



Australia's future tax system Retirement Incomes

February 2009

Carers Australia is the national peak body representing those Australians who provide unpaid care and support to family members and friends with a disability, mental illness or disorder, chronic condition, terminal illness or who are frail.

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Executive Summary

Australia's family carers are at risk of significant retirement income disadvantage because of their caring role. We know that in 2005 carers contributed an estimated 1.2 billion hours of care which equates to \$30.5 billion annually. Caring prevents early or inappropriate entry into institutional care. People needing support can maintain their independence and quality of life in a familiar environment. However, this comes at a high financial cost to carers. On average, carers gross personal income is more than 25 per cent lower than for non carers and for almost half a million carers, the disparity is even greater at more than 40 per cent.

Evidence from research undertaken by the National Centre for Social and Economic Modelling (NATSEM) and commissioned by Carers Australia, paints a very gloomy picture for carers' long-term financial stability. Inability to participate in the paid labour force and earn an income means that primary carers are not able to contribute to superannuation schemes that invest towards retirement income.

In particular, the research found that the superannuation likely to be available to 30 year old women who are primary carers caring for a child with a disability when they reach 65 years of age will be negligible for many and insufficient to provide an adequate retirement income for most.

Additionally, there is over a two fold difference in the superannuation that a 50 year old woman primary carer of a male partner who is no longer able to work because of her caring role and who has secondary school qualifications only can expect to access at 65 years of age compared to women who have post-secondary schooling, who continue to work up to retirement at 65 years of age and who do not have the same caring responsibilities.

The authors of the report noted that of equal or greater significance to the financial stress women carers face over their working years is the impact of the primary carer role on the women's ability to invest towards their retirement. The compulsory superannuation guarantee scheme was introduced in Australia in 1992 to address the projected strain that an ageing population would place on the economy. It is therefore of great concern that primary carers giving up paid employment opportunities do not have the opportunity to invest towards their retirement.

Carers Australia believes that all carers have the right to work should they so choose. For most Australians, work is a central and necessary part of our adult lives and many carers find workforce participation also reduces their isolation.

However, there are a number of carers who, because of the intensity of their caring, or because they have a disability themselves, will not be able to participate in paid employment. It is important that these carers are not penalised and are supported financially to continue to provide this very valuable support. Without these carers the economic impact on the government would be much greater. And for those not in the workforce for extended periods, financial hardship can continue into old age even after caring responsibilities have come to an end.

To offset this disadvantage, it is proposed that the government implement a superannuation scheme for family carers who are out of the workforce for two years or more because of their caring responsibilities. This should be paid at a rate of 9% of the Federal minimum wage.

We believe carers are particularly vulnerable to sharp increases in the cost of essentials and that there is an urgent need to develop and apply new mechanisms that benchmark income support payments according to the real costs that low income groups face rather than the current indexing linked to CPI and MTAW.

Carers Australia also believes that the issue of retirement incomes cannot be considered in isolation. This is a complex area of national policy and requires consideration of how income support, taxation, superannuation, education and labour market policies and programs interact.

In the Prime Minister's address at the launch of Carers Week last year he made it quite clear that the government needed to support carers and outlined three ways in which the government could assist:

"First, we must provide greater financial support and assist carers to build retirement income second, we must assist carers to participate in the paid workforce and third we must work harder to help carers themselves stay in good health."

Recommendations

Carers Australia recommends that:

- the government implement a superannuation scheme for those carers who are out of the workforce for two years or more because of their caring responsibilities. This should be paid at a rate of 9% of the Federal minimum wage
- the government invest in initiatives to support young carers through their education to ensure they have the same opportunities as other Australians to participate fully in paid employment and enjoy the social benefits that this can bring
- the government invest in initiatives to assist family carers participate in the paid workforce. Barriers to employment participation will need to be addressed. These include difficulty in arranging suitable working hours and suitable alternative care arrangements
- a budget standards approach to indexing be introduced as a more appropriate way to recognise the real costs that low income groups face.

Our submission

Our submission focuses on the longer-term financial implications for those Australians who provide unpaid care for family members and friends with a disability, mental illness or disorder, chronic condition, terminal illness or who are frail. It provides evidence of the financial disadvantage carers face and the economic rationale for supporting carers back into the paid workforce – if this is their choice. We believe that the low rates and patterns of employment participation of those caring is a fundamental social and economic issue for governments, particularly as Australia's population ages.

We also address the need to support those family carers who are unable to work because of their caring responsibilities. For these carers there is an urgent need to introduce a superannuation scheme that will provide a better quality of life in their retirement.

Our submission to the pension review canvassed the broader issues of the inadequacy of the income support levels, additional costs associated with caring and the need to introduce a budget standards approach to indexing increases.

About Carers Australia

Carers Australia is the national peak body representing carers. Carers are individuals who provide unpaid care to family members and friends with a disability, mental illness or disorder, chronic condition, terminal illness or who are frail.

Carers Australia seeks to lead change and action for carers through:

- being the national voice for carers
- research, policy development and advocacy
- carer services and programs
- education and training for carers and service providers.

The members of Carers Australia are the state and territory Carers Associations that deliver specialist information, advisory and counselling services to carers in communities around Australia. The state associations also play an advocacy and policy development role in their state or territory and work closely with government and other organisations to achieve support and change for carers and their families.

Carers Australia is informed about carer issues through its member Carers Associations, local and overseas research and its participation in national and international forums.

Carers Australia places great importance on the direct voices and experience of carers as well as relying on evidence provided through research and evaluation. The Network gathers and analyses information from carer services, individual advocacy and representation and consultation about needs and preferred solutions.

About Australia's carers

Australia has almost 2.6 million carers, and nearly 500,000 of these are primary carers – the people who provide the most careⁱ. Caring is rarely chosen and it can also last a long time. Australian Bureau of Statistics (ABS) data indicate that 60 per cent of primary carers over the aged of 15 have cared for five years or more, a third have cared for 10 years or more, and some for over 30 yearsⁱⁱ.

Caring does not discriminate. Children and young people; people of working age; older people; Indigenous Australians, those in rural and remote areas, and people born outside Australia provide care to family members and friends on a daily basis. They are an integral part of Australia's health system and are the foundation of our aged, disability, mental health, community care and palliative care systems.

This diversity is evidenced in ABS data: ^{iii,iv,v}

- 380,000 carers under the age of 26
170,000 carers under the age of 18
- nearly 2 million carers of prime working age (15-64)
- 31,600 Indigenous carers over the age of 15
- 620,000 carers born outside Australia
366,700 of those born in other than main English-speaking countries
- 454,000 carers over 65 – almost 1 in 5 persons.

Each caring situation is unique and the caring responsibilities broad. Intense caring tasks can include feeding, bathing, toileting, dressing wounds, administering medication, and managing incontinence and other conditions. Carers also care for people who are fairly independent, but need supervision or help with their employment, finances and transport. Emotional support is also an important element of caring.

The impact of providing care on the carer's own health and wellbeing is well documented with many carers experiencing a significant decline in their own physical and mental health. In addition, there is a negative impact on carer's education and employment prospects, their financial position, and their ability to participate in social and community life.^{vi}

According to the ABS 2003 Survey of Disability, Ageing and Carers (SDAC), there are almost 1.25 million people in Australia with disabilities that have profound or severe limitations and of those 1.07 million live in private households. Seventy-nine per cent of people with a disability living in households received care from relatives and friends; mainly partners, parents or children.^{vii}

It is important to note that 64 per cent of primary carers over the age of 15 spend more than 40 hours per week caring for a person with a profound core activity limitation^{viii} - **the equivalent of full-time employment**. Additionally, family carers sustain the fabric and operational effectiveness of mental health service systems across Australia with individual carers on average contributing 104 hours per week caring for a person with a mental illness^{ix}. For many carers this time includes periods they are 'on call' or alert for early warning signs arising with the person for whom they care.

Carers contribution to the Australian economy and society

Carers in Australia contributed an estimated 1.2 billion hours of care in 2005. This is the annual equivalent of \$30.5 billion of formal aged and disability care services in Australia.^x However, the worth and value of caring extends way beyond the fact of it being cost effective to government and the community.

Caring prevents early or inappropriate entry to institutional care. People needing support can maintain their independence and quality of life in a familiar environment with assistance from people they know well. Caring, if supported well, can help keep families strong and is part of the glue that holds neighbourhoods and communities together.

The importance of their contribution is not hard to describe:

- people needing care can remain at home in a familiar environment with people they love and who have their interests at the centre of considerations
- carers provide care in a highly individual and flexible way
- carers support family members with disabilities or illness to maximise their life and independence in the community
- family structures and relationships are preserved
- family members or friends experience a quality of care, not always possible in institutional settings.

The contribution of carers adds a dimension to Australian society that is not always valued or recognised.

The rhetoric and the reality

The last report from the Task Force on Care Costs^{xi} summed up the situation well.

"... although public rhetoric acknowledges the need to help carers of the aged and people with a disability to balance their work and caring responsibilities, in reality tangible support is insufficient and ineffective. This is evident in relation to public policy (e.g. legislation, financial support and service provision) as well as workplace policy and practices."

The available evidence shows that carers face social and economic exclusion. The services and financial support that would enable greater choice and a better balance between caring responsibilities, work and other social engagement are simply not available to the overwhelming majority of carers.

Financial impacts of caring

The financial stress of caring is linked both at a workforce participation level and through the additional ongoing costs associated with caring. This is often difficult to quantify. If a single person on an average wage were to give up work to become a carer their weekly income would drop from \$1030 to \$294.^{xii} Carers Australia also believes that the impact of caring may be greater for those living in rural and remote areas of Australia.

The 2003 ABS SDAC indicates that carers are over-represented in the lower household income quintiles and under-represented in the higher quintiles, particularly primary carers.^{xiii} This is linked to carers reduced levels of paid employment because of their caring responsibilities.

On average, their gross personal income is more than 25 per cent lower than for non carers. For almost half a million carers, the disparity is even greater at more than 40 per cent.

Carers must manage the extra financial costs related to caring such as medication, equipment, transport, therapies, continence products, electricity and alternative care.

Carers who need to rely on the Carer Payment and the Carer Allowance for lengthy periods of caring can be particularly disadvantaged with their reduced capacity to save, accumulate superannuation and fund their retirements. The Australian Institute of Health and Welfare (AIHW) indicated that 34 per cent of primary carers of children with a disability identified more financial support as their greatest need.^{xiv}

The Australian Unity Wellbeing Index on carers health and wellbeing highlights that carers reliant on Centrelink income as their main source of household income had lower wellbeing than carers who did not receive Centrelink income support. Low household income is considered a double jeopardy, as carers already have the lowest wellbeing of any large group surveyed for the AUWI.

This survey also found that carers' satisfaction with their ability to pay for household essentials, ability to save money, to have financial security, and to not worry about income covering expenses are all severely compromised compared with a general population sample.^{xv}

In 2008 Carers Australia commissioned a research study on Women Carers in Financial Stress^{xvi}. The research undertaken by the National Centre for Social and Economic Modelling (NATSEM) at the University of Canberra found the two groups of women in the study paid a high price not only in terms of their financial well-being but also in terms of their health for taking on a primary carer role. The two groups were:

- women aged 30 years, with two or more children, who are primary carers caring for their child with a disability
- women aged 50 years, who are primary carers caring for their male partner with a disability.

The study found that mothers who are primary carers of a child with a disability are likely to earn over their working life – depending on their level of education – between a quarter and a half the income of women sharing the same characteristics but who are not primary carers. While mothers who are primary carers of a child with a disability receive more in government benefits than other women, these payments do not compensate fully for the income they forgo from paid work.

Retirement implications

The research also found the consequences of forgone income extend beyond the immediate ability of families to meet expenses. Inability to participate in the paid labour force and earn an income also means that primary carers are not able to contribute to superannuation schemes that invest towards retirement income. A number of relevant specific findings are outlined below.

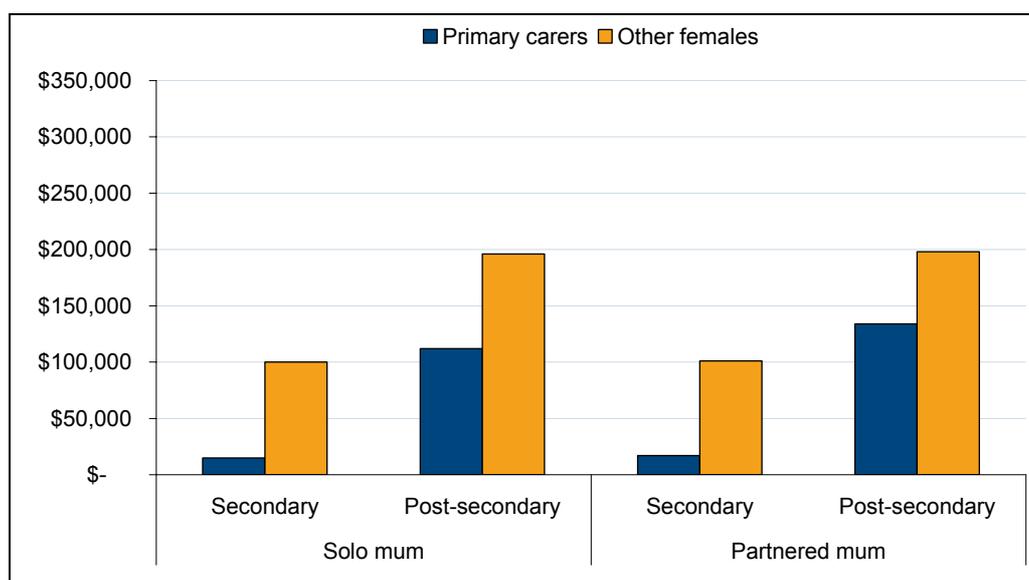
Findings

Group 1

Mothers with an education level no higher than secondary school, who are **not** primary carers are estimated to have approximately \$100,000 of superannuation in 2006 dollar terms when they turn 65. In contrast to this relatively small amount, those with primary care responsibilities are expected to have less than \$25,000 in their superannuation account when they reach 65 years of age.

The superannuation likely to be available to 30 year old women who are primary carers caring for a child with a disability when they reach 65 years of age will be negligible for many and insufficient to provide an adequate retirement income for most.

Figure 1 Prospective personal superannuation at age 65 to mothers currently aged 30-34 years - primary carers of a child with a disability versus other females, 2006



Notes: Superannuation was calculated by assuming 9 per cent super contribution and 5 per cent return rate. Mortality has not been adjusted in these calculations. Figures are rounded to nearest thousand.

Source: Model estimates using HILDA Wave 6 data file.

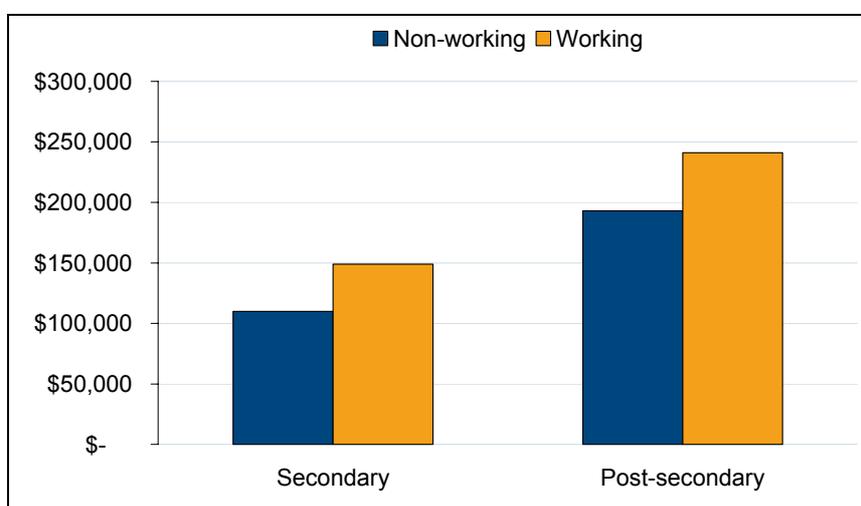
Group 2

The study also found that women aged 50 years taking on a caring role would expect to earn approximately 80 per cent of the income that would be earned by women that have the same characteristics but without the caring responsibilities, resulting in a deficit of approximately \$85,000 (2006 dollars) over the remaining working life.

A further consideration for this group is the loss of income and superannuation experienced at the family unit level when the partner becomes ill or disabled and needs to leave paid employment. Based on current patterns of superannuation contributions, if the male partner leaves work permanently at 55 years of age (because of illness or disability) around \$60,000 (2006 dollars) of superannuation is estimated to forgo at 65 years of age.

There is over a two fold difference in the superannuation that a 50 year old woman primary carer of a male partner who is no longer able to work because of her caring role and who has secondary school qualifications only can expect to access at 65 years of age compared to women who have post-secondary schooling, who continue to work up to retirement at 65 years of age and who do not have the same caring responsibilities.

Figure 2. Prospective personal superannuation available at age 65 years to females currently 50-54 years of age – working and non-working primary carers of a partner with a disability, 2006



Source: Model estimates using HILDA Wave 6 data file.

Of equal or greater significance to the financial stress women carers face over their working years is the impact of the primary carer role on the women’s ability to invest towards their retirement. The compulsory superannuation guarantee scheme was introduced in Australia in 1992 to address the projected strain that an ageing population would place on the economy. It is therefore of great concern that primary carers giving up paid employment opportunities do not have the opportunity to invest towards their retirement.^{xvii}

While this research applies to two specific groups of female carers the findings are also relevant across the broader carer population.

Impact of extended periods out of the workforce

For those not in the workforce for extended periods, financial hardship can continue into old age even after caring responsibilities have come to an end. Whilst the position of Carers Australia is that reforms to income support, workplace regulation and support services are needed to prevent the continuation of these situations, it is acknowledged that such impacts of high intensity, long-term caring will continue for a number of carers.

To offset this disadvantage, it is proposed that the government implement a superannuation scheme for those who are out of the workforce for two years or more because of their caring responsibilities. This should be paid at a rate of 9% of the Federal minimum wage. Work is needed to arrive at a system that does not discourage workforce participation by adding to Effective Marginal Tax Rates (EMTRs). For those receiving government paid superannuation who can return to the workforce, a system that tops up employer contributions to 9% of the Federal minimum wage for a set period could achieve this.

Introducing a national superannuation framework for carers was identified by the Australian Human Rights and Equal Opportunity Commission in 2007.^{xviii} HREOC's rationale was that Federal Government contributions to superannuation would represent a formal recognition of and compensation for the significant contribution that unpaid caring work makes to national interest objectives such as prosperity and social wellbeing.

A National Carers Superannuation Scheme funded by the Federal Government for carers receiving the Carer Payment and for sole parent carers receiving other income support would assist eligible carers in their long-term financial planning.

Employment participation

Carers Australia believes that all carers have the right to work should they so choose. For most Australians, work is a central and necessary part of our adult lives. It allows us to provide for our families and bring a sense of worth to ourselves. Just like other members of the community, many carers recognise the value of work and want to be a part of the workforce. Many carers find workforce participation also reduces their isolation.

However, there are a number of carers who, because of the intensity of their caring, or because they have a disability themselves, will not be able to participate in paid employment. It is important that these carers are not penalised and are supported financially to continue to provide this very valuable support. Without these carers the economic impact on the government would be much greater.

At the launch of Carers Week 2008, Prime Minister Rudd outlined three key ways in which the government can assist carers:

"First, we must provide greater financial support and assist carers to build retirement income
second, we must assist carers to participate in the paid workforce
and third we must work harder to help carers themselves stay in good health."^{xix}

Carers experience significant disadvantage in seeking and retaining employment. Losing carers from paid employment, limiting their ability to work, and working below skill levels are losses for the carer, their family, their employer and the economy.

Research by the Australian Institute of Family Studies into the impact of caring responsibilities on labour market participation has found that seven out of 10 carers want to be employed but have difficulty finding flexible working hours and alternative care for their family member. The study also found that even one year of informal care had a significant impact on the gross personal income of carers.^{xx}

Carers are not readily recognised in the current employment services system and so providers are not always well placed to assist carers to overcome the barriers they experience to finding or retaining paid employment. Nor is caring currently validated by employment service providers or society generally. It is paramount that these issues are considered in assisting carers to participate in the paid workforce.

Other barriers that preclude family carers from participating in the workforce include a lack of flexible working arrangements and lack of sufficient leave. Carers who are currently working and those who may wish to enter or re-enter the workforce need support to balance work with their caring responsibilities. This support can be provided through greater access to leave provisions and flexible working arrangements that encourage family carers to engage in or remain in paid work.

The Australian Institute of Health and Welfare (AIHW) has projected that by 2013, 265,200 of primary carers between the ages of 25-59 will be women. Of these, 121,900 (46%) will be unemployed or not in the labour force. Of the projected 96,400 male primary carers in 2013, 43,400 will be unemployed or not in the labour force.^{xxi}

Further, AIHW data indicates for carers and non carers of prime working ages 25-54 that:

- approximately 47 per cent of male primary carers aged 25–54 years were employed full-time compared with 80 per cent of men who were not primary carers
- 18 per cent of female primary carers aged 25–54 years were in full-time paid employment compared with 39 per cent per cent of women who were not primary carers.^{xxii}

Carers are potentially a large skill source. In 2003 it was estimated that 47.9 per cent of carers had a qualification at certificate level or above, only marginally below that of non carers (50.8%).^{xxiii} The majority of carers are women, and ABS data indicates a larger proportion of women have higher qualifications than men. In 2006:

- 24.8 per cent of females between the ages of 25-64 years had attained a bachelor degree or higher compared to 22.7 per cent of men
- 10.5 per cent of females between the ages of 25-64 years had attained an advanced diploma or a diploma, compared to 7.9 per cent of men.^{xxiv}

'At risk' groups

Young carers are at a higher risk than others of their age often finding it difficult to make the transition from school to work or move into further education. An ABS survey found that 60 per cent of young primary carers aged 15-25 were unemployed or not in the paid work force compared to 38 per cent of the general population of 15-25 year olds.

Additionally there are other particular groups of carers who appear to be at elevated risk of long-term unemployment. This includes sole parent carers of a child with severe disability, parents of a child with lifelong disability, adult children caring for a parent with dementia, people caring for a partner with acquired brain injury and Indigenous carers.

Economic rationale for supporting carers in paid employment

Growth in government support payments

There has been large growth in the number of people accessing Carer Payment and Carer Allowance over the last several years. Consequently expenditure on these programs has increased dramatically. Since 1999-2000, the number of people receiving Carer Payment grew by 145% and expenditure increased by 283%. During the same period, the number of people receiving Carer Allowance increased by 102% and annual expenditure rose by 223%.^{xxv}

The ABS estimates that the number of Australians with disabilities will increase over the next 50 years as the population ages. This is influenced by people living longer and acquiring disabilities as they age, as well as people with existing disabilities living longer.

NATSEM also estimates there will be large increases in the ageing disabled population over the next 25 to 50 years:

- a 160 per cent projected increase in the number of people aged over 65 needing care from 539,000 people in 2001 to 1,390,000 in 2031 and only
- a 25 per cent projected increase in the number of people with disabilities under 65 years^{xxvi}

Currently, it is estimated that 30 year old primary carers are estimated to receive approximately \$150,000 **more in government benefits** over their working life compared to other 30 year old mothers without the same caring responsibilities.^{xxvii}

These figures clearly show the longer-term budgetary implications for government.

Workplace legislation

Australia compared

In comparison to other developed nations, Australia is lacking workplace legislation that provides specific benefits to family carers. Workplace legislation in both the United Kingdom and New Zealand promotes access to flexible work arrangements on the basis that an employee is a family carer.

In November 2007, the New Zealand Government passed the Employment Relations (Flexible Working Arrangements) Amendment Bill to give "anyone who has a caring responsibility not only for children but also for people with impairments and older or sick relatives or whānau [extended family – Maori word]" the right to vary their hours or their place of work. The United Kingdom amended its Employer Rights Act 1996 in April 2007 to provide flexible working rights for family carers.^{xxviii} Australia's Fair Work Bill 2008 currently includes sound provisions for carers of children of school age, but includes no provisions that acknowledge the merit of other caring roles in our society.

Research undertaken in 2006 in the United Kingdom found that the adoption of flexible working practices can save businesses' time and money – with some companies reporting savings of over £1 million.

Key benefits from the research reveal that the adoption of flexible working practices:

- attracts and retains skilled staff
- reduces employee stress and sick leave – in one case stress related absence was reduced by over a quarter (26 percent)

- significantly increases productivity and improves service delivery – one business found productivity up by over 20 percent, equivalent to between £5-6 million on the company bottom line
- need not be expensive – for example many companies found the cost of recruiting and training new members of staff greatly outweighed two to three days of emergency leave.^{xxix}

Carers Australia believes that it is imperative for governments, unions, employer organisations, employment service providers, carers and other relevant industry organisations to jointly examine ways of assisting carers participate in paid employment. We also believe that an education and awareness campaign for employers and employees on the benefits of employing carers will create further opportunities for carers to remain in or re-enter the workforce.

In addition, Carers Australia advocates strongly for policies that consider the needs of family carers in the workplace and believes that the introduction of targeted workplace legislation will result in carer-friendly Australian workplaces. An Australian workforce that is carer-friendly would mean benefits for government, employers and the nation's economy while supporting carers and their families.

A sustainable retirement income system

We believe that the current base rate of all pensions and allowances does not provide for a decent standard of living, particularly as prices of essential items and commodities increase sharply. This will be felt to a greater extent for people at retirement age as more income may need to be expended on medications and other essentials associated with chronic illness. There is an urgent need to develop and apply mechanisms that benchmark these payments according to the real costs that low income groups face rather than current indexing linked to CPI and MTAW.

Current mechanisms are not specific or relevant enough to the needs and spending habits of those in receipt of income support. People on low incomes spend higher proportions of their income on basic necessities such as food, medicines and health costs, utilities, services and travel. A budget standards approach is a more appropriate way to recognise these different needs, although there has been little work done to date on comparing the "shopping baskets" of different low income groups. It may be the case that many of those with caring roles will have different needs because of their different stage in the life cycle. Caution is needed when developing methods of cost measurement. Levels of income support should reflect necessary costs of living rather than current spending habits or preferences.

Conclusions

When examining the long-term financial impact of caring, evidence clearly shows that caring has a negative impact on the ability to contribute to superannuation and invest in retirement.

The development of carer income support policy and payments in Australia has been piecemeal, informed by different policy objectives at different times and resulting in some expansion of entitlement over the years.

Carers who rely on the Carer Payment and the Carer Allowance for lengthy periods can be particularly disadvantaged with their reduced capacity to save or accumulate superannuation to fund their retirements (AIHW 2006).

Introducing a national superannuation framework for carers was identified by the Australian Human Rights and Equal Opportunity Commission in 2007. HREOC's rationale was that Federal Government

contributions to superannuation would represent a formal recognition of and compensation for the significant contribution that unpaid caring work makes to national interest objectives such as prosperity and social wellbeing.

A National Carers Superannuation Scheme funded by the Federal Government for carers receiving the Carer Payment and for sole parent carers receiving other income support would assist eligible carers in their long-term financial planning.

The review of Australia's future tax system provides government with an opportunity to ensure the most vulnerable in our society are able to have a quality of life in retirement and be part of a society that values all people. We also believe the Australia's future tax system has an important role to play in acknowledging the contribution of family carers in sustaining the fabric of our community care systems. Increased investment in support for carers is an investment in strong families, healthy communities and a more inclusive and civilised society.

Carers Australia believes that the issue of retirement incomes cannot be considered in isolation. There are clear links between the long-term financial disadvantage of carers, their education levels and their inability to participate in paid employment. Caring can start as young as six years old. The long-term impact of caring from this age can be quite detrimental. The level of educational attainment can be reduced which in turn has a negative impact on employment prospects which in turn has a negative impact on the ability to save for retirement.

As the Prime Minister has stated the government must examine ways in which it can support carers through greater financial support, assisting carers to build retirement income and participate in the paid workforce and helping carers themselves stay in good health.

Recommendations

Carers Australia recommends that:

- the government implement a superannuation scheme for those carers who are out of the workforce for two years or more because of their caring responsibilities. This should be paid at a rate of 9% of the Federal minimum wage
- the government invest in initiatives to support young carers through their education to ensure they have the same opportunities as other Australians to participate fully in paid employment and enjoy the social benefits that this can bring
- the government invest in initiatives to assist family carers participate in the paid workforce. Barriers to employment participation will need to be addressed. These include difficulty in arranging suitable working hours and suitable alternative care arrangements
- a budget standards approach to indexing be introduced as a more appropriate way to recognise the real costs that low income groups face.

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