

Private Rental in Later Life: The Growing Site of Housing Precarity for Older Single Women

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Housing insecurity among older people in Australia, risk of homelessness, and experiences of homelessness, continue to increase. In our recent research, *Ageing in a Housing Crisis: Older People's Housing Insecurity and Homelessness in Australia*,¹ we enumerated increasing housing precarity and homelessness experienced by people aged 55 years and over, across the housing system. We drew on Australian Bureau of Statistics 2021 Census of Population and Housing data and the most recent Homelessness Estimates² to conceptualise and enumerate the scale of the problem. Our research showed a tenure-wide housing precarity among older people, affecting homeowners with mortgages, renters — particularly older women — and people already experiencing homelessness.

Gender pay gaps, caring roles, longevity, gendered experiences of domestic and family violence, and other intersectional factors mean that older women experience housing insecurity differently and at different rates to men and older gender diverse people.³ We identified increased proportions of older women living in the private rental sector, which is a particularly vulnerable living arrangement when women live with very low and low incomes in an increasingly unaffordable rental market nationally. The most recent Anglicare rental affordability snapshot shows that less than 90 rentals across Australia, or 0.2 per cent of properties in rental market, were affordable for a person on the Aged Pension.⁴

In this article, we build on our earlier findings and examine the growing cohort of older, single women who

are renting privately, with a focus on rental housing affordability stress. We briefly examine the extent to which older single women can pay housing costs given fixed pensions and low-to-moderate incomes. We consider how current rates of housing stress among older single women compare with those from a decade earlier and examine where older single women who rent privately are located. We take a national population survey approach to estimate the scale of the private rental challenge for older women living alone, and reflect on system-wide solutions.

The Private Rental Sector is Home to a Growing Population of Older People Living Alone with Lower Incomes

The number of people (all genders) aged 55 years or over who are



Image courtesy of Older Women's Network NSW

living alone and renting privately in Australia has increased in the decade from 2009–10 to 2019–20. Population estimates based on the ABS Survey of Income and Housing (SIH)⁵ indicate that, in 2009–10, there were around 105,000 older, single persons living in privately rented dwellings with incomes in the lowest or second lowest national income quintile. Of these, 61 per cent (63,838) were living with very low incomes and 39 per cent (41,066) were living with low incomes. By 2019–20 these numbers had increased to a total of 136,600 older, single persons living with very low (n=88,527) or low incomes (n=48,076) in the Australian private rental sector. Both men and women are included in these growing numbers. In 2019–20, a total of 72,586 low or very low-income single male headed households and 64,018 single female headed households aged 55 years or over lived in privately rented dwellings. Data for non-binary and gender diverse older people are not currently available.

From Extremely Bad to Even Worse: The Private Rental Sector is Unaffordable for Older Women with Lower Incomes

A key indicator of housing security is housing affordability and, conversely, an indicator of housing insecurity is housing affordability stress and/or extreme stress. To examine the affordability of the private rental housing that growing numbers of single, older persons reside in, we examined Survey of Income and Housing data using a standard housing stress measure.⁶ ‘Lower income’ in this measure combines those with ‘very low income’ in the lowest national income quintile (Q1) with those in the next lowest national income quintile (Q2), comprising households living with incomes in the lowest 40 per cent of the national distribution. We calculated household income relative to rental costs, identifying those private rental tenants in the bottom 40 per cent of the national income distribution and paying less than 30 per cent of their gross income on rent, deemed by usual standards to be living affordably. Next, we identified those paying 31 to 39 per cent of income on rent

in this same income range and living in housing stress, and those paying 40 to 49 per cent of usual income and 50 per cent or more of income on rent and deemed to be in extreme housing stress by usual standards.

For older people living alone and with very low or low incomes, the private rental sector is unaffordable. For women aged 55 years and over living alone, 2019–20 SIH data estimates that only 7.1 per cent (n=2,727) of older single women living with incomes in the lowest 20 per cent of the national income distribution were paying affordable rent by usual standards. This is down from the already abysmal level of 10.9 per cent in 2009–10. For those with low, rather than ‘very low’, incomes living in the next lowest income quintile, only 14.8 per cent were paying affordable rent. This is considerably worse than the 2009–10 figure of 22.3 per cent. The remainder of single women living with very low or low incomes in the private rental sector in 2019–20 were living with varying degrees of housing stress. As the figure shows, a large section of this cohort of women (38 per cent) were paying rent that was between 40 to 49 per cent of their regular income, with a further 31 per cent paying 50 per cent or more of their income in rental costs. Previous research indicates that these forms of extreme housing stress result in significant forms of hardship including going without

heating/cooling, foregoing meals and doing without medicines and other essential items.⁷

The Incidence of Older Women Living with Lower Incomes in Private Rental Housing is Widespread in Metropolitan and Regional Areas, Nationally

Next, we considered the geography of where precariously housed older people live, using the Australian Bureau of Statistics (ABS) Remoteness Areas,⁸ which divide Australia into five classes of remoteness characterised by a measure of relative geographic access to services in 2011 and 2021. Our findings show that the proportion and number of older adults in lower-income homes rented from private landlords have increased across all types of geographic areas. The raw numbers of older women living with lower incomes and renting from private landlords was higher compared to older men in major cities and inner regional areas. The growth in low-income older women and men in homes rented from a private landlord was roughly similar in outer regional, remote, and very remote areas. The main takeaway finding is that private rental housing affordability stress is widespread geographically, with regional areas providing little relief from the high rental costs in metropolitan areas, which they may have once done for some.

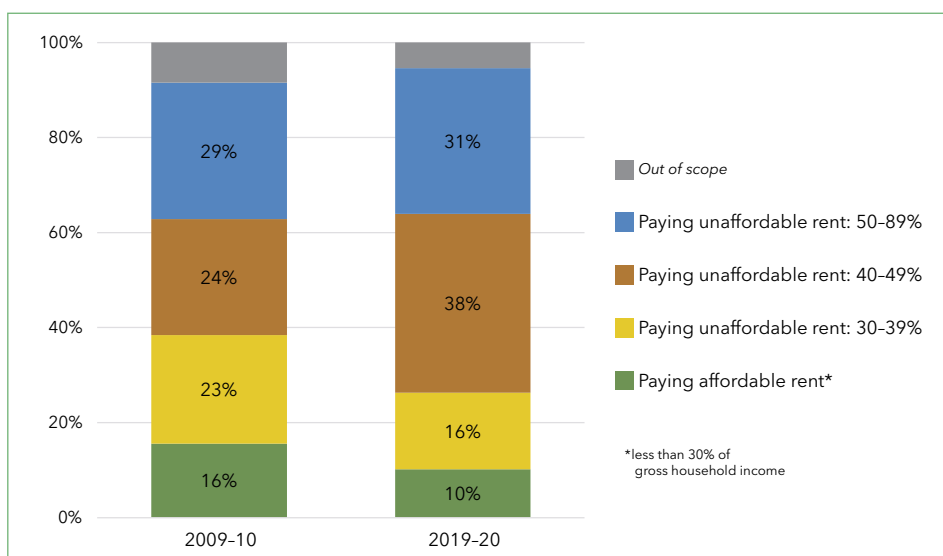


Figure 1. Women aged 55 years and over paying affordable, unaffordable or extremely unaffordable rent in the private rental sector 2009–10 to 2019–20

Source: ABS Survey of Income and Housing, Basic CURF, 2009–10 and 2019–20

Notes: *Paying affordable rent is defined as paying less than 30 per cent of gross household income on rent; ‘very low’ income is that which falls within the lowest quintile (20 per cent) of the national equalised disposable household income distribution and ‘low’ income is that which falls in the second lowest income quintile (21 to 40 per cent).



The Can Collector by Dorothy Lipmann

Insecure Private Rental Housing for Older Single Women is Likely to Worsen Without Direct Intervention

Pathways to living in insecure, unaffordable private rental housing among older single women include long-term renting experiences, previous home ownership, and an inability to access social housing or other housing options. Some women have experienced long-term housing struggles while others experience housing precarity for the first time in later life due to critical life events.^{9,10,11} For a large majority of older private renters, renting privately is not a choice.^{12,13} Insecure private rental housing can also be experienced as a pathway into homelessness.

Interventions to prevent older single women from experiencing unaffordable private rental housing in the first place, and/or to remain securely and affordably housed within private rental tenancies, are needed.

- Maintaining ownership: new housing assistance models to enable older single women living with low to moderate incomes in homes they own or are purchasing are needed to reduce pathways from home ownership to precarious private rental and/or homelessness.

- Housing older people well in social housing: Dedicated growth of social housing for older people is strongly indicated as necessary by the findings presented here. Safe, secure, affordable social housing enables people to live healthy, productive lives as they age.
- Improvements to private rental housing for older people: As increasing numbers of older people live in privately rented homes the private rental sector must become fit-for-purpose. Incentives to offer affordable secure private rental housing for older people (and people across all life stages) are urgently required.
- Finally, to understand the gendered experiences of housing precarity among older single women, men and gender diverse people, a gender lens is required. The new National Housing and Homelessness Plan must consider gender, and age, to quell the growth of insecure housing and homelessness in Australia.

Endnotes

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