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The Secretary
Senate Community Affairs Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Members

Submission to the Inquiry into the Cost of Living Pressures on Older Australians.

Queensland Shelter was first formed in the 1970s as a lobby-group focusing on the housing needs of people on low incomes in Queensland. For well over a decade Queensland Shelter struggled without funding to be a voice on housing policy and to represent the rights of tenants in both public housing and the private rental market. With the election of a Labor Government in Queensland in 1989, Queensland Shelter secured government funding for the first time in its history.

Following this, Queensland Shelter grew into a state-wide organisation through its management structure and undertook considerable policy development over several years. These were hopeful times for housing, as the new Labor Government undertook a major overhaul of the social housing system in Queensland. For the first time, housing advocates and tenants were engaged with the State Government in setting policy and program directions. Queensland Shelter consolidated its position at this time as a peak, non-government housing organisation.

Over time the following broad aims of Queensland Shelter have been developed:

- To develop a broad membership base of housing workers, tenants and people interested in housing issues throughout Queensland.
- To act as a forum for members and interested parties, assisting them to contribute to discussions on housing policy and needs.
- To obtain, research and disseminate information about housing policy and related matters to Queensland Shelter members.
- To raise issues of housing policy with various levels of government as determined from time to time by the membership.
- To be involved in the development of training provision in relation to housing, by government agencies, community organizations and tertiary education institutions.
- To promote community awareness of, and involvement in, the formulation of State and Commonwealth housing policy, particularly by low-income people and associated services.
- To provide a link between the governments, especially the Queensland Government, and the Queensland Shelter membership, to ensure information flow between the two sectors.

Housing is a human right

- To represent the views of members on housing and related issues to government, (the housing industry), the media and the public.

Queensland Shelter operates from a values base which affirms that every person has the right to secure, adequate, appropriate and affordable housing and that this is central to the achievement of a just, participatory and sustainable society. Consistent with this, Queensland Shelter's overarching policy position is framed in the statement:

HOUSING IS A HUMAN RIGHT

Older people are some of the vulnerable members of Australian society and are extremely adversely affected through small changes in the cost of living. Within our growing ageing population, Australians aged over 65 years of age are concentrated at the bottom of the income spectrum with older households making up 43% of all low-income households. They are vulnerable to age discrimination and long term unemployment with pensioners who are not home owners often living in poverty or in substantial risk of it.¹

Many older Australians have not had the opportunity to build assets through the purchase of a home or through superannuation and are fully dependent on government income support. They are particularly impacted by fluctuations within the private rental housing market and in Queensland are finding it increasingly difficult to access social housing such as public housing. While some rental rises are based on annual increments, with the growing shortage of rental accommodation older people are often faced with unforeseen private rental increases which leaves them a] out of pocket for essentials such as food and utilities or b] unable to meet the increased cost of rental at all.

Queensland Shelter has therefore developed its own housing policy platform especially targeted to address the needs of an ageing population:

Housing for Seniors and Aged Accommodation

Accommodating an ageing society appropriately is one of the major issues facing Australian society especially in Queensland which remains a growth area for older people. Over three quarters of the population of over 60s own or are paying off their own home. Long-term residence in their own home provides a sense of security and continuity and a base for daily activities and social interaction. It also provides an asset base for their entry into appropriate aged care facilities if they are required.²

Issue:

Rising lack of affordable and appropriate accommodation is emerging as a serious issue with the growing ageing population. This is especially apparent in South East Queensland which remains one of the fastest growing and most desirable locations for retirees in Australia. Access to the private rental system and private home ownership is limited due to the high demand for both in this region. People have to have access to considerable home equity to enable them to change their home unless they have income outside the aged pension. Access to the rental sector places them in severe economic hardship due to the current high rentals and lack of availability generally.

Evidence:

¹ 2007 Democrats Policy Platform

² AIHW report – OAG22 Housing of Older Australians.

It is widely assumed that most older people own their home and can afford it. In many cases this is becoming a myth. While most do enjoy successful home ownership, there are a growing number who are housed inappropriately for their needs as they age and are unable to access alternative accommodation more appropriate to their needs. At most risk are both single older men and women. Pension rates for singles put them at a disadvantage to couples in providing accommodation for themselves.

Policy:

- **Queensland Shelter believes that older people are entitled to access to appropriate housing and support in recognition of their accrued value to the community in which they live.**
- **Queensland Shelter believes that an Older Persons' Housing Strategy needs to be developed as a priority by both State and Federal government departments.**

Suggested Additional Strategies and Recommendations:

- Urgent review of Commonwealth Rental Assistance to pensioners in areas of inflated rental costs.
- Development of an Accommodation Assistance Package to enable older people to move with dignity into appropriate accommodation.
- Ongoing monitoring of aged care accommodation to ensure provision of adequate services and accommodation for the money outlaid.

The Council of the Ageing supported the view, in a previous submission, that older people on full pensions and allowances continue to struggle to make ends meet. The GST, increased user pays costs, removal of some medications from the PBS and pressures on services such as dental care were referred to as having all played a part. The GST has been 'blamed' for increases in insurances and utilities. Coupled with all these are the current unrelenting private rental costs and increased petrol costs.

Carers Australia in the same review emphasized the difficulties of providing adequately for retirement as carers are unable to work or are forced to retire early from work, have disrupted employment or work in part-time, casual or low paying jobs. They have little capacity to save for retirement and their caring responsibility often involves unexpected high expenses such as house or vehicle modifications which require large amounts of capital. Women in the middle age group have often had limited opportunity to work and accumulate superannuation.

Any dependency on private rental leaves older Australians in a precarious position in accessing aged care for themselves, particularly appropriate hostel care or nursing homes as home ownership improves their capacity to improve the quality of the type of care they can receive. Often older Australians have to continue to manage in inappropriate accommodation because they cannot afford to access the care they need. Accommodation bonds are impossible to secure without substantial income or savings or assets locked in home ownership.

In the words of a former review into poverty in Australia:-

“Poverty for aged Australians may mean living on the streets or in extremely poor accommodation, not being able to purchase necessary food and medication, or having to leave a family home because of the inability to afford rates and maintenance expenses. Poverty for older Australians is exacerbated when

Housing is a human right

there are caring responsibilities for a disabled partner or for children, an increasingly common occurrence.”

Do we want this scenario to be repeated in 2007?

Sincerely
Wynn Hopkins
Chairperson
Qld Shelter Inc.