

A Home of One's Own

Philanthropic & social
sector solutions for
women's housing

Updated November 2024



**AUSTRALIANS
INVESTING IN
WOMEN**

Empowering giving for a fairer future

percapita
FIGHTING INEQUALITY IN AUSTRALIA

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Per Capita for Australians Investing In Women



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About Per Capita

Per Capita is an independent progressive think tank, dedicated to fighting inequality in Australia. We work to build a new vision for Australia based on fairness, shared prosperity, community and social justice.

Our research is rigorous, evidence-based and long-term in its outlook. We consider the national challenges of the next decade rather than the next election cycle. We ask original questions and offer fresh solutions, drawing on new thinking in social science, economics and public policy.

Our audience is the interested public, not just experts and policy makers. We engage all Australians who want to see rigorous thinking and evidence-based analysis applied to the issues facing our country's future.

About the author

Emma Dawson, Executive Director

Emma has worked as a researcher at Monash University and the University of Melbourne; in policy and public affairs for SBS and Telstra; and as a senior policy adviser in the Rudd and Gillard Governments.

She has published reports, articles and opinion pieces on a wide range of public policy issues. She is a regular contributor to Guardian Australia, The Age and Sydney Morning Herald, Independent Australia and The Australian Financial Review, and a frequent guest on various ABC and commercial radio programs nationally. She appears regularly as an expert witness before parliamentary inquiries and often speaks at public events and conferences in Australia and internationally.

Emma co-authored Per Capita's ground-breaking 2020 report, *Measure for Measure: Gender Inequality in Australia*, and is the co-editor, with Professor Janet McCalman, of the collection of essays ***What happens next? Reconstructing Australia after COVID-19***, published by Melbourne University Press in September 2020. She sits on the boards of social enterprise trust Household Connect and ANU think tank *Australia21*, and is a Fellow of the Women's Leadership Institute of Australia.

About Australians Investing In Women

Australians Investing in Women (AIIW) is a leading not-for-profit organisation that advocates for Gender-wise philanthropy.

Taking an evidence-based approach, AIIW works in partnership to help strengthen society and advance gender equality by increasing investment in women and girls.

AIIW works with Australians - including philanthropic, corporate and community leaders - to embed gender-wise practices in their giving programs, and connects funders to projects that benefit women and girls across a range of social issues, locally and globally.

About this research

This research forms part of AIIW's research agenda designed to highlight the experience of women and girls and ensure they are visible and accounted for in funding decisions. This new research report, 'A Home of One's Own', has been made possible by the generous support of the Bell Family Foundation and we thank them most sincerely. This crucial research will help ensure a gender-lens is considered and applied to housing affordability solutions in Australia.

Foreword

The research in this searing report, initially released in October 2022 and now updated with the latest data, clearly shows the face of homelessness in Australia is increasingly female.



It highlights how the escalating cost and lack of accessibility for rentals and homes across Australia is fast condemning many women, of all ages, to an insecure and poverty stricken future.

After decades of discussion about a looming housing crisis, the report (the third commissioned by AIW to examine the pandemic impact on women) is a timely reality check and reflects renewed attention to the issue.

We now know that women and children experience homelessness differently and solutions must be tailored to their needs.

Putting a gender lens on philanthropic and broader social investments to address homelessness and affordable housing can make a world of difference.

It can speed up Australia's slow progress to develop gender-based solutions by putting a new focus on the problem and developing the scale needed to come up with practical answers.

AIW is committed to bringing advocacy and investment together to drive the innovative solutions such

as the projects outlined in the report. And we believe delivering effective options is a critical way to drive and sustain improved gender equality for women, their children and the generations to come.

That's because a safe, affordable and accessible home is a major social determinant of health and socio-economic equity.

Applying a gender lens to the urgent need outlined in this report offers philanthropists a clear path to effective and sustainable gender equity action.

Since the initial launch of this report, AIW, in collaboration with the Melbourne Social Equity Institute (MSEI) at the University of Melbourne, has developed *Equitable Foundations: A Framework and Case Studies for Gender-wise Philanthropic Partnerships*, to support all stakeholders in this approach. By encouraging a gender-wise approach we aim to ensure that the rising rate of homelessness experienced by Australian women and their children becomes a thing of the past, and not of our collective future.

A handwritten signature in black ink that reads "Julie Reilly".

Julie Reilly OAM
CEO, Australians Investing In Women

Executive Summary

Australia is experiencing a housing crisis, and its impact is highly gendered.

Soaring rents across the country are leaving too many people with nowhere to live. In July 2024, the Australian Institute of Health and Welfare reported that 37% of low-income homeowners and 58% of low-income private renters are in housing stress, paying more than 30% of their income on housing¹.

A 2022 episode of the ABC's flagship current affairs program, 4Corners, showed the reality of the housing crisis facing people working in minimum wage jobs and those who rely in whole or in part on income support payments. In regional areas that previously provided affordable homes, rental properties were difficult to find. Young families were living in tents.

This report applies a gender lens to the housing crisis. It finds that women and children escaping family violence, single mothers and older single women are most at risk

of falling into homelessness due to a crisis in affordable housing that has been years in the making.

While census data suggests that homelessness is a bigger problem for men, we find that it is women who are at the forefront of this crisis. Women make up the majority of tenants in social housing and are by far the greatest users of Specialist Homelessness Services across the country.

Often finding themselves at risk of homelessness with children in tow, women manage the crisis differently to men, avoiding sleeping rough by staying temporarily with family and friends, accessing emergency shelter or, in desperate circumstances, sleeping in their cars. Their experience of homelessness and housing insecurity is thus largely hidden from statistics.

Family violence is the leading cause of homelessness in Australia; single mothers are the group most likely to experience significant and prolonged housing stress and single women over the age of 55 are the fastest growing group of homeless Australians. Per Capita predicts that, without meaningful intervention, the number of older homeless women will more than

double by 2031, to more than 15,000. Research conducted in 2020 found that 240,000 women aged 55 and over are at risk of homelessness.

Women's risk of homelessness is rooted in their lifetime experience of lower earnings due to interrupted careers, part-time work to accommodate caring and other domestic duties, and lower wages in sectors dominated by female workers, such as retail, hospitality and social care.

Social housing stocks have declined markedly over the past three decades, and now make up just 3 per cent of all residences, down from 6 per cent in the early 1990s. While state and federal governments have recently committed more funding to increase the social housing stocks, this alone won't solve the crisis.

Australia needs a big investment to create a lot more secure, affordable housing for low-income people, especially women. This requires the private sector, led by institutional and social impact investors, developers, and philanthropists, to step up to the challenge.

This report sets out that challenge and proposes some solutions.

1. Australian Institute of Health and Wellbeing, *Housing Affordability*.

Introduction

The risk of becoming homeless is unacceptably high for too many Australian women. Addressing housing insecurity before women reach crisis point and find themselves without a secure home is an urgent challenge requiring a collaborative, community-wide response.



The greatest cause of homelessness in Australia is domestic and family violence, which forces women and their children out of the family home, often with nowhere to go.

It has become an oft-repeated lament that the fastest growing group of homeless people in Australia are women aged over 55.

Single mothers with school aged children suffer significant housing stress and insecurity of tenure, often struggling to find suitable and safe accommodation in the private rental market.

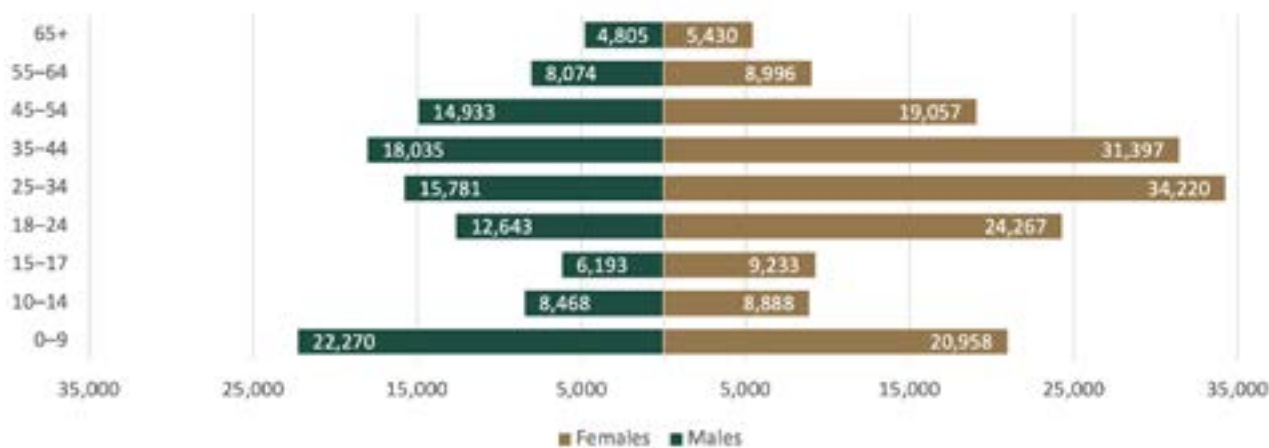
Housing insecurity and homelessness in Australia are gendered problems.

While census data from the Australian Bureau of Statistics consistently shows that more men than women are homeless, women's experience of homelessness is not adequately captured in this analysis, which records the residence of Australians on the one night the census is taken every five years.

This is partially because women experiencing or at risk of homelessness are more likely to mask their homelessness than men, who are more likely to sleep rough and therefore openly identify as homeless. Women are also more likely to remain in abusive relationships to maintain housing security.²

2. Liz Syngajewski et al., "Women Who Are Single and Homeless: Myths and Realities."

Figure 1
Specialist Homelessness Services Clients by Age and Sex
June 2023



Source: Australian Institute of Health and Welfare, Specialist Homelessness Services: monthly data, 25 August 2023

In fact, the latest data from the Australian Institute of Health and Welfare, from June 2023, shows that 59% of the 273,000 people who sought assistance from Specialist Homelessness Services (SHS) were female.³

Women without their own home are hidden by census statistics, as they manage their homelessness differently to men – they are less likely to ‘sleep rough’, often because they are accompanied by dependent children. Instead, they seek temporary shelter with family and friends, and are more likely to seek help from government and community services.

There are particular social and economic factors that contribute to women’s risk of homelessness. Older women, especially those who are divorced or widowed, women who live alone or with dependent children in private rental accommodation, women who are not in full time employment, and those fleeing family violence are most at risk. The risk is especially severe among Aboriginal and Torres Strait Islander women and those from first generation non-English speaking immigrant backgrounds.

Notably, women living alone are estimated to be *eight to nine times more at risk* than those living in a coupled household.

This risk can and must be alleviated, and the challenge cannot be met by government alone. Australia’s highly financialised housing market, in which property is treated as a means of wealth creation rather than a source of shelter, is a significant contributing factor to the housing crisis that has been building for decades, and which has now become acute across most Australian cities and regional centres.

Australia’s philanthropic and social purpose sector is substantially engaged in the issue of housing insecurity and homelessness, but investments in this critical issue so far have not reflected the gendered elements of the growing crisis.

This report sets out the facts and challenges of housing insecurity among women in Australia. It proposes intervention points for social purpose impact investors, institutional investors and philanthropists to use a gender lens to make a more meaningful and effective contribution to mitigating the risk of more women of falling into homelessness.

3. Note that those who recorded their sex as ‘other’ were combined with ‘female’ by the AIHW for “privacy and data quality reasons. The option to record sex as ‘other’ has only been offered since 2019.

The Housing Crisis in Australia

In March 2022, Per Capita published a landmark report detailing the significant and widespread failures of Australia's highly financialised housing market to provide secure homes for people. What follows is a summary of the findings of that report, entitled *Tackling a Wicked Problem: Housing Affordability in Australia*.



Since the 1990s, house prices have risen from 2.5 times annual household income to over six times today. Australian households are among the most indebted in the world, mainly due to rising mortgage commitments.

Social housing stocks are in decline, with waiting times extending to over five years in some areas, while the private rental market remains one of the least regulated in the world, lacking even a nationally agreed standard for a habitable dwelling.

Despite ongoing lip service to the notion of home ownership as the 'great Australian dream', the facts about Australia's housing market in the 21st Century are grim: home ownership rates are falling sharply, housing stress is increasing for both mortgagees and tenants, key workers on middle incomes are increasingly locked out of secure housing within a reasonable

commute of their jobs, and we are failing low and fixed income households in need of secure, subsidised shelter.

Over recent decades, the twin processes of financialisation and deregulation have dehumanised the housing market, turning homes into commodified assets. Government policies have encouraged those with the financial means to invest in residential property, with the promise of rapid returns that are subsidised by the taxpayer. Over the same period, the poorest members of society, often trapped in inappropriate private rental properties, have seen their housing costs increase year after year. Even many middle-class households, now, are unable to enter the housing market as first home buyers without inherited wealth, or what is becoming known as 'the bank of mum and dad'.

The Australian housing market arguably now serves only those with existing wealth and assets and their children. Younger people without family wealth, single older women, women and children fleeing family violence, immigrants from non-English speaking backgrounds and Aboriginal and Torres Strait Islander people are particularly ill-served by our commercial property market, and the failure of successive governments, both state and federal, to invest sufficiently in social housing or to encourage the private provision of alternative forums of secure tenure.

This is a significant social and economic problem, affecting not only those unable to access a secure home, but all of us. The poorly functioning housing market exacerbates a range of problems in ways costly to individuals, families, communities and the country at

large. Poor quality, insecure housing leads to degraded mental and physical health. Hot local property markets are driving people away from their jobs, reducing labour market efficiencies, and at the same time breaking up communities and families.

The growth of house prices well beyond the rate of household income growth is fuelling intergenerational inequality and destroying social mobility. Coupled with the crisis in rental availability, the means to secure a good home is increasingly out of reach for far too many Australians.

Per Capita's research for the V&F Housing Enterprise Foundation uncovered a multi-faceted crisis in the provision of good, secure homes for a growing number of Australian residents. The key findings of that research were as follows:

1. Home ownership rates in Australia are falling behind comparable OECD countries.
2. House prices have increased dramatically since the introduction of the Capital Gains Tax discount.
3. House prices are not adequately captured in Australia's cost of living indices such as the Consumer Price Index.
4. Australia is one of a small number of countries which has unrestricted negative gearing. Each of these countries has seen a stagnation or decline in home ownership.
5. Rent prices across Australia rose by almost 10 per cent over the 12 months to March 2022, with the cost of renting a house up by an average of 14 per cent and unit rent prices up by an average of 8.5 per cent.
6. Rental protections in Australia are among some of the weakest in the world, with no national definition of what constitutes a 'decent dwelling'.
7. The proportion of dwellings that are social housing has halved in two decades, to just 3 per cent. Social housing waiting times are frequently estimated to be 5-10 years.
8. Housing stress, including both mortgage and rental stress, has increased dramatically. Mortgage stress has doubled in five years, from 20 per cent to 40 per cent. More than half of low-income renters (54 per cent) are in rental stress.
9. House prices during and since COVID-19 have escalated dramatically, with average new mortgages increasing by 14 per cent in just six months in 2021.
10. The costs and benefits of current housing policies are unevenly distributed: the benefits of tax concessions flow to the wealthiest households, and housing stress is concentrated among lower-income households.

Since this research was released, rapid increases in interest rates have led to a dampening of house prices, but the reduction in property value is less than the reduction in the borrowing power of home buyers, due to prudential regulations that limit loan sizes based on current and projected interest rate rises, and the falling real incomes of working people due to inflation and wage growth suppression.

At the same time, the rental affordability and availability crisis we predicted in the report has already come to pass: the report of the Productivity Commission's Study of the National Housing and Homelessness Agreement (NHHA), released on 30 September 2022, described the private rental market as the "epicentre" of Australia's housing affordability crisis.⁴

Who is most at risk?

While the Productivity Commission's report, titled *In Need of Repair*, was an assessment of the NHHA and,

as such, focussed on recommendations for government funding and policy change, its findings about the current state of rental affordability for low-income households offer a sobering analysis of the failure of Australia's housing market to provide for those most at risk of homelessness: low-income households renting in the private market, especially those living alone, single parents and retirees relying on the age pension.

Per Capita's research for V&F found significant rates of housing stress among low-income households in the private rental market based on the latest data then available (see Figure 2).⁵

We found that single parents, retirees (the majority of 'couple only family' households), and those living alone or in group accommodation (share houses and supported living arrangements), and who were in the bottom two income quintiles, showed significant levels of housing stress, paying more than 30 per cent of their income on rent.

Table 1

Proportion of lower-income household income spent on rent by household composition, 2017-18

Household composition	Rental costs as a proportion of gross household income
Multiple family households	20.7
Couple family with non-dependent children	25.7
Couple family with dependent children	26.9
One parent family with dependent children	33.8
Couple only family	33.9
Group households	38.1
Lone person households	44.4
All households	31.9

Source: ABS 2019

4. Productivity Commission, *In Need of Repair: The National Housing and Homelessness Agreement, Study Report Overview*, September 2022.

5. Housing stress is defined by the so-called 40/30 Rule: households in the lowest 40 per cent of income who pay more than 30 per cent of their income on housing costs.

According to the Productivity Commission, the level of housing stress among low-income households has increased markedly since. It is worth quoting in full the Commission's findings about rental affordability in Australia for low-income households:

*House prices are often the focus of debates about housing affordability, but **rents are a better reflection of the true cost of housing**. Rents reflect how much it costs to have a place to live, whereas house prices capture both this value and the value of housing as a financial investment.*

About a quarter of Australians rent in the private market. *More Australians are renting, for more of their lives, than in the past. And renters tend to be younger and have lower incomes than the Australian population.*

*Affordability in Australia's private rental market, in aggregate, has been steady. The median proportion of income spent on rent has hovered around 25 per cent since 2000 and rents have largely tracked incomes (unlike property prices). However, some indicators suggest that the rental market has tightened since 2019/20 (the most recent year for comprehensive data). Rents dipped slightly at the beginning of the COVID-19 pandemic, but indexes of advertised rents suggest strong growth in rents and very low vacancy rates over the past year. **In June 2022, median advertised rents were 9.5 per cent higher than a year before, and the vacancy rate was 1.2 per cent (compared to 2.2 per cent a year before).***

The majority – 66 per cent – of private renters with low incomes spent over 30 per cent of their income on rent in 2019-20, while 20 per cent spent over half their income on rent.

Private renters who are unemployed, aged over 65 or sole parents tend to spend a larger proportion of their income on rent.⁶

(Emphases have been added by Per Capita.)

The Commission's finding that 66 per cent of low-income private renters are now officially in housing stress is a notable increase on Per Capita's findings based on 2018 data. This undoubtedly reflects the significant increase in rental costs since the economic shock caused by the COVID-19 pandemic.

Upon the release of *In Need of Repair*, Productivity Commissioner Romlie Mokak said "More support is needed for homelessness prevention and early intervention programs."⁷

When considering that challenge, it is critical to understand that it is this group – people who do not own their own home, have little prospect of buying a home and are ineligible for, or unable to access, social housing – with whom we are concerned. Our current public systems and safety nets are failing to provide solutions adequate to meet the growing crisis.

And, as we shall see, women are disproportionately represented among this cohort, due to complex and compounding social and economic disadvantage linked to their paid and unpaid work patterns over a lifetime.

The gender lens analysis that follows shows the scale of housing stress and the risk of homelessness for Australian women.

Per Capita notes that there are significant gaps in our understanding of the intersectional causes of homelessness risk for women due to a lack of disaggregated data. However, the evidence we do have shows that First Nations women are particularly at risk of homelessness and experience higher than average levels of family and domestic violence. Women with disabilities and those from non-English speaking backgrounds also have higher risks of homelessness, as do people of diverse gender identities.



6. Productivity Commission, Op Cit. P.4.

7. <https://www.theage.com.au/property/news/billions-spent-on-housing-affordability-are-making-it-worse-productivity-commission-20220929-p5blzj.html>

A Gender Lens on Housing and Homelessness Risk

As outlined in the introduction, there are particular social and economic forces at play within Australia's housing market and broader economy that exacerbate the risk of homelessness and housing insecurity for women. By applying a gender lens to the current state of the housing market, we can identify those forces and find suitable intervention points to alleviate their effects.



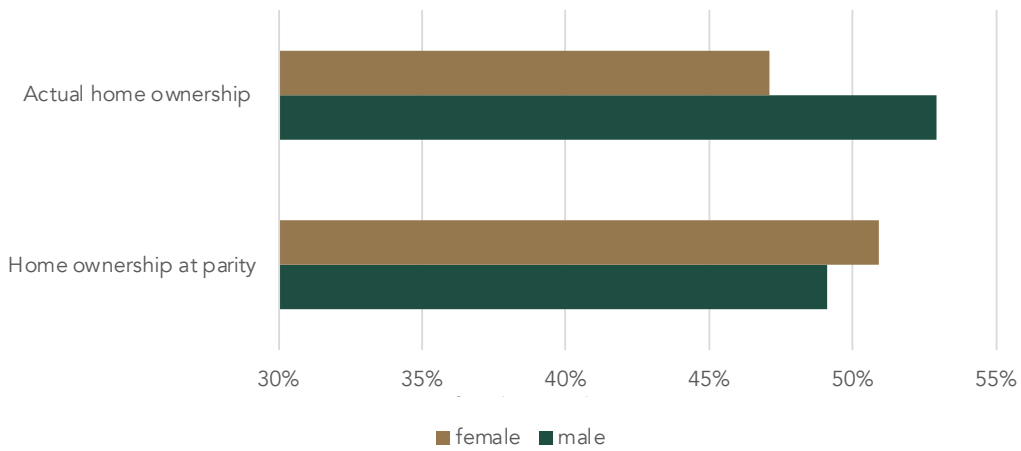
The risk of homelessness and housing insecurity is minimal for people who own or are buying their own home, so the rate of home ownership by gender is critical to understanding the greater risk for women.

Per Capita's previous research has established that home ownership rates are notably lower for women in Australia. 56.5 per cent of the nation's 4.8 million houses are owned by a single person. Of these 2.71 million exclusively owned properties, men own 52.9 per cent, while women own 47.1 per cent (see Figure 2).⁸

Yet men make up 49.1 per cent of the population, and women 50.9 per cent, so, under conditions of perfect gender equality, women would own 50.9 per cent of these properties, while men would own 49.1 per cent (see Figure 2). This means that women own over 100,000 fewer homes overall than they would in a gender-equal society.

8. Core Logic, 2021.

Figure 2
Home ownership by gender

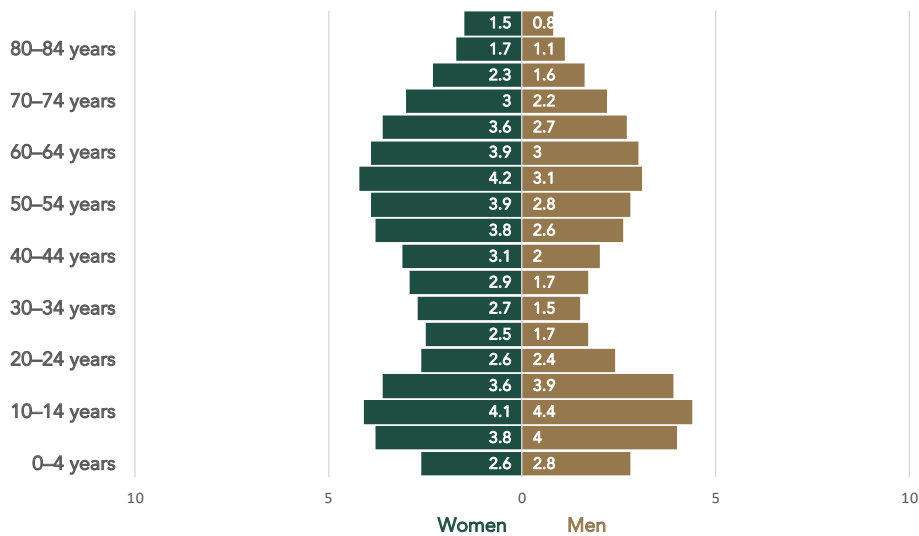


Source: Per Capita's calculations based on Core Logic 2021.

This may seem like a minor discrepancy between single homeowners, but it is indicative of the gendered nature of home ownership and housing security more broadly. It reflects the fact that women are at a significant economic and financial disadvantage compared to men, meaning they are less likely to enjoy secure housing throughout their lifetimes.

The latest data from the Australian Institute of Health and Welfare shows that women are more likely to live in social housing than men: in 2017-18, there were around 803,900 tenants in Australia's three main social housing programs (public housing, state owned and managed Indigenous housing (SOMIH) and community housing). Across these programs, 62 per cent of main tenants were women, and 55 per cent of households were comprised of single adults (see Figure 3).

Figure 3
Women and Men in Social Housing, 2018 - 2019



Source: AIFS, Housing Assistance in Australia 2019

The causes of women's greater risk of homelessness and housing insecurity are rooted in their lower earning capacity across their lifetimes. Women in Australia, as in many comparable developed nations, are more likely than men to live in low-income households, more likely to work part-time, and more likely to work in lower-paid, feminised industries such as social care, retail and hospitality.

While the official gender pay gap sits at around 14 per cent, the lifetime gender earning gap is closer to 33 per cent: that is, women earn a full third less than men over their lifetime, due to their lower earning power in the labour market, and a range of other complex factors including the demands of unpaid domestic work and care, the inflexible nature of our workplace structures, cultural and social discrimination and gender penalties applied through our tax and transfer system.

Women are also much more likely than men to be sole parents with dependent children, more likely to live alone in older age, more likely to depend on the full rate of the age pension in retirement, and vastly more likely to be the victims of family and domestic violence.⁹

These factors particularly contribute to women's disproportionate levels of housing insecurity and growing risk of homelessness in Australia. It is worth looking more closely at the circumstances of women in these key at-risk cohorts.

Women and children fleeing family violence

Family and domestic violence is the leading cause of homelessness in Australia, overwhelmingly affecting women. Despite official statistics showing more men than women are homeless on census night, experts and advocates believe that women make up almost 50 per cent of homeless people in Australia.

The latest statistics from the Australian Institute of Health and Welfare (AIHW) show that, in 2020-2021, 42 per cent of people seeking support from Specialist Homelessness Services (SHS) had experienced family and domestic violence, 77 per cent of whom were women. 27 per cent of these SHS clients identified as Indigenous, compared to a population proportion of just 4 per cent.¹⁰

AIHW data also shows that, of the 116,200 clients who experienced family and domestic violence and stated their living arrangement when first seeking SHS support, 46 per cent were living as a single parent with one or more children, 20 per cent lived alone, and 13 per cent were living with 'other family', which commonly means they were 'couch surfing', staying temporarily with relatives. Critically more than half of those seeking SHS support after fleeing family and domestic violence were returning clients.¹¹

As noted earlier, women's homelessness presents differently to that of men. They are less likely to 'sleep rough' on the streets, especially because they often have dependent children. Instead, they seek shelter with family or friends, and are more likely to seek SHS and other social and community support.

Still, a 2021 report by Equity Economics for advocacy organisation Everybody's Home found that, each year in Australia, 7,600 women a year return to live with violent partners, and 9,120 women become homeless after escaping violent homes, because they have nowhere else to go.¹²

In 2022, Anne Summers reported that 15 per cent of women who try to leave but end up returning to violent relationships did so because "they had no money or nowhere else to go. Returning to their violent partner seemed a better choice than being homeless or trying to subsist in poverty".¹³

9. See *Measure for Measure: Gender Equality in Australia, Per Capita*, March 2020 for a detailed analysis of the complex and compounding factors of disadvantage over the life course that lead to women's greater financial insecurity relative to men.

10. <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-who-have-experienced-family-and-domestic-violence>

11. Ibid.

12. Equity Economics, *Nowhere to Go*, July 2021.

13. Summers, Anne, *The Choice: Violence or Poverty*, UTS 2022.

Older Women

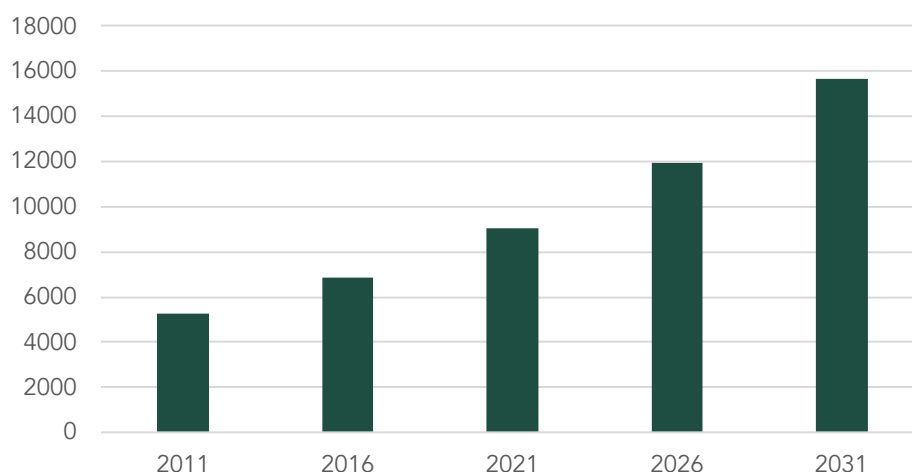
Older women – those aged 55 and over – are the fastest growing cohort of Australians at risk of homelessness, according to census data.

It is likely this trend will continue given the ongoing shortage of affordable housing and increasing rental crisis, our ageing population and the significant gap in wealth accumulation between men and women across their lifetimes.

Older women make up 19 per cent of public housing and 16 per cent of community housing tenants in Australia, while 45 per cent of older women who rent in the private market spend more than 30 per cent of their income on rental costs.

The experience of homelessness has become increasingly widespread among older women, growing by almost 40% between 2011 and 2021 to about 7,300 older women.¹⁴ Per Capita estimates that, if this trend continues, there will be over 15,000 homeless women over the age of 55 by the 2031 census (see Figure 4).

Figure 4
Projected increase in homeless women over 55 on current trends



Source: Per Capita calculation based on ABS Census data

Older women's risk of homelessness is a direct result of inequities in our social insurance and retirement income systems, and the fact that they are more likely to live alone than are men.

Given the structure of our superannuation scheme, and its inherent assumption of constant, full-time work with increasing rates of pay over the life course, the inevitable result of a lifetime of interrupted careers and lower paid work for women is that fewer of them can expect to enjoy a 'self-funded' retirement with an

income that provides a comfortable standard of living than can men.

In the years approaching retirement age, the gender superannuation gap can be anywhere between 22 percent and 35 percent. The median superannuation balance for men aged 60 - 64 years is \$204,107 whereas for women in the same age group it is \$146,900, a gap of 28 percent. For the pre-retirement years of 55-59, the gender gap is 33 percent and in the peak earning years of 45-49 the gender gap is 35 percent.¹⁵

14. https://humanrights.gov.au/sites/default/files/document/publication/ahrc_ow_homelessness2019.pdf

15. Addressing the gender superannuation gap - KPMG Australia (home.kpmg)



As a result, more than half a million single women in Australia - around a third of all women aged 65 and over - rely on the full age pension as their sole source of income. According to Dr Susan Feldman and Dr Harriet Radermacher, 34 per cent of single women over 60 in Australia live in permanent income poverty, compared to 27 per cent of single older men and 24 per cent of couples.¹⁶

A key determinant of this poverty is that single older women are more likely to live in an unaffordable private rental property. Single women who rent in the private market have high housing stress, often paying in excess of 45 per cent of their income on rent and are at acute risk of homelessness. In 2011, there were 135,494 women aged 55 and older in the private rental market, up from 91,549 in 2006.

Recent research by Per Capita found that:

The number of single older women experiencing housing stress has grown exponentially over the past ten years. Many women have never owned property, others are forced into private rental as a result of family breakdown and sole parenting, or family violence...¹⁷

The most recent report on the state of homelessness amongst older women was published by the Australian Human Rights Council in April 2019. The paper noted that, beyond the 6,866 women then known to be experiencing homelessness, "[a] further 5,820 older women were living in marginal housing and may be at risk of homelessness.¹⁸ Lester and Faulkner examined the number of households in the lowest 40 per cent of household incomes in housing stress to estimate that 240,000 women over 55 are at risk of homelessness.¹⁹

A 2018 report from the Australian Association of Gerontology shows that:

[t]he greatest increases between 2011 and 2016 for older women were for the ABS homelessness categories: supported accommodation for the homeless (70.4 per cent); improvised dwellings, tents, or sleeping out (50.5 per cent); and living in other crowded dwellings (46.9 per cent).²⁰

According to the AHRC, this means that "[older women's homelessness is often hidden from view... [because women] look to 'self-manage' their homelessness through strategies such as partnering up, moving between family and friends, and looking to take on jobs that provide housing".

Single Mothers

The most recent data from the ABS Labour Force Status of Families report, from October 2021, found that one in seven Australian families was headed by a single parent, of which 79.8 per cent were mothers.²¹

The Household, Income and Labour Dynamics in Australia (HILDA) Survey, which has followed 17,000 Australian families since 2001 and publishes an annual report of its results, consistently finds that "[i]n common with the findings for financial stress (and indeed for poverty), single-parent families have the highest rate of housing stress" of all household types included in the Survey.²²

The Council of Single Mothers and their Children (CSMC) released a national survey in 2019 which, consistent with the ABS data, found that one in eight Australian families was headed by a single mother. She had an average age of 41, and an average 1.83 children. 66 per cent of children in single mother families are under the age of 12.

16. Feldman, S and Radermacher, H: Time of Our Lives? Building opportunity and capacity for the economic and social participation of older Australian women, Lord Mayor's Charitable Foundation, Melbourne, 2016.

17. Jordan, M: Mutual Appreciation: a social innovation thinkpiece, Per Capita, Melbourne 2019. P 4.

18. Australian Human Rights Commission, Older Women's Risk of Homelessness: Background Paper 2019. P. 8.

19. Lester and Faulkner, "At Risk: Understanding the Population Size and Demographics of Older Women at Risk of Homelessness in Australia."

20. AAG, Older women who are experiencing or at risk of homelessness, 2016. P. 10.

21. ABS, *Labour Force Status of Families*, October 2021.

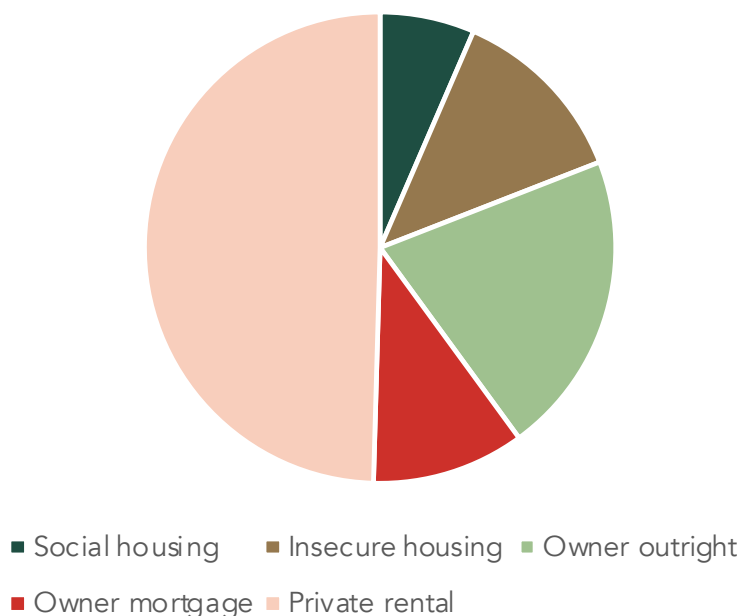
22. Wilkins, Roger and Inga Lass (2018): The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 16. Melbourne Institute: Applied Economic & Social Research, University of Melbourne.

Notably, 40 per cent of single mothers responding to the survey lived with a disability, and 41 per cent cared for a child with a disability. More than half - 53 per cent - had a gross annual income of less than \$40,000, despite 65 per cent of them being in paid employment. 43 per cent relied on government payments as their main source of income, and 44 per cent had no savings.

Unsurprisingly, 90 per cent of respondents were concerned about their long-term financial wellbeing.²³

The lack of secure housing has, according to CSMC, featured as a top three concern among single mothers for at least 15 years. The survey found that one in eight single mother families lived in insecure housing, and only 6.5 per cent were living in relatively secure and affordable social housing. Almost half of single mother families rent in the private market, where housing stress is particularly acute (see Figure 5).

Figure 5
Single mother households by housing tenure type, 2018 - 2019



Source: reproduced from CSMS, 2019.

The most recent Rental Affordability Index from SGS Economics, published in late 2023, found that a typical single parent, working part-time or casually and receiving a government parenting payment, with one child under five and an income of \$44,815 per annum experienced 'severely unaffordable' to 'extremely unaffordable' rental costs in all Australian metropolitan and regional areas, other than regional South Australia, which is Unaffordable. A single parent paying median rent would spend more than 49 per cent of their income

on housing in every capital city in Australia, and as much as 76 per cent of their income in Greater Sydney.²⁴

For the 35 per cent of single mothers not working – depending solely on government payments such as JobSeeker or the Disability Support Payment (DSP) – the situation is even more dire. Anglicare's Annual Rental Affordability Snapshot surveys 45,000 rental listings across the country to determine how many are affordable for households of different composition and income type.

23. CSMC, *One in Eight Families: Australian Single Mothers' Lives Revealed*, 2019.

24. SGS Economics and Planning, *Rental Affordability Index*, December 2023, Pp 21 - 22.

Its 2023 snapshot found that there were no properties listed that were affordable for single parents relying on income support – in fact, the proportion of rental properties that were affordable for single people on any income support payment, including the single rate of the age pension, was between 0 and 1 per cent.²⁵

Single parents receive a higher rate of income support until their youngest child turns 8, at which point that are shifted to the JobSeeker payment, which is just \$19,802 per annum. Even with additional payments such as Commonwealth Rent Assistance, parents on this level of income have no hope of securing a decent home for themselves and their children. In fact, of Australia’s total homeless population, more than a quarter are minors – and 17 per cent are children under the age of 12.²⁶

Single mothers prioritise finding secure homes for their children, often going without food or medicine themselves to ensure they keep a roof over their heads. They will also pay more of their income in rent to ensure their children can remain in the same local community and school following a relationship breakdown and separation, which is a leading cause of housing stress for children.

Indeed, the AIFS in 2018 found that “Forty one per cent of children who had moved house as a result of parental separation moved from a two-parent family that was not in housing affordability stress to a single

parent household where affordability stress was now an issue”, and that a third of children living in private rental accommodation were in households experiencing housing stress.²⁷

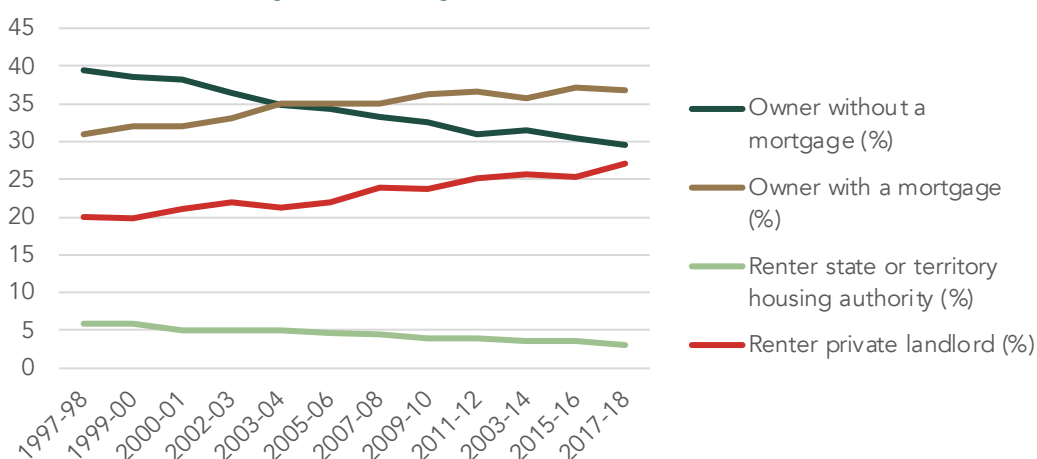
Future risks

The rate of home ownership in Australia is in decline and, on current trends, likely to lead to significantly more low and even middle-income families living in insecure private rental housing in the future. Given current government tax and regulatory settings, and the lack of investment in social and affordable housing over the past 30 years, we can expect the problems outlined in this report to become more acute in the years ahead.

Currently, there are 10.5 million homes in Australia. As of 2018 (the latest data available) around 37 per cent of Australians are owner-occupiers with a mortgage, around 29.5 per cent own their home outright, 27 per cent rent from a private landlord, and 3 per cent rent from state or territory housing.

Alarming, the number of outright homeowners shrank by a quarter in the 20 years between 1997-98 and 2017-18, from about 40 per cent of the population to 30 per cent. Meanwhile the number of private renters grew from 20 per cent to 27 per cent (see Figure 6).

Figure 6: Housing tenure, 1997-98 to 2017-18



Source: Australian Bureau of Statistics, *Housing Occupancy and Costs 2017-18*

25. Anglicare, Rental Affordability Snapshot, 2022.

26. ABS, Census, 2016.

27. AIFS, *Children growing up in families under housing stress*, October 2018.

These trends reflect significant changes in housing tenure over the last two decades: the proportion of people living in social housing has halved, people are renting for longer, either permanently or while saving for a mortgage deposit, and many others are simply locked out of home ownership altogether, particularly in capital cities.

Per Capita predicts that, without significant change to Australia’s housing market regulation and taxation policies, these trends will accelerate in coming decades. As we have established, renters in the private market are most at risk of homelessness and housing insecurity, and this is the fastest growing household type across the country.

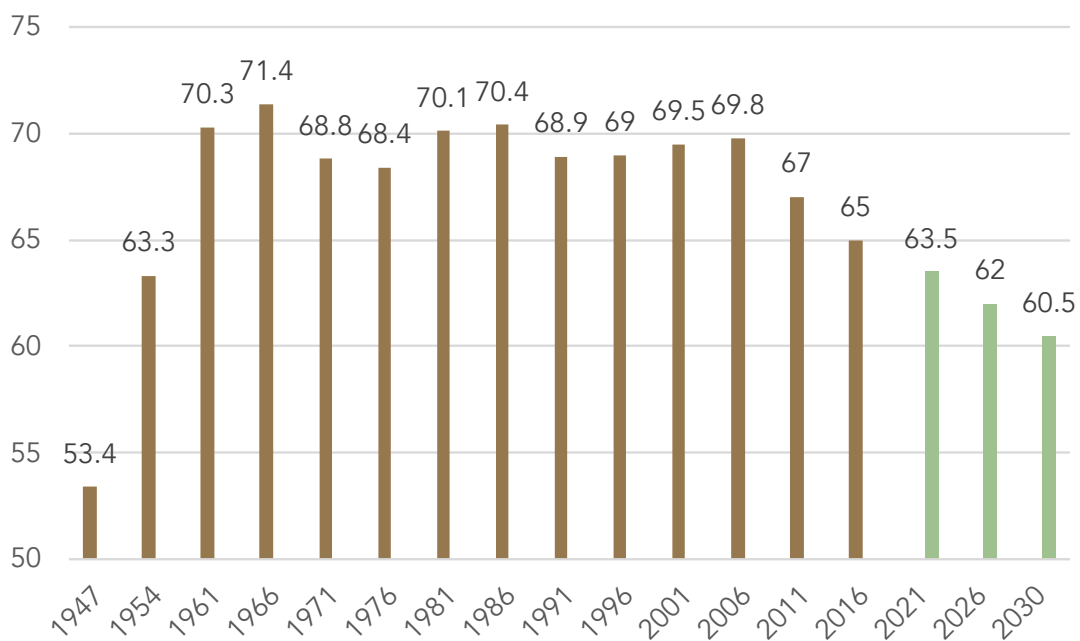
During the post-war years, government policy settings focussed on providing full employment for men and

promoting home ownership as a key pillar of Australia’s prosperity and growing middle class. By the 1960s, seven in ten Australian households were able to buy their own home, and the average worker was able to provide a stable and secure life for his family on a relatively modest income.

The rate of home ownership remained stable at around 70 per cent for four decades, until the early years of the 21st Century. Since then, though, the rate has dropped significantly, and in 2016, it was down to just 65 per cent.

Using the trend in home ownership between 2001 and 2016, Per Capita calculates that, on the current ten year trajectory, rates of home ownership will fall to 60.5 per cent by 2030, a drop of ten percentage points in a little over 50 years (see Figure 7).

Figure 7
Home ownership rates (percentage of population) projected to 2030



Source: Census data. Per Capita projections based on 2001-2016 trend

These trends augur badly for women who, as we have established, are more likely to live in private rental accommodation if they are single parents, single older women or fleeing family and domestic violence, especially with dependent children.

The recent economic shock of the COVID-19 pandemic, and government policy responses, have further imperilled women's future financial and housing security. For example, the Federal Government's Early Superannuation Release Scheme, which allowed people to withdraw up to \$10,000 from their superannuation savings twice in 2020 and 2021, had a disproportionate impact on women.

Per Capita estimates that a woman aged 45 with a median level of superannuation savings and who made one withdrawal at the maximum amount under the scheme will have a superannuation balance at retirement 19 per cent lower than if she had not made that withdrawal. This compares to a 15 per cent reduction in the superannuation balance at retirement

for a man who made the same \$10,000 withdrawal under the scheme. This is the effect of the reduced compound interest that will accrue on an already-lower level of savings for women.

Absent policy changes to make homes more affordable for people to buy, and to redress the imbalance in lifetime earnings and superannuation savings between women and men, we can expect to see the risk of housing insecurity and homelessness for women across key risk cohorts increase over coming decades.

Even if such policy changes were implemented, and house prices were to moderate and home ownership levels begin to recover, there would remain significant numbers of women, and their children, at risk of housing insecurity and homelessness in Australia for years and decades to come. Measures to provide secure, safe and stable homes for women are urgently needed across the country, and private investors and the philanthropic sector can play a meaningful role in meeting this need.



Low income renters in crisis

Per Capita's research has found that the costs of housing have risen most over the last three decades for the people with the least capacity to afford it.

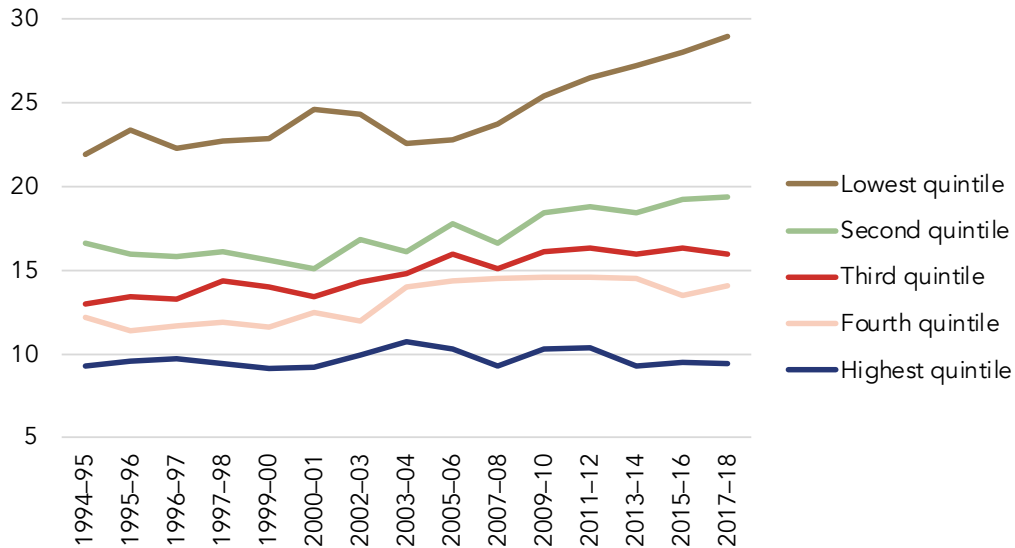


Figure 8 shows the proportion of income being spent on housing of all kinds – mortgages, rent in social housing and rent in the private market.

In the years between 1994 and 2018, the overall cost of housing has remained stable for the top 20 per cent of income earners. The middle 60 per cent of earners all saw housing costs increase as a proportion of household income by roughly 2 - 3 per cent.

But for the poorest 20 per cent, the cost of housing has increased dramatically since the turn of the century. The current rate of 29 per cent of household income going to housing costs, up from 22 per cent in 25 years, puts the average household in the bottom 20 per cent of earners into housing stress.

Figure 8
Housing costs as a percentage of disposable household income



Source: ABS, 41300, Table 1, Housing Occupancy and Costs, Australia, 2017-18

There are multiple reasons behind this sorry development.

People in public housing – that owned and operated by state and territory governments – saw their real rental costs increase by \$46 per week – a 42 per cent increase in housing costs between 2000 and 2018.

At the same time, the share of low-income households in social housing – including public housing and community housing owned and managed by non-profit organisations – has declined markedly, meaning many people who would previously have qualified for social housing have been forced into the more expensive private rental market.

The increase in private rental costs between 2000 and 2018 was 60 per cent and, whereas in 1996 just 52 per cent of low-income households rented from private landlords, by 2018 this figure was 71 per cent. The loss of secure, rent-controlled social housing for a fifth of low-income households since the turn of the century means that a greater proportion are in rental stress.

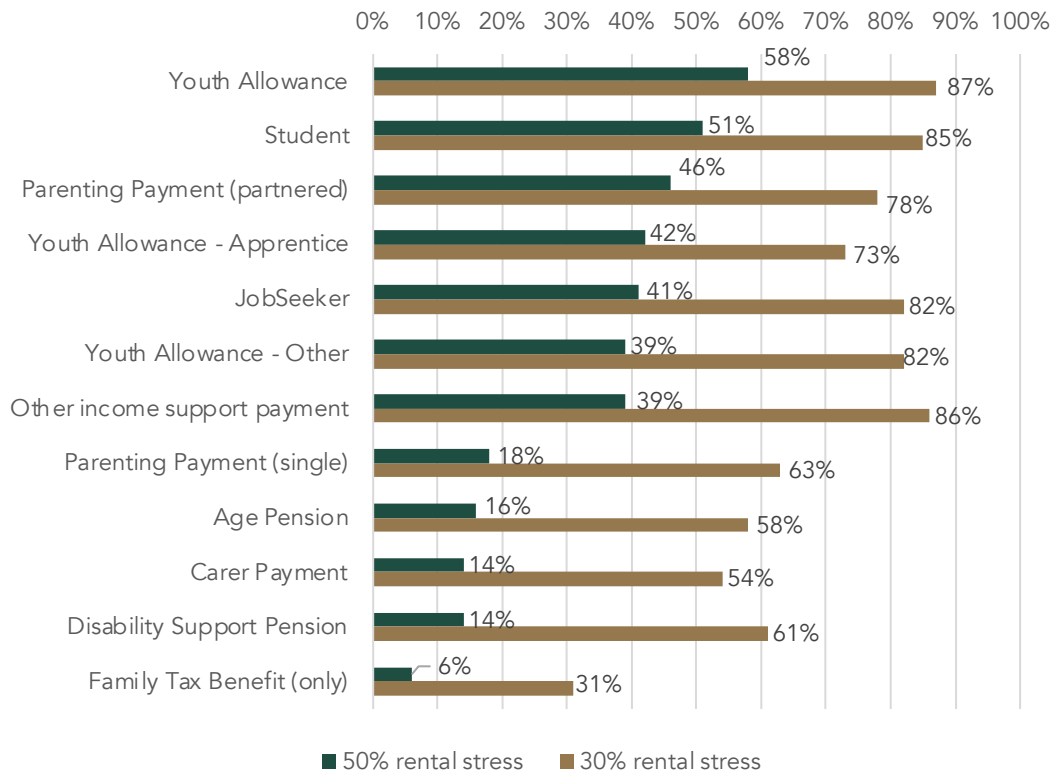
Over the same period, successive federal governments have failed to ensure that income support payments such as JobSeeker and Youth Allowance have kept pace with the rising cost of living, so that housing costs as a proportion of income have increased significantly for people reliant on such payments.

The Productivity Commission’s study of the National Housing and Homelessness Agreement found that the rate of Commonwealth Rent Assistance (CRA), which it described as the federal government’s ‘single largest housing assistance program’, is ‘fall[ing] short on the principles of sufficiency and fairness’.

CRA provides an income supplement to around 1.35 million households who receive an income support payment or Family Tax Benefit Part A above the base rate and who rent from private landlords or from non-profit community housing providers. Its annual cost to the taxpayer is currently \$5.3 billion per annum.

The Study found that significant majorities of those in receipt of CRA, other than working families whose only payment is Family Tax Benefit A, were living in rental stress (see Figure 9).

Figure 9
CRA recipient households spending more than 30 per cent or 50 per cent of income
(including CRA) on rent, June 2022, by primary payment type



Source: reproduced from Productivity Commission, 2022.

What can be done?



More social housing investment by state and federal governments

The most obvious public policy failure that has led to this crisis is the lack of investment in public housing over the last three decades. As we have seen, the proportion of housing stock that is public or community housing has halved since the early 1990s. As women are 62 per cent of main tenants across social housing programs, this failure has had a disproportionate impact on housing costs for low-income women as more of them have been forced into private rentals while waiting to access social housing accommodation.

While some state governments have announced significant recent investments in social housing as part of their economic

stimulus policies following the COVID-19 induced recession, such investments appear more significant than they are due to the historic underfunding of the public and community housing since 2000, and the resulting low number of social housing stocks in Australia.

Nevertheless, these initiatives, such as Victoria's Big Housing Build²⁸ and the new Federal Government's commitment to establish the Housing Australia Future Fund to underpin greater investment in social housing, are welcome developments.²⁹ It is to be hoped these investments herald a return to greater provision of public and community housing across Australia over the long term.

²⁸ <https://www.homes.vic.gov.au/big-housing-build>

²⁹ <https://www.alp.org.au/policies/safer-and-more-affordable-housing>



A role for the private sector

The failure of our housing market to provide a secure home for all is not only due to a lack of government investment in social housing. Australia's rental market is relatively unsophisticated by international standards with few genuinely secure and affordable options for those who will never own their own home.

Australia's focus on home ownership has crowded out the development of other forms of secure housing, and tax breaks that make property investment highly lucrative mean that most landlords in Australia are small investors chasing capital gains. As such, they offer short-term leases and are not incentivised to adequately maintain the quality and amenity of the properties they rent.

There is a dearth of alternative housing options available within the Australian rental market in comparison to other OECD countries. For example, the absence of an established build-to-rent sector means that renters are unable to secure long-term leases,

while barriers to establishing cooperative housing developments prevent single women and low-income families from banding together to secure a stake in a permanent home. There is also a lack of appropriate financial models to provide loans to small business owners and sole traders, many of whom are women who are underserved by existing financial institutions.

This is where institutional and social impact investors and the philanthropic sector can play a role. From investing in alternative forms of rental housing, to developing new financial products for underserved mortgage borrowers, and funding innovative charitable interventions aimed at reducing women's risk of homelessness, the private sector could significantly reduce housing stress at the lower end of the income scale, and greatly diminish the risk that more single older women, single mothers and women and children fleeing family and domestic violence will fall into homelessness.

Alternative housing models and services for low-income renters

New financial services models

According to the Australian Bureau of Statistics, the proportion of female owned or managed businesses in Australia increased from 31 per cent in 2015 to 35 per cent in 2019. This represents 12 per cent of Australia's 5.9 million working women. More Australian women are choosing to start their own small business, and around half of them are sole traders.³⁰

According to a survey conducted by Marie Claire magazine in 2019, women gave the following reasons for starting their own small business:

- 56 per cent of women sought more flexibility at work;
- 49 per cent wanted a better work-life balance;
- 46 per cent wanted to be their own boss;
- 34 per cent sought greater financial independence;
- 31 per cent wanted to make increase their income; and
- 29 per cent wanted to do more meaningful work.

The most popular responses above indicate that women are becoming small business owners in order to balance their paid and unpaid work commitments. This is supported by the fact that most women starting small businesses in Australia are in their prime parenting years, between the ages of 25 and 45.³¹

While being self-employed is a means of gaining control over one's time and balancing work and home, it often comes with a significant down-side, in that banks are reluctant to write mortgages to self-employed people and the owners of very small businesses. Women are more likely to run businesses with fewer than 15 employees, or to work alone as sole-traders.

There is an opportunity for social impact investors to create innovative new financial services models to cater to this underserved group. An example is Change Home Mortgage in the USA.

Change Home Mortgage

Change Home Mortgage has pioneered the Community Mortgage, a proprietary product that was made just for small business owners and other non-traditional workers.

Change Home Mortgage obtained a Community Development Financial Institution (CDFI) certification from the United States Department Treasury CDFI Fund in May 2018. A CDFI Fund helps promote access to

capital and local economic growth in low income and developing communities across the USA.

CDFI designation allows Change to bridge the gap to 'credit-worthy borrowers' who have been abandoned by the traditional mortgage companies. Unlike traditional banks, CDFIs are exempt from certain consumer financing rules and regulations so they are able to provide a full range of mortgage programs that help diverse, under-served borrowers and communities.³²

³⁰ https://www.salesforce.com/content/dam/web/en_au/www/documents/pdf/salesforce-marie-claire-women-in-business_research_report.pdf

³¹ Ibid

³² <https://www.bossesdontrent.com/>

Funding homes and services for women and children fleeing family violence

As we have seen, family violence is the leading cause of homelessness in Australia, overwhelmingly affecting women. 7,600 women return to live with a violent partner and a further 9,120 become homeless due to a lack of alternative housing when they leave the family home.³³

In recent years, philanthropists and social housing providers have begun to address this problem by creating custom-built properties to provide housing and essential social support to women and their children fleeing family and domestic violence. An example is Viv's Place in Dandenong.

Viv's Place

Launch Housing, in partnership with Uniting Vic.Tas, generous donors and the Victorian Government, in August 2022 welcomed its first families to their new home, Viv's Place, an Australian-first apartment building in Dandenong for at-risk women and children.

Based on a highly successful model in Broadway, New York, which has created supported communities in such apartment blocks over 30 years and supported thousands of people out of homelessness by giving them a permanent home and other help, Viv's Place provides a unique combination of permanent housing and on-site wrap-around support services to provide a fresh start for up to 60 women and 130 children escaping family violence and homelessness.

The building includes 60 dual key apartments, along with communal kitchen and living spaces, children's play spaces, offices, community gardens and family and child-specific services on site.

The \$30 million project was made possible by a group of generous philanthropic donors, who funded over 40 per cent of the project. It was anchored by donations from the Australian Nursing and Midwifery Federation, Lord Mayor's Charitable Foundation and Shine on Foundation, followed by Gandel Foundation and The Ian Potter Foundation, as well as a host of other generous

donors, including Robin Friday and his extended family, who contributed \$1.2 million from the sale of the family home in Box Hill.

On opening Viv's place in Dandenong, Launch Housing CEO, Bevan Warner said the initiative will provide the safety and security women and children need to rebuild their lives. "Poverty and family violence are constant pressures that push many women into the impossible position of raising a family without a stable home," he said.

"From the first day families move into Viv's Place, they have a safe and permanent home to recover and rebuild, access to the support they need and the opportunity to put down roots and participate in the local community."

"Solutions like Viv's Place are critical to breaking the cycle of intergenerational homelessness and giving children a better start in life. At Viv's Place, children are supported to attend school, maintain healthy relationships with family, friends and community, and lead a happy and healthy life. We hope Viv's Place becomes the first of many of these kinds of holistic housing and support models that are so desperately needed across Australia."

33 Equity Economics, Op Cit

Housing cooperatives

As we have seen, for single women relying on the age pension, renting in the private sector is a key determinant of poverty. Previous Per Capita research established that "...the division in quality of life between [full rate pensioners] who owned their own homes and those who were renting was starkly apparent".³⁴

Further Per Capita research, conducted with older women who define themselves as experiencing disadvantage or financial insecurity, suggests that their relationship to home is a social one: it is a place to connect with others, somewhere they can sustain meaningful relationships and build a community.³⁵ Secure housing mitigates other vulnerabilities we experience in older age, particularly social isolation and loneliness, and recent research shows housing insecurity negatively affects the health of older people.³⁶

In many countries, housing cooperatives are longstanding and stable components of housing systems, providing a range of housing options that sit between the historically dual tenure poles of renting and owning. Cooperative housing typically consists of a small residential village of multiple homes, which is owned and operated by its residents.

It creates a more affordable form of living, where shared resources and intentional design can keep costs down, while addressing environmental concerns by embedding sustainable housing and community practices.

Per Capita's previous work in this space has demonstrated clear benefits of cooperative housing, particularly for older single women at risk of housing insecurity and who are seeking community and shared care arrangements as they age.³⁷ Coops have been shown to foster wellbeing and community connection by minimising isolation and promoting healthy ageing.

In Australia, however, cooperatives represent a very small proportion of total housing stock. Common Equity notes that there are a mere 8000 people living in housing co-operatives, but the number is rising. The lack of community-led cooperative housing developments is largely due to an apparent inability by policy makers to consider new models of housing security: government policy favours private ownership and private landlords because of an historical focus on property ownership rather than security of tenure.

Breaking this institutional lock-in requires strong evidence to policy makers of the benefits of cooperative housing. However, despite long-established housing cooperatives in comparable countries, cooperatives remain relatively under-researched and poorly understood in Australia.

In Australia the sector is poised for growth from a very small base. An example is WINC, a new development in Daylesford, Victoria.



34 Hetherington, D and Smith, W. The Adequacy of the Age Pension, Per Capita, 2016.

35 Jordan, M. Mutual Appreciation: a social innovation thinkpiece, Per Capita. Melbourne, 2019

36 Ong et al, Mortgage stress and precarious home ownership: implications for older Australians, AHURI, August 2019.

37 Jordan, M. Op Cit.

WINC - Older Women in Cohousing Inc.

The members of the WINC collective are planning for a vibrant older age in the Daylesford community. They are designing a village of 30 units plus a common house, workshop and gardens: a community based on collaboration, sustainability, accessibility, and a blend of opportunities for privacy and for social interaction. So far WINC are a group of 35 women ranging in age from 52 to 78. Most are lesbian but WINC also welcomes women who don't identify as lesbian.

By partnering with Women's Property Initiatives, WINC's cohousing will be a community of 24 - 30 homes designed to enable older women of varying incomes and backgrounds to cooperate and thrive in a mutually supportive environment. WINC's cohousing will have:

- *A minimum of four homes for women eligible for social housing - they will rent from Women's Property Initiatives, who will own these WINC homes and*

rent them to WINC women who are on the Victorian Housing Register.

- *Homes owned by women who may need some assistance to purchase – WINC is working to find programs and investors to fund the gap for those who don't have all the assets to purchase.*
- *Homes owned by women who are able to buy outright – a few of these homes will be available for rent for some years, until the owner wishes to live in the community.*

WINC expects to have between 24 and 30 individual small private dwellings, with a kitchen, bathroom, bedroom/s and living areas, and private outdoor space.

Various economies of scale are planned, with large solar arrays, waste-water management systems and utility connections like internet that are cheaper when shared between multiple households.



Charitable trusts connecting older women with shared accommodation and care needs

There is a growing recognition of the increasing risk of homelessness for older single women who approach their retirement years without owning their own home. Yet at the same time, there are many older single women who do own a home but have limited income in retirement due to low superannuation savings. Many such women still live in the family home but are unable to pay for repairs or to enjoy a decent lifestyle while relying on the age pension. They are known as 'asset rich, income poor' retirees.

Some may choose to access the equity in their homes through reverse-mortgage products such as the Home

Equity Access Scheme, formerly known as the Pension Loan Scheme, offered by the federal government, or through similar products offered in the private sector. Others, though, may not wish to draw down on the value of their home, or may find they are unable to secure an adequate income stream in doing so.

One new charity has recognised an opportunity to connect asset-rich, income poor older women with their own homes with other women who have stable income streams but do not own their own home and are experiencing housing stress in the private rental market.

Household Connect

Household Connect is a new charitable trust seeking to connect older women who own their own home and are seeking extra income with other older women who have stable incomes but live in insecure housing in the private rental market.

By identifying retirees with spare housing capacity (a spare bedroom and bathroom), common care needs and compatible profiles in the same community, Household Connect will create a mutually beneficial market between those with supply of existing

retirement-appropriate accommodation and those in demand for a place to live.

'Share' is more than a way to make the market for spare rooms. In-home retirement and ageing are common objectives of most Australians homeowners and renters alike. Working with community partners and other service providers Household Connect will begin to deliver improved lifetime outcomes for all retirees, not just the 80 per cent who own their own homes, and play a major role in providing solutions for an ageing population.

Shared Equity

Shared equity models of home ownership are not a significant category within the Australian housing sector, although the federal government announced a new shared equity scheme, known as Help to Buy, as an election commitment prior to the 2022 election.

Under this scheme, the federal government will provide a shared equity stake of up to 40 per cent of the property value for a new build home, and up to 30 per cent for an established home. The scheme is open to 10,000 low- and middle-income households each year, at a cost of around \$330 million over the next four years.³⁸

As yet, there are few examples of private shared equity schemes in Australia. Social impact investors could participate in such schemes given the right tax incentives, taking a share of a first home-buyer's property rather than investing in a stand-alone property to put out to rent.

There are also opportunities for private investors to fund equity in social housing, along the lines of the ACT's Land Rent Scheme. In such arrangements, the government or a not-for-profit provider provides land on leasehold, on which homebuyers can buy or build dwellings without making a financial investment in its land, a model described as "an affordable middle ground between social housing and private shared equity".³⁹ Research by Cameron Murray for Prosper Australia examines cases of community shared equity arrangements, including the ACT's Scheme, and concludes that such models are effective alternatives to traditional social housing provision.⁴⁰

Schemes targeted specifically at single parents, single older women and women starting again after leaving a violent relationship could provide women at risk of homelessness with security of tenure and a means by which to acquire some equity and build wealth to guard against such risk.



38 <https://www.alp.org.au/policies/helping-more-australians-into-home-ownership>

39 Prosper Australia Inquiry Submission 2021, p. 7, from <https://www.prosper.org.au/2021/05/submission-to-victorias-ten-year-affordable-housing-strategy-2021/>

40 Murray 2018, p.29, https://www.prosper.org.au/wp-content/uploads/2018/09/Unspoken-Alternatives-final_print_web.pdf

Build-to-rent

A lack of Federal Government action and policymaking has led to a very low rate of housing constructed and provided through build-to-rent (BTR) housing schemes; indeed, market development in this regard is largely absent in Australia. While in Europe build-to-rent represents about one-fifth of the total commercial rental market and just over 10 per cent of all dwellings, the Australian market is at its earliest stages. Build-to-rent has served as a key policy tent-pole for many OECD countries for many decades.

Housing Europe, the European Federation of Public, Cooperative & Social Housing is a network of 46 national and regional federations, covering 43,000 housing providers in 25 countries. Together they manage around 25 million homes: around 11 per cent of Europe's existing dwellings. This is because of the enabling policy environment and incentives provided through tax breaks and strong partnerships between the public, social and government housing sectors and the construction sector. There has been little legislation enabling build-to-rent within Australia until very recently.

Mirvac has noted that there are approximately 10,000 residences currently in the pipeline through build-to-rent schemes. The NSW government has recently enacted legislation enabling build-to-rent through the State Revenue Legislation Amendment (COVID-19 Housing Response) Bill 2020. Similar attempts to spur the BTR sector in Australia have been enacted by the ACT, Victorian and Queensland governments.

However, at this stage the BTR developments in the pipeline are largely aimed at the higher end of the market, providing luxury apartments with communal amenities in major capital cities.

There is an opportunity for social impact and large institutional investors to enter the BTR market with an

affordable housing option for low- income families, and middle-income key workers such as teachers, nurses, police officers and care workers. Investors willing to accept slightly lower returns with the guarantee of long-term, stable tenancies and the benefit of tax incentives from state governments could create a subsidised market for long-term, secure rentals located within easy reach of essential jobs and near schools and community facilities to support families with dependent children.

State governments are already providing such incentives. Included in the legislation giving effect to the ACT's Land Rent Scheme were a set of amendments strongly enabling Build-To-Rent (BTR) projects. The changes to reduce land tax by 50 per cent for the next 20 years for new BTR housing projects demonstrates the Territory Government's recognition of the importance of this relatively new asset class, and suggests it sees BTR as a key pillar within the ACT's housing sector.

The Victorian Government has also enacted a set of changes to land tax that will incentivise greater participation in the BTR sector, by extending the 50 per cent land tax discount while also extending the full exemption from the Absentee Owner Surcharge for up to 30 years for buildings complete and operational by the end of 2031. The Victorian legislation will also incentivise greater foreign investment in the BTR sector. Legislation enacted in Queensland also provides for surcharge land tax relief.

It must be acknowledged that the states continue to do the heavy lifting in the BTR sector, with little support from the federal government. This approach is at odds with much of Europe, where national governments have actively incentivised investor and community sector participation in the BTR segment.

Older Women's Housing Project

Women's Property Initiatives recently completed the construction of four architect designed homes in Melbourne's Beaconsfield for the pilot of its Older Women's Housing Project.

The project is designed to assist low-income women with some savings (usually a small superannuation payout) to obtain a safe, secure home. It combines the principles of shared equity and build-to-rent development.

Even a relatively small amount of savings makes women ineligible for social housing, yet they don't have the financial capacity to access a mortgage or own a home on their own. As a result, many are trapped in the volatile private rental market, watching their savings dwindle as they experience rental stress.

The Older Women's Housing Project offers such women an opportunity to make a \$150,000 investment to secure a high quality, affordable and adaptable home that will allow them to age in place. The value of their original investment will be preserved and can be accessed, with interest, at any time in the future if they decide the property no longer meets their needs. The women will be charged rent that is no more than 30 per cent of their income and Women's Property Initiatives will be responsible for the costs of maintaining the properties, rates and building insurance.

Designed by Melbourne based architects Studio Bright, these homes provide:

- light and airy spaces, thoughtfully designed to maximise space, light and energy efficiency;
- adaptable floor plans that can be configured to meet the resident's needs;
- long term security of tenure - a home for as long as residents want it;
- affordable, income-based rent;
- preserving the invested capital plus interest; and
- avoiding the depletion of savings on rent.

WPI's CEO, Jeanette Large, describes the Project as "...a preventative approach where women avoid exhausting their savings on expensive private rents and will not have to contend with unstable and often highly inappropriate housing in the private rental market. They will pay an income-based rent and will not become homeless or need more costly social housing in the future. They can access a home that is high-quality and accessible, allowing them to age in place. It's not a solution for all women - many do not have the savings to invest - but innovative solutions are needed to stem the rising tide of older women's homelessness."

This project is generously funded by Lord Mayor's Charitable Foundation, Gandel Foundation, Homes for Homes and the Mercy Foundation. An independent evaluation will be carried out with funding from Ian Potter Foundation and Westpac Foundation with a view to expanding the project and offering this style of housing more widely. The Project also received generous support from Studio Bright, Brickworks, Bluescope Steel, ULS Group and Eckersley Garden Architecture.

Creating or retaining affordable retirement villages and Independent Living Units

Retirement villages have maintained a small but steady market share of housing for older people in Australia and are currently home to approximately five to seven per cent of Australia's population aged 65 years and over.⁴¹ Retirement villages are a fast-growing housing sector: between 2006 and 2016, the number of retirement village residents grew by 78,848 nationwide, a 62 per cent increase.

Retirement villages typically offer more affordable housing compared to conventional market-rate homes, although they may not be suitable for every household or individual. In 2021, the typical price for a two-bedroom unit in a retirement village in Australia was \$484,000, which is 55% of the median house price in the same postal areas.⁴² Many individuals opt for retirement villages because they provide a more cost-effective housing solution than what is available in the broader market, particularly when factoring in flexible entry fees.⁴³ However, the financial requirements for accessing higher-quality developments can be considerable.

Retirement villages and Independent Living Units (ILUs) are often not considered within the suite of options available for housing lower-income older women. They are associated with expensive, life-style focused housing and have received significant criticism for opaque and exploitative contracts and poor service delivery. Consumer complaints surrounding retirement villages include excessive exit fees, excessive management fees, excessive refurbishment fees, and unfair buy-back arrangements.

These problems have been partially addressed by a series of inquiries leading to strengthened regulation, but there is still dissatisfaction and mistrust within the

community towards this housing type. As National Seniors Australia noted in its submission to the 2022 Review of the Retirement Villages Act 1986:⁴⁴

...retirement villages legislation does not adequately protect older Australians... Retirement villages have the potential to give older Australians a comfortable lifestyle option, which is more suitable as people age, but this promise has been lacking because the legislation has enabled practices that are detrimental to the financial wellbeing of seniors.

The financialisation of retirement villages and Independent Living Units is a relatively new phenomenon. Before the 1990s, retirement villages were mostly developed and managed by charitable institutions. The Australian Government subsidised ILUs between 1954 and 1986 under the Commonwealth's Aged Persons Homes Act 1954, spurring a large growth in the not-for-profit sector. Once these subsidies ceased, not-for-profit organisations continued to build ILUs through various funding sources, including donations, grants, bequests, and leases of land from state and local governments. Over the ensuing decades, much of this stock has been lost, or is ageing and no longer fit for purpose.

Retirement living caravan parks or *Manufactured Housing Estates* as a form of low-cost longer-term housing for older people are rapidly disappearing. Growth in this sector since the 1990s has been driven by an expansion of for-profit companies offering new products in metropolitan areas that respond to a demand from retiring baby boomers looking for modern houses and better services.⁴⁵ Many traditional caravan parks are being redeveloped for

41 Tually, et al., 2022. Alternative housing models for precariously housed older Australians. *AHURI*

42 Retirement Living Council, 2022, Retirement Living - a solution for older women at risk of homelessness

43 Travers et al. 2022. Business models, consumer experiences and regulation of retirement villages, AHURI Final Report No. 392

44 National Seniors Australia, 2022. Review of the Retirement Villages Act 1986, <https://nationalseniors.com.au/uploads/NSA-Review-Retirement-Villages-Act-1986-VIC-Oct2022.pdf>

45 Travers et al. 2022. Business models, consumer experiences and regulation of retirement villages, AHURI Final Report No. 392

general market housing, or as tourism-only parks, or are being converted into Land Lease communities.⁴⁶ Older retirement villages are being purchased by investors, refurbished and offered as more expensive retirement living. This is a significant loss of a vital housing resource that provides smaller, accessible and manageable housing, delivers affordability, often is delivered in partnership with health and social services, and is targeted at older people.

There is an opportunity for local, state or federal government or not-for-profit organisations to step in to purchase these villages to ensure they remain affordable. There is also an opportunity for State and Local Government land to be used to accommodate new retirement villages and ILUs.

Independent Living Units for older Victorians in the Macedon Ranges

Macedon Ranges Shire Council received a significant investment from Homes Victoria's *Big Housing Build* initiative announced in November 2020. The Council partnered with Wintringham Housing Limited to apply for funding for a social housing upgrade in Lancefield under the Big Housing Build and funding was deemed successful in late 2022. The project will see 12 units built across two Council-owned blocks in Lancefield, Victoria. This will result in five existing older units being demolished and existing tenants supported with interim accommodation.⁴⁷

Council advertised a *Notice of Intention to Lease* the site to Wintringham and welcomed public feedback on the initial proposal by February 2023. During this meeting it was agreed that the Council would enter a 20 year lease with Wintringham Housing to manage the units on behalf of the Council, with the term commencing on 1 May 2023 with an annual fee of \$1.

Council will continue to work with Wintringham and the Lions Senior Citizens Villages of Lancefield Romsey Inc on the ongoing management of this site.

Tanah Merah Retirement Village purchased by the Queensland Government

The Queensland Government purchased the vacant former Tanah Merah retirement village in 2023 and has utilised its public builder, QBuild, to transform the buildings into social housing. Among the total 124 social homes are 85 one-bedroom and 39 two-bedroom homes. In addition, there is potential for further development in an adjoining 6,300sqm land parcel included in the sale. Tenants will be supported and managed by Churches of Christ Housing Services and Logan-based specialist homelessness service provider YFS.

The purchase of the former retirement village was funded through the Government's signature Housing Investment Fund. Significantly, the site was offered for sale on the private market. Aveo chose to sell to the Queensland Government at a lower price to reflect the intention to use the site for social housing.⁴⁸

The Tanah Merah retirement village in Loganholme, 30km south of Brisbane, is the third site sold by Aveo to the Queensland Government for social housing. The Queensland Government has also purchased former aged care facilities in Clayfield in Brisbane and in Toowoomba.

46 Faulkner et al, 2023, Inquiry into housing policies and practices for precariously housed older Australians, AHURI Final Report No. 406

47 Wintringham, 2023, Under Construction, <https://www.wintringham.org.au/under-construction.html>

48 Queensland Government, "Homes for Queenslanders: First Tenants Move into Purchased 124-Home Former Retirement Village."

'Meanwhile' or long-term use of vacant buildings

A large number of buildings in Australia are vacant or underutilised. Prosper Australia's Speculative Vacancies 10 report on Melbourne's vacant land and housing in 2019 revealed that approximately 64,000 residential properties were 'speculatively vacant' each year between 2012 and 2019, constituting a 4.0% speculative vacancy rate. These empty properties could potentially house over 185,000 people, underscoring a stark contrast with Victoria's 80,000-person public housing waiting list. Further, 38,200 properties consumed zero litres of water daily over the year of 2019, meaning they were 'absolutely vacant'.⁴⁹

Office buildings may also be considered as unoccupied spaces that have the potential to be turned into homes. A recent study conducted by the design studio Hassell and planning consultancy Ethos Urban for the Property Council of Australia identified 86 buildings in Melbourne as "really ripe for adaptive re-use", with the potential to generate more than 10,000 new homes.⁵⁰ The report observed that:

If we only converted half of those, we could supply around 10,000 to 12,000 new homes, and each

repurposed building would use roughly half the upfront embodied carbon compared to knocking existing buildings down and rebuilding. - Ingrid Bakker, principal at Hassell.

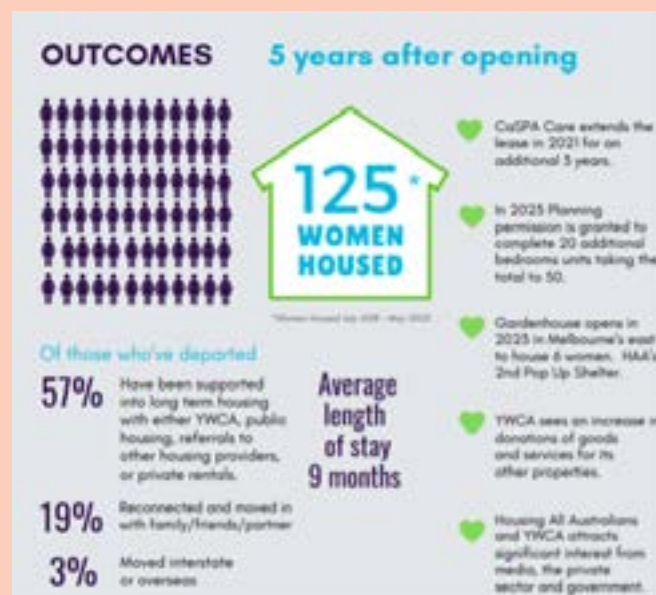
The retrofit of commercial buildings has been identified in the Victorian Housing Statement as a state government priority, with the Victorian Government stating that "...we'll work with the PCA and the City to consider opportunities to facilitate the conversion of these offices into around 10,000-12,000 apartments and mixed-use properties."⁵¹

Outside of this, there is an opportunity to temporarily access buildings that are not in use. These buildings may be empty while owners seek planning approvals, as they become surplus to need, as part of a land banking strategy, or while owners seek finance to redevelop. They may be owned by private developers, not-for-profit organisations, religious groups or governments. There is potential for these buildings to be converted into pop-up, safe shelters for three or more years, with conversion undertaken at a pro bono or lo bono rate.

Lakehouse Aged Care Facility conversion

The Lake House is a repurposed aged care facility in Melbourne owned by CaSPA Care providing short-term crisis or transitional accommodation for around 40 older women at a time. The collaboration was facilitated by Housing All Australians, a 'for purpose' organisation committed to bringing private sector voices and resources to addressing Australia's housing crisis. Through collaboration with the private sector and local governments, YWCA National Housing Australia manages short-term leasing of the facility, with tenants paying 'peppercorn' rent of \$1 a year, to provide affordable housing for older women.

Building outgoings are recovered via below market rent paid by the women as sub-tenants. This innovative solution has garnered praise not just from tenants and the community, but from the wider industry, with the presentation of the PowerHousing Australia's Leadership and Innovation Award in August 2018.



49 Prosper Australia, 2019, Speculative Vacancies Report 11, <https://www.prosper.org.au/reports/specvac11/>

50 Hassell Studio, 2023, Converting vacant CBD offices into apartments could create up to 12,000 Melbourne homes, <https://www.hassellstudio.com/us/news-event/converting-vacant-cbd-offices-into-apartments-could-create-up-to-12-000-melbourne-homes>

51 State of Victoria Department of Premier and Cabinet, 2023, Good decisions, made faster, <https://www.vic.gov.au/good-decisions-made-faster>

Conclusion

The housing market in Australia is failing too many women. At the most challenging times of their lives – when they escape violent relationships, become single mothers or find themselves alone and without assets in older age – there is too often nowhere for women to call home.



Australia's policy approach to housing has long seen home ownership as the only means by which to obtain a stable, safe and secure home, while providing significant subsidies through tax concessions to existing homeowners to build wealth through further property investment.

At the same time, government has failed to incentivise alternative models of tenure, neglecting the conditions of renters and stymying the development of innovative products and services that could provide good homes to low-income earners and those who rely on government income support at various points throughout their lives.

Over the last couple of years, state and federal governments have made a welcome return to funding social housing and have allocated significant resources to update and maintain existing social housing stock and to increase the number of dwellings available to those eligible for subsidised homes provided by government and the community sector.

But this is not enough to mitigate the unacceptable risk of homelessness faced by too many vulnerable women and their children.

Australians need to rethink their approach to housing. A good home should be the right of every person in a nation as wealthy as ours. Living securely and safely should not depend on one's capacity to work or save, and it certainly shouldn't be determined by one's gender.

There is a strong role for the private sector to play in providing secure homes for women. Whether funding charitable enterprises and subsidised housing for women and children at risk of homelessness due to family violence, investing in shared equity and build-to-rent models that offer affordable housing to low-income households and key workers, co-funding cooperative housing developments to ensure women without significant capital can secure a place to call home, or establishing innovative financial models to lend to women who are self-employed or work in other non-traditional employment structures, there are ample opportunities to make a difference in the lives of vulnerable women.

It is well past time for government, investors, developers and philanthropists to come together and design more affordable, sustainable and secure housing for women, and for all Australians in need of a home of one's own.



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