

WOMEN FACING HOMELESSNESS IN RETIREMENT



PERPETUAL
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Single women approaching retirement are at increasing risk of homelessness in Australia. Without a home or enough savings to pay rent, many face a desperate future in which a dignified retirement is out of reach.

Welfare group Anglicare released the State of the Family report in October 2015, which showed many single women are experiencing homelessness for the first time in retirement. According to the report, women at retirement age have 57 per cent less superannuation than men – which leaves them particularly financial exposed, especially if there is a relationship breakdown in later life.

Confronting an age old problem

Not-for-profit organisations like the Women's Property Initiatives (WPI) provide affordable housing for disadvantaged women. Their CEO, Jeanette Large, says "the housing crisis women are experiencing in their later years is a direct consequence of the financial inequality they faced during their lives."

"Our society should not accept that older women face homelessness because of the gender inequality that existed throughout their lifetime. **Many worked when superannuation was not compulsory, took time off as primary carers**

for their children or only worked part-time,” says Jeanette.

Jeanette points to a slippery slope for single women when they reach retirement age. They may have been renting while they had an income, but once they depend on the aged pension they can no longer afford it.

“Single women without a home have to look at the private rental market, which is totally unaffordable on the aged pension. They face a bleak future,” says Jeanette.

Caitriona Fay, National Manager of Philanthropy and Non-Profit Service at Perpetual notes the social return of investment focus that some philanthropists take can work against housing projects.

“In philanthropy we talk a lot about funding to put the fence at the top of the cliff rather than an ambulance at the bottom. In this case, the fence at the top means as a society we need to address a number of issues around gender equality.

But for many women at retirement age, addressing the gender pay disparity doesn't change the immediate housing needs they face in retirement. We can't support these women unless we address the bricks and mortar issue and ensure affordable housing is ready and available.”

Falling through the net

WPI works with the private, public and not-for-profit sectors to develop high quality and affordable housing for women. Women qualify for help if the value of their assets falls beneath a specified threshold. But for those above the threshold, Jeanette sees many lose their financial security within a few years of retirement.

“There is a group of older women who are falling through the net. They are not eligible for our assistance because of their assets, but they don't have enough to purchase a home. So they turn to the expensive private rental market and watch what savings they did have disappear. Before long they are staring down the barrel of homelessness, with the overwhelming stress and uncertainty that brings,” says Jeanette.

Shared equity model

WPI is currently investigating the feasibility of a shared equity scheme for single, older women. The initiative is to work with women who have some assets at retirement age, but not enough to purchase a home. Rather than depleting their savings in the private rental market, they can leverage what they have to purchase a home in partnership with WPI.

“A shared equity model could be the answer for these women. It will allow them to maintain and potentially increase their equity, while paying low-cost rental to a community housing organisation like WPI to offset costs. The outcome for the woman is safe, secure, good quality and affordable housing for as long as she needs it,” says Jeannette.



Pamela relaxing in her secure and affordable apartment where she looks forward to living comfortably into her old age. *Image supplied by Women's Property Initiatives.*

WPI is currently developing a financial model for a shared equity scheme and will be seeking funds to pilot the program.

One brick at a time

Jeanette points out that contributing to “bricks and mortar” construction does not carry the price tag people may think because contributions of all sizes are aggregated.

“Contributions of all sizes build a house – it could fund a window, a bathroom or the kitchen cupboards. There are many building blocks to community housing that require financing which means people can contribute at different levels. The end result is a permanent construction that transforms the lives of disadvantaged women, and that’s something everyone involved should feel proud of.”



Caitriona Fay agrees, “Aside from supporting the large or small components of a build, people can directly fund organisations that are working with government, increasing their capacity to assist. With the right mix of fences at the top of the cliff and ambulances at the bottom, hopefully we can address this issue for good.”