Mapping where Australia's older, low-income renters live

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Based on AHURI Final Report No. 405: Mapping Australia's older, low-income renters

What this research is about

This research provides a geographic and demographic picture of the target population group, low-income renters in Australia aged 50+ (LIRiA50+). The map aims to support efforts to find acceptable solutions to the challenges of population ageing and housing needs in the 21st Century. It presents changes in LIRiA50+ populations in a selection of map graphics.

The context of this research

Projections indicate increasing numbers of older people need affordable housing, with this expected to increase from approximately 200,000 households in 2016 to about 440,000 households aged 55 years and over by 2031. It is unlikely that public housing will be able to meet this need. Understanding the current and future distribution and likely growth in low-income, older renter numbers is important for planning and provision of appropriate and affordable housing stock.

The key findings

Who are Australia's lower income, older renters?

There were 640,970 lower income renters in Australia aged 50+ years at the time of the 2016 Australian Census; by 2032, this number is expected to increase to 839,123 low-income, older renters.

The LIRiA50+ population cohort has a younger profile than the wider Australian population aged 50+ years, with 39.5 per cent aged 50–59 years and a further 31.8 per cent aged 60–69 years. The cohort reflects the general Australian older population in being slightly more likely to be female (55%). Neither of these variables differed significantly by state or territory.

They are more likely to have lower education levels (high school level only) and less likely to be in the workforce than others of a similar age. Critically, the current LIRiA50+ cohort is more likely to be in private rental than in social or public housing, with the exception of the Australian Capital Territory and the Northern Territory.

The LIRiA50+ cohort is considerably more likely to have support needs than the average older Australian, with 18.4 per cent having a need for assistance compared to 10.6 per cent of all Australians aged 50+. Again, this disparity is consistent across all states and territories.

Where are LIRiA50+ renters living in social housing across Australia?

While there is an even distribution between private and public/social landlord tenures in South Australia (48% and 46%, respectively), Victoria, Queensland, Tasmania and New South Wales all have much higher proportions reliant on private landlords. For Victoria and Queensland, private landlord tenure represents 67 and 68 per cent of all their LIRiA50+ tenure arrangements. The Australian Capital Territory and the Northern Territory have much larger proportions of LIRiA50+ living in social and public housing (mainly comprised of housing authority stock) than in private rental; 67 per cent in social housing in the ACT and 75 per cent in the NT.

Where are future population increases expected for older renters on low incomes?

The largest projected increases in the LIRiA50+ population across Australian Bureau of Statistics (ABS) Statistical Areas Level 2 (SA2s) in Australia are likely to be in peri-urban and outer-suburban regions, with some significant rises in regional and rural locations. This spatial disparity in the older, low-income renter population needs to be considered when targeting innovative housing solutions.

Statistical Areas Level 2 (SA2s) are medium-sized areas that represent communities that interact together socially and economically. Arguably similar in size to suburbs, they are called by suburb names. There are 2,310 SA2 regions covering the whole of Australia without gaps or overlaps.

The majority of SA2s expecting more than a 25 per cent increase in older populations by 2032 are in urban, capital city locations across all states and territories in Australia. However, there are a significant number of peri-urban and regional locations that are also likely to see significant increases in older, low-income renters. For example:

- In New South Wales, the inner-western suburbs are expecting increases in older, low-income renters of around 40–50 per cent. However, some of the outer-western suburbs are also expecting significant increases in LIRiA50+ populations. Notable regional locations within New South Wales are also expecting large increases in LIRiA50+ populations (e.g. Nowra, with a 58.3% increase [951–1,505 LIRiA50+individuals] and Shellharbour–Flinders, with a 158.9% increase [381–971 LIRiA50+ individuals]).

- We see similar patterns of increase in Victoria (Bacchus Marsh, Sunbury and Melton as well as peri-urban regions such as Doreen, Wollert and Mernda) and Queensland (Redlands, Coomera and much of the Sunshine Coast).

- Interestingly, Tasmania, the Northern Territory and the Australian Capital Territory show no significant population shifts across any SA2s.

- In South Australia, increases are only expected in one or two peri-urban locations (i.e. Seaford and Aldinga).

In addition to these peri-urban and outer-suburban areas, the projection data highlight strong population increases (between 40% and 100%) expected in many regional centres across Australia up to 2032. For example:

- In New South Wales, increases in LIRIA50+ populations are expected in Orange North SA2 (117.5%), Muswellbrook (75.1%) and Maitland West SA2 (126.2%).

- In Victoria, such increases are expected in the regional centres of Horsham (48%), Shepparton (47%), Ballarat North (72.1%) and Wodonga (93%).

- For South Australia, Victor Harbor (68%), Port Lincoln (40%) and Murray Bridge (61.4%) are likely to see population increases of older, low-income renters.

- Western Australia is likely to see similar increases in Albany (54.6%) and Busselton (107.3%). In Tasmania, Sorell–Richmond is expecting a 97.1 per cent increase in older, low-income renters.

What this research means for policy makers

It is hoped that this collation of publicly available data will enable aged care service providers and local and state governments, as well as housing providers, developers and policy makers, to better plan solutions to this growing housing issue.

Increases in the older, low-income population cohort may also have significant impacts on outer-suburban and regional areas in terms of demand for other forms of service delivery (e.g. access to health care, social welfare assistance or aged care services in the home) as well as improved infrastructure like better connected or more frequent public transport. Access to some of these necessary services is further compounded by the paucity of providers in some areas, which is stymied by the lack of housing to support larger workforces in these regions. Increases in the population flow, post-COVID-19, of families and couples moving to regional and rural areas to 'telecommute' for work, along with significant flooding events on the east coast of Australia, have exacerbated the problem, raising the price of available housing while reducing available stock, thereby creating an unprecedented rental crisis for those on low incomes.

The increasing number and proportion of older renters in the private market has long been a concern and these projected population increases emphasise the growing numbers of older people who will need affordable housing by 2032. It is unlikely that public housing, at its current rate of development, will be able to meet this need. With home ownership rates becoming more tenuous, and as baby boomers move into later life and improvements in longevity continue, policy and planning in the housing sector needs to consider what forms of sustainable, affordable and innovative housing best meet the needs of this population cohort that has fewer personal resources.

Methodology

This research reviewed 2016 Census data to indicate trends such as mobility and to understand key variables such as age, gender, living alone, education, employment and renting and landlord type.

Low-income households are defined as those on the lowest equivalised disposable household income quintile, adjusted to exclude the first and second percentiles.

To cite the AHURI research, please refer to:

Barrie, H., Cebulla, A., Lange, J., Faulkner, D. and Sharam, A. (2023) *Mapping Australia's older, low-income renters*, AHURI Final Report No. 405, Australian Housing and Urban Research Institute Limited, Melbourne.

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