



Federal Election 2025

Fixing the housing crisis facing older people in Australia

Older people deserve to have a secure, affordable home for their physical, mental and emotional health and wellbeing, and to enable them to age in place. Too many, however are living in precarious housing and at risk of homelessness.

Australia's retirement system is built on the expectation that older people will own a home at the time of retirement. Our research [*Not poor enough, not rich enough: older people falling through the housing assistance eligibility gap*](#) demonstrates that this is not the reality for 42% or more older people over 55 years.¹ And nearly 16% of people experiencing homelessness are 55 years or older (2021 Census).²

Urgent policy change is required by the Federal Government

Unprecedented increases in housing prices, escalating rents and declining social and affordable housing stock all contribute to the housing crisis facing older people. Urgent changes are required to our housing, retirement and social services systems to meaningfully address this issue. If we act now, we can prevent further harms to older people and their communities, while also reducing future social and economic costs and avoid placing additional pressure on already stretched homelessness and crisis response services.

Housing for the Aged Action Group calls on all parties and candidates in the 2025 Federal election to support the following essential changes:

1. Provide more housing

1.1 Increase public and community housing to 10% of all housing stock by 2040 with a specific allocation for 55+

The number of public and community homes³ in Australia has been falling for many years, and in 2023 was only 4.1% of all housing stock.⁴ This is far below the OECD average of 7.1%⁵, and insufficient to meet community need for secure, affordable housing. More than 184,000 people were on waiting lists for public and community housing across Australia in 2023⁶, reflecting this huge unmet need.

¹ <https://www.olderrenters.org.au/publications/not-poor-enough-not-rich-enough-older-people-falling-through-the-housing-assistance>

² <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>

³ Public and community housing together is also referred to as 'social housing'

⁴ <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists>

⁵ <https://www.oecd.org/content/oecd/en/data/datasets/oecd-affordable-housing-database.html>

⁶ <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists#Waiting>

Increasing the proportion of public and community homes will provide secure, affordable homes for people on low incomes, and will also take pressure off the private rental sector, helping to slow the rate of increase of private housing rents.

Allocating a minimum proportion of public and community home to people over 55 years of age recognises the limited earning capacity of older people, and their need for housing security to enable them to age in place, with the health and wellbeing benefits this brings.

1.2 Invest in the Independent Living Unit sector

Independent Living Units (ILUs) are generally not-for-profit retirement villages - communal rental housing provided by community organisations for older people with limited incomes and assets. ILUs offer a high level of security of tenure, affordable rent, and require either low, means-tested, or no ongoing contributions. They can provide a range of home care services to enable older people to maintain their independence, while fostering a sense of community by connecting with other residents.

Despite the sector's advantages, it has not been adequately funded since the mid-1980s, and the stock is in serious decline⁷, and struggles to meet the needs of older people on relatively low income and low assets.

Investing in revitalising the Independent Living Units (ILUs) sector would restore an important housing option for older people on low incomes.

1.3 Invest in housing solutions for older people with modest assets

Approximately half a million people aged 55+ have modest assets, which means they cannot afford to purchase a home, yet are ineligible for public or community housing and are therefore subject to the uncertainties and expense of renting privately.⁸ These older people have no option but to run down their savings until they can join the lengthy waiting lists for public or community housing, placing them at risk of homelessness.

In addition, our research⁹ reveals that there are increasing numbers of older people with very low to moderate household wealth, on low incomes, who are paying off their mortgages close to retirement.

Single older women are among the most at-risk, and more vulnerable to homelessness.

A shared equity housing scheme would enable older people to use existing assets to purchase a home, or remain in a home with a mortgage, providing them with the stability and security they need. **Shared equity housing** shares the value of a dwelling between more than one legal entity, such as the purchaser and government. However, existing schemes are unavailable to, or do not work in favour of older people, particularly older women, who may be denied a bank loan by commercial banks, or be ineligible due to previous home ownership.

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https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI_Final_Report_No53_Independent_living_units_the_forgotten_social_housing_sector.pdf

⁸ <https://www.older tenants.org.au/publications/not-poor-enough-not-rich-enough-older-people-falling-through-the-housing-assistance>

⁹ <https://www.older tenants.org.au/publications/not-poor-enough-not-rich-enough-older-people-falling-through-the-housing-assistance>

Studies have shown that **shared equity housing models** have potential to address rising housing precarity and prevent homelessness among people over 55.¹⁰ We now need government investment to realise this potential.

1.4 Make homes safe, healthy and accessible for older people by ensuring all public, community and private rental homes are climate resilient, and introducing minimum energy efficiency and accessibility standards for rental properties.

Climate change has disproportionate impacts on the most vulnerable communities. Older people are at greater risk from heat waves, storms, floods, and other extreme events due to low income, health conditions, reduced mobility, or from living alone.¹¹

Ensuring that older people across Australia have liveable homes and have subsidies to cover increased utility costs, especially during extreme weather events, is a key responsibility of government.

Renters in particular have little control over improvements that make the biggest difference to costs, such as insulation and heating and cooling appliances. Older renters on low incomes may not have the financial capacity to purchase heating or cooling equipment to make their housing habitable where landlords fail to do so. Others are reluctant to request improvements, fearing it might jeopardise their tenancy and put them at risk of homelessness.

Minimum energy standards would ensure that renters can have a home that keeps them healthy. The Federal government has a key role in coordinating states and territories to implement rental energy performance standards, and ensuring that the needs of low income renters are a priority.

Housing with accessible design is crucial for meeting the needs of people with reduced mobility, including older Australians. The 2022 National Construction Code now includes requirements for liveable housing design to improve the suitability of new Australian homes for people with reduced mobility.¹² The Federal government has a key role in ensuring that the National Construction Code is implemented and monitored across the country.

2. Invest in service systems to support older people before they reach crisis

2.1 Invest in early intervention services to older people at risk of homelessness to navigate the complex housing system, including LGBTIQ+ and CALD communities

The Housing for the Aged Action Group *Home at Last* service model in Victoria assists older people experiencing financial disadvantage to achieve better housing outcomes.

Home at Last provides accessible, equitable and appropriate support and housing information for older people who are experiencing homelessness or at risk of homelessness.

¹⁰ See for example Patricia Pascuzzo (2021), [Housing Finance Products for Older Women in Queensland, Consultation Paper](#), Prepared for Q Shelter by Inclusive Economics.

¹¹ K. R. Smith, et al, [Human health: impacts, adaptation, and co-benefits](#). In: *Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects*, Cambridge University Press, 2014,

¹² <https://buildingbetterhomes.org.au>

Services include tailored housing information, assistance with housing applications, support during the move, establishing a new home and referrals to aged care and other supports.

Early intervention is a key component of the service. This occurs through engaging with communities and through peer educators who reach people at risk of homelessness before they get to a crisis point.

National funding for a service based on the *Home at Last* model would provide older people across Australia with the support they need to navigate the housing system and achieve the secure housing they deserve.

2.2 Fund specialist support services for older people who cannot access aged care supports and services due to homelessness or insecure housing

Older people who are experiencing homelessness or insecure housing face significant barriers to receiving the aged care supports they are entitled to, due their lack of housing. Without a stable address, it can be difficult to receive needed supports for daily living; and the complex processes for My Aged Care assessments and identifying and engaging supports are daunting for people whose focus is on having a roof over their head.¹³

Responding to these barriers, the Care Finder Program¹⁴ was established to support vulnerable older people to interact with My Aged Care, access aged care services and access other relevant supports in the community. However, recent changes to the Care Finder program has reduced its focus on helping them achieve secure housing – the foundation essential to secure necessary aged care supports.

The Care Finder Program must maintain a strong focus on older people at risk of or experiencing homelessness and funding for it be increased ten-fold to meet growing demand.

3. A fairer housing system

3.1 Implement a fairer tax system that recognises everyone in Australia should have a home

Having safe, affordable, accessible and long-term housing provides the basis for stability and security for individuals and families. It is fundamental to healthy ageing and the wellbeing of older people. However, for decades governments and the private sector have created too little housing for people who aren't rich.

Australia's tax system provides significant handouts to people investing in housing, giving investors at a significant advantage over home buyers. Negative gearing and Capital Gains Tax exemptions distort the housing market and push up house prices, making homes harder to afford for both home buyers and renters.

A fairer tax system would recognise that **housing is first and foremost about providing homes for people to live in**. Removing the handouts to property investors, particularly

¹³ <https://waaeh.org.au/wp-content/uploads/2024/11/Aged-Care-Homelessness-Ver-2.pdf>

¹⁴ <https://www.older tenants.org.au/i-need-help/help-finding-aged-care>

negative gearing and Capital Gains Tax exemptions, and directing the substantial revenue gains¹⁵ to affordable housing, is essential to create a more equitable housing system.

3.2 Create consistent and improved rental and retirement living laws across Australia

Australia's private rental sector is not working for older Australians. Rents are unaffordable, there is no security of tenure, and making modifications as people age is hard. Rental laws across the country vary, and the level of protection against eviction, depends on the state or territory older renters live in, with some jurisdictions still allowing no grounds or no-fault evictions.

For renting in retirement to be as secure as home ownership regulation and legislative reform is required. Rental reform led by national leadership can ensure a rental system where everyone can have a safe and affordable home and maintain community connections. This is vital to enable people to age in place.

Similarly, the legislation governing the retirement living sector varies across Australian states and territories. The Federal Government has a role to play in ensuring retirement living laws protect the rights of residents and are brought up to the same level and across the country.

3.3 Make housing known as 'affordable housing' truly affordable by legislating a nationally consistent definition to cap rents at 30% of income for people on the lowest incomes ensuring they remain affordable housing in perpetuity

'Affordable housing'¹⁶ is a term used by governments to describe housing that is 'suitable for the needs of a range of low to moderate income households and priced (whether bought or rented) so these households can meet their other essential living costs'.¹⁷ The broader community would expect this to be the case.

In reality, Australia has no common meaning of 'affordable housing' across jurisdictions and government programs. In some jurisdictions, the definition of 'affordability' is based on a household's income. In others it is defined as a housing rent or price that is lower than the prevailing local market rate. Some jurisdictions refer to rental housing only, for others it includes home ownership as well as rental.¹⁸

As a result, many housing programs described as 'affordable' are not actually affordable to people on low or moderate incomes. With median rent in Australia at \$650 per week¹⁹, an 'affordable' property with rent at 75% of the market rate would still take up 85% of the weekly income of a single aged pensioner living on \$570 per week.

Limited time frames for schemes also mean that after a period of time at reduced rents, properties revert to market rents (as was the case with the National Rental Affordability Scheme), resulting in large rent increases and forcing residents out of their homes.²⁰

¹⁵ <https://theconversation.com/84bn-lost-to-housing-tax-lurks-that-would-go-a-long-way-towards-ending-the-housing-crisis-237333#:~:text=in%20A%24%20billion,-,The%20combined%20value%20of%20revenue%20forgone%20due%20to%20negative%20gearing,years%20from%202024%20to%202034.>

¹⁶ 'Affordable housing' is a separate category of housing to public and community housing

¹⁷ <https://www.homes.vic.gov.au/housing-explainer>

¹⁸ <https://www.ahuri.edu.au/analysis/brief/what-difference-between-social-housing-and-affordable-housing-and-why-do-they-matter>

¹⁹ <https://www.domain.com.au/research/rental-report/september-2024/>

²⁰ <https://www.theguardian.com/australia-news/2023/mar/31/australian-renters-face-surg-ing-costs-after-end-of-national-affordability-scheme#:~:text=NRAS%20cost%20approximately%20%243.1bn,ones%20were%20unable%20to%20join.>

Capping affordable housing rents at 30% of income for people on the lowest incomes is essential to ensure the housing remains affordable. It aligns with the accepted definition of housing stress – when lower-income households spend more than 30% of income on housing costs.²¹ Public housing rents are capped at 25% of household income, and community housing rents are generally 30% of household income, plus Commonwealth Rent Assistance. There is currently no agreed cap for ‘affordable housing’.

In addition to agreeing on a common understanding of ‘affordable housing’ that is truly affordable, it is vital that government incentives for ‘affordable housing’ ensure that residents have long term security of tenure, and the predictability of rents that are capped at no more than 30% of income in perpetuity.

Background facts

1 in 6 people experiencing homelessness on Census night in 2021 were aged 55 and over.²²

There was 73% increase in the number of people over 55 renting from a private landlord in the ten years to 2021, a total of 699,561 older renters.²³

Private rental in 2019-20 was unaffordable for 70% of people on the lowest incomes.²⁴

More than half of JobSeeker recipients are aged 45 and over, with an increasing share of older women.²⁵

Nearly half of retired renters live in poverty, including 63% of the retired single women who rent.²⁶

An estimated 405,000 women aged 45 and over are at risk of homelessness in Australia.²⁷ Risk factors include living in private rental, living alone, not working full-time, being an immigrant from a non-English speaking country and identifying as Aboriginal or Torres Strait Islander.

Housing for the Aged Action Group is one of the only Australian organisations specialised in the housing needs of older people. Coming from grass-roots beginnings over 40 years ago, HAAG today is over 900 members strong. We are committed to finding long term solutions to the housing crisis facing older people in Australia. www.olderrentants.org.au

²¹ Australian Institute of Health and Welfare [Housing Affordability](#) July 2024

²² <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release>

²³ <https://www.olderrentants.org.au/publications/ageing-in-a-housing-crisis-older-peoples-housing-insecurity-homelessness-in-australia>

²⁴ https://www.olderrentants.org.au/sites/default/files/ageing_in_a_housing_crisis_infographics.pdf

²⁵ <https://www.pbo.gov.au/about-budgets/budget-insights/budget-bites/jobseeker-payment-covid-19-age-gender>

²⁶ <https://grattan.edu.au/news/unaffordable-housing-is-the-biggest-threat-to-a-comfortable-retirement/>

²⁷ HAAG and SVA, 2020, Policy Snapshot, At Risk: 405,000 older women risk homelessness without urgent policy reform, https://www.olderrentants.org.au/sites/default/files/at_risk_policy_snapshot_and_key_findings_web.pdf