

POLICY FUTURES

A Reform Agenda



By Victoria Cornell
Churchill Fellow 2019

The AV Jennings Churchill Fellowship to investigate alternative, affordable models of housing that could help older Australians to age-in-place – Denmark, Germany, Japan, Singapore, USA.

A culture shift towards better affordable housing policy and development options for older Australians

Modern older lives are diverse; however, older people are often homogenised as ‘those over 65 years’. Housing is a case in point, and ‘housing for older people’ is largely missing from housing policy discussions, despite the limited options currently available for older Australians who do not own their own home.

There has been a lack of investment in alternative affordable housing options, and while there are some niche housing models, they are not specifically tailored to older people, nor are they delivered at scale. There has been no transformation pursued in the modest output of new house building for older people, a point that nuances popular narratives of intergenerational conflict between young renters struggling to access home ownership and older, asset-rich home owners.

Declining rates of home ownership, carriage of mortgage debt into retirement, restricted access to shrinking stocks of social housing, and lack of housing affordability in the private rental market are having a particular impact on older people. Holistic tenure-agnostic policy development and housing reform – across designs, demographics, and desires – is urgently required.

Key Policy Recommendations

- 1** The National Housing and Homelessness Plan, and state and territory housing and homelessness strategies, incorporate explicit consideration of housing for older Australians and possible solutions to identified policy challenges.
- 2** Federal Government convene a Senior Officers Group by the end of 2024 to develop policy options for consideration by National Cabinet, ensuring federal and state governments work together to undertake significant tenancy reform.
- 3** Federal Government convene an industry roundtable by the end of 2024 to develop alternative housing models, working with the departments of health and aged care, treasury, and human services, alongside state and local governments.
- 4** Federal Government establish an innovative housing options fund by the first quarter of 2025 which provides grants to support partnerships between industry, local and state governments and gives housing and planning ministers, developers, and investors the power to deliver demonstration projects and pilots.

For further details, please contact:
Victoria Cornell
T: +61 (0)0434 654 939
E: vjcornell@yahoo.com.au



www.churchilltrust.com.au/policy-futures



Evidence base



In 2021, the population aged 65 years and above was projected to nearly triple to

6.66m by 2041

Australia's population is ageing and inequality is rising

Modern older lives are enormously diverse, across cultural background and outlook, health status, assets and income, geographical location, housing, and sexual orientation, just for starters. Old age is also when a lifetime of inequality, compounded and multiplied from life event to life event, can be in its starkest relief. Inequality might come, or increase, in later life, following adverse life events such as divorce, redundancy or failing health. Disadvantage relating to unemployment in one's 50s and 60s, not owning a home and having little or no super exacerbates this inequality.



Current trend

Home ownership at older ages is decreasing.

Home ownership is gradually decreasing among those approaching retirement, falling from 80% to 72% for those aged 50-54 since 1996.

OVER-65 HOME OWNERSHIP



Decline to 57% by 2056



Cost of inaction

In 2019-20, over 225,000 older people were living in very low (Q1) and low-income (Q2) households and paying unaffordable rents in the private rental sector.



paying an affordable rent of less than 30% of gross household income



living in households paying a severely unaffordable rent of 50% or more of gross household income



Making impact

In a limited option housing market dominated by high cost, new affordable and alternative provision for people as they age is badly needed in Australia. This will enable people to remain in, and continue contributing to, their local community, enhance wellbeing and help stave off social isolation.

14,000 PEOPLE

In 2021, there were over 14,000 people aged 55 years and above living in marginal housing



Overcrowded dwellings



Caravan parks