

# Positioning Paper

## **The implications of loss of a partner for older private renters**

authored by

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# CONTENTS

CONTENTS .....	3
LIST OF TABLES .....	5
EXECUTIVE SUMMARY .....	6
1 INTRODUCTION .....	8
1.1 Background .....	9
1.2 Loss of partner and housing status .....	13
2 A DEMOGRAPHIC AND HOUSING PROFILE OF OLDER AUSTRALIANS THAT HAVE LOST A PARTNER .....	15
2.1 Demographic trends .....	15
2.1.1 What are the trends in rates of marriage, remarriage and divorce? .....	18
2.1.2 The marital history, income and housing tenure profiles of older single persons that have lost a partner .....	21
2.1.3 Housing tenure and age .....	21
2.1.4 Marital history and housing tenure .....	22
2.2 Housing affordability among older Australians that have lost a partner .....	26
2.2.1 Older private renters and Housing Affordability Stress .....	27
2.2.2 Home purchasers and Housing Affordability Stress .....	29
2.3 Summary .....	32
3 NEXT STAGES IN THE RESEARCH .....	34
3.1 Loss of partner and the consequences for housing circumstances: a longitudinal analysis using HILDA .....	34
3.1.1 Key research questions .....	34
3.1.2 Approach .....	34
3.2 The Department of Family and Community Services' Longitudinal Dataset of benefit recipients .....	36
3.3 Homeswest tenancy records and projecting the demand for public housing .....	38
3.3.1 Data Description .....	38
3.3.2 Preliminary Results - Do older persons experiencing partner loss seek to enter public housing? Are they successful in entering public housing .....	39
3.3.3 Preliminary findings – How large is the group of older persons that have lost a partner likely to be in the next 10-20 years? What implications might this have for public housing demand? .....	41
3.4 What are the implications of loss of partner for residential location of older persons? .....	42
3.4.1 Data Description .....	42
3.4.2 Methodology .....	42
3.4.3 Preliminary Results .....	43
4 QUALITATIVE RESEARCH AND THE SURVEY INSTRUMENT .....	44
4.1 Qualitative research: Aims .....	44
4.1.1 Conducting the research and interview instruments: How .....	44
4.1.2 Benefits of the qualitative research: Output .....	45

4.1.3 Question themes .....	45
4.2 Future housing aspirations .....	47
5 THE POLICY SIGNIFICANCE OF THIS RESEARCH.....	49
APPENDIX.....	51
REFERENCES .....	62

## LIST OF TABLES

Table 1 - The Age Distribution of the Australian Population .....	16
Table 2 - Current Marital Status by Age Groups, Persons aged 50 years or Older 1981 .....	17
Table 3 - Current Marital Status by Age Groups, Persons Aged 50 years or Older 2001 .....	17
Table 4 - Married or De Facto in 2001 .....	18
Table 5 - Marriage Rate <sup>1</sup> .....	19
Table 6 - Median Age at Marriage and Remarriage.....	19
Table 7 - Remarriage Rate per 1000 Divorces Granted .....	20
Table 8 - Divorce Rates Summary Statistics.....	20
Table 9 - Tenure Status of Income Units By Age, 2000-01 .....	22
Table 10 - Tenure Status of the Population of Older People by Marital Status, 2001. ....	23
Table 11 - Tenure Status And Marital History Of Older Couples.....	24
Table 12 - Marital History of Older Persons, 2001 .....	24
Table 13 - Gross Income Distribution <sup>1</sup> (Defined by Total income unit sample) of older Australian income units by marital status, 2000-01.....	26
Table 14 - Median HAR <sup>1</sup> and Incidence of Housing Affordability Stress (HAS) Among Private Renters Aged 50+: before Commonwealth Rent Assistance.....	28
Table 15 - Median HAR <sup>1</sup> and Incidence of Housing Affordability Stress (HAS) Among Private Renters Aged 50+: after Commonwealth Rent Assistance.....	28
Table 16 - Median HARs and Incidence of Housing Affordability Stress Among Home Purchasers +50. ....	29
Table 17 - Median HARs and Incidence of Housing Affordability Stress Among Home Purchasers and Private Renters: after Commonwealth Rent Assistance.....	30
Table 18 - Median HARs and Incidence of Housing Affordability Stress Among Private Renters: Before Commonwealth Rent Assistance.....	30
Table 19 - Median HARs and Incidence of Housing Affordability Stress Among Private Renters: After Commonwealth Rent Assistance.....	30
Table 20: Homeswest Tenancy Records – Number of Applicant and Average Waitlist Times for Selected Groups.....	40
Table 21: Single Adult (Based on ABS Series B Population Projection) .....	42
Table 22: Single Parent Projection of Demand for Public Housing (Based on ABS Series B Population Projection) .....	42

## EXECUTIVE SUMMARY

This study of the implications of loss of a partner for older private renters is being conducted collaboratively across several AHURI Research Centres, led by the AHURI RMIT–NATSEM Research Centre. The study focuses on how older Australians' (defined as 50+years) housing outcomes are influenced by the loss of a partner through death, divorce or separation. The main focus of the study is the impact on renters rather than owners as the housing circumstances of renters is considered more susceptible to financial stress and uncertainty. However, there are homeowners who lose homeownership status following loss of a partner, and the absence of housing assistance programmes targeted on existing homeowners means that divorcees in this tenure can be vulnerable to housing affordability stress. An important theme of this study is then the important role of losing a partner in determining the housing careers of both older owners and renters. Finally, it should be stressed that most divorces and separations occur well before the partners in a marriage turn 50 years of age. A focus on older Australians ignores the housing career adjustments that divorcees and separated persons make in the initial years following household dissolution.

Section 1 introduces the background and main aims of the study. Section 2 provides a detailed demographic and housing profile of older Australians that have lost a partner. The key findings can be summarised as follows:

- Older single persons who have lost a partner are a rapidly growing segment of the Australian population. There is also an important gender dimension to this trend with the majority of this population segment being female.
- Divorce and separation rates among older Australians are increasing but death is becoming a less important cause of household dissolution, as increasing longevity means that married couples remain together for an increasing proportion of their lives. However the historically high divorce rates and a growing number of Australians who choose to never marry has ensured an increasing number of single older person households.
- Outright home ownership remains the dominant housing tenure type for older Australians though a significant minority of older Australians are in private or public rental tenures. Older singles that have lost a partner, particularly those divorced or separated, are much more likely to rent.
- Older Australians that have lost a partner are much more likely to have low incomes and be dependent upon income support programmes. They are also more likely to experience housing affordability stress. However, for private renters Commonwealth Rent Assistance plays an important role in bringing levels of housing affordability stress more into line with the levels experienced among other private renters. With no housing assistance to fall back on, divorcees in homeownership are significantly more likely to experience housing affordability stress.

Section 3 outlines several quantitative approaches for the next stages of the research involving analysis of the Household Income and Labour Dynamics in Australia Survey (HILDA), the Department of Family and Community Services Longitudinal Dataset (FaCS) and the Homeswest (Western Australia) tenancy database. The HILDA and FaCS data will be analysed to examine whether the housing circumstances of older Australians that have lost a partner compare unfavourably with other household types. The Homeswest data will be analysed in association with ABS census data to examine older single persons' patterns of entry for into public housing and the implications for future demand and location of public housing for single older persons.

Section 4 discusses the qualitative approaches that will be pursued in the next stages of the research that aim to fill several gaps in knowledge relating to the housing careers of older single persons. This will be achieved with a survey instrument designed to gather information about the impact of losing a partner on specific housing needs, tenure preferences, affordability issues and the role of social networks in influencing the housing decisions of older single persons.

Section 5 concludes with a discussion of the policy significance of this research. We address the policy implications of those demographic trends that result in growing numbers of older single women. In addition the impact of divorce and separation on housing careers for both *younger* and older population cohorts of the Australian population is acknowledged, with recognition that loss of a partner also impacts significantly on younger and middle-age cohorts where the need for housing assistance is also important. Loss of a partner also has a significant impact on homeownership status with those experiencing loss disadvantaged in terms of attaining and retaining homeownership. This also creates policy concerns for the types of housing assistance programmes available following partner loss.

# 1 INTRODUCTION

Many older Australians are vulnerable to finding themselves in unsatisfactory housing circumstances which can significantly detract from their standard of living. With age, housing requirements change significantly. Yet attachments to the family home, local surrounds and nearby family, financial inflexibility, the need for access to certain services and possibly care arrangements can all mean that people are restricted in their ability to adjust their housing circumstances without incurring significant financial and emotional costs. Compared to home owners, renters are far more likely to face financial stress, as well as uncertainty in their future housing circumstances. This stems from a range of factors, including higher housing costs as a proportion of income; difficulty in maintaining or securing appropriate housing in preferred localities; and a diminishing stock of public rental housing relative to demand coupled with lower levels of assistance for private renters relative to that received by public tenants. Many renters will not have previously achieved homeownership, or will have only been home owners for a limited period in their lives, and therefore will not have accrued the recognised benefits of associated with home-ownership status. The loss of a partner, either through relationship breakdown or death of a partner, is a life event which can dramatically impact upon housing needs, financial security and the individual's need for external services, family support and care arrangements.

This positioning paper explores the implications of loss of a partner for private renters aged 50 years and over (aged 50+). The scope of the analysis includes singles who turned 50 having previously lost a partner through death, separation or divorce and those who lose a partner after turning 50. The issue is significant not only because of the impact on the individual who has lost their partner, but also because of demographic trends such as the ageing of the population and rising marital separation rates which will find an increasing proportion of the population facing this situation. For the housing industry, it is important that the supply of housing responds to the housing needs of this group, while from a public policy perspective it is important to determine the likely number of such individuals who will require housing related and other assistance, and what is the most appropriate form such assistance should take.

The aim of this project is to understand and measure the effects that divorce, separation, or death of a partner has on the housing and related financial circumstances of older Australians (aged 50+) and in particular those on income support payments by addressing the following questions;

- Do older Australians who have lost a partner compare unfavorably with other household types in terms of housing circumstances and after – housing cost income?
- How are the housing and financial circumstances of older persons affected by loss of a partner?
- Is the probability of losing a partner higher among persons with the following characteristics - Older persons (aged 50+); private rental tenants; income support recipients?
- Do older persons experiencing partner loss seek to enter public housing? Are they successful in entering public housing?
- How large is the group of older persons that have lost a partner likely to be in the next 10 to 20 years?
- What implications might this have for public housing demand? What are the implications of loss of partner for residential location of older persons?
- Do those from diverse cultural and linguistic backgrounds deal with loss of a partner in different ways from the rest of the population?

In this positioning paper we will concentrate on setting out the demographic changes and policy concerns motivating these research questions, and the methods that will be used in our research approach. However, some preliminary findings will be presented with respect to the first of the above research questions. The paper is organised as follows: Section one will provide a broad overview of literature relating to the implications of the loss of a partner for older private renters. Section two will present a detailed examination of the demographic and housing profile of older Australians who have lost a partner. Section three will detail future stages of research including the qualitative analysis. This will provide vital information on the impact of the loss of a partner and will also fill existing gaps in research by providing information on the housing needs of older people, issues surrounding tenure, the affordability of housing and the impact of social networks on housing decisions. Section four will provide an analysis of the policy implications of this research.

## **1.1 Background**

The group of primary interest here are defined by three characteristics: being aged 50 and over (50+ years), being a private renter and having lost a partner. It is useful to consider the wider literature on how each of these characteristics, in isolation, impact upon housing circumstances, as well as the more limited body of research assessing the implication of two or all three of these characteristics acting in concert.

The housing requirements of older persons have been analysed extensively within the context of the literature on 'housing careers'. Building on seminal contributions by (Kendig 1984; Kendig 1990), housing careers describe peoples patterns of housing occupation by dimensions such as dwelling type, quality and tenure over the course of their lives. An important determinant of housing careers is the pattern of family formation over the life cycle. A stylised view of the traditional housing career is that individuals initially live within the parental home until they become financially independent and move into rental accommodation. With marriage and child rearing a family home is purchased, and the family will 'ascend' the housing ladder to larger or otherwise superior housing as the family grows and wealth is accumulated. Increasing investment in housing during this stage may also be motivated by saving for retirement, and may take the form of increased investment in the family home or in investment property. In later life trading down or last time sales will occur as the children become independent and leave the family home, reducing the requirements in terms of living space, and as people convert property assets to income streams in retirement. In old age, care and servicing requirements ultimately dictate the form of accommodation individuals can access. The location of housing through these stages will be strongly influenced by career considerations, with access to employment opportunities being critical during prime working ages (Winter and Stone 1999; Clarke et al. 2003; Beer et al. 2006).

Of course, the housing careers of many individuals and families do not follow this stylised path. Analysis of housing careers in the United States by (Clarke et al. 2003) found that nearly a quarter of careers observed over 26 years of data from the Panel Study of Income Dynamics display a move down the housing ladder, such as from home ownership to renting, or from high price rentals to low price rentals, with many in this group likely to be persons who have become divorced or other older single persons reducing their housing consumption. The peak in the housing career is typically attained between the ages of 40 and 50 (Clarke et al. 2003). Income is the primary determinant of what housing is achieved.

A number of demographic trends are thought to be affecting housing careers, including delayed departure from the parental home, marrying and having a first child later in life, longer periods of cohabitation before marriage, higher rates of divorce and separation and more sole parent families. There is some evidence that the impact on housing careers of critical life events relating to family formation, such as marriage and the

arrival of the first child, is diminishing relative to employment and income considerations (see Beer et al. 2006). The idealised housing career is seen as one of positive progression with lengthy periods of stability interrupted by moves into higher quality housing, or at least housing more suited to the individual's or family's requirements. Over much of the housing career horizon home-ownership, as opposed to renting, is seen as the superior state, though it should be noted that owner-occupied housing as a social norm is in fact a relatively recent phenomenon in itself.

Some of the common housing traits of older persons relative to those in their 30s and 40s include lower mobility, diminishing family sizes and reduced emphasis on career and geographical proximity to employment opportunities. Another trend for aged people is towards 'aging in place' in post-retirement housing, rather than in specialist aged care accommodation (Howe 2003; Olsberg and Winters 2005; Beer et al. 2006). Moreover, the housing that is attainable for people in old age is largely determined by their past housing career, most notably whether or not they achieved home ownership and have paid off their mortgage (Kendig and Neutze 1999). Based on 1994 data for Australia, the rate of outright ownership continues to increase with age beyond 50, peaking at just under 80 percent for 65-74 year olds, while the proportion of purchasers decreases. Around 15 percent of persons aged 50 and over are renters, with the balance tipping away from private rental tenancy toward public rental tenancies in old age (Kendig and Neutze 1999). US research indicates that retirement is the critical life cycle point at which preferences for single family detached homes peaks for home owners, after which housing consumption declines (Clarke et al. 2003).

Australians aged 65 years or more have been identified as one of the least mobile groups in the Australian population, and their residential movement is induced more by necessity and less as a result of choice. Generally older Australians move relatively infrequently and when they do, they tend to relocate by moving only a short distance (Jones et al. 2004). Studies completed in Britain, North America and Australia all indicate that older people who did move in later life favoured moving into small scale, purpose built accommodation located in familiar environments and with convenient access to support services, facilities and transport. A link has also been established associating changes in life circumstances resulting from widowhood, separation and divorce with movements by the aged to environments that address social, safety and support needs by providing companionship, supportive services and assistance with the tasks of daily living (Jones et al. 2004).

Although the aged as a whole have a low degree of residential mobility, mobility rates rise with increased age within the group. (Faulkner 2001) cites data from the ABS publication *Older People Australia: A Social Report 1999*, showing 21% of people aged 65-74 and 21% of the 75-84 age group moved residence. This figure rose to 30% for those aged 85-94 and to 37% for those 95 years or older. The very old were thus more likely to move but they were also less likely to have relocated very far, reflecting their very strong affiliation with a particular neighbourhood. It is therefore likely that the increasing numbers of older people moving, particularly those aged over 80 years, will mean that relocation continues to be a prominent housing issue for older Australians (McDonald and Kippen 1999; Faulkner 2001).

An Australian survey of 600 older tenants found them to be agreeable to moving house and changes of tenure, but often maintained a strong attachment to a specific locality. The survey also found that most older private renters expected to move in the next 5 years but were anxious about the prospect of being forced to move due to financial difficulties (Olsberg and Winters 2005). Older people often face numerous obstacles which prevent them from changing residences and moving. This may involve issues of affordability including the financial costs of relocating such as real estate agent and removal expenses. These represent strong financial disincentives especially considering most older Australians are on fixed, low incomes or are pensioners (Faulkner 2001).

A desire to remain in the family home can, from the perspective of the policy community, result in older home-owners occupying more housing than needed given their utilisation of living space, and the wealth 'locked up' in the home. Home owners can afford such a choice in older age because their housing outlays are typically very low. They are also encouraged to hold wealth in owner occupied housing by favourable tax treatment and exemption of the family home under the asset test for income support programmes (ISP), including the age pension. Renters are far less likely to have the choice of 'aging in place', and more likely to have to respond to the vagaries of economic pressures as they have both higher housing costs and lower incomes (Kendig and Neutze 1999). Renters also have greater mobility, defined in terms of the propensity to change residences, than homeowners, and mobility is the main mechanism through which households bring their consumption into line with their needs (Clarke et al. 2003).

For these and various other reasons, a significant proportion of people find themselves in less than satisfactory housing in old age, and one of the major causes of this is interruption to the housing career through family dissolution. Australian research based on 74 interviews with older clients and managers of the Assistance with Care and Housing for the Aged (ACHA) program revealed that despite an overall increase in the wealth of older Australians over the past twenty years, a significant proportion of the group aged 65 years or older are in a vulnerable housing situation and may find themselves facing the prospect of homelessness (Morris et al. 2005). This was found to be particularly pertinent for older, low income private rental tenants who depend on the government for their income. The research also indicated that the loss of a partner through death, divorce or separation is a common contributing factor, because it leaves an older individual less able to find suitable accommodation and in some cases, can cause homelessness. Older, single Australians are thought to be especially vulnerable as many have minimal or no family and social networks and often can not rely on the housing market or government sector bodies to assist them in securing affordable housing. Their predicament is further exacerbated by the fact that older people living alone are more likely to require social and community care services, such as home help and community care services.

At a 2004 AHURI conference, it was pointed out that older renters, on fixed low incomes, were less able to effectively compete for the declining supply of inexpensive, private rental housing. Further, rent assistance payments were insufficient to enable older renters to compete in the rental market, and many needed other support to find secure and stable housing that also met their needs in terms of location and utilities (AHURI 2004). Drawing on figures from AHURI (1996), Howe (1992) and Kendig and Neutze (1999) argue that despite having low incomes, older Australians who privately rent accommodation generally have significantly high renting costs and have been identified as among those in greatest housing need. According to 1995 AHURI figures, private tenants made up two thirds of the older households whose renting costs exceeded 30% of their gross income and 25% of older private renters paid more than half their income on rent. The percentage of older couples or singles paying 25% or more of their income on rents was 68% for private tenants and 14% for public housing tenants. ABS data reveals that older couples renting privately were paying on average 30% of their incomes on housing expenses while single, older Australians were paying 50%, confirming that they are among those in greatest housing need.

The desire of some single, older people to enter public housing is understandable considering that it provides them with both security of occupancy and comparatively low renting costs. Indeed Australians aged 65 years or more are one of the key target groups for the public rental sector (Jones et al. 2004). Public housing targeted on the elderly, such as higher density housing developments zoned specifically for aged residents, has been found to offer other advantages including more informal support, increased social contact and improved delivery of community services (Brooke et al.

1998). Research completed by AHURI also indicates that older Australian renters in public housing have lower housing costs than those who privately rent (Kendig and Neutze 1999). Presently only a small minority of older Australians live in public housing, but given the small size of the tenure they make up a significant proportion of the public tenant population (Jones et al. 2004). According to ABS data approximately 5.3% of the population aged 65 years or older live in public rental housing (Faulkner 2001). Increased demand for public housing has resulted from a rise in the numbers of single households who can't afford to buy their own home or remain renting privately (Smyth and Weston 2000).

Significant reductions in Commonwealth funding over the past few years has resulted in consequent decreases in the supply of public housing. Attempts by State Governments to compensate for the funding shortfall have had minimal impact in increasing the stock of public housing (House of Representatives Standing Committee on Health and Ageing 2005). The diminishing supply has therefore meant that the level and range of public housing in Australia is insufficient to satisfy demand and there is increasing competition for the available places that do exist (AHURI 2004). This is reflected in figures indicating that access to publicly provided housing has declined. It is also likely to translate into fewer long term renters being able to move into public housing when they retire. Evidence of this trend is apparent from a fall in the share of older age (65+) renters, renting in the public sector (Smyth and Weston 2000; AHURI 2004; House of Representatives Standing Committee on Health and Ageing 2005).

Some authors have also reported that the changing nature of the housing market has meant that single, older Australians are finding it increasingly difficult to find affordable, adequate and secure accommodation (Morris et al. 2005). The housing industry has been slow to adjust to changing social trends and the imminent rise in the number and proportion of older Australians. New housing construction continues to be dominated by family housing needs and fails to offer the range of choices that are attractive and affordable for many older individuals. Furthermore, modified State urban planning schemes have tended to promote high density housing, mostly in expensive, inner city locations and in multi-story dwellings, not suited to the needs of older people (AHURI 2004). In more recent times attempts to increase the supply of public housing have concentrated on establishing public-private sector partnerships with the aim of attracting private sector investment to provide more affordable housing options for older persons (Jones et al. 2004).

Another factor which has been identified as contributing to the affordable housing dilemma faced by many older Australians is the fact that government housing support for those on low incomes has changed substantially in recent years. Rent assistance has become the primary form of housing assistance, replacing public housing that had been the dominant type of housing assistance until the 1980s. (House of Representatives Standing Committee on Health and Ageing 2005). Many commentators claim that the maximum payment for rent assistance is relatively low when compared to rent rebates for public tenants (Feijten and Mulder 2005), and is insensitive to required variation in rents (Wood et al. 2005). Rent Assistance is thus considered to be of limited help and largely ineffective in overcoming the affordability difficulties faced by older renters. Further, older people face other difficulties with regard to accessing rental housing, including the need to have housing close to stores, public transport and other services (Fiedler 1999; AHURI 2004).

The housing challenges facing older, single persons are exacerbated from a social and policy perspective because the size of this group will increase significantly in the next couple of decades. This research project provides projections, out to 2025 - of the number of Australians aged 50 and over who have lost a partner, as well as estimating the implications of this for public housing demand. Previous research has documented changing demographic trends contributing to the growth in this group. According to AHURI figures, it is estimated that by 2021, 18% of Australia's population will be aged

65 years or above, up from 12% in 2001. Based on these figures, a person of this age group is likely to be a resident in approximately 4 in 10 households (AHURI 2004). It is estimated that 28% of older Australians currently live alone and the ABS predicts this figure to substantially increase by 2021 (Jones et al. 2004). The ABS and AHURI statistics show that roughly 90 % of aged persons live in private housing and that around 10-15% of this group are renters (AHURI 1996; Faulkner 2001). Slightly more than half of these older renters rent in the private market while the remainder are predominantly in public housing. The proportion of older age renters is likely to increase in the future as more become long term renters due to the fact that maintaining home ownership or making a transition into home ownership is becoming increasingly difficult for lower income Australians (Jones et al. 2004). This is supported by research which estimates that there will be a rise in the absolute number of people entering old age as renters and also more older Australians looking to rent in the private market (AHURI 2004).

Studies also indicate that the rise in single person households will continue and accelerate over the next two decades, across all age groups. These trends are therefore likely to generate greater demand for additional and more diverse types of housing in Australia, especially within major capital cities. One example of the implications is the increase in demand predicted for housing that incorporates various forms of support to cater for the needs of less mobile and more frail older Australians (AHURI 2004). This is particularly relevant considering the imminent rise in the numbers of people with severe core activity restrictions and older women living alone that has been predicted to occur. All projections thus point to rapid growth in demand for public housing by older Australians, with the types of property in demand not well matched to the existing public housing stock. Funding cutbacks however are likely to limit the capacity of the public housing system to meet the rising demand. Consequently the accessibility of affordable and stable housing for older renters is likely to remain a prominent issue, which will arguably gain even more importance in the future (McDonald 2003; AHURI 2004; Jones et al. 2004).

## **1.2 Loss of partner and housing status**

A recurring theme from studies that we have reviewed is the important contributory role of divorce or separation in disrupting housing careers (Dieleman et al. 1995; Clarke et al. 2003; Morris et al. 2005). The immediate impact of separation is an increase in demand for housing because one household 'dissolves' and is often replaced by two households. Not all relationship dissolutions result in additional households, as upon leaving one relationship a significant number of people move in with a new partner or move back into their parents' homes. UK research has shown that each dissolved marriage leads to 1.53 household units seeking accommodation (McCarthy and Simpson 1991). Following separation it is difficult for a single income household to move into home ownership. Evidence from the US (Dieleman et al. 1995) suggests that both single person households and sole parent families have a very low likelihood of purchasing a home. If they are already in home ownership, these families also have a greater propensity to move from owning to renting, due to lower income and the absence of a stable relationship which fosters commitment to purchasing and repayment of a mortgage.

In old age the loss of a partner can have more pronounced effects (Dieleman et al. 1995). Death of a spouse is one of the most common causes of changes in living arrangements among individuals in later life. In one UK study it was found to be responsible for 80 % of all the transitions from a couple household to a single person household (Fiedler 1999; Evandrou et al. 2001). Several studies have shown that on average, people residing with others either as a result of marriage or cohabitation, live in higher quality housing, than those who live in one-person households (Dieleman et al. 1995). Interruptions of partnerships due to widowhood, divorce or separation have

been found to have both short term and lasting negative consequences, causing an overall decline in the quality of housing for individuals (Boheim and Taylor 2000; Fischer and Malmberg 2001; Feijten and Mulder 2005).

Results from an Australian Institute of Family Studies telephone survey of 137 divorced, older Australians showed that the loss of a partner due to separation or divorce often caused economic crises. One leading reason for this outcome is that the ex – couples income, which supported a joint household, was generally insufficient to meet the expenses of newly formed single households (Smyth and Weston 2000; Fischer and Malmberg 2001). This is consistent with the findings of a recent National Longitudinal Survey conducted in the US, which indicated that individuals experience a significant decrease in wealth post separation from their partners (Zagorsky 2005). There is debate in the literature as to whether it is males or females who, on average, do better out of divorce settlements. What is clear is that divorce and separation causes significant hardship for both genders (Beer et al. 2006). As women more often retain custody of dependent children, there is a tendency for the mother to remain in the family home to try to minimise disruption, but this can be soon followed by a transition down the housing ladder. Overall, however, older women have been found to be consistently more disadvantaged than men, both financially and in terms of housing, following separation from their partners (Smyth and Weston 2000; Sevak et al. 2003/4; Zagorsky 2005). The results of the AMP-NATSEM Income and Wealth Report, which examined the income and wealth of Australian retirees, appears to support this assertion. In the report it was found that the poorest 25% of single females had wealth that was approximately one-third that of the poorest 25% of single males (AMP - NATSEM 2002).

Several studies have reported that divorce often causes individuals to move from owner occupied to rental housing and that divorced men and women are more likely to move into public housing than other singles (McCarthy and Simpson 1991; Dieleman et al. 1995; Feijten and Mulder 2005). This is supported by the results of a study based on data from the Household, Income and Labour Dynamics in Australia (HILDA) survey, and the Australian Bureau of Statistics' (ABS) Survey of Income and Housing Costs (SIHC) (Flatau et al. 2004). This study found that amongst all age cohorts in the mature age spectrum, those who are divorced or separated from their partners have significantly lower rates of homeownership (when compared to continuously married couples), regardless of age. Further evidence exists in the finding that the majority of individuals who divorced in mid-life have lost and not regained homeownership (Kendig and Neutze 1999).

In the next section we provide demographic and housing profiles of older Australians that offer a more up-to-date profile of their circumstances. It goes beyond previous studies by describing the housing affordability position of this group taking Commonwealth Rent Assistance into account. In addition it exploits the retrospective household histories contained in the Household Income and Labour Dynamics Survey. This allows a richer analysis of housing circumstances by marital history.

## 2 A DEMOGRAPHIC AND HOUSING PROFILE OF OLDER AUSTRALIANS THAT HAVE LOST A PARTNER

Numerous demographic trends that are apparent in the Australian context and have potentially profound implications for the future demand for housing assistance. One of these trends is marked growth in the number of single person households, and this has been particularly so among older persons. It partly reflects the growing importance of divorce and separation, and an ageing of the population that is accompanied by a corresponding increase in the number of single persons that have lost a partner due to bereavement. This trend has a wider social policy context since older people living alone are more likely to be in receipt of social and community care services, such as home help and community care services (Evandrou et al. 2001). In view of this it seems likely that such households will also form an increasingly important source of demand for housing assistance, including public housing. In this section we sketch in the demographic background by examining trends over the last twenty years using Australian Bureau of Statistics (ABS) population estimates. This is followed by a description of the housing tenure profile of older Australians with different marital histories, and an analysis of their relative position in the nation's income distribution. We ask whether older Australians that have suffered household dissolution experience disadvantaged housing and financial circumstances. Finally we present a descriptive analysis of housing affordability stress among older persons, with a particular focus on benchmarking the position of single person households that have lost a partner due to death of a spouse, divorce or separation. This last exercise addresses the first key research question posed in our proposal: *are older Australians who lose a partner suffering a financial loss that increases the need for housing assistance?*

### 2.1 Demographic trends

Table 1 examines changes in the Australian population distribution over the period 1981 – 2001 using Australian Bureau of Statistics (ABS) population estimates (ABS 2006) (ABS cat. no.3105.0.65001). In 1981 people aged 50 years or older constituted some 32 % of the total population aged 15 years or older. By 2001 this share had increased to 36 %. There are three main trends evident on inspection of table 1

- Between 1981 and 2001 the Australian population grew by over one-third; from 11.4m to 15.4m
- Population shares in the younger age bands - 34 years and below - systematically declined;
- Population shares for the age bands 40-54 years and 70 years and above increased.

**Table 1 - The Age Distribution of the Australian Population**

Agegroup	1981– Number of Persons	Share of Total Population in 1981 (%)	2001– Number of Persons	Share of Total Population in 2001 (%)	Percentage Point Change in Share of Total Population (%)	Percentage Change in Number of Persons (%)
15-19	1,288,994	11.3	1,352,745	8.8	-2.5	4.9
20 - 24	1,333,401	11.7	1,302,412	8.4	-3.2	-2.3
25 - 29	1,253,635	11.0	1,407,081	9.1	-1.8	12.2
30 - 34	1,228,574	10.7	1,466,615	9.5	-1.2	19.4
35 - 39	1,073,243	9.4	1,492,204	9.7	0.3	39.0
40 - 44	865,803	7.6	1,479,257	9.6	2.0	70.9
45 - 49	748,322	6.5	1,358,594	8.8	2.3	81.6
50 - 54	766,107	6.7	1,300,777	8.4	1.7	69.8
55 - 59	746,262	6.5	1,008,799	6.5	0.0	35.2
60 - 64	636,152	5.6	822,024	5.3	-0.2	29.2
65 - 69	542,837	4.7	682,513	4.4	-0.3	25.7
70 - 74	418,048	3.7	638,380	4.1	0.5	52.7
75+	537,883	4.7	1,114,641	7.2	2.5	107.2
Older Persons 50+	3,647,289	31.9	5,567,314	35.9	4.2	0.0
Total	11,439,261	100.0	15,426,042	100.0	0.0	34.9

Source: ABS cat. no. 3105.0.65001

The Australian population is ageing with the number of persons aged 75 plus years more than doubling over the twenty year period. As table 1 demonstrates the picture is complicated by the baby boomer generation. In 2001 the age cohort born between 1946 and 1960 belonged to the age bands 40-54 years, and over the past 20 years this baby boomer segment of the Australian population has increased its share of the total population. This group are now approaching early retirement age but by 2025 the surviving baby boomers will be 65-79 years of age and will be responsible for acceleration in the ageing of the Australian population. In the past 20 years the ageing process has been restrained by the age cohort born between 1931 and 1945 who belonged to the age bands 55 – 69 years in 2001. Over the past 20 years this segment of the Australian population has been contracting. By 2025 surviving members of this cohort will be 80+ and their influence on the age distribution will be waning by comparison to that of the baby boomer generation.

There is a belief that family relationships have become less permanent as separation and divorce has become more common (Winter and Stone 1999). There is also a view that people are now less likely to enter into marriage and are more prepared to live independent lives in single person households (Winter and Stone 1999). We explore whether these trends are evident among the 50+ older age group, where in table 2 the Survey of Income and Housing Costs (SIHC) is used to classify persons into 5 groups according to their marital histories in 1981, and in table 3 the ABS census of population is drawn on to measure the same categories in 2001.<sup>1</sup>

For the 50+ age group as a whole some 70% of persons were married in 1981, but by 2001 this share had declined to 65%. The corresponding share of persons who had experienced the loss of a partner (through separation, divorce or death) increased from

<sup>1</sup> It is not possible to use the ABS census for 1981 because the ABS's Australian Demographic Statistics series does not contain marital status by age group.

24% in 1981 to 29 % in 2001<sup>2</sup>. However, there has been significant compositional change within this group. *The share of widowed persons has declined from 19% to 16%, whereas the share of separated or divorced persons has increased from 6% to 13%.* Though there is a popular perception that people are becoming less likely to marry the share of the never married remains very small at 5.6% of the 50+ age group in 2001.

These overall trends mask some important differences across generations of older Australians. Among those in their 50s in 1981, and therefore born between 1922 and 1931, marriage shares are high at around 80%.<sup>3</sup> But among the corresponding age group in 2001, who were born between 1942 and 1951, the marriage share has declined to 72%. This decline is largely due to the higher propensity to divorce and separate of this (largely) baby boomer generation who were beginning to enter the older 50+ age bracket by 2001.

**Table 2 - Current Marital Status by Age Groups, Persons aged 50 years or Older 1981**

Age groups	Married %	Separated %	Divorced %	Widowed %	Never Married %	Total %	Population (Number)	Share of Total Person aged 50+ years %
50 - 59	81.3	2.0	4.8	6.4	5.6	100	1,502,027	42.4
60 - 69	72.1	1.7	3.4	17.3	5.5	100	1,166,334	32.9
70+	47.7	0.9	2.0	42	7.4	100	876,200	24.7
Total 50+	69.9	1.7	3.6	18.8	6.0	100	3,544,561	100

Source: Confidentialised Unit Record Files of the ABS (1981/82), Income Distribution Survey (more recently renamed Income and Housing Costs Survey)

**Table 3 - Current Marital Status by Age Groups, Persons Aged 50 years or Older 2001**

Age Groups	Married %	Separated %	Divorced %	Widowed %	Never Married %	Total %	Population (Number)	Share of Total Persons age 50+ years %
50 - 59	72.1	4.7	13.5	3.3	6.4	100	2,219,220	41.3
60 - 69	71.2	3.2	9.9	10.6	5.0	100	1,449,594	26.9
70+	50.4	1.6	5.0	37.8	5.2	100	1,710,291	31.8
Total 50+	65	3.4	9.8	16.2	5.6	100	5,379,105	100

Source: Confidentialised Unit Record Files of the ABS (1981/82), Income Distribution Survey (more recently renamed Income and Housing Costs Survey)

On the other hand the marriage share among the 70+ age bracket has increased due to lower mortality rates that are enabling larger numbers of older Australians to live longer with their partners. Those Australians in the 70+ age bracket in 1981, and therefore born before 1912, had a marriage share of 48%. But this marriage share has increased to 50% for those aged 70+ in 2001 (and therefore born before 1932)<sup>4</sup>. There

<sup>2</sup> These figures are the row sum of the share of persons who have lost a partner because of separation, divorce or bereavement in tables 2 and 3.

<sup>3</sup> We use the term shares when referring to stock measures (e.g. the proportion of the population that is married) and the term rates when referring to flow measures (e.g. the number of persons that married in the last year per 1,000 residents).

<sup>4</sup> Note here that marriage share is the proportion of the population or population subgroup that are *currently* living in a married couple household.

is a corresponding fall in the share of widows. In short it would seem that the propensity to marry has not fallen *among the cohort of Australians that reached the age of 50+ years by 2001*, but they are much more likely to have lost a partner as a result of divorce and separation as compared to their counterparts in 1981. They are also much less likely to be widowed as a consequence of increasing longevity of the older segment of the population. There are offsetting trends; those married couples that avoid separation and divorce will live longer as couples because of falling mortality rates. On the other hand fewer married couples survive as the propensity to divorce and separate has increased. Only 4% of 50+ Australians were divorced in 1981; by 2001 this had reached 10% of the 50+ age bracket. The share of separated persons increases from 2% to 3% over the same time frame. Population estimates indicate that older 50+ persons separated or divorced persons increased from 184,000 in 1981 to 705,000 in 2001, a nearly four fold increase in this subgroup of older Australians. We are therefore witnessing a rapidly increasing number and share of older persons who are living alone without a partner because of divorce and separation. Though widows are still the largest group overall, *it is divorce and separation that is driving change in the level and composition of 50+ older persons that have lost a partner.*

This conclusion is subject to a qualification. The formation of de facto partnerships is not taken into account in the above analysis. However, as documented in table 4 this living arrangement is much more common among younger Australians, with the incidence of de facto partnerships peaking at 17.6% of 25-29 year olds. Among 50+ years old Australians it declines from 5.2% of persons aged 50-54 years to only 0.6% of persons 75+ years. It therefore seems reasonable to conclude that Australia is experiencing a rapid increase in the number of older Australians that are living alone. In view of the importance of divorce and separation to this conclusion, we now take a closer look at trends in divorce and marriage rates.

**Table 4 - Married or De Facto in 2001**

	<i>Married in a registered marriage</i>	<i>Married in a de facto marriage</i>	<i>Not married</i>	<i>Total</i>
	<i>% Share of persons in age band</i>	<i>% Share of persons in age band</i>	<i>% Share of persons in age band</i>	<i>% Share of persons in age band</i>
<b>15-19 years</b>	0.4	1.9	97.7	100
<b>20-24 years</b>	8.4	13.1	78.5	100
<b>25-29 years</b>	34.7	17.6	47.7	100
<b>30-34 years</b>	55.3	13.1	31.6	100
<b>35-39 years</b>	64.4	9.6	26.0	100
<b>40-44 years</b>	67.7	7.6	24.7	100
<b>45-49 years</b>	69.5	6.4	24.0	100
<b>50-54 years</b>	71.5	5.2	23.3	100
<b>55-59 years</b>	72.6	3.9	23.5	100
<b>60-64 years</b>	72.3	2.5	25.2	100
<b>65-69 years</b>	69.6	1.5	28.9	100
<b>70-74 years</b>	63.4	1.0	35.6	100
<b>75+</b>	45.7	0.6	53.7	100

Source: Census 2001 (usual resident profile)

### **2.1.1 What are the trends in rates of marriage, remarriage and divorce?**

While the number and share of divorced people is increasing in the 50+ year age group it is important to note that marriages and divorces tend to occur at younger ages. Thus changes in divorce rates and marriage rates will have lagged effects on the marital composition of the 50+ age group. Tables 5 to 8 examine population, marriage,

remarriage and divorce rate summary statistics. The rate measures are the number of persons experiencing an event (marriage, for example) in a calendar year divided by the total number of adults (aged 15 years or older).

**Table 5 - Marriage Rate<sup>1</sup>**

	<b>1983</b>	<b>1993</b>	<b>2003</b>
<b>Marriage rate<sup>2</sup>: All adults</b>	7.5	6.4	5.4
<b>Males</b>			
<b>Marriage rate : among adult males 50+ years</b>	3.7	3.5	3.5
<b>Females</b>			
<b>Marriage rate: among adult females 50+ years</b>	1.9	1.9	2.0

Note 1: rates are per 1000 adults. The male rates are per '000 males, and the female rates are per '000 females.

Note: 2 the male (female) remarriage rate per '000 marriages has increased from 238 (225) in 1983 to 249 (238) in 2003.

Source: Australian Demographic Statistics Sept Q 2004 (ABS 3101.0).

In the period 1983-2003 the marriage rate (see table 5) declined from 7.5 (per thousand adults) to 5.4 (per thousand adults). There has therefore been a substantial 28 % decline in the propensity of Australian adults to enter marriage. This decline is apparent in almost all age groups, an exception being the rate for the older 50+ female age group. However, in the 50+ age group the marriage rate is low, a finding that is to be expected given a median age at marriage that is now just over 30 years.

Table 6 examines trends in the median age at marriage and remarriage. By 2003 males and females had typically delayed marriage by 5 years as compared to 1983, and the median age of marriage had reached around 31 years for males and 29 years for females. Among males and females whose first marriage dissolved due to divorce, the median age at remarriage has also increased, and for this group the delay is even more pronounced. Widows who remarry do so in late middle age and this tendency has become more pronounced.

**Table 6 - Median Age at Marriage and Remarriage**

	<b>1983</b>	<b>1993</b>	<b>2003</b>
<b>Males</b>			
<b>Median age (all) marriages</b>	26.4	28.8	31.2
<b>Median Age at remarriage: Divorced</b>	36.5	40.4	43.6
<b>Median Age at remarriage: Widowed</b>	59.7	62.0	62.6
<b>Females</b>			
<b>Median age (all) marriages</b>	23.9	26.4	29.1
<b>Median age at remarriage: Divorced</b>	33.4	36.8	40.2
<b>Median Age at remarriage: Widowed</b>	52.3	52.8	55.8

Source: see table 5.

Changes in remarriage rates are critical from a policy perspective, because the adverse consequences of divorce or partner bereavement could be reversed on remarriage. A reduced propensity for divorcees to remarry is apparent in table 7. The remarriage rate per 1000 divorces granted has fallen from 852 in 1983 to 672 in 2003. Thus the propensity of divorcees to remarry is in decline.<sup>5</sup> This is an important

<sup>5</sup> There is qualification here. Remarriages include those involving widows and so these trends could reflect a change in the remarriage rate among widows. However, remarriages involving widows are small in

observation as it implies a *net* growth in the number of single person households that have lost a partner due to divorce, and the growth will be increasingly apparent among the 50+ age group as the influence of older generations (whose marriages were less prone to divorce) wanes

**Table 7 - Remarriage Rate per 1000 Divorces Granted**

	1983	1993	2003
<b>First marriage one partner, other partner remarrying</b>	484	436	370
<b>Remarriage both partners</b>	368	334	302
<b>Total</b>	852	770	672

Source: See table 5.

The falling rate of marriage has helped stabilise divorce rates (per 1000 adults). The divorce rate in 1983 was 2.8 and fell marginally to 2.7 by 2003, but the stability masks different trends across age cohorts (see table 8). Among younger male and female Australians in the age brackets 30-34 and 35-39, divorce rates have declined, though the decline has been from relatively high rates of between 14 and 15 per 1,000 males (or females). In older age brackets the divorce rate has increased. This trend is in part a product of delayed marriage so that the median age of divorce has increased in parallel with the increasing median age of marriage.<sup>6</sup>

**Table 8 - Divorce Rates Summary Statistics**

	1983	1993	2003
<i>Divorce rate (per 1000)</i>	2.8	2.7	2.7
<b>Divorce rate age specific</b>	<b>Husband</b>		
30-34	15.3	13.1	10.8
35-39	14.2	13.1	12.6
40-44	12.5	12.8	12.6
45-49	9.9	10.8	11.7
50-54	7.2	8.4	9.5
50+	2.7	2.7	3.6
<b>Divorce rate age specific</b>	<b>Wife</b>		
30-34	15.0	13.9	13.1
35-39	13.3	13.2	13.1
40-44	10.9	11.5	12.3
45-49	8.2	9.4	10.5
50-54	5.2	5.9	7.3
50+	1.4	1.3	1.9

Note: The age specific rates are per 1000 males or females respectively aged 15 years or older.

Source: see table 5.

As the Australian population ages we can expect household composition in the 50+ category to be increasingly affected by the choices that Australians under the age of 50 are making concerning marriage and divorce. It is clearly the case that this latter group of Australians are not as prepared to enter into marriage as their counterparts were 20 or more years ago. However, those that do enter marriage are more likely to divorce,

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number and unlikely to alter conclusions based in table 7. According to ABS 3101.0 the male (female) remarriage rate (per '000 marriages) among widows was only 20 (22) in 2003.

<sup>6</sup> The median age at divorce has increased from 36 years in 1983 to 43 years in 2003 for males and from 34 years to 40 years over the same time frame for females (ABS 3101.0).

and *those that get married* are also more prepared to 'churn' in and out of marriage.<sup>7</sup> The increasing share of 50+ persons that are divorced also reflects the fact that not all divorcees remarry. As older Australians live longer than their counterparts twenty or more years ago, the share of widows in the +50 year age group have fallen, and can be expected to fall further given declining marriage rates among younger Australians. The implications of these demographic trends for tenure profiles and the relative income positions of older Australians with different marital histories are now explored.

### **2.1.2 The marital history, income and housing tenure profiles of older single persons that have lost a partner**

This sub - section uses the Household, Income and Labour Dynamics Survey (HILDA) to profile the socio-economic characteristics of older Australians and relate these to their marital histories. The latter are defined to include all income units<sup>8</sup> that contain at least one person 50+ years of age. HILDA is a valuable data source because it contains retrospective information about family histories that allow us to precisely identify 'pathways' preceding and following loss of a partner. A second important reason for using HILDA is that AHURI-3M, the microsimulation model of the Australian Housing Market, is being redesigned so that it can be applied with HILDA as a data source.<sup>9</sup> The model contains a tax-benefit simulator that allows measurement of housing assistance, and housing affordability measures before and after taking housing assistance into account.

We begin by comparing the housing tenure profile of older (50+years of age) Australians with that of their younger counterparts.<sup>10</sup> We then explore the marital histories of older Australians, and how these relate to housing tenure outcomes. We find that older singles that have lost a partner are much more likely to be renters, and are three times more likely to rent in public housing than couples. This prompts a more detailed investigation of the demographics and incomes of older singles who have lost a partner. Section 2 is concluded by a presentation of our findings on the housing affordability position of older Australians, and in particular older singles that have lost a partner.

### **2.1.3 Housing tenure and age**

Table 9 shows that in 2000-01 two-thirds of older (50+) income units are outright owners. This is a stark contrast with younger income units where outright owners constitute only a 16 percent share of all income units. Not surprisingly, younger income units have a higher propensity to rent, with 36 percent of this group opting for private rental, compared to only 10 percent of those aged 50 and over. Whilst home purchase is the second most common tenure for both age groups, a higher proportion of younger income units are purchasers (33 percent compared to 14 percent). This is to be anticipated, since older Australians are typically outright owners when they reach their mid - 50s (see ABS 2004). Evidence suggests this tenure profile may change in the future, with indications that younger households are delaying entry into home ownership (Yates 2000). The potential outcome of this trend is an increase in the number of older Australians encumbered with a mortgage as their retirement

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<sup>7</sup> The male (female remarriage) rate per '000 marriages has increased from 238 (225) in 1983 to 249 (238) in 2003.

<sup>8</sup> Income units are defined as adults and their dependants among whom economic resources are nominally shared. A married couple with a 6 year old daughter are an income unit, but a married couple who have their 28 year old employed son living with them form two income units but one household. Rates of homeownership are always lower when calculated using income units rather than households as the unit of measurement.

<sup>9</sup> See Wood, Watson and Flatau (2006) where the model is applied to analyse first home owner grants.

<sup>10</sup> Older income units are defined as those where at least one adult is 50+ years of age. Younger income units are then those where all adults are younger than 50 years of age.

approaches. The implications will be particularly severe for older single households, who may face greater financial difficulties meeting mortgage repayments given economies of scale in housing consumption.<sup>11</sup>

Table 9 lists both sample numbers, i.e. those surveyed in HILDA, and population estimates. There are two important points to bear in mind. Firstly, as cautioned in our response to the project brief, the sample of older renters is 499 income units, a much smaller number as compared to the 2494 older homeowner income units that are sampled by HILDA. Particular sub-groups of older renters (e.g. widows) will then have small sample numbers, and caution is warranted when interpreting findings. Secondly, tenure shares based on sample numbers and population estimates are very similar for the 50+ years age group. Consider the share of outright owners for instance. Both the sample and population estimates of their tenure share is 65.8%. Subsequent tables report sample numbers only.

**Table 9 - Tenure Status of Income Units By Age, 2000-01**

Tenure	Sample				Population			
	50+ Years		15-49 Years		50+ Years		15-49 Years	
	<i>N</i>	%	<i>N</i>	%	<i>Number ('000)</i>	%	<i>Number ('000)</i>	%
<b>Outright owner</b>	<b>2,067</b>	<b>65.8</b>	<b>885</b>	<b>16.9</b>	<b>2,089</b>	<b>65.8</b>	<b>842</b>	<b>16.2</b>
<b>Owner purchaser</b>	<b>427</b>	<b>13.6</b>	<b>1,794</b>	<b>34.2</b>	<b>432</b>	<b>13.6</b>	<b>1,716</b>	<b>33</b>
<b>Private Renter</b>	<b>316</b>	<b>10.1</b>	<b>1,823</b>	<b>34.8</b>	<b>315</b>	<b>9.9</b>	<b>1,879</b>	<b>36.1</b>
<b>Public Renter</b>	<b>183</b>	<b>5.8</b>	<b>2,257</b>	<b>4.9</b>	<b>194</b>	<b>6.1</b>	<b>2,501</b>	<b>4.8</b>
<b>Rent Free</b>	<b>147</b>	<b>4.7</b>	<b>485</b>	<b>9.2</b>	<b>147</b>	<b>4.6</b>	<b>514</b>	<b>9.9</b>
<b>Total</b>	<b>3,140</b>	<b>100.0</b>	<b>5,244</b>	<b>100.0</b>	<b>3,176</b>	<b>100</b>	<b>5,202</b>	<b>100</b>

Note 1: The sample includes responding income units in two age groups: income units that are aged under 50 (that is where each adult is aged 15 to 49) or income units where at least one person is 50 and over (50+ years). The two groups includes couples (married or de facto), single (and have lost a partner), and never legally married. The analysis uses the HILDA responding person cross-section population weight to translate sample numbers into population estimates. Cases with \$0 or negative income have been excluded. The sample also excludes people who are legally married but not living with their partner or not stated (20 cases) and income units with an uncategorised tenure status (20 cases).

Source: HILDA Wave 1

### 2.1.4 Marital history and housing tenure

Home ownership is often viewed as an investment, providing financial security and offering greater lifestyle choices (Olsberg and Winters 2005). Home ownership is a dominant feature of the tenure status of older Australians, as is clear from table 10, which examines the population of older Australians by tenure and marital status. Older couple households have the highest rates of home ownership, with 71 percent of income units outright owners, and 17% still paying off a mortgage. A smaller 60% of singles who have lost a partner are outright owners, and only 10 % are still paying off a mortgage. A higher proportion of singles who have lost a partner rent privately (14%), compared to couples (7 %) and those people who have never married (12 %). Table 10 also indicates that older singles who have lost a partner are more likely to enter public housing; 10% of this group rent from a state housing authority as compared to 7% of never married older singles and 3% of older couples.

<sup>11</sup> Both couples and singles need certain amenities, such as kitchen and bathroom facilities, and are the source of economies of scale that make it cheaper (on a per capita basis) for couples to purchase or rent housing. A recently released Citibank (2006) survey finds that 20 % of Australians under 45 years of age expect to be meeting mortgage repayments in their retirement years.

Among older Australians who have lost a partner there are important differences between widows on the one hand, and the divorced and separated on the other hand. Only 12% of widows are renters, but 3.5% of the divorced and separated are renters. There is a correspondingly stark difference in rates of homeownership, with 76% of widows in homeownership but only 62% of the divorced and separated in homeownership and almost one third of the latter still have a mortgage. We comment on the policy significance in section 5 below.

**Table 10 - Tenure Status of the Population of Older People by Marital Status, 2001.**

Tenure	Coupled <sup>1</sup>		Single, lost a partner <sup>2</sup>		Never married <sup>3</sup>		Total	
	N	%	N	%	N	%	N	%
<b>Outright owner</b>	1267	70.6	693	60.3	107	54.6	2067	65.8
<b>Owner purchaser</b>	299	16.7	112	9.7	16	8.2	427	13.6
<b>Private Renter</b>	131	7.3	162	14.1	23	11.7	316	10.1
<b>Public Renter</b>	50	2.8	119	10.3	14	7.1	183	5.8
<b>Rent Free</b>	47	2.6	64	5.6	36	18.4	147	4.7
<b>Total</b>	1794	100	1150	100	196	100	3140	100

*Note 1:* Couple income units are defined as those who are legally married or couples in a de facto relationship at the time of interview.

*Note 2:* Single income units are defined as individuals who are separated, divorced or widowed at the time of interview.

*Note 3:* Never married income units are those who have never been legally married at the time of interview, but may have been in a de facto relationship in the past.

*Source:* Authors calculations from Wave 1 of HILDA

Table 10 clearly indicates that loss of a partner adversely affects your chances of being a homeowner. Many will subsequently form new relationships but will their homeownership prospects 'bounce back' such that they become indistinguishable from the continuously married couples? *Table 11 compares the tenure arrangements of older continuously married couples with those older couples where at least one partner has been in a previous marriage or de facto relationship.* It is clear from table 11 that outright home ownership is highest amongst continuously married couples (76%). By contrast 62% of repartnered married couples and less than half of repartnered de facto couples (45%) are outright owners. It appears that marriage dissolution has adverse impacts on the propensity to achieve outright ownership regardless of repartnering. Also noticeable is the higher share of owner purchasers among repartnered married (23%) and de facto (34%) couples as compared to the continuously married (13%).

The findings reported in table 11 are important because they suggest that couple households formed as a consequence of repartnering are more likely to be approaching retirement (or in retirement) with outstanding debt or in rental housing tenures. Repartnering does not necessarily put divorcees and widows back on an equal footing with the continuously married. It seems likely that household dissolution prompts housing equity withdrawal that is not offset by equity injection on re-partnering. *Though the brief for this study was written with an emphasis on older singles that have lost a partner, the housing affordability and demand for housing assistance position of those that repartner might also be cause for concern.*

**Table 11 - Tenure Status And Marital History Of Older Couples**

<i>Tenure</i>	<i>Legally married both currently in first marriage</i>		<i>Legally married couple - one partner previously married</i>		<i>De facto couples- one partner previously legally married</i>		<i>Total</i>	
	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
<b>Outright owner</b>	969	75.7	234	61.7	50	45.5	1253	70.8
<b>Owner purchaser</b>	167	13.0	89	23.5	38	34.5	294	16.6
<b>Private Renter</b>	74	5.8	38	10.0	16	14.5	128	7.2
<b>Public Renter</b>	34	2.7	10	2.6	4	3.6	48	2.7
<b>Rent Free</b>	36	2.8	8	2.1	2	1.8	46	2.6
<b>Total</b>	1280	100	379	100	110	100	1769	100

*Note:* Couples who have been in one de facto relationship or a number of de facto relationships are excluded from the analysis as the data does not provide information on the number of past de facto relationships.

*Source:* Authors calculations from Wave 1 of HILDA

In table 12 we ask whether the marital history of older Australians differs by age group and gender. Are particular groups of older Australians more or less likely to churn in and out of marriages? In view of the findings in table 11 this is an important issue. Our analysis of marital histories employs the same age bands used by (Olsberg and Winters 2005). Those aged 50 to 59 are the 'senior baby boomers', the 60 to 74 year olds grew up during World War II, and those over 75 had experienced hardship growing up during the depression years (Olsberg et al. 2004; Olsberg and Winters 2005). These age categories allow us to examine how marital histories and the housing careers of each group differ given the contrasting economic climates during adolescence and young adulthood. There are 17% of older Australians who have *remarried* once or more. We find that remarriage shares are higher among the senior baby boomers compared to the older age groups. These remarriage shares are more significant than might appear at first sight since senior baby boomers are younger and have therefore had less 'time' to churn in and out of marriages. There is also some evidence of polarisation in marital histories since the proportion of senior baby boomers who have never married (5%) is higher compared to 60 to 74 year olds (4 %) and those 75 and over (3 %). The senior baby boomers are clearly less attached to their partners as compared to older age cohorts examined in table 12. There is little difference in the marital histories of males and females: 78 % of males and 81 % of females have been married once; 17 % of males and 16 % of females have married two or more times.

**Table 12 - Marital History of Older Persons, 2001**

<i>Tenure</i>	<i>50 to 59</i>		<i>60 to 74</i>		<i>75 and over</i>		<i>Total</i>	
	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
<b>Never Married</b>	146	5.5	46	4	26	3.4	218	4.8
<b>Married Once</b>	2014	75.9	920	80.9	641	82.9	3575	78.4
<b>Married Twice</b>	428	16.1	154	13.55	98	12.7	680	14.9
<b>Married Three + times</b>	64	2.4	17	1.5	8	1	89	1.9
<b>Total</b>	2652	100	1137	100	773	100	4562	100

*Note:* The analysis excludes individuals in an uncategorised tenure and individuals who are legally married but not living with their partner.

*Source:* Authors calculations from Wave 1 of HILDA

However, there is an important gender dimension to consider because among all older singles, *over 70 % are female*. Older singles that have lost a partner are also typically women. On the other hand, males account for 59% of older singles that never married.

These gender contrasts likely reflect the greater longevity of women, and their lower propensity to remarry following loss of a partner. Indeed, older single females that have lost a partner are typically widowed (69% of all such females), but older single males are more likely to be divorced (43% of all such males) than widowed (36% of all such males).

We now turn to the income position of older singles that have lost a partner. Among singles who have lost a partner, 71 % received some kind of government benefit, pension or allowance in the financial year 2000 - 2001 compared to 44% of couples, and 47 % of never married income units.<sup>12</sup> The higher rates of eligibility for income support programmes (ISP) among proportion of singles that have lost a partner raises concerns about the financial welfare of this group. *Since 30 percent of older singles that have lost a partner are renters (see table 10), and eligibility for ISP is a 'passport' to housing assistance, this segment of the older population of Australians will have relatively high levels of demand for housing assistance (see section 2.3 below, where this is explored further).* This is particularly the case for older singles that have lost a partner due to divorce and separation.

Table 13 examines the income distribution of older Australians by marital status. There are considerable differences between singles and couples – nearly 80 % of singles who have lost a partner, and 70% of those who never married fall in the bottom 40 % of the income distribution, whereas 40% of couples are in the highest two income quintiles. Singles that have lost a partner are considerably over represented in the lowest income quintile – 78% of those in the bottom 20% of the income distribution are singles who have lost a partner. Since 72% of singles who have lost a partner are female, it is women who are most affected by the inferior income position associated with loss of partner.

Nearly nine in ten (87%) widows are represented in the lowest two income quintiles compared to 74 % and 65 % of separated and divorced singles respectively. Separated and divorced singles are on average younger than widows (average age of separated singles is 59, divorced singles 61 and widows 74). Widows are then more reliant on occupational or state pension income, and unlikely to have income from earnings. However if we standardise for age by examining the 65+ years age group, the median gross income of separated and divorced singles is \$10,700, which is lower than that of widows at \$11,000.<sup>13</sup> This suggests that once we control for age, separated and divorces singles have a marginally inferior economic wellbeing as compared to widows.

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<sup>12</sup> Over half (54 %) of singles that have lost a partner received the Age Pension compared to 43 percent of couples and 47 percent of never married income units; 9 percent received Disability Support Pension (16 percent couples and 27 percent never married), and 8 percent the War Widow Pension. The uptake of War Widow Pension is expected to decline as veterans from World War II age (Costello, P. (2002). Intergenerational Report 2002-03. *2002-03 Budget Paper No. 5*. Canberra, Commonwealth of Australia.

<sup>13</sup> Based on a sample of 140 separated and divorced income units, and 522 widows

**Table 13 - Gross Income Distribution<sup>1</sup> (Defined by Total income unit sample) of older Australian income units by marital status, 2000-01.**

		<i>Married/ de facto</i>	<i>Single, lost a partner</i>				<i>Single, never legally married</i>	<i>Total</i>
			<i>All</i>	<i>Separated</i>	<i>Divorced</i>	<i>Widowed</i>		
<b>Total</b>	<b>N</b>	1770	1125	137	350	638	197	3092
<b>1st income quintile (&gt;\$0 and &lt;\$14,849)</b>	%	5.2	61.1	51.1	50.0	69.3	51.3	28.5
<b>2nd income quintile (≥ \$14,849 and &lt;\$27,342)</b>	%	35.8	18	23.4	15.4	18.2	18.8	28.2
<b>3rd income quintile (≥ \$27,342 and &lt;\$46,884)</b>	%	19	12.6	10.9	21.7	8	16.8	16.6
<b>4th income quintile (≥ \$46,884 and &lt;\$74,897)</b>	%	16.7	5.5	8.8	8.9	3.0	8.1	12.1
<b>5th income quintile (≥\$74,897)</b>	%	23.3	2.8	5.8	4	1.6	5.1	14.7
<b>Total</b>	%	100	100	100	100	100	100	100

Note 1: Gross income is calculated by adding together private income from the previous financial year (which is the sum of financial year gross wages and salary, financial year business income, financial year investments and financial year private transfers), and government transfer entitlements (which is the sum of pension, allowance, family benefit or supplementary benefit entitlements). Income quintiles in table 13 are defined using gross income of all income units aged over 15.

Source: Authors calculations from Wave 1 of HILDA

## **2.2 Housing affordability among older Australians that have lost a partner**

In this sub section we examine the affordability of housing for a sample of older Australian income units using Wave 1 of the Housing, Income and Labour Dynamics Australia (HILDA) panel survey. This preliminary analysis provides background information to future analysis of the housing and financial circumstances of income units before and after the loss of a partner. This section also provides evidence directly relevant to the first research question of the proposal: do the housing circumstances and after housing cost incomes of older Australians that have lost a partner compare unfavourably with other household types. Our categories of household types are based on marital histories; the categories are coupled (married or living with a partner in a de facto relationship), single – lost a partner (separated, divorced, widowed) or never legally married. Income units that identified as married but not living with their partner were excluded from the sample.

As in section 2.2 we analyse a sample of income units where at least one person is 50+ years. The housing tenure of income units are outright owners, owner purchasers, private renters, public renters or living rent free (uncategorised or boarders in non-

private households where amount paid is unknown are excluded from the sample). Since outright owners have zero mortgage payments, and HILDA contains no information on repairs and maintenance outlays their housing affordability circumstances are not examined. Two-thirds of older Australians are outright owners, so housing affordability stress is potentially a problem among one-third of older Australians. Public housing tenants are not examined as their rents are set at 25 percent of assessable income. In principle public housing tenants are, like outright owners, not vulnerable to housing affordability stress (HAS).

We measure housing affordability using the ratio of housing costs to gross income from all sources (HAR)<sup>14</sup>. Housing costs are the mortgage repayments of home purchasers and the gross rents paid by renters. This measure is commonly referred to as the gross housing affordability ratio. The net housing affordability ratio is calculated for private renters, and is obtained by subtracting their Commonwealth Rent Assistance (CRA) entitlements from gross rent. CRA entitlements are calculated using the AHURI-3M microsimulation model of the Australian housing market. Net housing affordability ratios are the preferred measure because they reflect tenants' actual out-of-pocket housing costs. Finally, housing affordability stress (HAS) is identified by the benchmark ratio of 30%, a figure that has become a convention among Australian housing policy analysts.

### 2.2.1 Older private renters and Housing Affordability Stress <sup>15</sup>

Table 14 describes the profile of older private renters (10% of all older income units) according to their income unit type (column 2), their median HAR (column 3) and the proportion of each income unit type that are found to be suffering HAS (column 4). Though singles that have lost a partner comprise 29% of the population of older Australians (see table 3), they account for a disproportionately high 51% of older private renters. The median HAR is 25%, though widows and separated singles have a slightly higher median HAR. Among all older private renters, 37% are in HAS according to the gross HAR measure; separated and divorced singles are more vulnerable with 55 and 41 %, respectively, of this group in HAS.

<sup>14</sup> We experimented with the mean ratios as calculated using the formula shown below:

$$HAR = \frac{\sum \frac{R_i}{Y_i}}{N} \text{ and } HAR = \frac{\sum \frac{R_i}{N}}{\sum \frac{Y_i}{N}}$$

Where HAR is housing affordability ratio, R is rent or mortgage repayments, Y is income and i = 1,2,...N is income unit i. We also calculated two median measures, the median of HAR<sub>i</sub> from the sample of income units and

$$\frac{\text{median } R_i}{\text{median } Y_i}$$

The findings reported here use the median of HAR<sub>i</sub>. Median measures are not sensitive to extreme values that can distort means, particularly in small samples. The alternative measures corresponding to the statistical analyses reported in tables 14 – 19 can be obtained from the authors on request.

<sup>15</sup> Estimates should be interpreted with caution as they are based on small sample numbers.

**Table 14 - Median HAR<sup>1</sup> and Incidence of Housing Affordability Stress (HAS) Among Private Renters Aged 50+: before Commonwealth Rent Assistance.**

<i>Marital status</i>	<i>Number and % of older IUs<sup>2</sup></i>		<i>Median Gross HAR</i>	<i>Numbers and % of Income Units in Housing Affordability Stress<sup>3</sup></i>	
	<i>N</i>	<i>%</i>	<i>%</i>	<i>N</i>	<i>%</i>
<b><i>Couples</i></b>	123	42%	23	39	32%
<b><i>Separated</i></b>	31	10%	31	17	55%
<b><i>Divorced</i></b>	68	23%	25	28	41%
<b><i>Widowed</i></b>	52	18%	26	20	38%
<b><i>Never married</i></b>	22	7%	18	6	27%
<b><i>Total</i></b>	296	100%	25	110	37%

*Note 1:* HAR excludes cases where HAR is more than 100 %. Six income units have been excluded from the sample for having a HAR over 100 %. Fourteen income units with a negative or zero income have been excluded.

*Note 2:* Population estimates for marital categories are: couples, 317141; separated, 17017; divorced, 52719; widowed, 28790 and never married, 14472.

*Note 3:* HAS is defined as income units paying more than 30 % of income in rent.

*Source:* Authors calculations from Wave 1 of HILDA

Table 15 presents the same information as table 16, but for net affordability ratios that take CRA entitlements into account. The incidence of HAS falls to 23% of older private renters, and the differences between older singles that have lost a partner and other household types narrows. The larger impact of CRA for singles that have lost a partner is due to their greater eligibility for government income support payments that act as a 'passport' to CRA eligibility (Wood et al. 2005) for details on CRA eligibility rules). CRA cushions the housing cost burden of a high proportion (64%) of renting singles that have lost a partner. However, even after CRA is taken into account a little under 1 in 4 older singles who are divorced or separated are in HAS (see table 15). Among older couples this rises to 1 in 4.

**Table 15 - Median HAR<sup>1</sup> and Incidence of Housing Affordability Stress (HAS) Among Private Renters Aged 50+: after Commonwealth Rent Assistance**

<i>Marital status</i>	<i>Number and % of older IUs<sup>2</sup></i>		<i>Median Net HAR</i>	<i>% of Income Units in Housing Affordability Stress<sup>3</sup></i>	
	<i>N</i>	<i>%</i>	<i>%</i>	<i>N</i>	<i>%</i>
<b><i>Couples</i></b>	123	42%	21	32	25%
<b><i>Separated</i></b>	31	10%	23	8	26%
<b><i>Divorced</i></b>	68	23%	21	19	28%
<b><i>Widowed</i></b>	52	18%	20	5	10%
<b><i>Never married</i></b>	22	7%	17	3	14%
<b><i>Total</i></b>	296	100%	21	67	23%

*Note 1:* See note 1, table 14

*Note 2:* Population estimates for marital categories are: couples, 1421601; separated, 27967; divorced, 68440; widowed 51381, and never married, 21283.

*Note 3:* See note 3, table 14

*Source:* Authors calculations from Wave 1 of HILDA

## 2.2.2 Home purchasers and Housing Affordability Stress <sup>16</sup>

Table 16 has the same design as table 14, but reports findings for older home purchasers, who account for 14% of all older income units. Note that home purchasers are not eligible for CRA. The median HAR is 15%, somewhat lower than the median (net) HAR among private renters (21%). The proportion of older home purchasers in HAS is 17%, which is again lower than the 23% figure for private renters.

Divorced and separated home purchasers have a median HAR of 17 and 15 %, respectively, as compared to 13 % for couples. HAS is more likely among singles that have lost a partner, particularly divorcees 27 % of whom are in HAS. Only 12% of widows are in HAS.

Older home purchasers have median mortgage repayments of \$560 per month and a median outstanding mortgage debt of \$56,000. It could be that these are high income, two earner income units who can expect to repay these mortgages in a short period of time. It turns out that 90 % of these home purchasers are younger than 65 years of age, and can therefore expect to have a stream of earnings to help meet repayments. The median income of older home purchaser income units is \$52,300, and this compares to average incomes of \$22,900 among all older income units. There are only 9 % of older home purchasers in the lowest income quintile of the Australian population. This suggests that older home purchasers are typically drawn from middle to high income groups; *if their incomes are secure* then mortgages will eventually be paid off and HAS levels will ease over time.

**Table 16 - Median HARs and Incidence of Housing Affordability Stress Among Home Purchasers +50.**

<i>Marital status</i>	<i>Number and % of older IUs<sup>1</sup></i>		<i>Median HAR</i>	<i>% of Income Units in Housing Affordability Stress<sup>2</sup></i>	
	N	%	%	N	%
<b>Couples</b>	266	70%	13	37	14%
<b>Separated</b>	18	5%	15	3	17%
<b>Divorced</b>	55	14%	17	15	27%
<b>Widowed</b>	26	7%	11	3	12%
<b>Never married</b>	15	4%	21	5	33%
<b>Total</b>	380	100%	15	63	17%

*Note 1:* Population estimates for marital categories are: couples, 317141; separated, 17017; divorced, 52719; widowed, 28790; and never married, 14472.

*Note 2:* HAS is defined as income units paying more than 30 % of income in housing costs.

*Source:* Authors calculations from Wave 1 of HILDA

Table 17 combines home purchasers and private renters to offer a profile of the housing affordability position of all older Australians that are potentially vulnerable to HAS. The median HAR is 18%, and 19% of older Australian purchasers and private renters are in HAS. Among singles that have lost a partner, divorcees are more vulnerable to HAS and widows are the least vulnerable.

<sup>16</sup> Estimates should be interpreted with caution as they are based on small sample numbers. This is particularly the case for never married older persons.

**Table 17 - Median HARs and Incidence of Housing Affordability Stress Among Home Purchasers and Private Renters: after Commonwealth Rent Assistance**

<i>Marital status</i>	<i>N/Percentage of older IUs<sup>1</sup></i>		<i>Median HAR</i>	<i>Percentage of Income Units in Housing Affordability Stress<sup>2</sup></i>	
	<i>N</i>	<i>%</i>		<i>N</i>	<i>%</i>
<b>Couples</b>	389	58%	15	69	18%
<b>Separated</b>	49	7%	22	11	22%
<b>Divorced</b>	123	18%	20	34	28%
<b>Widowed</b>	78	12%	19	7	9%
<b>Never</b>	37	5%	19	8	22%
<b>Total</b>	676	100%	18	129	19%

*Note 1:* Population estimates for marital categories are: couples, 459301; separated, 44983; divorced, 121159; widowed, 80171; and never married, 35754.

*Note 2:* HAS is defined as income units paying more than 30 % of income in housing costs.

*Source:* Authors calculations from Wave 1 of HILDA

We need to keep in mind that many if not most of these older Australians are past the peak of their life cycle income profile, and can expect lower real incomes later in their lives. For older home purchasers that are able to repay mortgages, declines in real income are not so problematic. For older private renters, the prospect of lower real incomes is particularly worrying if real rents remain constant or increase. We explore this issue in table 18 where the HAR and incidence of HAS among older private renters is presented across the Olsberg and Winter age bands originally employed in table 10 above.

**Table 18 - Median HARs and Incidence of Housing Affordability Stress Among Private Renters: Before Commonwealth Rent Assistance**

<i>Age Bands</i>	<i>Number and % of older IUs<sup>1</sup></i>		<i>Median Gross HAR</i>	<i>% of Income Units in Housing Affordability Stress<sup>1</sup></i>	
	<i>N</i>	<i>%</i>		<i>N</i>	<i>%</i>
<b>50 to 59</b>	154	53	24	53	34
<b>60 to 74</b>	101	34	28	46	45
<b>75 and over</b>	37	13	26	11	30
<b>Total</b>	292	100	25	110	38

*Note 1:* HAS is defined as income units paying more than 30 % of income in housing costs.

*Source:* Authors calculations from Wave 1 of HILDA

**Table 19 - Median HARs and Incidence of Housing Affordability Stress Among Private Renters: After Commonwealth Rent Assistance**

<i>Age Bands<sup>1</sup></i>	<i>Number and % of older IUs<sup>2</sup></i>		<i>Median Net HAR</i>	<i>% of Income Units in Housing Affordability Stress<sup>1</sup></i>	
	<i>N</i>	<i>%</i>		<i>N</i>	<i>%</i>
<b>50 to 59</b>	154	53	21	39	25
<b>60 to 74</b>	101	34	21	25	25
<b>75 and over</b>	37	13	20	2	5
<b>Total</b>	292	100	21	66	23

*Note 1:* The age is used to clarify income units by age band. In the case of couples, the reference person in couples is in most instances a male. There are 123 coupled income units that are older private renters; there are 4 cases where the reference person in a couple is younger than 50, and have therefore been excluded from the analysis.

*Note 2:* HAS is defined as income units paying more than 30 % of income in housing costs.

*Source:* Authors calculations from Wave 1 of HILDA

Unfortunately sample numbers in the age band 75 and over are too small to base any firm conclusions upon. However there are better sample numbers in the other two age bands. Senior baby boomers (50 to 59) have lower gross HAR and lower rates of HAS as compared to the older 60 to 74 years private renters. This would indicate that progression into retirement is associated with growing housing affordability problems. However, on taking CRA into account the adverse housing affordability circumstances of 60 to 74 years group are mitigated. The higher CRA eligibility rates among 60 – 74 year olds help lower their housing costs as they enter retirement and incomes fall.

## 2.3 Summary

In assessing the likely future demand for housing assistance from older single persons, the demographic background is a critical factor. Our examination of relevant demographic trends uncovered the following key points:

- The Australian population is ageing and this process will accelerate as the baby boomer generation enters retirement.
- Among older (50+years) Australians the share of persons that are divorced, separated or widowed has increased from 24% in 1981 to 29% of all older Australians in 2001. Older single persons who have lost a partner are then a rapidly growing segment of the population. There is an important gender dimension, as 72% of older single persons that have lost a partner are female.
- Death of a partner is becoming a relatively less important cause of household dissolution among older Australians. Divorce and separation are becoming correspondingly more important. The number of older Australians that are separated or divorced increased from 184,000 in 1981 to 705,000 in 2001.
- Marriage rates (number of marriages per 1000 adults) have been declining in Australia. In 1983 the rate was 7.5, and this declined to 5.4 in 2003. The median age of marriage has increased. If trends continue we will witness an increasing number and incidence of never married older Australians; this is not yet apparent in the current cohort of older Australians.
- Divorce rates (number of divorces per 1000 adults) are at historically high levels, but have remained stable over the period 1983 to 2003. The median age at which people are divorcing is increasing, and there is a corresponding increase in divorce rates among older Australians.
- The propensity of divorcees to remarry is declining. There is net growth in the number of single person households formed as a result of divorce because only around 70% of divorcees remarry.

We used the HILDA data base and AHURI's 3-M Microsimulation Model to profile the housing tenure and housing affordability position of older singles who have lost a partner. The following key findings warrant emphasis:

- Outright home ownership is a very important characteristic of older Australians; two-thirds of older Australians are outright owners. However, a sizeable minority of older Australians (16%) are in private or public rental tenures.
- Older singles that have lost a partner are much more likely to rent – one-quarter of this group rent from a private or public landlord. The divorced and separated are particularly reliant on rental housing.
- Marriage dissolution might have adverse impacts on housing outcomes that are not completely reversed on remarriage. We find that divorcees that repartner have lower rates of outright ownership compared to the continuously married.
- Older singles that have lost a partner have a high enrolment in income support programmes, with 71% receiving some kind of government benefit, pension or allowance. Older couples have a much lower rate of entitlement with 44% receiving an income support payment.
- Older Australians that have lost a partner are much more likely to have low incomes. Of this group 68% have incomes in the bottom 40% of the income distribution; 38% of older couples are found in the bottom 40%. Older widows are particularly vulnerable to low income outcomes, but have higher rates of home ownership (including outright ownership)

- Among private rental tenants and before taking CRA into account, the incidence of HAS is relatively higher among older singles that have lost a partner. But because this group are more likely to be eligible for CRA, their relatively disadvantaged position is more or less corrected once CRA is taken into account.
- Older Australians that are home purchasers are less likely to suffer HAS, but the incidence of HAS is again relatively high among older singles that have lost a partner and they are ineligible for CRA.

## **3 NEXT STAGES IN THE RESEARCH**

The research team will in the remainder of this project proceed with two strands of research. One strand is quantitative and employs various secondary data sets to measure the impact of loss of a partner on the housing and financial circumstances of those affected. Two data sets will be instrumental in the analysis – the Household Income and Labour Dynamics in Australia Survey (HILDA) and the Department of Family and Community Services Longitudinal Dataset of benefit recipients. The way in which these datasets will be used and the research questions addressed is explained in subsections 3.1 and 3.2 below.

A second component of the quantitative analysis will be concerned with projecting future demand for public housing from that group of the adult population that experience loss of a partner. The main secondary data set that will be used is the administrative records maintained by Homewest in Western Australia. We describe in Section 3.3 how these records will be used for the purpose of projecting future demand for public housing.

The remaining strand of research is qualitative and will conduct an in depth examination of the housing implications of the loss of a partner for older people. There will be 60 in depth interviews the question themes that we plan to explore are outlined in section 4 below.

### **3.1 Loss of partner and the consequences for housing circumstances: a longitudinal analysis using HILDA**

#### **3.1.1 Key research questions**

Waves 1-3 of the Household Income and Labour Dynamics Survey will be a critical data source because the longitudinal nature of the survey data permits exploration of the pathways preceding and following loss of a partner. In this survey there are 1,872 older (+ 50 years) persons that have lost a partner at some point in their life course. In the 24 months covered by waves 1-3 there are 127 older persons that have lost a partner. These persons and their confidentialised unit records will comprise key samples for analysis of the following key research questions.

- Do the housing circumstances and after-housing cost incomes of older Australians that have lost a partner compare unfavourably with other household types?
- How are the housing and financial circumstances of older persons affected by loss of a partner?
- Is the probability of losing a partner higher among persons that are 50 + years of age, private rental tenants or income support recipients?

These research questions are central to the major issue addressed in this project – does household dissolution due to divorce, separation and bereavement lead to increasing demand for housing assistance from older persons?

#### **3.1.2 Approach**

Section 2 of this positioning paper has presented some initial findings on how the housing affordability position of older persons that have lost a partner compare with the rest of the older population of Australians. This analysis was based on the retrospective marital histories of a cross section sample of wave 1 respondents. It is a 'static' comparison of persons that have lost a partner where these persons are at different points of the pathways of adjustment to this adverse event.

The statistical analysis confirms that loss of a partner is associated with inferior home ownership outcomes and a higher incidence of housing affordability stress among older

Australians that suffer loss of a partner. An appealing feature of HILDA is the panel nature of the survey. It follows the same sample of persons tracking this panel over successive waves and allowing researchers to move beyond static comparisons. It allows dynamic analyses of adjustment pathways with respect to events such as household dissolution, the focus of this project.

As is pointed out in our research proposal (see page 6) there are 127 older persons that have lost a partner between wave 1 and wave 3. This sample offers us the opportunity of tracking the financial circumstances and housing careers before and after household dissolution. Of particular interest are the immediate consequences for and adjustments made by persons that have lost a partner, and their housing career adjustments will be our focus. A key task will be documenting the changing demand for housing assistance and the AHURI-3M microsimulation model will be used to identify those who become eligible for Commonwealth Rent Assistance and/or public housing in the aftermath of divorce, separation and bereavement. Eligibility for public housing will be determined by the application of state housing authority income eligibility limits to measures of assessable income.

Though older persons are the group of most relevance to the project, it is to be noted that our demographic analysis revealed that divorce and separation typically occur before Australians turn 50. Restricting the analysis to older Australians may prevent identification of younger divorcees that suffer permanent scarring to their housing careers, resulting in a demand for housing assistance that lasts into old age. We therefore plan to conduct analysis on the housing careers of all coupled individuals (legally married or de facto) in wave 1 of HILDA and experience loss of a partner due to divorce, separation or bereavement between waves 1 and 3.

Loss of a partner is more likely to result in a demand for housing assistance if low income households are more vulnerable to loss of a partner. We will draw on the work (Grossbard - Shechtman 1993; Grossbard - Shechtman 2003; Lehrer 2003) to design model specifications that allow us to measure variation in the probability of household dissolution across different sub-groups of the population. Our approach will be to take the sample of all Australian households and use their retrospective marital histories, as recorded in HILDA, to identify those who are divorced, separated or widowed and their age at loss of partner. The probability of loss of partner and the relative importance of variables determining variation in probabilities will be estimated in two models, one specification for widows the other for those divorced and separated. This is a sensible approach because the variables linked to the chances of divorce and separation is likely to be different from those impacting loss of a partner due to bereavement. Even when the same variable is included in both models the direction and strength of the causal link could differ. Take age for example. Household dissolution due to bereavement is more likely the older the person, but the chances of being a divorcee or separated may peak in middle age as repartnering reduces their incidence in older age groups. Widows are much less likely to repartner and so the link with age is more straightforward.

The explanatory variables in these models will include housing tenure variables that allow us to explore whether particular groups eligible for housing assistance are more vulnerable to household dissolution. The findings from this modelling exercise will therefore help to inform policy makers on how demographic events such as household dissolution impact on the demand for housing assistance. The expected outcomes and policy significance of the research will be explained in section four below.

### **3.2 The Department of Family and Community Services' Longitudinal Dataset of benefit recipients**

In 1999, FaCS decided to make available to external researchers a randomly selected, confidentialised sample of records from the Department's database used for the administration of income support payments. Known as the FaCS Longitudinal Dataset (LDS), the data comprised of the fortnightly administrative records of a 1 % sample of benefit recipients nationwide from 1995. The beneficiaries are identified by a unique customer number, allowing identification of a record for every fortnight an individual selected for the sample is in receipt of benefits. In appropriate circumstances, partner records are also included. The set of records for each individual can be collated to create a longitudinal picture of each individual's utilisation of the benefit system and their relevant circumstances.

Unfortunately FaCS have recently decided to review the provisions of access to the LDS by external researchers. For the analysis planned for this project, this means the research team cannot be certain as to the exact nature of the data which will become available, including the period covered by the fortnightly records, the variables to be included or the sample size. Previous releases of the data included all fortnightly records from June 1995, and it is anticipated that what data is made available would also commence from this time, meaning the sample would cover income support recipients over a period of around 10 years. The LDS covers such a large number of individuals that sample sizes are rarely a binding constraint when working with these data.

The LDS has both limitations and strengths. As the data are collected with the primary purpose of administering income support payments a limited and very focussed set of information is collected for each individual, particularly when compared to broad ranging surveys such as HILDA. There is, for example, no usable information on level of education, previous occupation or work experience, or other labour market and socio-economic variables known to be important correlates with many outcomes in life. However, the data that is collected is done so with a high degree of accuracy, since it is used to determine individuals' eligibility for income support and the amount of that payment.

For the purposes of this project, the principal variables available include:

- Age and gender.
- Marital status – either couple or single.
- Type and amount of income support payment – including unemployment benefits (Newstart), age pension, widow and bereavement allowances.
- Home ownership status – including non-home owner; home owner (purchaser); home owner (outright); owner or non-owner living in government-funded aged care facilities; plus a range of values for more specific states.
- Commonwealth Rent Assistance – eligibility and amount.
- Rent type paid – including private rent, government rent, maintenance fees paid to a nursing home or retirement village.
- Income – earned and unearned.
- Assets – value of a large range of assets required for asset testing to determine payment entitlements where applicable.

It is important to keep in mind that the sample is not representative of the Australian population as a whole, but only of those who were in receipt of income support payments in the period covered by the data. Therefore it cannot be used to make inferences about the population as a whole. However it can be used to make

inferences about the impact of loss of a partner and other factors within the group of income support recipients. As this group includes recipients of the age pension, it still represents a significant proportion of persons aged 50 years and over, and an increasing proportion of older groups. It is also not possible to identify whether or not a single person lost a partner if this occurred prior to becoming an income support recipient or if the separation occurred prior to the first date of the period covered by the LDS, unless the person is in receipt of a widow or bereavement related payment. People may have been single all their lives, although as detailed above such people are a minority for the 50+ age group. Separations that occur during a spell of income support receipt or between spells can be identified through transitions from 'couple' to 'single' marital status. In some cases it will be possible to identify whether this separation occurs due to the death of a partner due to payment types.

The exact methodological approaches taken in analysing the LDS will depend on how the data is made available, as outlined above, and initial testing once access is achieved. Three broad approaches have been identified at this stage:

Descriptive comparisons – this approach will essentially treat the data as a series of cross sections to compare the circumstances of those with and without partners. Comparisons will be made of housing ownership/rental status, income and assets for like people (eg. by age and gender) conditional on whether their contemporaneous marital status is 'couple' or 'single' (single treated as a broad proxy for those who lost a partner). Comparisons will then be made for subsets of the 'single' persons restricted to persons who are positively identified to have experienced a separation and for whom that separation can be identified as having occurred through bereavement.

Transition analysis – the longitudinal nature of the data will be exploited by observing changes in housing ownership/rental status over selected periods (eg. after one year, two years, five years) following the observed loss of a partner and compared to those of persons continuously partnered and continuously single. Account will be taken of additional factors by estimating a multivariate probit models to estimate the likelihood of selected transitions between housing states, such as from non-ownership to ownership; ownership to non-ownership, into government rental accommodation and into government-funded aged care facilities. Where possible, these models will also be estimated as panel models to take account of fixed individual effects. However, the robustness of this approach may be compromised if the number of "censored" observations is too great.<sup>17</sup> For periods in which individuals are not receiving income support and have no fortnightly LDS record, their outcomes cannot be determined and the observations would have to be omitted. This raises the possibility of bias in the results if leaving the data is correlated with the explanatory or outcome variables. Longitudinal probit models will be estimated using STATA's 'xtprobit' routine with both random and fixed effects.

Hazard analysis – this approach will be used to complement the transition analysis. The two approaches are conceptually equivalent except that the hazard analysis is done in a framework of 'continuous time' rather than for selected elapsed periods. The hazard rates for transitions identified above will be estimated, where the unit of observation is a spell of income support receipt and the time unit is the individual's age in fortnights. Thus, for example, the probability of moving from home-ownership to non-ownership would be estimated by fortnight from age 50 onwards. Non-parametric hazards will be presented (ie. the actual hazard rates observed in the data) initially for couples and singles. An appropriate functional form will then be selected to allow estimation of the impact of covariates on the hazard rate, such as gender and age at the beginning of the spell, with loss of a partner included as a time varying covariate.

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<sup>17</sup> Panel data is collected over a finite time frame. Those individuals who have yet to make a transition from one state to another represent observations that are (right) censored.

These approaches will be used to provide evidence on Key Research Question 1 (Do the housing circumstances of older Australians that have lost a partner compare unfavourably with other household types), Research Question 2 (How are the housing and financial circumstances of older persons affected by loss of a partner?), and Research Question 4 (Do older persons experiencing partner loss enter public housing?). Research Question 3 (Is the probability of losing a partner higher for Older persons (+50) and private rental tenants) will also be addressed using the methods set out above, but with marital status as the outcome and housing status included as conditioning variables.

### **3.3 Homeswest tenancy records and projecting the demand for public housing**

A dataset compiled from Homeswest's waitlist and tenancy records will be combined with ABS Census data and ABS population projections to provide evidence on Research Question 4: *Do older persons experiencing partner loss seek to enter public housing? Are they successful in entering public housing?* and Research Question 5: *How large is the group of older persons that have lost a partner likely to be in the next 10-20 years? What implications might this have for public housing demand?* In separate analyses, the 1% sample file from the 2001 Census will be used to investigate Research Question 6: *What are the implications of loss of partner for residential location of older persons?*

The approach is to first use the Homeswest data to identify the number of persons from groups of interest seeking to enter public housing, and the time taken to get into public housing after first applying. The main group of interest is single persons aged 50 years and older. The number of people in these groups seeking to enter public housing will then be compared to their respective total populations within Western Australia, as taken from the Census, in order to approximate the *propensity* of each group to seek to enter public housing in 2001. Assuming this propensity and the proportions of single persons by age will remain constant into the future, the ABS Population Projections by age and gender can then be used to project demand for public housing by older, single persons to 2025. Estimates for other states will be made using population estimates for these states and applying the Western Australian propensities to enter public housing.

#### **3.3.1 Data Description**

Homeswest tenancy records for applicants entering the waitlist after January 1999 that were successful in entering public housing by November 2005 are examined. Applicants that either withdrew their application, or remain on the waitlist are not included in these data. We are advised that data covering applicants that did not secure public housing will be made available for later analysis. Applicants that entered public housing more than once are considered only on their first entry.

Each record includes an application date and occupancy date that are used to determine the length of time before an application is successful. An application is made by households and personal data is recorded for all members, including date of birth, relationship status, and gender. The relationship code (RLCD) identifies the applicant as being in one of 17 categories, which include 'single adult' and 'sole parent'. However, we note that the data were updated and overwritten by Homeswest as the applicant's relationship circumstances change subsequent to the initial application. Further, we note that a number of applicants classed as 'single adults' are accompanied by a minor. Thus, in order to correctly identify the 'single adult' and 'sole parent' groups at the time of the initial application, more detailed analysis is required.

The ABS 2001 Census 1% Unit Record File records the number of households by household type in WA. ABS Population Projections for WA are available by age and gender for years 2006 to 2025. The population projections are used to forecast changes in these demographic groups based on assumptions about future rates of fertility, mortality, internal migration, and net overseas migration. Series A assumes high levels of fertility, net migration, and life expectancy with respect to existing levels. Series B assumes a continuation of current levels of fertility, migration and life expectancy while Series C assumes a decline in each of these levels. Using appropriate weights, the data from the 1% Census file will be used to generate population estimates of the number of older single person and sole parent households for WA in 2001. Holding these proportions constant within age and gender categories, the ABS projection will be used to estimate the number of such households containing older, single persons out to 2025.

### **3.3.2 Preliminary Results - Do older persons experiencing partner loss seek to enter public housing? Are they successful in entering public housing**

The 'waitlist time' – the time on the Homeswest waitlist – is calculated for each record as the period from when the application is first made to when that tenant enters Homeswest housing. While the number of persons within the relevant population entering the waitlist is used as the indicator of whether or not persons seek to enter public housing, the waitlist time is used as an indicator of their success in entering public housing. Where an application has been made and the applicants remain on the waitlist at the time the records were extracted, it is not possible to calculate the waitlist time. Such observations are known as 'censored' observations. For censored observations we can observe the elapsed time on the waitlist, but not the final outcome with respect to their 'waitlist time' before entering public housing.

The distribution of the time that an applicant is on the Homeswest waitlist before securing public housing (waitlist time) is positively skewed, with 10% of applicants taking longer than 3 years and 5% taking longer than 4 years. Accordingly, there is minimal censorship of the data for the group of applicants entering the waitlist in 2001 through the exclusion of those that obtained housing after November 2005. Censorship is more pronounced in the earliest and latest time samples in the dataset, compromising time-series comparison. One method of reducing the censorship problem and permitting comparison over time, is to define the 1999 applicants as those entering the waitlist in 1999, and to define the 2005 applicants as those that entered public housing in 2005 (but may have entered the waitlist some years earlier). That is, for those who entered the waitlist in 1999, it is possible to observe how long it took them to later enter housing, with minimal censoring. For those who entered housing in 2005, it is possible to observe how long they had been on the waitlist prior to entering housing, with minimal censoring. Thus estimates of the distribution of time spent on the wait list prior to entering housing for two different periods can be obtained.

The data contains applicants' dates of birth, the date they enter the waitlist and the date they enter public housing. It is therefore possible to calculate the elapsed time spent on the waitlist prior to entering housing by age of the applicant. The dataset is filtered to select records in the required interval (e.g. joined waitlist in 1999), and applicants are grouped by age, relationship code, and gender. A count of applicants and the average waitlist time are then calculated for each group as shown in the Tables 20 (a) to (d)

Single adults and sole parents are about three times more prevalent than partnered applicants in the over 50 group of applicants seeking to enter public housing. Females are 20% more common than males in the single adult category, and three times more common in the sole parent category. Generally, for single adults over 50, the average

time on the waitlist (244 days) is fairly stable across age groups with a general decrease in waitlist time with age. Males obtain housing fractionally sooner. For sole parents, the average waitlist time is longer (likely reflecting the availability of suitable accommodation) at 314 days, but with males taking 54 days longer (on average) to place.

Persons identified as sole parents that are over the age of 70 are most likely to be living with adult children that are not dependants. As the circumstances of parents with dependant children differ from those living with adult children, subdivision of this category is appropriate.

It should be noted that the figures for applicants with partners (with and without children) refer to individual adult applicants, not households. Accordingly, it would appear that there are approximately six times more single adult and sole parent households in the over 50 age group than there are households with partners.

**Table 20: Homeswest Tenancy Records – Number of Applicant and Average Waitlist Times for Selected Groups**

**a. Entered Waitlist 1999**

Single Adult					Sole Parent				Partner			
	Male		Female		Male		Female		Male		Female	
Age	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait
0-50	968	394	754	416	326	348	250	433	615	352	192	332
50-55	141	334	192	416	13	640	45	305	65	412	60	310
55-60	126	206	156	281	11	562	26	315	68	412	63	366
60-65	123	320	148	353	3	410	14	488	72	475	55	536
65-70	110	246	138	320	6	130	9	260	48	389	38	264
70-75	64	258	117	251	3	461	6	172	56	338	31	371
75-80	37	177	68	248	1	474	1	1	22	282	12	326
80-85	17	148	36	185			1	4	12	240	4	184
85+	7	59	23	244			1	303	8	142	1	122

**b. Entered Waitlist 2001**

Single Adult					Sole Parent				Partner			
	Male		Female		Male		Female		Male		Female	
Age	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait
0-50	124	274	888	279	339	337	257	339	768	233	188	258
50-55	165	235	176	274	16	337	56	316	59	232	53	271
55-60	140	205	133	265	4	588	28	368	62	314	45	313
60-65	132	235	160	259	6	248	13	398	76	366	61	371
65-70	112	296	148	285	2	637	12	101	63	383	44	476
70-75	91	197	108	248	2	439	3	75	39	451	27	333
75-80	56	206	68	208	2	2	4	110	24	269	11	409
80-85	24	275	49	166					11	227	10	289
85+	11	127	29	199					2	30	2	201

**c. Entered Housing 2005**

Age	Single Adult				Sole Parent				Partner			
	Male		Female		Male		Female		Male		Female	
	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait
0-50	1071	385	783	386	294	453	228	456	563	365	186	346
50-55	165	306	153	382	29	538	56	361	53	162	47	428
55-60	131	285	151	275	17	531	35	284	52	384	49	464
60-65	119	250	127	347	7	459	22	389	52	491	34	389
65-70	102	221	113	292	2	247	9	106	40	383	30	609
70-75	82	188	99	282	2	427	7	441	43	508	26	369
75-80	38	193	82	272	3	423	3	111	25	437	13	436
80-85	14	226	37	140			1	74	8	670	3	587
85+	8	271	28	154					2	872		

**d. Averages for Over 50 Age Group**

Age	Single Adult				Sole Parent				Partner			
	Male		Female		Male		Female		Male		Female	
	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait	No.	Wait
1999	625	265	878	317	37	497	103	315	351	390	264	369
2001	731	231	871	255	32	356	116	302	336	332	253	351
2005	659	255	790	300	60	507	133	324	275	397	202	452

Waitlist times are remarkably stable for all categories between 1999 and 2005. The marginal reduction of the average waitlist times for 2001 may be attributable to censorship of the small group of applicants with the longest waitlist times. There is a reduction in the number of single women, and partnered people seeking to enter public housing, with a numerically small increase in sole parents of both sexes. The robustness of our findings with respect to mean waitlist times will be checked using survival analysis techniques which allow estimation of the mean duration of completed spells taking account of censored observations.

**3.3.3 Preliminary findings – How large is the group of older persons that have lost a partner likely to be in the next 10-20 years? What implications might this have for public housing demand?**

The proportions of the population in the 2001 Census that fall into the 'single adult' and 'single parent' categories (further subdivided by gender and age group) are applied to the three WA population projections. The estimated number of Western Australians in these categories with sensitivity analysis for the years 2010, 2015, 2020 and 2025 is thus determined.

Using the number of persons that entered the waitlist for public housing in 2001 in the 'single adult' and 'single parent' categories for each age group (see Table 19(b)) the proportion that these comprise of the total population in the same demographic category in 2001 is computed. These proportions are assumed to persist and are applied to the ABS population estimates for the same category to project the demand for public housing. Tables 21 and 22 show preliminary estimates of future demand for public housing by age group for 'single adults' and 'sole parents' are for Western Australia.

**Table 21: Single Adult (Based on ABS Series B Population Projection)**

Age	Male				Female			
	2010	2015	2020	2025	2010	2015	2020	2025
<b>50-54</b>	195	210	212	226	216	231	234	247
<b>55-59</b>	200	218	235	238	202	221	237	240
<b>60-64</b>	215	232	255	274	260	294	323	346
<b>65-69</b>	169	227	245	270	213	289	326	358
<b>70-74</b>	112	140	188	204	72	87	118	133
<b>75-79</b>	73	92	116	157	82	99	121	164
<b>80-84</b>	41	46	59	76	69	75	91	113
<b>85+</b>	18	25	31	40	43	52	61	73

**Table 22: Single Parent Projection of Demand for Public Housing (Based on ABS Series B Population Projection)**

Age	Male				Female			
	2010	2015	2020	2025	2010	2015	2020	2025
<b>50-54</b>	19	20	21	22	64	68	69	73
<b>55-59</b>	6	6	7	7	68	75	80	81
<b>60-64</b>	10	11	12	12	97	110	121	130
<b>65-69</b>	3	4	4	5	62	84	95	104
<b>70-74</b>	2	3	4	4	18	22	29	33
<b>75-79</b>	3	3	4	6	13	16	20	27
<b>80-84</b>	0	0	0	0	14	15	19	23
<b>85+</b>	0	0	0	0	3	4	4	5

Demand for all categories in all age groups is projected to increase over the period to 2025 given a continuation of current levels of fertility, migration and life expectancy. Within each category, similar numerical increases are projected for each age group, hence the largest percentage increases are in the older age groups due to population ageing effects. Noticeably, projections indicate that single parent demand for public housing for females will increase markedly over the period of interest.

### **3.4 What are the implications of loss of partner for residential location of older persons?**

#### **3.4.1 Data Description**

Access to the ABS Census 1% sample file has been applied for, but has not at this stage been acquired.

The ABS Census 1% sample files (2001) contain data on individuals which include their age, marital status (e.g. divorced, widowed) and housing tenure (e.g. owner, private or public renter), dwelling type and other variables available in the Census. Geographic location is also available for the respondents' usual place of residence in 2001, their usual place of residence one year earlier and their usual place of residence 5 years earlier. The geographical data is available at a number of levels of classification, including statistical local area (essentially local government area) which would allow us to identify, for example, whether the area of usual residence was inner metropolitan, outer metropolitan or regional.

#### **3.4.2 Methodology**

Older persons (50+) that have lost a partner through divorce or death at some stage in their life and who have not subsequently re-married will be identified. The location of

their residence relative to that reported one year earlier and five years earlier will be used to explore patterns of changes in residential location. This will be explored, first, through descriptive comparisons of the gross mobility of this group relative to other older persons and of patterns in the directions of those relocations. Second, multivariate logit models will be estimated within the 50 and older population of the likelihood of a person changing residential location, conditional upon age, whether or not the person has lost a partner and other mediating variables such as income, housing tenure, gender and labour force status. The likelihood of relocation between country and city areas, and from inner to outer suburban areas which may have increased or reduced services amenities will be examined.

A limitation of this analysis is that while geographic location of usual residence is known for three time periods (2001, 2000 and 1996), only current marital status is known. The implicit treatment of (current) marital status as a constant is of course most problematic for the analysis of mobility over the five year interval. For some, relocation may have occurred when they were in a different marital status to that observed in the 2001 Census, or as a result of a change in marital status. This will certainly reduce the precision of estimates, and opens the possibility of bias, although there seems no a priori reason to expect the estimate relating to the impact of having lost a partner should be biased.

### **3.4.3 Preliminary Results**

There are no preliminary results at this stage.

## **4 QUALITATIVE RESEARCH AND THE SURVEY INSTRUMENT**

### **4.1 Qualitative research: Aims**

As is evident from section one's review of the literature indicates that much of the research into the housing pathways and needs of older people is generally conducted quantitatively. Studies have generally focused either on particular populations, housing tenure or a particular housing type. Some qualitative studies have provided broad based overviews of a range of issues relating to housing and older people (for example one recent study is (Olsberg and Winters 2005).

There are, however, gaps in knowledge relating to the implications of the loss of a partner on older people (AHURI 2004); (Jones et al. 2004), in particular to their housing needs, issues relating to tenure and affordability and the impact of social networks on housing decisions. The qualitative research being undertaken in this project attempts to fill in the research gap.

The qualitative interviews will an in-depth examination of the impact of loss of a partner (occasioned through divorce, separation or death) on the housing pathways of people who are fifty years of age or older. It will investigate the pathways of the older people in different tenure types (including homeowners, those purchasing a property and those in rental property). The interviews will allow us to capture the emotional impact of the loss of a partner and will also enable us to document the housing pathways including whether the respondent moved to alternative accommodation. The interview schedule will elicit information about income, household composition and conditions, health, social and family networks and changes to these following the loss of a partner and the impact of these factors on housing decisions and choices. Emphasis will be placed on understanding causal and personal factors derived from the stories told by participants. To this effect, the qualitative research will complement the quantitative research.

#### **4.1.1 Conducting the research and interview instruments: How**

There will be sixty in-depth interviews with people who have lost a partner in the last three years and who are living in the Cities of Yarra, Brimbank and Stonnington. Approximately twenty of these will be people from culturally and linguistically diverse backgrounds. Respondents will be identified with the assistance of local councils who will provide RMIT researchers with a list of elderly citizens groups. RMIT researchers will attend these groups and explain the project to the group in detail. Those who are willing to participate in the interviews will be asked to complete a screening form which records basic information relating to the circumstances in which the partner was lost, the nature of the relationship (married, defacto etc.), housing, income, employment and contact details. The in-depth interviews will be conducted on a one to one basis and will be anonymous and confidential. The in-depth interviews will be tape recorded and selectively transcribed. The interviewer will be required to complete a section at the end of the interview regarding his/her observations, outlining the most striking /important issues raised during the interview and recommending either full or selective transcription.

The interviews will be structured around key themes including the nature of the relationship, the emotional and financial impact of the loss of partner and ability to cope with looking after the property after the loss of a partner. The interviews will cover the importance of family and social networks on housing choices and the impact of all of these factors upon housing decisions. The research has been approved by RMIT University's Ethics Committee. Consent forms will be obtained from all participants prior to the interviews. Respondents will be informed of processes to protect the anonymity of their responses and the measures taken to protect the security of the data.

#### **4.1.2 Benefits of the qualitative research: Output**

The use of semi-structured qualitative interviews will allow older people to express their concerns and views in their own words and without being dependent on literacy skills. This is likely to provide good quality information on people's attitudes and expectations (Olsberg and Winters 2005). By gathering information through an in-depth interview process, the qualitative interviews will:

- Complement the quantitative analysis;
- Fill in the existing research gap on the limited knowledge of the needs, values and preferences of older people who have lost a partner in three different localities and those from a culturally and linguistically diverse backgrounds;
- Allow us to explore the intersection of various dimensions regarding location, affordability, social networks, sentimental, personal and emotional values and the impact of these on housing decisions/choices;
- Allow an understanding of consumer preferences for various housing types;
- Allow for an examination and comparison of the diverse housing needs and preferences of different groups of older people: namely those who have lost a partner through death, divorce or separation
- Provide an understanding of what older people think about and want from their housing.
- The adoption of a narrative analysis will allow us to adopt an interpretative framework of the personal stories which will be invaluable in providing predictive indications of people's attitudes and values (Olsberg and Winters 2005);
- Add to our understanding of the values, issues and concerns of these people in specific tenure types.

#### **4.1.3 Question themes**

Section A of the interview schedule concerns the nature of the relationship and includes questions pertaining to the nature of the relationship, its length, whether there are any children of the relationship and where the children live. Section B concerns circumstances surrounding the loss of the partner and its emotional impact on the interviewee: The questions in sections A and B are useful to obtain background information about the respondent, the nature of the relationship and the circumstances of the loss of partner.

The first part of Section C relates to changes to life after the loss of partner. Questions include:

- How the parties had planned their finances for retirement (eg super, self funding, savings);
- The respondent's current income source;
- How much the respondent's income and assets changed since loss of partner;
- How the respondent expected to pay for future needs (including whether there was an expectation of using up assets whilst alive).

The responses to these questions will probably vary depending on whether the loss of partner occurred through divorce, separation or widowhood. The general literature on older people provides useful information in relation to some of these questions (it should be noted that only some of the general issues which have been identified will be considered and an exhaustive listing of the issues will not be undertaken in the positioning paper):

Divorce and/or separation dramatically impacts on wealth accumulation. Usually, the matrimonial home is sold and the proceeds divided between the parties. Those who divorced in the last ten years and continue to remain single have about half the wealth of those who have re-partnered. In addition to lower wealth, those who remain single are also worse off in terms of having lower incomes and more debt. In addition, their superannuation is also considerably lower than the average population. As a consequence, NATSEM reports that retirement for this group does not look good (AMP - NATSEM et al. 2005)

There are differences in the asset composition of divorced single males and females. Generally upon divorce, the house or part of the proceeds of its sale has been traditionally allocated to women whilst the superannuation has remained with the male (AMP - NATSEM 2002).

In the case where one partner dies, the surviving partner usually remains in the matrimonial home. The remaining spouse may or may not decide to sell the matrimonial home and downsize to a smaller property. (Beer et al. 2006) highlight that resort to housing wealth usually only becomes an option when non housing wealth has been consumed and there is onset of illness or other important precipitating factors. (Beer et al. 2006) identify various factors including attachment to the marital home, location and desire to pass on wealth to children as some key factors influencing older people's decision to remain in the marital home (Beer et al. 2006).

For couples who are in receipt of income support, the income will usually be reduced due to the partner's loss (Beer et al. 2006).

Several writers have highlighted important issues relating to superannuation:

- Whilst it may initially appear that older people will be better off with a superannuation system, such a system was introduced rather late in their working lives and it is only those who have had strong attachment to the workforce since the 1990s that will gain substantial benefit from their superannuation during their retirement (Beer et al. 2006).
- Women are particularly disadvantaged in regard to superannuation as older women in particular have either not participated in the workforce or have not worked on a full time basis, being employed in casual or part-time work due to family or children related commitments (Olsberg 2005).
- Birrell & Healy point out that a sizeable minority of baby boomers are either earning very low incomes or are dependent on welfare as they had to depend on volatile employment options (Birrell and Healy 2005). Many were affected by structural changes which followed on from the post war economic boom period (Birrell and Healy 2005). Furthermore, in the baby boomer population, there are high numbers immigrants from culturally and linguistically diverse backgrounds who were severely effected by the restructuring of Australia's manufacturing sector in the post 1970s and continued to be adversely effected by virtue of their lack of proficiency in English and their lack of skills (Birrell and Healy 2005). There is little prospect that this group will be capable of self funding their retirement needs (Birrell and Healy 2005).

The Second part of Section C relates to Housing. Broadly, the questions elicit information regarding:

- Length of residence at the present housing type/tenure;
- Whether the interviewee stayed or moved following the loss of the partner;
- If they stayed, reasons for staying, ability to cope with maintaining the property, .what support formal and informal social support networks they had, affordability, and the impact of these factors on housing decisions;

- If they moved, reasons for moving, ability to cope with maintaining the property, what support formal and informal social support networks they had, affordability and the impact of these factors on housing decisions;

## 4.2 Future housing aspirations

This section of the research will not only look at housing costs and its impact on housing decisions, but is also based on the premise that an understanding and appreciation of non economic factors (such as preferences and aspirations) must also be considered. Financial, social, personal and sentimental values will be probed during the interviews.

We anticipate a variety of responses, depending on whether the loss of the partner occurred through divorce/separation or by death. Further, the responses will also be influenced by whether the interviewee owns their own home or is living in a rental property. The literature identifies various findings regarding these matters. For example:

- Separated/divorced or widowed people may have very different housing pathways. In the case of divorce or separation, the marital home will often be sold and the proceeds divided between the parties. In this case one or both parties may end in the rental market. In the alternative, one of the parties may remain in the marital home whilst the other moves to a rental property. In a situation where the parties were renting, then both parties are likely to remain in the rental market.
- In the case of home owners who have lost a partner, most, are unlikely to move unless there are compelling reasons to do so (Beer et al. 2006).
- Older people who live in private rental properties have been identified as having the greatest financial and housing needs. They are confronted with an array of problems ranging from financial hardship to the suitability, security and affordability of this tenure. (Beer et al. 2006) highlight that older people living in privately rented properties are far more likely to move when compared with home owners, and that such move does not necessarily occur by their own choice.
- (Jones et al. 2004) highlight that obtaining information on housing aspirations of older people is difficult and there are gaps in our understanding in terms of choices, needs and expectations. They point out that housing choices are affected by a range of social and economic factors which include: "patterns of family formation and dissolution, living arrangements, economic resources and personal characteristics" (Jones et al. 2004). They highlight key attributes of housing which are valued by older people and include in their list factors and values such as independence, affordability, security of tenure, safety, adaptability to future care, location, suitability, companionship and avoiding isolation, size, amenity and space (Jones et al. 2004).

There has been considerable concern as to the ability of elderly home owners to maintain their homes and gardens:

- Older home owners have been increasingly residing in post-war suburbs which have larger gardens. As older people become more frail, these homes can be increasingly difficult to maintain. This can be further aggravated by the fact that most older people are on lower incomes.
- And the family networks may also assist in the form of additional help, as time passes, the availability of family networks diminishes. This is because siblings are either in the workforce or may themselves require care (Beer et al. 2006).

The likelihood of increased care being required with age may influence older people's ability to reside in their own homes.(Beer et al. 2006).

The housing careers and needs of immigrants are likely to differ from the Australian population of Anglo Celtic origin:

- Home ownership amongst the older/more established immigrant communities is high whilst recently arrived immigrants are more likely to have less assets/resources and are likely to be living in rental properties (Beer et al. 2006).
- Older Australians from culturally and linguistically diverse backgrounds may deal with the experience of the loss of a partner through death or divorce in a different manner than those from Anglo Celtic backgrounds. This may be further aggravated by lack of proficiency in the English language and the absence of family networks.
- (Beer et al. 2006) highlights that "Cultural and attitudinal differences are transferred across generations and these effect how housing is consumed across the life course. In addition, the resources available to immigrants are likely to be less than those available non - immigrants, and this reflects the lower incomes of some groups of immigrants, variation in the levels of educational attainment, differences in family and household size, the presence or absence of specialised/bilingual community support"

The in-depth interviews will allow us to investigate all of the above areas. The interviews between the different cohorts (Divorcees / separated / widowed) will focus on three broad issues: (i) How aspirations/preferences differ between the different cohorts, (ii) how the aspirations /choices are changing between the cohorts and (iii) how the needs and issues affecting people from culturally and linguistically diverse backgrounds differ from the wider Anglo-Celtic community.

Section D: concerns networks, health and well being. In particular, the questions relate to:

- Recreational, social and friendships networks before the loss of their partner
- Whether these networks changed since loss of the partner
- Whether respondent currently belonged to any social groups and if so how often they would go to thee or see friends or family
- Overall health and whether deteriorated since loss of partner (including probing for sense of loneliness and isolation)

The overall aim of this section is to ascertain the impact of the loss of partner on social and friendship networks and the impact of these factors on housing and choices and well – being.

## 5 THE POLICY SIGNIFICANCE OF THIS RESEARCH

The number of older single persons is growing rapidly and this is expected to accelerate as the baby boomer generation ages. The increase is largely due to a higher divorce rate, a large increase in the number of older divorcees and declining remarriage rates.. Older single person households are more reliant on age related welfare services, including housing assistance and thus increasing numbers in this group are of particular significance from a policy perspective.

A finding of importance is the gender dimension to these issues. Over 70% of older singles that have lost a partner are women. This is because women live longer than men, and older men are more likely to repartner than older women. The disadvantaged housing market circumstances of older singles predominantly affects women. There are potential links here with other areas of policy concern, and in particular the access that older women have to their ex-partner's occupational pension and the importance of housing wealth to the well being of divorced women who do not remarry.

The median age, at which marriages fail has increased to 43 years for males and 40 for females, but it remains below 50. Thus the initial housing stress and need for housing assistance experienced during early middle age. The importance of this observation is that loss of a partner is not restricted to older persons (+50 years). For those experiencing household fracture due to divorce and separation, the initial consequences in terms of need for housing assistance will often occur during a person's middle years (30s and 40s). By restricting attentions to the 50+ age group we may be ignoring an important group whose demand for housing assistance is increasing. We intend to follow this up in more depth in the remainder of the project.

Loss of a partner has adverse consequences on a household's prospects of attaining or retaining homeownership status. This is particularly the case for those who are divorced and separated, but less so for widows. Widows typically inherit the estate of their partners at bereavement; this will often include the family home. Divorce and separation usually occurs earlier in the life course, and before the mortgage has been repaid. The loss of economies of scale in consumption, and benefits of specialisation can leave divorced and separated persons in precarious housing circumstances that make it difficult to retain homeownership. Our preliminary findings show this clearly. Our future panel data and qualitative research analysis will track housing pathways following divorce and separation. We expect our findings to shed insight into the types of housing assistance that might best assist housing wellbeing following divorce and separation.

Though there is a declining rate of remarriage among divorcees, the majority nonetheless remarry. However it would seem that repartnered married couples are less likely to attain homeownership as compared to their continuously married counterparts, and have higher levels of mortgage debt as retirement age approaches. The policy focus is typically framed around older single persons that have lost a partner. Until recently, there has been an assumption is that repartnering reverses the adverse housing and financial consequences that follow household dissolution. The preliminary findings reported in this positioning paper question that assumption and warrant a wider policy perspective. Our panel data analysis will explore this further.

Our analysis of Housing Affordability Stress shows that older singles that have lost a partner pay gross housing costs that are typically a relatively higher proportion of their income than married couples have to pay. As a result older singles do express a higher demand for housing assistance. Among private renters the divorced and separated have a relatively high eligibility rate for CRA. However, even after taking CRA entitlements into account a little under 1 in 4 older singles that are divorced or

separated are in HAS. A relatively high proportion of the divorced and separated are also resident in public housing. The demographically driven projections for demand for public housing that will be conducted in the remainder of the project, will investigate whether this group's demand for housing assistance will increase or decrease in the future. Early findings (see section 3.3.3) indicate a projected increase in the numbers of female sole parents entering public housing waiting lists.

# APPENDIX

## The Implications of Loss of a Partner on the Housing Pathways of Older People

### Screening Form

*The xxx is carrying out a project on the housing and financial consequences for people aged 50 and older who have lost their partner. We want to interview a cross section of people, so could you give us a few details about yourself. **Please circle the correct answer to the following questions:***

<b>Gender:</b>	Male / Female
<b>Age:</b>	50-59 / 60-74 / 75 or older
<b>Reason for loss of partner:</b>	Death / Divorce / Separation
<b>Have you lost your partner in the last three years:</b>	Yes / No
<b>Your occupation:</b>	Retired / Employed Full Time/ Employed Part time
<b>Income source:</b>	Pension / Employment / Other:.....
<b>Current housing type:</b>	House/ flat/ unit/ caravan / other:.....
<b>Tenure type:</b>	Home owner/ home purchaser/ private renter/ public renter/ other tenure type:.....
<b>Country of birth:</b>	.....
<b>Language Spoken at Home:</b>	.....
<b>Aboriginal/ATSI</b>	.....

I am willing to take part in the xx research on people aged 50 or older who have lost their husband/wife/partner in the last three years. I understand that the interview will take about one hour and that I will be paid \$30 for my time. I understand that someone will telephone me to arrange an interview at a convenient time.

**Signature:** .....

**Name:**.....

**Address:** .....

**Telephone:** .....

**Date:** .....

## The Implications of Loss of a Partner for Older People

Introduce the project: My name is ..... I am from the xx at xx University. We are carrying out a project on the housing and financial consequences for people aged 50 and older who have lost their partner. If there are any questions that you would prefer not to answer, just let me know. I am going to tape record the interview so I have an accurate record of what you say, but there will not be any personal details about you in the report.

<b><u>SECTION A</u>: NATURE OF THE RELATIONSHIP</b>	
I'd like to ask some questions regarding your relationship with your former partner.	
<b>1. Were you married or in a de-facto relationship?</b>	<b><u>Nature of relationship</u></b>
	i. married
	ii. defacto
<b>2. How long was the marriage / relationship?</b>	<b><u>Length of relationship</u></b>
	i. 0-10 years
	ii. 11-20 years
	iii. 21 -30 years
	iv. 31-40 years
	v. 41 or more
<b>3. Do you have any children?</b>	<b><u>Children of the relationship</u></b>
	i. Yes
	ii. No
<b>(If so, how many and how old are they?)</b>	<b>No of children: 0 1 2 3 4 5 6</b>
<b>Do any of them live with you?</b>	i. No Children at home
	ii. Yes.....Children at home

**SECTION B: CIRCUMSTANCES SURROUNDING LOSS OF PARTNER**

The next group of questions relate to the circumstances surrounding the loss of your partner

<p><b>4. What were the circumstances of the loss of your partner?</b></p>	<p><b><u>Reason for loss</u></b></p> <p>i. Death</p> <p>ii. Divorce</p> <p>iii. Separation</p>
<p><b>5. When did it occur?</b></p>	<p><b><u>When loss occurred</u></b></p> <p>i. 1 yr</p> <p>ii. 2 yrs</p> <p>iii. 3yrs</p> <p>iv. Other.....</p>
<p><b>6. How did you cope emotionally at the time of the loss?</b></p> <p>(Probe: form of support provided and by whom)</p>	<p><b><u>Level of trauma (time of death)</u></b></p> <p>i. Very high</p> <p>ii. High</p> <p>iii. Medium</p> <p>iv. Low</p> <p>v. Nil</p> <p>vi. Other: .....</p>
<p><b>7. How are you coping with the loss now?</b></p>	<p><b><u>Level of trauma now</u></b></p> <p>i. Very high</p> <p>ii. High</p> <p>iii. Medium</p> <p>iv. Low</p> <p>v. Nil</p> <p>vi. Other: .....</p> <p>vii.</p>

**SECTION C:** CHANGES TO LIFE AFTER THE LOSS OF PARTNER

I'm now going to ask a series of questions on the main the main changes to your life after the loss of your partner.

<b>FINANCIAL:</b>	
<b>8. Had you and your former finances planned your finances for retirement?</b>	<b><u>Retirement plans before loss of partner</u></b>
Probe as to: Former partner's superannuation	i. Former partner's super
Respondent's superannuation	ii. Respondent's super
Self funded retiree	iii. Savings
Savings	iv. Income from assets/property
Income from assets/property	v. Govt pension
Government pension	vi. Other:.....
How they were going to financially manage their retirement	
If already retired, probe as to how they were managing to cope.	
<b>9. What is your current source of income?</b>	<b><u>Current income</u></b>
	i. Super (both parties)
	ii. Super (former partner)
	iii. Super (respondent's)
	iv. Income from assets/property
	v. Savings
	vi. Government pension
	vii. Employment (FT / PT)
	viii. Other:.....
<b>10. How much has your income changed since the loss of your partner?</b>	<b><u>Financial consequence of loss</u></b>
(Probe: as to whether respondent is financially better/worse off or about the same)	i. Worse off
	ii. Better
<b>If Possible - Quantify</b>	iii. About same
	iv. D/K
	v. Other:.....
<b>11. How much have your assets changed since the loss of your partner?</b>	<b><u>Change in assets</u></b>
Probe as to whether changes in household assets have influenced housing decisions	i. Assets have increased
	ii. Assets have decreased

	iii. About the same
	iv. D/K
	v. Other.....
<b>12. How do you expect to pay for your future needs?</b>	<b><u>Payment for future needs</u></b>
(Probe: eg for retirement village, holidays etc.)	i. Through current income source
(Probe: do they expect to use up all their assets while they are alive)	ii. Sale of assets/property
	iii. Borrowing
	iv. D/K
	v. Other:.....
<b>HOUSING:</b>	
<b>13. How long have you lived in your present house/flat?</b>	<b><u>Length at current residence</u></b>
	i. .... years
<b>14. Is this where you lived when you lost your partner?</b>	<b><u>Whether respondent moved since they lost their partner</u></b>
	i. Moved
	ii. Did not move

<b>Instruction:</b>	
<i>If the person stayed, go to Question 15</i>	
<i>If the person moved, go to Question 22</i>	
<b><u>If they are in the same house/flat</u></b>	
<b>15. What sort of housing do you live in (Tenure Type)?</b>	<b><u>Tenure type</u></b> <b>House, flat, unit, caravan, bungalow,</b> <b>Other:.....</b>
<b>16. Do you own it or are you renting?</b>	i. Owner: outright
If renting: from whom are you renting from?	ii. Owner: mortgage
If home owner: do you have a mortgage?	iii. Rent : private
	iv. Rent: public
	v. Other:.....
<b>17. Why did you decide to stay?</b>	<b><u>Why stayed</u></b>
(Probe also as to person's attachment to the location as	i. Happy memories/sentimental

opposed to the property)	
	ii. Location
	iii. Friends/networks
	iv. Could not afford to move
	v. Convenient
	vi. Thought of moving& did not as.....
	vii. D/K
	viii. Other.....
<b>18. Is this house/flat appropriate for you in terms of size/location/state of repair?</b>	<b><u>Level of satisfaction</u></b>
i. (Probe: whether they would consider making changes and why)	ii.
iii.	iv.
v.	
	vi. Approp. In terms of: .....
	vii. Not approp. In terms of: .....
	viii. Satisfaction: VH, H, M, L
	ix. Other.....
<b>19. Can you afford the property?</b>	<b><u>Affordability</u></b>
(Probe: If not affordable, probe at so why not and what experiences they are having with payments)	i. Affordable
	ii. Not affordable
	iii. Get by
	iv. Other:.....
<b>20. Are you able to cope with looking after the property?</b>	<b><u>Ability to cope with property</u></b>
(Probe: whether they get help from children , friends, HACC)	i. Able to cope on own
(Probe as to ability to maintain garden, carry out small repairs/maintenance/cleaning)	ii. Not able to cope on own. Assistance from:
	iii. HACC
	iv. Family
	v. Children
	vi. Friends
	vii. Other.....
<b>21. Do you want to move in the future?</b>	<b><u>Consideration of future move</u></b>
(Probe retirement village, living with children, downsize, closer to shops/transport)	<b>Will not consider:</b>
	i. Happy memories/sentimental
	ii. Location

	iii. Friends/networks
	iv. Could not afford to move
	v. Convenient
	vi. D/K
	vii. Other.....
	<b>Will consider:</b>
	viii. Retirement village
	ix. With children
	x. Downsize
	xi. Closer to children/friends
	xii. Closer to transport/shops

<b>Instruction: Go to Question 31</b>	
<b>If they moved since loss of partner</b>	
<b>22. Where did you live before the loss of your partner?</b>	<b><u>Tenure type before loss of partner</u></b>
	House, flat, unit, caravan, bungalow, other:..
<b>23. Did you own it or were you renting?</b>	i. Owner: outright
If renting: from whom were you renting from?	ii. Owner: mortgage
If home owner: did you have a mortgage?	iii. Rent : private
	iv. Rent: public
	v. Other.....
<b>24. Why did you move?</b>	<b><u>Reasons for move after loss</u></b>
(Probe: financial/emotional factors:- eg house too big/too small or downsize to release money, move to a better location.	i. Downsize
Live with or closer to family, emotional reasons, health factors etc).	ii. Health reasons
(Probe also as to person's attachment to the location as opposed to the property)	iii. Closer to friends/children
	iv. Emotional factors
	v. Closer to amenities
	vi. Retirement village
	vii. Financial
	viii. Other:.....
<b>25. Was the move a success?</b>	<b><u>Whether move was successful</u></b>
	i. Yes
	ii. No

	iii. Mixed
	iv. D/K
	v. Other.....
<b>26. Now some questions about you current property</b>	<b><u>Tenure type after loss of partner</u></b>
What type of housing do you currently live in?	House, flat, unit, caravan, bungalow, other:..
<b>27. Do you own it or are you renting?</b>	i. Owner: outright
If renting: from whom are you renting from?	ii. Owner: mortgage
If home owner: do you have a mortgage?	iii. Rent: private
	iv. Rent: public
	v. Other:.....
<b>28. Is this housing appropriate for you in terms of size/location/state of repair?</b>	<b><u>Level of satisfaction with housing</u></b>
(Probe: whether they would consider making changes and why)	i. Approp. In terms of: .....
	ii. Not approp. In terms of: .....
	iii. Satisfaction: VH, H, M, L
	iv. Other.....
<b>29. Can you afford the property?</b>	<b><u>Affordability</u></b>
(Probe: If not affordable, probe at so why not and what experiences they are having with payments)	i. Affordable
	ii. Not affordable
	iii. Get by
	iv. Other:.....
<b>30. Are you able to cope with looking after the property?</b>	<b><u>Ability to cope with property</u></b>
(Probe: whether they get help from children , friends, HA	i. Able to cope on own
(Probe as to ability to maintain garden, carry out small repairs/maintenance/cleaning)	ii. Not able to cope on own. Assistance from:
	iii. HACC
	iv. Family
	v. Children
	vi. Friends
	vii. Other.....
<b>31. Do you want to move in the future?</b>	<b><u>Consideration of future move</u></b>
(Probe retirement village, living with children, downsize, closer to shops/transport)	<b><u>Will not consider:</u></b>

	i. Happy memories/sentimental
	ii. Location
	iii. Friends/networks
	iv. Could not afford to move
	v. Convenient
	vi. D/K
	vii. Other.....
	<b><u>Will consider:</u></b>
	viii. Retirement village
	ix. With children
	x. Downsize
	xi. Closer to children/friends
	xii. Closer to transport/shops

**SECTION D: NETWORKS, HEALTH & WELL BEING**

**Networks**

<b>32. Have you re- partnered?</b>	<b><u>Whether re-partnered since the loss</u></b>
	i. Yes
	ii. No

<b>33. What sort of recreational, social and friendship networks did you have before you lost you partner?</b>	<b><u>Networks during relationship</u></b>
	i. Extensive social networks
	ii. Average social networks
	iii. Minimal social networks
	iv. No social networks
	v. Did/did not participate in social and recreational activities
	vi. Other:.....

<b>34. Have these changed since you lost your partner?</b>	<b><u>Change in networks after loss of partner</u></b>
	i. No change
	ii. Minimal change
	iii. Substantial change
	iv. Other .....

<b>35. Do you belong to any social groups?</b>	<b><u>Membership to social group(s)</u></b>
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If so, how many????	i. Yes
	ii. No
	iii. Other.....
<b>36. How often do you go to them?</b>	<b><u>Frequency in visiting social groups</u></b>
	i. Daily
	ii. Weekly
	iii. Monthly
	iv. Other.....
<b>37. How often do you see friends or do activities together?</b>	<b><u>Frequency of visiting/meeting with friends</u></b>
	i. Daily
	ii. Weekly
	iii. Monthly
	iv. Other.....
<b>38. How often do you see family or do activities together?</b>	<b><u>Frequency of visiting/meeting with family</u></b>
	i. Daily
	ii. Weekly
	iii. Monthly
	iv. Other.....
<b>Health</b>	
<b>39. Can you describe your overall health and well being.</b>	<b><u>Current health and well being</u></b>
(Probe: physical and emotional including sense of loneliness and isolation)	
	i. Good
	ii. Average
	iii. Bad
	iv. Deteriorating
	v. Very bad
	vi. Other....
<b>40. Has your overall health deteriorated since the loss of your partner?</b>	<b><u>Deterioration in health after loss of partner</u></b>
(Probe: physical and emotional including sense of loneliness and isolation)	
Probe as to impact of housing and housing wealth on well being Probe as to impact of health and on well being on housing choices	i. Yes
	ii. No
	iii. Deteriorating
	iv. Improving
	v. Other.....

***Thank you for your help.***

**SECTION E: BACKGROUND INFORMATION**

This section is to be completed by the Interviewer immediately at the end of the Interview

**Gender:** Male / Female

**Age:** 50-59 / 60-74 / 75 or older

**Reason for loss of partner:** Death / Divorce / Separation

**Have you lost your partner in the last three years:** Yes / No

**When loss of partner occurred:** 1 year ago / 2 years ago / 3 years ago / (other) .....

**Employment Status:** Retired / Employed Full Time/ Employed Part time

**Income source:** Pension / Employment / Other:.....

**Current housing type:** House/ flat/ unit/ caravan / Other:.....

**Tenure type at loss of partner:** Home owner/ home purchaser/ private renter/ public renter/ other tenure type:.....

**Country of birth:** .....

.....

**Language Spoken at Home**.....

**Interviewer's Comments:**

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