

A Research Note on:

*INTERNATIONAL EXPERIENCE WITH GOVERNMENT POLICY INITIATIVES
FOR HOUSING THE ELDERLY*

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ABSTRACT

A resource book of government initiatives drawn from 14 countries was prepared to aid in the search for cost-effective interventions to house the elderly. The objectives of this phase of work are to study the range of government initiatives in terms of their primary focus, to compare the mechanisms chosen to house the elderly with the mechanisms available for government intervention, and to examine the manner of intervention and the legislative responsiveness to the housing needs of the elderly. Seventy-one initiatives are found to have 19 primary foci, ranging from national research to assisting the families that care for the elderly. Among the mechanisms used for government intervention, financial measures predominate when compared to research and information, regulations, programs, and enabling actions. Both direct and indirect interventions are noted. Most initiatives are based on traditional definitions of housing need (housing deficiencies and affordability) rather than on assistance for dwelling modification and support services required by elderly households. The majority of the initiatives address a single question rather than taking a comprehensive approach to deal with the full range of problems.

INTRODUCTION

Government policy analysts throughout the world are currently challenged by the increasing proportion of elderly individuals and their housing needs. The growing share of government expenditures to house the elderly has led, in the present climate of economic restraint, to a reassessment of current policies and to a search for more appropriate ones. Elderly individuals themselves are voicing their need to lead productive and independent lives following retirement and are lobbying for governmental support in the form of services and programs.

Policy research at both the national and local level has shown that elderly citizens are extensive users of housing programs, yet their needs are not effectively served (Brink, 1986; Struyk, 1985; Walker and Phillipson, 1986). Governments are responding to the wishes of elderly individuals to remain in their own homes because the provision of support services and assistance for the necessary home modifications may cost less than institutional care.

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Successful and cost-effective policy initiatives utilized by other governments are scrutinized in this paper for ideas and concepts that may have local relevance. As part of such an effort, several policy projects were undertaken to examine the options available to the Canadian government. The initial phase was a study of housing needs among elderly residents in Canada (Brink, 1984a). This was followed by an examination of the public assistance provided by all levels of Canadian government for housing elderly individuals living independently (Brink, 1984b). The third phase was the development of an international inventory to describe the range of policy strategies pursued by governments in various countries (Brink, 1985). The information was collected from documents provided to the Canadian housing agency (Canada Mortgage and Housing Corporation) by governments of other countries and international organizations.

For the purposes of this paper, the following terms are used. A *government intervention* is considered to have been made when an initiative is taken to address a problem. A *government initiative* is a generic, rather than specific, strategy followed in taking action, whether or not the initiative requires the expenditure of government funds. A *policy mechanism* is a tool or instrument used to implement the government initiative.

The objectives of this paper are to use the results of the international inventory to: 1) study the range of government initiatives used and their primary focus in addressing the needs of elderly individuals, 2) compare the policy mechanisms chosen to house elderly individuals with the policy mechanisms available for use by governments, and 3) examine the manner of intervention and the responsiveness of the initiatives to the housing and related needs of elderly citizens.

The international inventory of government initiatives for housing the elderly includes information from 14 countries. They are (in alphabetical order) Australia, Belgium, Canada, Denmark, East Germany, France, Hungary, Japan, the Netherlands, New Zealand, Sweden, the United Kingdom, the United States and West Germany. Seventy-one different initiatives are identified. The goal in setting up the inventory was to become familiar with the range of policy initiatives used to address the housing needs of elderly individuals.

Different initiatives can have the same focus. For example, for the purpose of generating research information, most governments conducted research at the national level through ministries or other government agencies. The fact that research information was generated this way is recorded as one initiative used by governments. (The fact that many governments used this initiative does not count as more than one initiative.) Many governments also funded non-government agencies to carry out research on a national scale. This is recorded as a second initiative undertaken by governments for generating research information at the national level.

THE PRIMARY FOCUS OF GOVERNMENT INITIATIVES TO HOUSE ELDERLY INDIVIDUALS

The initiatives identified in the inventory are examined and grouped by their primary focus or concept as identified by the governments or international organizations providing the information. Nineteen different primary foci are identified (see Table 1). The focus identification procedure is subjective. However, an attempt is made to choose the number and the descriptions of the primary foci in such a way that they are relevant to housing policy design at the same time as they conveniently accommodate the stated focus of each initiative. Policy emphasis on assisting elderly individuals to remain in their own homes

(focus 5) is evident by the relatively large number of initiatives directed towards this goal. Two other major foci, judging by the number of different initiatives, are those facilitating a move to smaller or more appropriately designed home (focus 12) and those providing shelter and care packages for supported independent living (focus 16). The pressures of tight economies and government restraint may have resulted in initiatives to mobilize private capital to house elderly residents (focus 4) and to stimulate construction of housing by the private or the non-profit sectors (focus 10).

Several initiatives are designed to address one aspect of a problem rather than to deal with the housing problem of elderly individuals comprehensively. For example, the Belgian government provides assistance for moving expenditures. Appropriately designed homes at affordable cost to which elderly individuals can move must then be made available by other means to compliment this program. Cost containment and administrative simplicity are the advantages of providing assistance for one aspect of a problem. Such piecemeal solutions rely on elderly clients to patch together the available assistance according to their needs.

Looking at the array of initiatives taken by each country, it appears that most governments favor a multiple strategy (for example, supporting active programs with research). Some governments utilize initiatives directed to all vulnerable sectors of the population (unemployed, disabled persons, elderly individuals, etc.) realizing that elderly residents will be primary users. Several government programs enable elderly individuals to exercise some choice and independence in their housing decisions, particularly those programs that provide opportunities to increase income.

POLICY MECHANISMS USED BY GOVERNMENTS TO HOUSE THE ELDERLY

Policy mechanisms are tools or vehicles used by policymakers to achieve policy objectives (Majchrzak, 1984). Policy mechanisms can be classified into five broad types (Coates, 1978). They are: 1) *research and information* – government-sponsored research and the collection and dissemination of research results and other information (such as design or program information) to solve a problem; 2) *financial measures* – the use of financial incentives and disincentives by government (examples: taxes, grants); 3) *regulations and controls* – government activities which constrain or direct activities by individuals or organizations to alleviate the problem; 4) the *operation of government programs* – active intervention by government through the use of programs to ameliorate the problem experienced by a client; and 5) *enabling actions* – leadership activities by government to create a supportive environment (through statements of national priority or enabling legislation) where other agents such as individuals or the private sector can address the problem.

Government initiatives typically use one of the above mechanisms. For example, an initiative to stimulate home modification could be based on preferential loans – a financial measure. The government initiatives were examined to assess the range of mechanisms used and the mechanisms favored by governments to solve the housing problems of the elderly (see Table 2).

Initiatives relying on financial measures predominate. This could be attributed to the fact that many elderly individuals are on fixed incomes and that a disproportionately large group of elderly residents are also considered poor. There are a large number of programs where governments developed active means to assist elderly individuals. Most policy specialists consider enabling

Table 1. The primary focus of government initiatives to house the elderly in 14 countries

| Primary focus of government initiatives | Number of government initiatives |
|--|----------------------------------|
| 1. Initiatives to carry out research at the national level | 2 |
| 2. Initiatives to disseminate information | 3 |
| 3. Initiatives to generate public funds for housing elderly individuals | 3 |
| 4. Initiatives to mobilize private capital to house the elderly | 5 |
| 5. Initiatives to assist the elderly to remain in their own homes | 9 |
| 6. Initiatives encouraging equity conversion | 3 |
| 7. Initiatives encouraging the use of the home to generate income for elderly individuals | 2 |
| 8. Initiatives to increase income for housing and related services | 4 |
| 9. Initiatives to encourage the development of housing alternatives in existing neighborhoods | 4 |
| 10. Initiatives to stimulate the construction of housing for elderly individuals by private and non-profit sectors | 3 |
| 11. Initiatives based on government-owned housing stock | 2 |
| 12. Initiatives facilitating the move to a smaller house or a more appropriately designed home | 7 |
| 13. Initiatives to improve the design of homes for elderly individuals | 3 |
| 14. Initiatives providing assistance for families caring for the elderly | 3 |
| 15. Initiatives encouraging the use of private accommodations to house elderly individuals | 2 |
| 16. Initiatives providing shelter and care packages for supported living by elderly individuals | 8 |
| 17. Initiatives encouraging the co-ordination of housing and support services | 3 |
| 18. Initiatives using standards and guidelines | 2 |
| 19. Initiatives based on special legislation concerning housing for the elderly | 3 |
| TOTAL | 71 |

Data from Brink, 1985

Table 2. Policy mechanisms used by governments to house elderly individuals

| Policy Mechanisms | Number of types of government initiatives to house the elderly |
|--------------------------|--|
| Research and information | 6 |
| Financial measures | 25 |
| Regulations and controls | 4 |
| Programs | 16 |
| Enabling actions | 20 |
| TOTAL | 71 |

Policy mechanisms adapted from Coates (1978)

actions by governments as a weak mechanism where the government does not wish to act or wishes to delay action. However, in this case, many constructive enabling actions have been taken by governments to stimulate action by other agents to solve the problem (Examples are special legislation or codes favoring elderly individuals and the encouragement of financial instruments such as equity syndication and mortgage-backed securities to encourage investment in housing for elderly individuals).

Keeping in mind that initiatives reflect conceptual strategies rather than the number of governments using them, it is clear that all five mechanisms are considered appropriate and effective. However, regulations and controls are the least favored mechanism for housing elderly individuals.

MANNER OF INTERVENTION AND THE RESPONSIVENESS OF INITIATIVES TO HOUSING AND RELATED NEEDS OF THE ELDERLY

Direct government interventions are expenditures of government funds to address a particular problem and are administered directly by the government in order to ameliorate the problem of needy clients (i.e., public housing). Indirect interventions may or may not use public funds and government effort may not necessarily be directly applied to the problem experienced by the clients (i.e., tax exemptions). Direct interventions often use government resources intensively and are subject to careful thought before being implemented by governments. However, indirect interventions may not always be appropriate or effective. There is evidence to suggest that the elderly do not benefit as greatly from indirect interventions as they do from direct interventions (Estes and Newcomer, 1984; Wilensky, 1982). Therefore, the initiatives in the inventory are examined with regard to the manner of intervention.

Housing problems are traditionally defined in terms of deficiencies in the dwelling, overcrowding, and the spending of an excessive proportion of income on housing. Elderly individuals with housing problems do not fit this problem definition well. They have additional problems, such as the need for dwelling modifications to cope with activity limitations due to age, the need for smaller or more appropriate dwellings, and the need for support in order to live

independently. Elderly individuals often have multiple and varying needs as their abilities and life circumstances change. Therefore, it is of interest to examine the interventions in light of the housing needs to which they are directed and to study the potential for initiatives that are flexible and deal with combinations of needs (see Table 3).

Governments appear to use both direct and indirect strategies of intervention to assist the elderly. As pointed out earlier, the emphasis on "less government" may result in creative, indirect ways to stimulate activities by other agents to solve the housing problems of elderly individuals. However, it is clear that a large number of initiatives are targeted to clients according to the traditional definitions of housing need. Affordability problems are at the core of a large number of direct intervention initiatives. There have been few initiatives dealing specifically with the special housing needs of elderly individuals (such as the provision of smaller or more appropriate housing, the modification of a dwelling to allow an elderly person to use it despite some activity limitations, and the provision of support services). However, there are a number of direct interventions that deal with combinations of housing needs. These are usually initiatives that provide facilities that include both housing and support services in an institutional or collective setting.

Table 3. Government interventions in response to housing needs of elderly individuals

| Manner of intervention and housing need addressed | Number of types of government initiatives |
|---|---|
| DIRECT INTERVENTION | |
| Affordability | 18 |
| Appropriate housing provision | 5 |
| Dwelling modification | 1 |
| Support service provision | 3 |
| Combinations | 10 |
| INDIRECT INTERVENTION | |
| Research | 2 |
| Information dissemination | 3 |
| Stimulating housing production | 8 |
| Enabling actions | 21 |
| TOTAL | 71 |

CONCLUSION

An analysis of 71 government initiatives in use by 14 different countries shows a great variety of strategies. The initiatives are grouped according to primary focus. It is clear that a large portion of the initiatives are directed towards assisting elderly individuals to remain in their own homes. Economic realities are reflected in the number of initiatives relying on government stimulation of other agents to actively deal with the problem. Governments use the full

range of policy mechanisms available to them, though financial measures predominate. The analysis shows that governments intervene directly and indirectly to solve the housing problems of the elderly. It is clear, however, that traditional definitions of housing need and eligibility result in a majority of the initiatives responding to affordability problems rather than to the particular housing problems of the elderly.

Closer international cooperation and wider availability of policy research findings may result in an exchange of ideas. The search continues for a reliable, yet flexible, measure of housing needs among elderly individuals and cost-effective policy initiatives that can quickly address their changing requirements. Policy initiatives must also address the multiple needs of elderly individuals comprehensively without straining the public purse or the administrative structure.

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