



Level 10, 213 Miller Street, North Sydney NSW 2060
PO Box 785, North Sydney NSW 2059
P 02 9280 4744 F 02 9280 4755
contact@carersnsw.org.au
Carers NSW ABN 45 461 578 851 ACN 606 277 552
www.carersnsw.org.au

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Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Inquiry into the Social Security Amendment (Improved Child to Adult Transfer for Carer Payment and Carer Allowance) Bill 2022 [Provisions]

Carers NSW welcomes the opportunity to provide a submission to the Senate Standing Committees on Community Affairs (the Committees) in response to its inquiry into the Social Security Amendment (Improved Child to Adult Transfer for Carer Payment and Carer Allowance) Bill 2022 [Provisions]. Carers NSW supports proposed changes to the Child to Adult Transfer for Carer Payment and Carer Allowance that aim to improve equity for carers, however believes that further review and reform is needed to improve and simplify the transfer process for carers.

Carers NSW is the peak non-government organisation for carers in NSW. A carer is any individual who provides care and support to a family member or friend who has a disability, mental illness, drug and/or alcohol dependency, chronic condition, terminal illness or who is frail. Carers NSW is part of the National Carer Network and a member of Carers Australia. Our vision is an Australia that values and supports all carers, and our goals are to:

- Be a leading carer organisation in which carers have confidence
- Actively promote carer recognition and support
- Actively support carers to navigate a changing service landscape that will be characterised by ongoing policy reform
- Promote connected community experiences and opportunities for carers that are inclusive of diverse carer groups
- Lead and advocate for carer-specific and carer-inclusive policy making, research and service delivery
- Continue to be a quality-driven, responsive and carer-focused organisation.

Carers NSW commends the Australian Government on acting to improve the Child to Adult transfer for Carer Payment and Carer Allowance. Carers NSW has heard from a number of carers that the transfer from child to adult streams of these payments can be confusing and challenging, with some carers experiencing gaps in payments through the process. While Carers NSW welcomes the proposed changes, concerns remain that this Bill does not adequately address the administrative and financial strain placed on carers in the transfer process.

Carers NSW supports amendments proposed in the Bill which aim to improve equity in access to the Carer Payment (CP), Carer Allowance (CA) and Carer Allowance – Health Care Card Only for carers of children turning 16, removing any potential disadvantage for carers who proactively seek to transition to CP/CA (Adult) before this point. Guaranteeing qualification for CP/CA (Child) recipients until the child they care for turns 16 years and 3 months will see improved equity for carers and remove potential disincentives to apply for CP/CA (Adult) as soon as practicable.

Furthermore, Carers NSW supports the extension of qualification for CP/CA (Child) until a claim for CP/CA (Adult) has been assessed, where the appropriate paperwork and assessments have been submitted by the child's (who is receiving care) 16th birthday, and the claim is not processed by the

time the child is 16 years and 3 months. This will ensure that any administrative delays in processing claims to transfer from Child to Adult CP/CA do not result in gaps in payment that may further financially disadvantage carers.

Carers NSW also supports amendments that aim to ensure that where carers of children with terminal illness receiving CP/CA (Child) complete and submit the appropriate documentation to transfer to CP/CA (Adult) prior to the child's 18th birthday, they will remain eligible for CP/CA (Child) until the claim is assessed. Ensuring no potential gap in payments for these carers will minimise potential financial, and associated psychological strain.

Carers NSW supports a number of the measures introduced by this Bill which will minimise potential gaps in payments and improve equity for carers. However, Carers NSW believes that further review and reform of the Child to Adult transfer for CP/CA is needed to address a number of issues with the transfer process that are not addressed in the Bill.

Carers NSW has heard from carers frustrated with the need to submit a claim to transition from CP/CA (Child) to CP/CA (Adult). This includes the need to organise, fund or support further assessment of their care recipient, especially where their care recipient's level of support required is likely to remain high due to the nature of their condition. Carers NSW encourages further review of the Child to Adult transfer for CP/CA to ensure that administrative and financial strain on carers is minimised throughout the transfer process.

Furthermore, carers have raised concerns with Carers NSW about the cessation of the Child Disability Assistance Payment when their child turns 16 years of age. Carers have highlighted that this is a significant loss of income to support with costs associated with their caring role (\$1000 per year, per care recipient the carer is receiving Carer Allowance for), especially where the person they are caring for is ineligible for supports through the National Disability Insurance Scheme (NDIS), or where residual disability services are not available to assist with the cost of equipment, home modifications or support services.

Carers NSW understands that a care recipient may be eligible to apply for the Disability Support Pension (DSP) at 16 years of age, which may provide some additional financial support in relation to meeting the costs associated with care. However, care recipients may choose not to apply for this, or they may experience significant barriers or delays on applying due to the complexity of the DSP application process, as highlighted in the recent inquiry into the purpose, intent and adequacy of the Disability Support Pension.¹ Carers NSW believes that further investigation is needed to better understand the impacts of the reduction in financial support available to carers when their child turns 16, despite likely ongoing costs relating to their caring role. Ensuring carers financial needs are adequately met is likely to improve outcomes for both carers and the people that they care for.

For further information, please contact Melissa Docker, Senior Policy and Development Officer, on

Yours sincerely,

Elena Katrakis
CEO
Carers NSW

¹ Community Affairs References Committee, The Senate (2022), *Purpose, intent and adequacy of the Disability Support Pension*, available online at: https://parlinfo.aph.gov.au/parlInfo/download/committees/reportsen/024728/toc_pdf/Purpose,intentandadequacyoftheDisabilitySupportPension.pdf;fileType=application%2Fpdf, viewed 1 March 2022.