



ALIA House
1st Floor
9-11 Napier Close
Deakin ACT 2600
PO Box 174
Deakin West ACT 2600
p 61 2 6285 3100
f 61 2 6285 2166
e admin@mhca.org.au
w www.mhca.org.au

ABN 67592218493

Mr Elton Humphrey
Committee Secretary
Community Affairs Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

17 April 2009

Dear Mr Humphrey

Thank you for the opportunity to provide a submission to the Senate Community Affairs Committee's inquiry into the *Social Security Legislation Amendment (Improved Support for Carers) Bill 2009*.

The Mental Health Council of Australia (MHCA) works extensively with carers of people with mental illness, and is well placed to comment on the proposed amendments to the social security legislation. On the whole we support the proposed amendments to the legislation. However, we would like to see some of the changes that apply only to carers of children extended also to carers of adults. The latter part of our submission addresses some additional needs of carers that are not sufficiently addressed in existing legislation.

If you would like to discuss this response further, I can be contacted on (02) 6285 3100, or at david.crosbie@mhca.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Crosbie".

David Crosbie
Chief Executive Officer



**Mental Health Council of Australia Submission:
Senate Community Affairs Committee Inquiry into *Social Security
Legislation Amendment (Improved Support for Carers) Bill 2009***

The Mental Health Council of Australia (MHCA) is the peak, national non-government organisation representing and promoting the interests of the Australian mental health sector, committed to achieving better mental health for all Australians. The membership of the MHCA includes national organisations of mental health service consumers, carers, special needs groups, clinical service providers, community and private mental health service providers, national research institutions and state/territory peak bodies.

The MHCA works closely with mental health carers. A series of Carer Engagement workshops are being held in over 100 locations around Australia to provide opportunities for family and friends of someone with a mental illness to further develop their coping and management skills. Through these workshops the MHCA is identifying the main issues that affect carers' lives, to form an evidence based information source for policy makers and service providers relating to the needs of mental health carers. The MHCA also works with mental health carers through the National Register of Mental Health Consumer and Carer Representatives and also through the National Mental Health Consumer and Carer Forum. Both of these bodies are comprised of mental health consumer and carer representatives who are very experienced and actively involved in representational work at a national level.

This submission comprises two parts. The first addresses some of the proposed amendments to the legislation and identifies the potential benefits to carers of people with mental illness. The second part draws on the Carer Engagement workshops and addresses areas in which mental health carers have identified that they require more support.

Part One: Proposed Amendments to the *Social Security Act 1991* and the *Social Security (Administration) Act 1999*

The MHCA appreciates the opportunity to comment on the proposed changes to the *Social Security Act 1991* and the *Social Security (Administration) Act 1999*, and welcomes the intention of the amendments to improve support for carers. We note that the intention of the amendments is to improve support for carers of children with a disability or a medical condition. This is commendable and we support these amendments. However, urgent changes are also required to improve support for carers of adults with a disability or medical condition. Some of the proposed changes apply only to carers of children, but would also be extremely beneficial to carers of adults. This particularly applies carers who themselves are young people; there is currently little acknowledgement of the impact that caring has on a young person who becomes a carer of a person with a disability, and their needs must also be addressed in amendments to this legislation. .

Comments on selected amendments are below.

Proposed amendments to the *Social Security Act 1991*

Section 197G Qualification – short term or episodic care of children

The MHCA welcomes proposed new section 197G. This section allows that a person may qualify for carer payment if the person is providing care for someone under 16 who is likely to require care for a period of three to six months. This is a change that is likely to be of particular benefit to carers of children who experience mental illness, due to the episodic nature of many mental illnesses. Many people with a mental illness will experience lengthy periods of strong mental health, but will then experience episodes lasting for weeks or months that prevent them from working or studying and cause them to require significant care for that period.

The MHCA would like to see section 197G expanded to also include carers of adults who are likely to require care for a period of three to six months. The episodic nature of mental illness described above means that extending 197G to carers of adults with mental illness would have enormous potential benefits. In the Carer Engagement workshops run by the MHCA, described briefly above, carers have reported that they are ineligible for carer benefits because there are long periods in which the person that they care for is well and does not require significant care. However, these carers then may experience financial disadvantage when the person that they care for experiences an episode of mental ill-health, losing earnings and putting their employment at risk. Eligibility for carer payment for the period in which the person that they care for is unwell would reduce the financial burden on these carers.

Section 197K Remaining qualified for up to 3 months after child turns 16

The MHCA welcomes proposed new section 197K. This section allows that if a person qualifies for carer payment for providing care to someone under 16, they will remain qualified for that payment for up to three months after the child turns 16. This will benefit carers of children with mental illness who are at this point, extending the transitional period and providing them with more time to apply for a carer payment for someone who is over 16. As caring commitments can compete with requirements and timeframes for the completion of forms and assessments, this is a very valuable amendment, and one that is strongly supported by the MHCA.

Section 198AA Qualification for carer payment – hospitalisation *and* Section 955(2) Qualification for carer allowance - hospitalisation

The current legislation allows a carer to continue to access their carer payment and/or carer allowance while the person they care for is in hospital for up to 63 days in any calendar year. The proposed amendments to the legislation remove the 63 day restriction, but only for a hospitalised person who is a child. If the care recipient is an adult, the 63 day restriction remains in place.

The MHCA supports the removal of the 63 day restriction, but we are unsure why the restriction has been removed only for hospitalised children. Adults with a mental illness may require extensive hospitalisation over a calendar year, but carers will still be extensively involved in providing care and support even while the person they care for is in hospital, continuing to restrict the carer's earning capabilities. The restriction on earnings is compounded when the care recipient is hospitalised some distance away. In urban areas many carers are restricted to public transport and may have to travel across several suburbs to reach the psychiatric unit where the person they care for is hospitalised, while in rural or remote areas travel to the nearest psychiatric unit can cover hundreds of kilometres and take many hours, in many cases requiring an overnight stay. The MHCA supports the removal of the 63 day restriction for carers of hospitalised adults as well as carers of hospitalised children as there is no clear reason to apply this restriction only to carers of adults.

Section 954B Qualification for carer allowance – receiving carer payment for caring for child or children

New section 954B qualifies carers who are receiving carer payment for caring for a child or children to also receive carer allowance, even if the carers are not eligible under section 953. This section specifically excludes carers of disabled adults from receiving the same automatic qualification.

The MHCA calls for section 954B to be expanded to include carers of adults, even if the carers are not eligible under section 954 or 954A. This would particularly benefit carers of people with mental illness who face significant financial impositions, some of which are discussed in Part Two below. As with sections 198AA and 955(2), there is no clear reason why the benefits of the amendments should only be applied to carers of children, when they would also provide relief and better support for carers of adults.

Proposed amendments to the *Social Security (Administration) Act 1999*

Section 15A

Proposed new section 15A allows that if a claim for carer payment is rejected and the carer makes a claim for carer allowance within 28 days of being notified of the rejection, and the carer is found to be eligible for carer allowance, the claim for carer allowance may be taken to have been made on the day that the claim for carer payment was made. Similarly, new subsection 15A(2) provides that if a carer payment is suspended or cancelled and the carer makes a claim for carer allowance within 28 days of being notified of the suspension or cancellation, and the carer is found to be eligible for carer allowance, the claim for carer allowance may be taken to have been made on the day that the carer payment was suspended or cancelled.¹

This amendment is welcomed by the MHCA in principle. However, once again this amendment applies only to carers of children. The financial impositions on carers of adults with mental illness are mentioned above and discussed in more detail below. Again, there is no clear reason why this amendment should only be applied to carers of children.

Summary

The proposed amendments to the social security legislation are welcomed by the MHCA in principle. However, we can see no reason why the benefits provided for carers of children with a disability or medical condition should not also be provided to carers of adults with a disability or medical condition, or why these benefits should cease when the care recipient turns 16. All carers, regardless of whether they are caring for children or adults, need greater support and due recognition of the vital role that they play in Australian society. It is unjust to provide one category of carers with commendable benefits while withholding these benefits from others.

¹ Carer payment is an income support payment that is income and assets tested and is available to carers who meet eligibility criteria and are unable to support themselves through substantial workforce participation. Carer allowance is a supplementary payment that is not income and assets tested, and is available in addition to wages, carer payment and other payments. (Centrelink 2008 *Caring for someone? A guide to your options and our services.*) More information is available from www.centrelink.gov.au.

Part Two: Self-Identified Support Needs of Carers of People with Mental Illness

The MHCA currently has funding from the Department of Families, Housing, Community Services and Indigenous Affairs to run a series of Carer Engagement workshops across Australia for carers of people with mental illness. Eighty-seven workshops were held in the first round of workshops in 2008, and the MHCA is currently conducting a second round of a further 35 workshops. These workshops have visited every Australian state and territory and have covered metropolitan, rural and remote areas. Targeted workshops have been presented for Indigenous carers, young carers and carers from Culturally and Linguistically Diverse (CALD) backgrounds.

One of the main aims of these workshops is for carers to identify the issues that affect them in their role as carers. A detailed report on the outcomes of the carer workshops will be released in the latter half of 2009, but an overview of the issues relevant to this inquiry is provided below. Some of the main issues identified by carers are highly relevant to this inquiry, including difficulties accessing carer payment and carer allowance, and the adequacy of these given the financial imposts on carers. Given the restriction of many of the proposed amendments to carers of children, it is worth noting that the vast majority of carers attending the workshops were caring for an adult – a parent, partner, sibling or adult child.

Carers of people with mental illness experience many additional financial burdens directly arising from their caring role, and often find that they are left without sufficient income and are unable to accumulate adequate funds for their retirement. There is often significant difficulty for carers to find a supportive workplace that understands their caring needs and is flexible enough to accommodate caring responsibilities, particularly when the chronic, episodic nature of many mental illnesses is considered.

Carers may find themselves faced with additional expenses arising from the mental illness of the person that they care for. Carers often pay for the basic needs of the person that they care for, including medication, other medical costs and transport. Few GPs bulk bill, and where frequent medical appointments are required this can impose a significant burden on the carer. Transport is another significant cost, particularly for people in rural areas, who are faced with often enormous distances to reach treatment, combined with a lack of public transport and rising fuel costs. If the person receiving care is hospitalised or receiving treatment some distance from the home of the carer, the carer may need to pay for accommodation closer to the hospital or treatment facility in order to be close to person they care for.

Accommodation is a particularly large expense. Many people with a mental illness are unable to rent or buy their own property, due to financial disadvantage arising from unemployment, interrupted education or social isolation. Supported accommodation

places are very limited, and many carers are faced with the option of either having the person with a mental illness live with them, or funding alternative accommodation.

In some cases, people who are experiencing mania or other acute mental illness symptoms may make major purchases, take out loans or enter into payment contracts that they cannot afford. In these situations it is usually the carer who ultimately pays. Carers report they often have no choice but to pay fines incurred by the person they care for.

In spite of these financial impositions, carers of people with a mental illness often find that carer payment and carer allowance are difficult to access. A frequent comment in the workshops is that the application forms are inappropriate for the carers of people with mental illness as they do not reflect the type of care required, focusing much more on physical disability. Carers frequently report that completing the forms requires too much effort, particularly if their application has already been rejected.

From the workshops targeted at young carers, it became clear that there is currently great confusion about young carers' entitlements to carer allowance and carer payment. Young carers whose parents are unable to work due to a mental illness or other disability may face significant financial hardship, particularly if they are still at school and/or are too young to obtain paid employment. Issues for young carers are often hidden, and there needs to be stronger recognition of the issues faced by young carers and greater transparency around eligibility for social security benefits that reflect the complexity of the young carer role.

The other message relevant to carer allowance and carer payment that repeatedly emerges from the workshops is that the level of these payments is inadequate. The MHCA recognises that the level of benefit is beyond the scope of this inquiry. However, carer comments about the amount of money that they can receive reinforce the fact that carers need more financial support, and assistance in accessing this support, particularly when the financial impositions detailed above are considered. The burdens, including financial burdens, which are placed on carers of adults with a mental illness provide a strong argument to expand the proposed amendments to the social security legislation to also include carers of adults.

Conclusion

The title of the Bill being examined in this inquiry is the *Social Security Legislation Amendment (Improved Support for Carers) Bill 2009*. If the goal of this legislation is really to provide Improved Support for Carers, then all carers should be included.

In this submission, we have addressed several individual points from the proposed amendments to the social security legislation, emphasising the need to extend the proposed new benefits to include all carers, not only carers of children. Benefits must also be available to young people who care for an adult with a mental illness. Key issues arising from our Carer Engagement workshops have been provided as supporting evidence for why the expansion of these benefits is necessary.

The MHCA appreciates the opportunity to provide comment to the inquiry. We hope that our views will be taken into consideration, and that all carers will receive the 'improved support' that is due to them.

April 2009