. The only times have I've been genuinely "secure" has been when I had housing I could easily afford. If you have no family to fall back on in hard times it's really difficult. (On-line Participant 8).

For both homeowners and renters, if they lost their job, the lack of a second (potential) earner or other means of financial support as a safety net to pay rent, mortgage and utilities could quickly cascade into

extreme housing precarity. These challenges gave many a sense of having limited housing choices available, even if they were employed.

In sum, the most significant factor in shaping housing opportunities was relationship status, as a single income presented challenges to buying into the housing market, moving sideways in the housing market, and navigating the rental market, creating anxiety and insecurity for this cohort of women.

FAMILY CARE

The analysis of HILDA found that SWWC aged 55–64 are much more likely than any other demographic group, regardless of partnered or parental status, to be caring for a relative who is not a child (see [Table A8](#)).

In our qualitative work, older SWWC with care responsibilities reported that this was because their families viewed them as “unencumbered” by childcare responsibilities and therefore freer and more flexible with their time. This was entwined with gendered norms about the provision of care in families. Consequently, there were familial obligations and expectations that they take on primary care responsibilities for ageing parents (and sometimes for other family members), often resulting in interruptions to their employment and earnings. Some also reported an assumption that the SWWC should be able to assist other family members financially as they are not supporting children. One participant described this expectation in the following way:

I did find though that because I was single and had part time work it was assumed (by many people, not just my brother) that I would be the main carer. Of course I wanted to – it was my mum, but my health and energy were not even considered. It was hard, but I wouldn’t have had it any other way (On-line Participant 6)

It is important to recognise that in most cases the women in our study were willing to accept this familial obligation. However, unlike caring for dependent children, there are few employment protections, and limited financial support available.⁴⁰ If the SWWC *resided* with the family member for whom they provided care, this sometimes resulted in further insecurity when the relative died or moved into care, as other family members regarded the home as a family asset that must be sold to share the proceeds or pay for aged care. The aged care means test exacerbates this, because when an older person moves into residential aged care, the house is included in the means test (and therefore must often be sold to pay a bond) unless the adult living with the older relative is a spouse or a recipient of an income support payment.

Not having children generated anxiety for the participants in our study when considering their own future care needs. About a third of the sample reported having chronic health conditions that affected their capacity to work, earn and save. While some participants received some support from parents and siblings, others were reliant on their own resources during periods of ill health. For most, living alone (or with roommates) during periods of ill health meant they had limited access to the day-to-day care and support they needed with recovery, treatment, transport and household tasks. Some reported that this prolonged their absence from work, with financial stress compounding the practical issues of receiving appropriate care and maintaining a household. Having a partner or adult children, they said, would relieve the burden of living with an illness and provide a financial cushion during periods of ill health.

Participants also expressed a strong fear about growing older and not knowing who would be there to support and care for them in the future. The aged care system relies heavily on informal family care, particularly when aging in the community but also when navigating aged care systems and advocating for the care recipient.⁴¹ Participants were concerned that without a spouse or children of their own, they lacked the necessary informal support to remain living at home in the community:

⁴⁰ The Carer Payment is paid at the same rate as the age pension for an eligible person. The Carer Allowance is \$131.90 pf (income tested) where the care recipient is over 16 years of age.

⁴¹ Royal Commission into Aged Care Quality and Safety, *Care, Dignity and Respect*, Final Report (March 2021) Vol 1, 237.

yes I do have concerns about having care needs met down the track. Hospital was wanting to discharge me a while back and I was terrified because I couldn't stand upright and knew my 80 year old mum wouldn't be able to get me to the loo and such. It was a very confronting time and I felt extremely vulnerable. I'm not sure what's going to happen if I deteriorate a lot prior to death (On-line Participant 15)

Participants discussed varied approaches to meeting these needs in the absence of immediate family including close relationships with nieces and nephews whom they hoped would provide support, or paying for private support. Some were concerned that when they were unable to continue living independently in the community they would be forced prematurely into residential care.

THE EFFECTS OF THE COVID-19 PANDEMIC

Most of the data used in this project was collected prior to the COVID-19 pandemic, therefore it does not shed light on the impacts of COVID-19 on this cohort of women. However, early analysis on the impacts of the COVID-19 pandemic suggests that many of the challenges experienced by older SWWC are likely to have been exacerbated by the pandemic. For example, women are more likely than men to have experienced volatility in the labour market during the pandemic,⁴² with female labour participation rates declining then recovering more quickly than male rates. This may be a result of the higher number of women working in casual and part-time jobs which tended to be lost, and then to recover, more quickly. In 2020 in response to the pandemic, the Australian Government introduced the JobKeeper payment, a wage subsidy paid to employers to retain workers who would otherwise have lost their jobs due to the pandemic, and this is likely to have provided a temporary boost to women working part-time who would normally earn less than the \$750 per week payment. However single women who lost jobs during the pandemic do not have the safety net of a second income to cushion the financial impacts and are likely to have experienced greater uncertainty as the fiscal supports were withdrawn.

In 2020, the Australian Government also introduced the Early Release of Super Program, which allowed Australians to withdraw up to \$20,000 from their superannuation during the 2019–2020 and 2020–2021 years. Data from some superannuation funds suggests that while more men used the scheme than women,⁴³ women who used it withdrew a higher proportion of their savings.⁴⁴ Younger people were more likely to access the scheme but SWWC who accessed the scheme did so at a time in their working lives when it will be more difficult to replace the withdrawn superannuation before exiting the labour market permanently, reducing the funds available to pay off mortgage debt or obtain secure accommodation.

Older single women are also highly vulnerable to housing stress. The combination of extra income support payments, a ban on evictions and opportunities for “holidays” from mortgage repayments have limited the impacts of COVID-19-generated financial shocks on housing. However, as these measures were wound back reports emerged of widespread housing stress and insecurity as renters in arrears were evicted, rents rose⁴⁵ and homeowners in financial hardship were forced to begin repayments again.⁴⁶ Older SWWC, already in precarious circumstances, are likely to have been affected by these major changes and disruptions to the supports that propped up the housing market in 2020 and 2021.

Finally, our research suggests that older SWWC are more likely than other groups to be providing care for an ageing parent or family member with a disability. Carers are reportedly experiencing greater

⁴² Australian Bureau of Statistics, *Labour Force Australia*, Catalogue No 6202.0 (April 2021); National Foundation for Australian Women, *Gender Lens on the Budget 2021-2022 – Fiscal Outlook* <<https://nfaw.org/wp-content/uploads/2021/05/Fiscal-outlook.pdf>>.

⁴³ ATO, *ATO, Early Release of Super* (2021) <https://www.ato.gov.au/uploadedFiles/Content/SPR/downloads/covid19_early_release_of_super_report_infographic.pdf>.

⁴⁴ HESTA, “Early Release Super Scheme Sees Younger Women Drain Super” (Media Release, 19 June 2020).

⁴⁵ Anglicare, *Rental Affordability Snapshot April 2021*, Report (April 2021).

⁴⁶ Roy Morgan, “‘Mortgage Stress’ Already a Danger for One-in-Five Mortgage Holders as ‘Loan Holidays’ Set to End Feb 2021” (Press Release, Finding No 8613, 9 February 2021).

pressures associated with their care responsibilities during the COVID-19 pandemic, such as exacerbated health vulnerabilities and care needs among their cared for relatives and greater barriers in accessing community-based services and respite care.⁴⁷

CONCLUSIONS AND IMPLICATIONS: INTERSECTIONAL INEQUALITY

This study suggests that four axes intersect to shape the financial security of older SWWC: gender, partnership status, parental status, and age. *Gender* shapes SWWC's income (through the gender pay gap) and consequently, access to housing and retirement income, and is also associated with propensity to assume unpaid care responsibilities. *Partnership status* determines SWWC's access to the safety net of a second income and economies of scale, leaving them with less surplus income to save, accumulating less wealth over their lifetime. Without a partner, SWWC lack support and informal care options are limited if they experience ill health. *Parental status* allows SWWC to remain attached to the workforce during the years that mothers reduce their workforce participation. However, this also increases the expectations of employers that they provide additional support in the workplace, increases familial expectations that they care for other family members, and reduces access to familial care when they need support as they age. *Age* reduces SWWC's opportunities for secure employment and income, and sees health and aged care needs increase.

The research identifies several areas of policy reform that could improve the financial security of the cohort in the areas of employment, housing, and care. Age and sex discrimination in workplaces shape SWWC's employment experiences and opportunities and should be addressed through improvements to anti-discrimination legislation, employer education, and wider structural changes to reduce the gender pay gap. Secure and stable employment is critical for older SWWC as they cannot rely on a second income to cushion the impacts of job loss, particularly as they age and employment opportunities become more limited.

Access to affordable housing is a major impediment to older SWWC's financial security, especially as they age, and measures should be introduced to develop more affordable and appropriate housing options for single women. Policy responses require the Government to proactively engage in developing housing options that meet the needs of older women (ie affordable housing, social housing, and co-housing). This includes direct investment in housing infrastructure; facilitating affordable housing providers to offer suitable products in the market; funding organisations that provide housing advice and services to older women; increasing the rate of an entitlement to Commonwealth Rent Assistance; and support for low-income homeowners who are at risk of falling behind on their mortgage.

The inability to build wealth also reduces the opportunities that SWWC have to access tax-effective investments. On a single income they have limited opportunities to access negatively-g geared investments and other tax shelters, while paying higher marginal tax rates. As they spend most of their earnings they will pay relatively more of their disposable income in GST; and the inability to save reduces the opportunity to invest in assets or superannuation, both of which are taxed preferentially relative to personal income tax.

Among the SWWC in this study, not having children created a greater imperative to care for ageing parents and other relatives and limited access to care when their own needs increased, creating a need for greater support for carers, and reform of the aged care system. For SWWC providing care for ageing parents and other relatives, greater access to formal care and respite services must be facilitated and new measures considered that mitigate the impacts of family care on employment, incomes, retirement incomes, and wellbeing. Carers should also be provided with similar leave and other protections to those parents hold under anti-discrimination and Fair Work legislation.⁴⁸ A person who has been a resident carer for a relative who enters residential aged care should be recognised as a protected person in the aged care means test. Finally, the aged care system requires reform to support older people without

⁴⁷ G Muir et al, *Caring during Coronavirus*, Report No M375/0720 (July 2020).

⁴⁸ Royal Commission into Aged Care Quality and Safety, n 43, 238.

family support to more easily navigate aged care services, particularly those provided in the community.⁴⁹

Although policy and legislation is gender blind, the intersections of age, gender, parental and relationship status places women at a greater risk of economic insecurity in later life. For these women, the safety net is currently not meeting their needs, leaving a cohort of older single women facing homelessness and poverty. SWWC need well-designed policy that takes into account the specific issues that they face.

APPENDIX A: HILDA ANALYSIS

This Appendix presents more detailed results underlying the HILDA modelling.

The HILDA survey is a longitudinal panel study currently covering the period 2001–2018. The sample is designed to provide a representative cross-section of the population in each year. Our focus is on how key outcomes for SWWC compare with outcomes for other demographic groups. We restrict attention to people who are aged 45 or older in the respective year of the survey.

We have calculated outcomes for eight demographic groups:

- (1) *Single women without children*. Women who are currently not partnered, and who have never had a child.
- (2) *Single men without children*. Men who are currently not partnered and who have never had a child.
- (3) *Single women with children*. Women who are currently not partnered, but who have had a child.
- (4) *Single men with children*. Men who are currently not partnered, but who have had a child.
- (5) *Partnered women without children*. Women who are currently partnered and who have never had a child.
- (6) *Partnered men without children*. Men who are currently partnered and who have never had a child.
- (7) *Partnered women with children*. Women who are currently partnered and who have had a child.
- (8) *Partnered men with children*. Men who are currently partnered and who have had a child.

In the groups where the person has had a child, the child is not necessarily still co-resident with them. Partnered status, however, is based on status at the time of observation.

Only results for groups 1, 2, 3 and 5 are discussed in the article and shown in the tables below (see Hamilton op cit for all comparisons). These comprise SWWC and the three groups that differ in only one demographic characteristic (gender, past parenting or current partnered status respectively).

The rationale for these comparisons is to provide a simple description of the association between demographic outcomes (gender, parenting and partnering) and a range of key economic and social outcomes. However, the educational levels for SWWC tend to be higher as shown in [Table A9](#). To take account of these educational differences we also present results controlling for education level.

Results are presented both for data pooled across the 18 years of the survey, and for the most recent year (2018 for most variables, 2014 for the wealth variables). All currency amounts are adjusted to 2017–2018 values using the CPI. We use the responding person cross-sectional weights for all estimates. Most people appear in more than one wave of the survey. Our tests for significant differences take account of this and the survey design features. (SAS proc surveyreg is used for all estimates.)

For each outcome variable, we calculated estimates from a number of different models comparing the situation of SWWC with people in the other demographic groups. These models varied in whether they control for the year of observation, the person's age or their education level. We present results here from our two preferred models (see the original report, Hamilton, op cit for alternative specifications). To enable comparison with the original report, we continue to denote these as model 4 and model 7.

⁴⁹ We note the inclusion of funding in the 2021–2022 Federal Budget tabled in May 2021 to provide respite services (\$134.9 million), dementia programs (\$113.1 million) and referrals to the Carer Gateway (\$103.4 million) to support carers.

Model 4 splits the sample into three age groups, and controls for year of observation in each. Model 7 also controls for education level (holding constant at below year 12 education level – hence the lower average values in the first column).

Both models are estimated using least squares regression (taking account of the survey design) and we present the predicted values from that regression for people with particular characteristics. For example, for model 7 we show the predicted value for people with less than year 12 education in 2018 (estimated separately for each age group).

All tables follow the same format. In [Table A2](#), for example, the value of 7.8 for model 4 is the predicted value of the job security index for SWWC aged 45–54 in 2018. Single men without children (family type 2) of the same age have a predicted value which is 0.4 lower, which is significantly different at the 10% level ($t = -1.7$). For each estimate we include t statistics in parentheses and indicate estimates significantly different from zero with * (10%) and ** (5%).

Table A1. Personal Income by Family Status (\$2017–2018)

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	53,016	–194	–1,266	3,579
			(–0.1)	(–0.6)	(1.3)
	55–64	46,130	–4,675	–4,834	1,627
			(–1.4)	(–1.8)*	(0.5)
	65+	38,993	–976	–6,216	–2,361
			(–0.3)	(–2.1)**	(–0.6)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	31,731	7,827	5,922	2,817
			(3.1)**	(3.2)**	(1.1)
	55–64	28,314	2,761	1,783	2,593
			(0.9)	(0.7)	(0.9)
	65+	30,133	3,364	–2,204	–1,156
			(1.0)	(–0.8)	(–0.3)

Table A2. Job Security Index (0–10) (for Those with Jobs)

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	7.8	–0.4	–0.2	–0.3
			(–1.7)*	(–1.1)	(–1.3)
	55–64	7.5	–0.0	–0.1	0.2
			(–0.0)	(–0.2)	(0.8)
	65+	8.6	–0.2	–0.4	0.2
			(–0.5)	(–0.9)	(0.3)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	7.9	–0.3	–0.2	–0.3
			(–1.6)	(–1.1)	(–1.3)
	55–64	7.6	0.0	–0.0	0.2
			(0.0)	(–0.2)	(0.8)
	65+	8.9	–0.4	–0.5	0.1
			(–1.0)	(–1.2)	(0.2)

Table A3. Equivalised Household Income by Family Status (\$2017–2018)

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	53,728	–516	–8,076	27,718
			(–0.2)	(–3.4)**	(8.4)**
	55–64	49,898	–3,163	–1,911	18,817
			(–0.9)	(–0.7)	(4.4)**
	65+	41,588	1,201	–2,083	6,923
			(0.3)	(–0.6)	(1.6)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	40,806	4,372	–3,686	27,202
			(1.9)*	(–1.8)*	(9.2)**
	55–64	35,580	2,560	3,225	19,557
			(0.8)	(1.2)	(5.1)**
	65+	32,898	4,943	1,766	8,019
			(1.2)	(0.6)	(2.1)**

Table A4. Personal Superannuation Wealth

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	261,395	–41,354	–121,502	199,024
			(–1.2)	(–4.3)**	(4.5)**
	55–64	339,741	–60,181	–134,827	224,552
			(–1.2)	(–2.9)**	(3.1)**
	65+	195,641	9,704	–17,214	253,442
			(0.3)	(–0.8)	(2.6)**
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	133,978	6,090	–81,814	189,061
			(0.2)	(–3.2)**	(4.5)**
	55–64	129,669	44,139	–45,141	257,531
			(0.9)	(–1.0)	(3.9)**
	65+	86,232	46,547	29,231	252,579
			(1.5)	(1.3)	(2.9)**

Table A5. Household Net Wealth

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	797,898	94,685	–187,880	686,190
			(1.0)	(–3.5)**	(7.3)**
	55–64	1105315	–206,352	–300,289	567,435
			(–1.6)	(–2.6)**	(3.1)**
	65+	911,867	86,510	–57,867	695,753
			(0.9)	(–1.1)	(3.5)**
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	428,416	232,477	–58,389	673,563
			(2.6)**	(–1.1)	(7.4)**
	55–64	601,821	30,083	–94,585	660,813
			(0.2)	(–0.8)	(3.9)**
	65+	591,216	174,737	72,938	674,266
			(1.7)*	(1.1)	(3.7)**

Table A6. SEIFA 2011 Advantage/Disadvantage Decile (10 = Highest Advantage)

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	5.4	–0.3	–0.4	1.1
			(–0.7)	(–1.3)	(3.0)**
	55–64	5.9	–0.9	–0.7	0.2
			(–2.2)**	(–2.5)**	(0.5)
	65+	5.4	–0.3	–0.4	0.2
			(–0.8)	(–1.5)	(0.5)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	3.9	0.2	0.0	1.0
			(0.5)	(0.0)	(2.6)**
	55–64	4.6	–0.5	–0.3	0.2
			(–1.3)	(–1.1)	(0.6)
	65+	4.6	–0.0	–0.1	0.3
			(–0.1)	(–0.4)	(0.6)

Table A7. Home Ownership – Both with and without Mortgage (%)

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	62%	–0.7%	–12%	18%
			(–0.1)	(–2.2)**	(3.1)**
	55–64	77%	–13%	–14%	9.0%
			(–2.0)**	(–3.1)**	(2.0)*
	65+	84%	–8.0%	–11%	7.4%
			(–1.5)	(–3.0)**	(1.6)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	53%	1.7%	–10%	18%
			(0.3)	(–1.8)*	(3.0)**
	55–64	71%	–12%	–13%	9.1%
			(–1.9)*	(–2.8)**	(2.0)**
	65+	81%	–7.4%	–9.9%	7.6%
			(–1.4)	(–2.6)**	(1.6)*

Table A8. Hours/Week Caring for a Disabled/Elderly Relative

		Mean for SWWC, and Difference from SWWC for Other Groups			
		Single Women without Children (1)	Single Men without Children (2)	Single Women with Children (3)	Partnered Women without Children (5)
4. Controlling for year, separately for each age group (2001–2018)	45–54	3.43	0.13	0.32	–1.37
			(0.1)	(0.4)	(–1.7)*
	55–64	11.33	–8.53	–5.38	–5.54
			(–2.4)**	(–1.4)	(–1.4)
	65+	4.12	–2.93	–2.52	1.03
			(–1.4)	(–1.2)	(0.4)
7. Controlling for year and education, separately for each age group (2001–2018)	45–54	4.61	–0.21	0.02	–1.37
			(–0.2)	(0.0)	(–1.6)
	55–64	12.80	–8.82	–5.70	–5.48
			(–2.5)**	(–1.5)	(–1.4)
	65+	4.31	–2.81	–2.56	1.04
			(–1.4)	(–1.2)	(0.4)

Table A9. Education Level by Age and Family Status

		Single Wome n withou t Childr en (1) (%)	Single Men withou t Childr en (2) (%)	Single Wome n with Childr en (3) (%)	Single Men with Childr en (4) (%)	Partne red Wome n withou t Childr en (5) (%)	Partne red Men withou t Childr en (6) (%)	Partne red Wome n with Childr en (7) (%)	Partne red Men with Childr en (8) (%)	All
45– 54	Postgrad – masters or doctorate	7.8	6.9	2.5	3.4	12.5	9.5	3.9	6.6	5.4
	Grad diploma, grad certificate	13.7	4.0	5.7	3.7	12.0	5.2	8.4	6.5	7.1
	Bachelor or honours	22.4	6.5	13.5	7.6	19.3	14.0	13.1	15.1	13.6
	Adv diploma, diploma	11.6	6.1	10.1	10.5	13.2	8.4	10.1	10.8	10.2
	Cert III or IV	12.5	25.7	22.9	33.8	10.1	29.4	16.7	33.1	24.6
	Year 12	10.6	17.5	11.8	9.5	13.1	15.3	13.5	7.2	11.1
	Below year 12 and undetermined	21.5	33.2	33.6	31.4	19.8	18.1	34.3	20.8	28.0
	All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
55– 64	Postgrad – masters or doctorate	9.4	2.0	2.2	4.1	8.5	7.3	2.7	6.3	4.5
	Grad diploma, grad certificate	10.4	4.1	5.9	3.1	12.2	5.0	6.3	5.8	6.0
	Bachelor or honours	17.7	7.4	9.5	6.2	16.2	13.4	8.9	12.3	10.5
	Adv diploma, diploma	15.2	7.6	8.0	8.6	7.1	6.7	9.6	11.7	10.1
	Cert III or IV	9.1	25.5	21.1	32.4	14.3	32.4	14.5	28.5	22.3
	Year 12	6.2	13.7	9.4	9.2	9.0	10.3	11.3	9.4	10.1
	Below year 12 and undetermined	32.0	39.7	44.0	36.4	32.8	24.9	46.7	26.0	36.6
	All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
65+	Postgrad – masters or doctorate	4.5	2.5	0.6	2.2	3.0	9.3	1.9	4.0	2.6
	Grad diploma, grad certificate	8.8	0.6	2.7	2.0	6.7	7.0	2.9	3.9	3.3
	Bachelor or honours	11.0	5.1	6.3	4.3	11.4	4.1	6.0	7.6	6.6
	Adv diploma, diploma	7.6	6.8	6.2	9.6	7.8	3.6	8.1	10.4	8.5
	Cert III or IV	4.0	23.9	7.9	31.0	7.7	31.8	8.9	27.2	17.4
	Year 12	9.0	3.8	6.4	9.0	6.3	4.6	8.5	7.6	7.6

[illegible]