

For Senate Select Committee on Work and Care

Action 1: Extend eligibility for Carer Payment, increase the Payment amount and increase earnings allowed

People undertaking unpaid care often face financial stress because of lost earning capacity, yet their unpaid labour contributes billions to the economy. This situation could be partly addressed by expanding eligibility conditions for the Carer Payment, increasing the Payment amount, and increasing the amount recipients can earn from paid work before they lose their Payment.

- A recent National Seniors survey of over 4100 Australians aged 50 and over found:
 - 22.2% of participants provided care for another adult, most commonly a partner (>33%) followed by a parent then adult child.
 - Carers spent an average of 26 hours per week on caring. Over half provided medium to high level care; one sixth provided high level care in the home.
 - Participants provided care irrespective of income, but economic savings were an incentive.
 - Most carers had not accessed care plans or government support.
- These figures show unpaid care by older Australians is already widespread and could be more supported through the Carer Payment system. Quotes from our survey participants illustrate this:
 - *“Many people on Carer Pension looking after Elderly Parents are in their 50's like myself and also wish to work without losing Carer Payment”*
 - *“There is a lot of talk about workers’ rights, superannuation, and such, but there is one large group that do what they do often 24/7 for months/years/decades, many end up getting on in years still doing what they do and will till they die. They are called carers. The government will not recognize us as workers, why??”*
- The projected societal shift from caring for older people in residential facilities to caring for them at home will come with a huge increase in unpaid care labour by family and friends. Professional home care services are being expanded too but will not be able to cover all that is required.
 - Expanding and increasing carer entitlements would recognise this reality and would be a useful way to repurpose government funds saved by the reduction in residential care.

Action 2: Increase paid leave entitlements for carers by separating Carer Leave from Personal Leave

Designating Carer Leave as a separate paid leave type for all workers would recognise the impact unpaid caring responsibilities have on a person’s ability to work and would grant some compensation for this.

- The current system of combined sick leave and carer leave under the Personal Leave banner disadvantages carers. If they are using personal leave for caring responsibilities, the amount of paid leave they have available for their own sick leave is reduced compared to non-carers.
- Carers do frequently need time off for caring responsibilities and lose earnings as a result. Quotes from our survey participants illustrate this:
 - *“I don’t get paid for anything, but I have to take time off work and lose money.”*

- *“The biggest challenge is me working 50+ hours a week in my daily place of employment and having to juggle attending appointments”*
- *“I work part time as well (reduced working hours as my mother wishes to remain at home) so [I] have to co-ordinate support services, respite in aged care facility etc. All so time consuming...”*
- Our research shows unpaid care work involves great sacrifice, is emotionally and physically exhausting and is associated with poorer mental and physical health. Carers thus have a great need for sick leave entitlements as well as carer leave. Quotes from our survey participants include:
 - *“It's emotionally and physically draining caring for an elderly parent. I can't go on a holiday for more than a night or two. I have health problems too and I live alone, so I really need to look after myself as well. It's a bit of an exhausting cycle.”*
 - *“My health and mental state have deteriorated, and I feel I can't manage his care adequately anymore.”*
- Standard leave entitlements must therefore be expanded to allow for additional time off as paid Carer Leave for those who need it. It would be similar to parental leave, which some people will never need but others will, depending on life circumstances.

Action 3: Financially compensate carers, especially women, for forgone earnings and superannuation

Caring responsibilities can force people to leave paid work altogether. The consequences of leaving paid work are multiple.

- Often the people providing care to an adult (such as a partner, parent or adult child) are themselves older and therefore at the peak of their working lives in terms of earning capacity and capacity to accumulate superannuation. By leaving work at this time in their lives, their financial sacrifice is great. Some quotes from our survey participants illustrate the problems:
 - *“...that is 20 years of my life, earning power & superannuation that I have sacrificed, for a worthwhile (yet distressing & exhausting) cause, but at significant health & wealth cost to myself”*
 - *“I gave up work to care for my partner because I wanted to spend time with him in the few years he has left”*
 - *“In 2015, after living with Alzheimer's for around five years, Mum had progressed to a stage where she needed to enter full time residential care. Around this time, I was finishing my maternity leave with a 12-month-old. I had to navigate both the aged care system and the childcare system at the same time! It was incredibly stressful caring for my son, my mum and holding down my job [...]. Even in residential care, Mum still needed me to be there for her (more than ever actually) and I would visit her most days of the week with the kids, always taking in meals that I cooked. We eventually paid for a carer to visit the home during the day and I would visit her during the evenings after work. I ended up resigning from my job to be there full-time for Mum and the boys.”*
- As well as having a negative impact on carers themselves, the loss to the workforce and economy is also great, given these workers' accumulated professional expertise, experience and knowledge.
- Our research shows women are much more likely to provide care for aged parents in need than men. In our sample, 69% of care for parents was provided by women and 31% by men.

- This gender imbalance and the negative impact it no doubt has on workforce participation would exacerbate other workforce and financial disadvantages older women face including higher unemployment rates, overrepresentation among the long term unemployed, unequal earning capacity, lower superannuation balances and greater welfare dependency and poverty in later life.
- Expanding Carer Payment eligibility and separating paid Carer Leave from Personal Leave are both important measures to alleviate the financial disadvantage that carers experience, but they will not cover the full extent of losses that result from leaving work to provide care. Other solutions must be found for this, for the sake of individuals and the Australian economy.

Action 4: Recognise the unpaid care grandparents provide and consider financial support for some of this

Workers sometimes have to leave work to care for young children too, and there is wider societal and policy recognition of this and some provision of assistance through the childcare system. However, it is noteworthy that grandparents and other older relatives are also called on to provide unpaid care to enable the children's parents to work, which in turn provides enormous benefit to the economy.

- In our study 26.6% of respondents provide regular care for grandchildren or children under 12.
- Yet grandparent care is also undervalued and warrants greater recognition as a form of unpaid care that enables others to work.
- Some survey respondents reflected on the financial costs and time-demands of providing grandparent care, especially when the children or parents have high need levels, when it puts financial strain on grandparents, or when grandparents themselves leave the paid workforce to provide unpaid care. The Senate Committee might consider whether the high levels of care provided at this end of the grandparenting spectrum warrant financial support. Some scenarios our survey participants described go beyond standard expectations of grandparents:
 - *"We [grandparents] have to mind grandchildren because both parents are hospital shift workers and there is no other childcare available to cover their working hours."*
 - *"2 days per week unpaid care of 2 grandchildren. Gave up work as teacher."*
 - *"Grandparenting is a real challenge... We have to buy our granddaughter most of her clothes...food, staples and normal kitchen equipment just to make sure they have a functioning household. All of this costs [money] and is a real drain on our pension."*
- Once again there are gendered aspects to this form of care. Men are vastly more likely to provide grandparenting care if they have a partner (93% of grandparenting men in our sample were partnered and 7% not partnered) whereas partner status did not seem to determine whether women provided grandparenting care (57% of grandparenting women were partnered and 43% not partnered).
- This suggests that, on average, the labour may be less burdensome for men, if they are providing care in partnership rather than alone. The financial, time and health costs of grandparenting may therefore be higher for women on average. This may be a further contributor to older women's workforce and financial disadvantage.