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HOUSING TENURE DOES MATTER: SOCIAL EXCLUSION OF OLDER PRIVATE RENTERS IN SYDNEY

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Housing tenure does matter: Social exclusion of older private renters in Sydney

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Abstract

The Australian government, due to its virtual freeze on the expansion of social housing, has created a situation where more and more older Australians are dependent on the private rental market for their accommodation. This article reports on a study based on twenty in-depth interviews with older private renters in Sydney. Interviewees told of their social exclusion and lack of capability. Having to devote such a substantial part of their income to paying the rent and the persistent fear of a rent increase had a serious impact on their physical and mental health. The lack of finances encouraged isolation. There were two key factors which determined their degree of social exclusion and capability – the actual rent being paid and the degree of support from family members. The experiences of the interviewees suggest that in the context of an ageing population and declining housing affordability the expansion of affordable and appropriate social housing for older people is a necessity.

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Introduction

Life-course poverty is a major concern. As people age there is a greater possibility of events – retirement, the death of a spouse and ill-health - triggering poverty and social exclusion (Binstock 1983; Myles 1989). This paper illustrates that the housing tenure situation of an older person (defined in this study as persons on an aged-pension) is potentially a crucial buffer against poverty and social exclusion and that in this regard it would appear that older private renters are more vulnerable than their counterparts in public housing or those who are home-owners. In the United Kingdom, a study by the Economic and Social Research Council (2005) on people aged 75 and over, found that after taking 'account of gender, age and marital status, independent people in rented homes have 50-70 per cent excess odds of having any one of the five poor quality of life outcomes compared to those in owner-occupation'. In the case of older people in Australia who are dependent on the private rental market there is evidence that a good proportion of this grouping are experiencing social exclusion and minimal capability (Ahern 2003; Kavanagh 1997; Morris, Judd and Kavanagh 2005; Jones et al, 2004). Despite the precarious situation of older private renters, research on this grouping in Australia has been minimal. McNelis and Herbet (2003: 5) conclude that older private renters' housing needs and preferences have attracted little attention. Jones et al (2004: 1) comment that that there is 'a tendency for this segment of the population to be somewhat neglected in policy debate and policy formulation, relative to other groups of older people'.

This neglect is perhaps due to older private renters representing a small proportion of older Australians. In 2002-2003 approximately 80 per cent of older Australians owned their home outright, three per cent were paying off a mortgage and another 13 per cent were renters (ABS 2005). About 44 per cent of older renters (approximately 160,000 households) were renting from private landlords and receiving Commonwealth Rent Assistance (ABS 2005). Current indicators suggest that the proportion of older people who are dependent on the private rental market is set to increase significantly over coming decades (Australian Institute of Health and Welfare 2005a; Yates

2003). There are two main reasons for this - the virtual freeze on the building of public housing resulting in a drop in the actual number of public housing units and the changing nature of the housing market.

The cut in the budgetary allocation by the Federal government to public housing followed a deliberate decision to use the private rental sector to house poorer Australians and to facilitate this through Commonwealth Rent Assistance (CRA)[2]. The government's diminishing emphasis on public housing is indicated by funding for public housing dropping by 25 per cent between 1990-91 and 2000-01 (Hall and Berry 2004). This policy combined with the selling off of public housing in some areas, has meant that the absolute number of public housing dwellings is dropping every year. Following the 1999 Commonwealth State Housing Agreement (CSHA) the number of public housing dwellings 'decreased from 362,967 dwellings in 1999-00 to 345,335 dwellings in 2003-04' (AIHW 2005a). In June 2005 there were 335,264 households living in public housing (AIHW 2005b). In New South Wales alone, between 1996 and 2005 the Federal government 'cut $850 million out of the NSW public housing system' (NSW Government 2005). In this context older people are finding it very difficult to access acceptable public or community housing and are increasingly having to rely on the private rental market for accommodation (Morris, Judd & Kavanagh, 2005). At present an older person is only put on the priority list for social housing when they turn eighty. Of course, many older renters die before reaching this milestone.

In regards to the changing nature of the housing market all the indicators are suggesting that in the coming decades the proportion of older Australians who are home-owners is going to decline. NATSEM has concluded that whereas in 2000, 'by age 35 half of all families have purchased their own home' …by 2020 and 2030 less of one fifth of families are estimated to have entered into homeownership' (Kelly 2005: 21). In coming decades this will ultimately certainly have the effect

[2] In March 2006 the maximum CRA a single person could receive was $100.60 a fortnight. The amount a renter is allowed to claim is dependent on the rent being paid. For every dollar in rent over $89.60, 75 cents is paid up to a maximum of $100.60. There is no regional variation.

of reducing the proportion of older Australians who are homeowners. This argument is elaborated on in the conclusion.

Poverty, social exclusion, capabilities and older people

Poverty is the basis for social exclusion and the proportion of older people living in poverty and parlous circumstances has become a major issue in many advanced economies (Ogg 1995; Social Exclusion Unit 2005). Research by Mejer and Linden (2000) and the OECD (2000) have shown that in Europe, households headed by a person who is retired are vulnerable and much more likely to be living in poverty and subject to social exclusion. As in Australia, older people living by themselves are particularly vulnerable (Gordon et al. 2000). In advanced economies very few older people are in the labour market and are thus primarily or totally dependent on income from their private pension or income support from government. In Australia the proportion of self-funded retirees remains small. In 1999, for 74 per cent of older Australians, 'government pensions and allowances were the principal source of income' (ABS 1999:4). Whether being dependent on income support destines an older Australian to social exclusion is largely dependent on their housing costs (Saunders 2005). This is elaborated on in the following section.

Although there is no consensus on what social exclusion constitutes, it is a useful concept because it is broader in scope than poverty (Ogg 2005; Saunders 2003). As Ogg (2005: 70) comments the 'distinction between the two [social exclusion and poverty] is not always clear, but it is generally accepted that social exclusion refers to wider and, by and large, to a combination of adverse social situations'. This article is guided by the concept of social exclusion used by the Social Exclusion Unit in the United Kingdom and that used by Ogg who draws on the European Social Survey (ESS) of older people, conducted in 2002 and 2003. Both view poverty as fundamental to social exclusion. Social isolation is another key indicator of social exclusion in the ESS survey and in the work of the Social Exclusion Unit. Linked to social isolation is participation in social activity and

the ability to move around the local neighbourhood and beyond if desired. The availability and cost of public transport and feeling safe to walk in one's neighbourhood become crucial.

The quality of older peoples' housing was viewed as fundamental by the Social Exclusion Unit – 'housing is critical to independence and quality of life'. The Report concluded that in the UK 'too many old people live in poor homes and a lack of housing-related services can lead to older people becoming socially excluded' (Social Exclusion Unit 2005: 21-2).

Physical and mental health status are also viewed as crucial indicators. Of course poor physical and/or mental health is not necessarily a function of poverty or social exclusion, however social exclusion can be a fundamental contributor to poor mental and/or physical health (Social Exclusion Unit 2005).

Sen's concept of capabilities dovetails in many ways with the concept of social exclusion. Freedom, Sen argues, 'refers to the expansion of capabilities of persons to lead the kind of lives they value- and have reason to value' (Sen 1999: 18). Thus we can judge an 'individual's advantage in terms of the capabilities that a person has, that is the substantive freedoms he or she enjoys to lead the kind of life he or she has reason to value' (Sen 1999: 87). Clearly a person who is socially excluded would usually have limited capabilities or to use Sen's terminology, 'poverty must be seen as the deprivation of basic capabilities rather than merely as lowness of income …' (Sen 1999: 87). The overlap between social exclusion and capabilities perhaps becomes clearer when Sen talks about the concept of 'functionings'. Functionings 'reflects the various things a person may value doing or being … [and] a person's capabilities refers to the alternative combinations of functionings that are feasible for her to achieve' (Sen 1999: 75). The valued functionings are on a continuum from the most basic such as adequate nutrition, 'to very complex activities or personal states, such as being able to take part in the life of the community and having self-respect' (Sen 1999: 75). Clearly an individual who is socially excluded would be able to satisfy or achieve very few of the functionings they value.

Like social exclusion, inadequate income is a key predisposing factor for a lack of capability, but is not the only factor shaping capability. Sen makes the point that 'the relationship between income and capability would be strongly affected by the age of the person (e.g., by the specific needs of the old and the very young)' (Sen 1999: 88). An older person would usually have greater difficulty converting income into capability than a younger person.

Housing tenure, poverty, social exclusion and capabilities

Research done indicates that housing tenure potentially plays an important role in determining whether an individual is able to manage financially and in turn is able to take part in social activities, have social connections, feel integrated, maintain good health and do the things they value (AIHW 2003; Saunders 2005). The Australian Institute for Health and Welfare (AIHW) refers to research that found that home-owners tended to be healthier and live longer than people who rent privately (AIHW 2003: 164). An analysis of the 1998-1999 Household Expenditure Survey (HES) showed that households in the private rental market were more likely to be experiencing financial hardship and housing stress than households in other housing tenures. In Tasmania, a study found that of those households experiencing multiple hardships – being unable to afford heating, missing meals because of lack of money, having to pawn items, needing help from community organisations – 60 per cent were renting privately (Cameron 2002).

For older people, housing tenure is particularly significant due to their limited and fixed income. In times of crises or to cover unforeseen expenses, older homeowners can draw on the equity in their home. As Saunders (2005: 28) concludes, 'homeownership plays an important role in protecting older people from poverty by reducing their housing needs [and] freeing up resources for other needs'. Although older public housing tenants do not have this facility, they do have the security of knowing that their rent is pegged at 25 per cent of their income and they are protected from the vagaries of the private rental market. In contrast, older private renters, despite Commonwealth Rent Assistance, often have to devote half or more of their income to paying the rent (Leveratt, 1999;

Morris, Judd, Kavanagh and Naidoo 2005). McNelis and Herbert (2003: 41) found that in the case of older home-owners, about six per cent of income was spent on housing whereas older couples renting privately spent on average 30 per cent of their income on housing. The situation is far worse for older renters who live by themselves (Jones et al 2004). Often the death of a spouse results in enormous hardship for the surviving partner if they are not home-owners (Morris, Judd, Kavanagh and Naidoo 2005). For older people dependence on the private rental market can be the key factor precipitating homelessness (Morris, Judd and Kavanagh 2005). They often do not have the physical or emotional capacity to look for alternative accommodation and will cling to their accommodation until the rent becomes completely untenable or alternatively will face eviction once the apartment block is renovated or sold (Wright-Howie 2002).

Methodology

Data for this study was obtained from twenty in-depth interviews with older private renters from all parts of Sydney. Due to the small number and the difficulties in recruiting participants, there was no attempt to sample older renters in terms of location and the different rental markets within Sydney. Interviewees were recruited through advertising in local senior publications, web-sites and on appropriate notice boards. Interviewees were paid $30 for their time. Not all of the twenty interviewees were 'pure' private renters. Four had their rent subsidised by a religious organization, one by a tenancy group, one had their rent subsidised by a friend and, in the case of the only couple interviewed, their rent was subsidised by their children. Thus thirteen of the twenty interviewees were fully-fledged private renters.

Social exclusion and capability deprivation of older private renters in Sydney

The article explores some of the key aspects of social exclusion and capability deprivation. It first examines financial stress and the ability of older private renters to purchase items which are

generally regarded as necessities. Housing conditions are then examined. It then examines interviewees physical and mental health and concludes by exploring the issue of social isolation and ability to move around the neighbourhood and city.

Financial stress and the inability to purchase basic items

The degree of financial stress of the older renters interviewed was usually determined by two key factors, - the rent they were paying and the strength of their family connections. For all but two of the interviewees the rent was their primary expense and the key determinant of their financial situation and, often related to this, their degree of social exclusion and capability deprivation. Those interviewees whose rent was not subsidized and whose sole source of income was the aged pension and Commonwealth Rent Assistance, were often in a parlous financial situation. In Sydney, at the time of the interviews (most of the interviews were conducted in mid 2005), although the median rent obviously varied from area to area, in most Sydney neighbourhoods, the median rent for a one-bedroom apartment was at least $200. In Sydney's inner ring, the median rent for a one-bedroom apartment was $300 a week and in the middle ring it was $245 (NSW Department of Housing 2006). In 43 per cent of New South Wales postal codes, the median rent for a one-bedroomed apartment was $250 or more (NSW Department of Housing 2006). The data suggest that it is very difficult for an older renter in Sydney to find adequate accommodation for less than $180 a week. In central locations it is near impossible. In my small sample, of those interviewees who were not living in subsidised accommodation, six were paying $200 or more a week, one was paying $180 a week, one was paying $170 a week, one was paying $160, two were paying $150 and one was paying $140. One interviewee was paying $110 a week, but he was living in a boarding house. An older private renter who was paying $180 a week in June 2005, and whose sole source of income was the aged pension and Commonwealth Rent Assistance, would be devoting 62 per cent of their income to paying the rent.

Interviewees told of how hard it was to live adequately. For example, Lynne3 even though she had been fortunate to find adequate accommodation for $150 a week, commented:

> They're squeezing us. They're absolutely squeezing us. I have never felt this squeeze like this. So desperate. Yes, there have been times where, a couple of weeks ago I had eggs for three days and I bought cups of soup. Yes. There's been times (Lynne).

Lynne's capacity to ensure nutritional intake was compromised by her being a private renter.

Carol whose rent was $220 a week had a similar sentiment: 'Well I honestly, well you know, the way the price of things and that are today. I really don't know how the government can expect, you know, a person to live on it' [the aged-pension].

Many of the participants told of how they did not have the capacity to purchase basic items such as new clothes:

> I never buy new clothes ever … I always go to the opportunity shops. I was knitting my own garments but I found it's more expensive to buy the wool and to knit them than it is to actually go to the op shop and buy them second hand. I can buy them second hand for … $3 to $5 (Helen).

Another interviewee said, 'Well that's how I've been able to survive. I get everything second-hand' (Lynne).

A major problem was a lack of capacity to repair or replace household items. This had serious consequences for interviewees:

> The [washing] machine is break down …then I call the man to come and look and repair. But can't repair. Lot of money to do repairing. But I can't get another one …Then I go and talk with Salvation Army. Can you help me for the washing machine? Nearly every two months I go. I haven't got a machine. Sometime I wash

[3] All the names used for interviewees are pseudonyms.

> by hand. And now the day is come I can't wash by hand … My heart is not work properly (Mrs Haziz).

Anne had the following comment: 'Well I've had a few things break down … that I can't replace. I mean I haven't got a microwave oven; that's sitting out … there … And I don't own a vacuum cleaner. And I haven't got a heater'. In winter she was often cold but said that even if she had a heater she would not use it as she could not afford the running costs.

Interviewees told of how capability deprivation had forced them to seek help from charities. Organisations like St Vincent de Paul, Brotherhood of St Laurence and the Salvation Army were very important, especially for those participants who had no family members they could draw on in times of need:

> Yesterday I got money [the pension]. I pay all of everything. Then I buy two things for myself and then I got no money to buy the grocery. Then I go and talk with Salvation Army. They give me the voucher for $20 to buy the food (Mrs Haziz).

> Well, you manage to a certain degree, but I'll be honest with you, I've had to call on St Vincent de Paul and they've been very good. They've helped me with different things and that through the time … and they've been very good (Anne).

Resorting to charity was not an easy thing to do:

> I feel terrible. You know you feel you're like somebody going with a begging bowl or something like that, but I mean when the time comes that you just don't have quite enough to pay your electricity or your phone, well rather than get it cut off, well they'll help you out. Ah. It was terrible the first time. Yes. It was really awful. You have to walk through the shop … and you sort of come out with some groceries in a bag. Well they know where you've been and what you've done (Anne).

Some participants found it too humiliating to make use of the services on offer: 'And then they say there's food. Things you can get. But I've been reluctant to do that. It's against my dignity to do that. I'd sooner go without' (Matthew).

High rents, low income – the health implications

A number of interviewees described how their lack of finances deprived them of the capacity to maintain a healthy lifestyle. This ties in with the finding that homeowners tend to be healthier and live longer than renters (AIHW 2003:164). A number of interviewees said that they had less than $50 a week for food and some budgeted only $30 a week. Matthew, who has a heart condition, and whose rent was $220 a week, had the following comment:

> So I don't eat all the right food because I can't afford to buy all the right things. I have to be very conscious. I'm the best shopper in the world. I buy according to price and not according to quality or quantity … Fruit is a luxury. You don't get much opportunity to buy fruit. And you know a lot of vegetables. I certainly couldn't afford five vegetables and two pieces of fruit every day that you're supposed to eat.

Anne was also not able to afford an adequate supply of fruit and vegetables:

> Well, I tend, I like tuna, tinned tuna. I sort of get that. And then there's noodles and mince and sausages and bread. Perhaps the odd biscuits if they're on special … I might have fruit maybe once a month or once every couple of months. Because you can't. You know you can't afford to go out and pay 80¢ or 90¢ for an apple. You just can't because … it's not only your food you've got to buy. It's your toiletries. Your washing up powder and soap and toothpaste and all those things that you have to buy as well.

The inability to care for their eyes and dental care was a major concern for many of the interviewees:

> And see I've got, if you go to the Dental Hospital for your teeth, I mean I've got this plate. It never fitted and she said, "Ah well. That's it. You can't have another one". And I sort of, and she filed it down. And it still didn't fit. And she said, "Well it's been made now". And I thought, "Why do they treat you like that?" And they do. It's not my imagination.

For many of the interviewees, perhaps a more significant health risk than not being able to afford a balanced diet or dental care, was the intense stress their financial situation generated. Their financial situation robbed them of their capacity to live a life that was free of intense anxiety. Constant concerns were how were they going to get by; the sense that there was no way out of their dire circumstances and the ever-present possibility of a rent increase which may force them to move or alternatively cut their meagre budget further. Carol, who was paying $250 a week and constantly having to draw on her capital, was desperately worried about her dwindling financial resources and her security of tenure. She loved the location of her cottage as she was in walking distance of her son and ex daughter-in-law and grandchild:

> I'm on medication for depression … I think that's helping. Just to keep me going. Otherwise I'd become quite suicidal really … It's a battle that can get you down. I think I'm quite a strong reasonably intelligent woman and I do reason quite well. I think I'm fairly grounded. But it's [her precarious situation] still getting the better of me. You know, rather than me getting the better of it. It's getting the better of me. And I don't want that to happen. I don't want to fall down in a screaming heap, for want of a better way to put it.

Another interviewee also spoke of her depression which she felt was largely due to her changed circumstances: 'Well, it upsets me. I've been going through a big depression and that. It gets me down, you know. When I think how my life was once and what it is now' (Anne). A couple of the interviewees spoke of how their situation had made them think of suicide: 'And there have been

times when I've thought what is the point to life. I really have thought this can't go on, you know' (Lynne).

Matthew spoke of his constant anxiety about managing on his income as a private renter:

> Well the last two years have been very difficult. And that you know, thinking virtually daily and nightly how I'm going to do something with the money and plan what I'm going to do, and of course it's almost as difficult as maintaining a full-time job … At one stage I even went to the Lifeline people for financial counselling to see what to do.

For many of the interviewees the possibility of a rent increase was a constant source of anxiety: 'I find I can't sleep. I had the odd night where I go to bed at 11 and I'll still be awake at six the following morning' (Matthew).

The accommodation of older, private renters

Surprisingly, the older renters interviewed were generally happy with the quality of their accommodation. Only the interviewee who was living in a boarding house was scathing about the conditions in which he was living. About half of the interviews were conducted in the homes of the interviewees. All of the apartments appeared to be in reasonable condition and their appearance and maintenance did not emerge as a major concern. The determination to live in reasonable surroundings is of course not unexpected. Interviewees were determined to maintain a degree of dignity and respect even in these difficult circumstances. Many said that they were prepared to move to Council housing but only if the accommodation offered was appropriate and reasonable. Miriam, who was paying $170 a week for a perfectly presentable one-bed-roomed apartment, had the following response to the question of whether she would consider moving to Council housing:

> I did get the offer of an Housing Commission flat. This was about a few months back and I had a lease on this house, and so I wasn't prepared to go and have all the trouble of breaking the lease, and besides when I went into it, it was in high rise over at Surry

> Hills and it was on about the 17th floor or something. And there's no way that I could actually live in that situation. I just like to be down on the ground.

Some felt that moving to Council housing would mean having to live with people that they had no desire to be near. An interviewee who had lived in Council housing in northern New South Wales felt that she was not prepared to live in Council housing again:

> I mean I've lived with that. And I don't want that. I lived next door to two dealers, drug dealers, and we recorded [them]. We went to Housing, but they said you've got to have evidence. So I decided you know, unless I can go in a Housing Department in Glebe or somewhere nice, I'd prefer to be in private rental (Dianna).

Minimal resources, isolation and restricted leisure activities

Being an older private renter in Sydney did not necessarily result in social isolation. For a number of interviewees family connections were strong and constant and played an enormously important role. Support took various forms - social activities, gifts, paying for major items, regular meal invitations, fixing appliances, etc, and alleviated a good deal of financial stress and related anxiety. A good example is Helen, who was paying $170 a week for her one-bedroomed apartment. She received substantial support from her sister and two daughters:

> Ah yes, I've got my sister … Well I go to her place every Saturday and Sunday. We spend the weekend. It's quite good … My clothes … I know my sisters, always buy me outfits or something. My daughters always buy shoes and stuff for presents. So I'm lucky there. But if you have to do that, if you haven't got anyone, you wouldn't be able to do it.

Helen's nephew is a keen fisherman and supplied her with fresh fish. Her daughters had also bought her a computer which had become a central part of her life. She was very involved in voluntary work teaching seniors how to use computers. Helen was one of the four interviewees who was able to run a car.

Sam had managed to find subsidised accommodation (his apartment was owned by a church group) and he was only paying $110 a week for a one-bedroom unit. He was very close to his daughter and her family. He was able to run a car (his daughter had recently paid for a major repair), and appeared to be comfortable:

> You always want that little bit extra, but I manage reasonably well. As I said I'm grateful. I've got a wonderful daughter, and if I need anything, or if I'm in strife, she's there … And I'm fortunate enough in the fact that there's ways that I can pay her back without it costing me money. Like she's got four boys and I babysit. And if they go away I look after their house … And I go over there at least twice a week and I cook. That's the way it works.

His comment illustrates the reciprocal nature of their relationship. He is able to contribute to his daughter's well-being and receive assistance from her, without losing his self-respect.

For a number of the interviewees, however, isolation was a central feature of their lives and their lack of family and resources certainly contributed to their isolation. Interviewees told of how it was difficult to engage in social activity because of limited resources:

> I've become very isolated. I used to, before I had the hip [operation], I used to play tennis, and I loved to play tennis and it was a good way of keeping the weight off and being active. But I really can't afford [to]. I've found a few clubs that I could go and play in. I'd like to get back to it, but they say, "Ah, the fees are this and you pay it annually." And I can't come up with $150 or $200 or whatever (Matthew).

The need to turn down invitations because they could not afford the cost of the outing was mentioned by several interviewees:

> And the big thing is too, again, ego or vanity or something, that you don't like telling people that I can't go to this function because I can't afford to go. So I make excuses. I ring up and say I'm ill or have to go to a funeral, or something (Julie).

The increase in the cost of public transport from $1.10 to $2.50 in January 2005, was a big blow for pensioners and certainly intensified isolation. Interviewees told of how they tended to stay at home and keep the $2.50 for food:

> And I mean public transport is the only thing you can use, and that costs you $2.50 a day. … Well it was a massive bloody increase. … It was a hell of a hit. I mean it went up from $1.10 to $2.50 (Rod).

> I want to go out sometime. I've got no fare to go. Before it was all right. It was $1.10, now $2.50. Very hard to find it (Mrs Haziz).

Conclusions

What the interviews with older private renters show is that social exclusion and capability deprivation for older, private renters in Sydney is common, however, the intensity does vary. Contingency plays an important role. Some had had the good fortune to access relatively cheap but acceptable rented accommodation and this enabled them to minimise social exclusion and maintain their capability to pursue 'the kind of life they value'. Another key variable that helped alleviate social exclusion and minimide capability deprivation was the strength of family connections. For some interviewees their quality of life was maintained by the assistance they received from family members. There is no necessary link between being an older private renter and social exclusion and capability deprivation. It can, however, be safely argued that an older person who is dependent on the private market for their accommodation and is dependent solely on the aged pension and the Commonwealth Rent Assistance for their income, is more likely to experience social exclusion and capability deprivation than their counterparts who are living in public housing or are home-owners. The interviews indicated that the financial situation of many older private renters in Sydney is parlous and that existing policy to ameliorate their position is not adequate. Despite receiving Commonwealth Rent Assistance, most of the unsubsidised private renters were spending at least

half of their income on rent and their financial situations were very precarious. Any unexpected expense was an enormous blow to the individual concerned.

The seriousness of the situation is amplified when we examine the future scenario around homeownership and social housing. Using data from the 1986 and 1996 Census, Judith Yates concluded that the overall homeownership rate had dropped from 68.2 per cent in 1986 to 66 per cent in 1996 and the 2001 Census showed that there had been 'little change in the overall homeownership rate since 1996' (Yates 2003: 1). Home-ownership rates in the 45-65 age group declined by only 0.5 per cent between 1986 and 1996 to 77.4 per cent, however for the 25-44 year-old age group in metropolitan areas, homeownership rates had fallen by 10 per cent in this period. In 1996, 58.7 per cent of 25-44 year-olds owned their homes and only 19.7 per cent of this group owned their homes outright (Yates 2003). Yates concludes 'A sustained decline in the rate of home purchase can lead to fewer outright owners in the future' (Yates 2003: 3). The figures suggest that by 2050 up to a third of older people could be non-homeowners and dependent on the private rental market due to the lack of social housing. Also, despite the introduction of superannuation in 1989 it has been estimated that in 2050, 75 per cent of older Australians will still be dependent on the aged pension for all or part of their income and half of the 75 per cent will be drawing the full pension (Gittins, 2006).

There is also the likelihood that many of these older renters will have minimal or no family support. The 2001 Census indicated that 23 per cent of households are single person households and that an increasing proportion of Australians are not marrying or having children. In 1981 only four per cent of Australian women between 45 and 49 had never married; by 2000 the proportion had increased to over 20 per cent (McDonald 2000, p. 51). In 1998 the ABS estimated that 23 per cent of women and 28 per cent of men will never marry (McDonald 2000: 43). It is likely that the family connections of a high proportion of the individuals who never marry will be minimal and that when they reach their retirement years they will be living by themselves. In sum, the data indicate that an

ever increasing proportion of older private renters will be living by themselves and have minimal or no family connections to ameliorate their financial plight.

The contemporary situation of older renters in Sydney is certainly of concern. What it reflects is that the present policy of relying on market forces to resolve the accommodation situation of older renters is not working. Older private renters at present are a small minority. However, as shown, in the future more and more older Australians will be dependent on the private market for their accommodation. If we want to prevent a scenario where an ever-increasing number of older Australians are at risk of social exclusion and have minimal capabilities, government urgently needs to intervene so as to ensure that older non-homeowners have access to affordable and adequate accommodation.

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