

## Who is a carer?

- The term 'carer' is used to describe a person who provides unpaid care and support to relatives or friends who have a disability, mental health problem, chronic condition, terminal illness, drug or alcohol dependencies or who are frail aged.
- Carers can be of any age and from diverse culturally and linguistic backgrounds. They could be parents, partners, brothers, sisters or other relatives, or friends or children.
- Carers may care for a few hours a week or all day every day.
- A *primary* carer is the person who takes most responsibility for providing care for the person requiring support.

## What does a carer do?

- Some carers assist with the tasks of daily living: feeding, bathing, dressing, toileting, or administering medications.
- Many carers provide care for 40 or more hours each week.
- Others care for people who are quite independent but who may need support with transport or finances.
- All carers generally provide some form of emotional support, with some helping to sustain some of the community's most vulnerable and isolated members.

## Why do people become carers?

- People become carers for a variety of reasons, including:
  - The person needing care is a relative and the carer feels a family responsibility to provide care
  - The carer believes they can provide better care than anyone else
  - The carer feels an emotional obligation to provide care
  - There are no other family or friends available to provide the care, other than the carer
  - The carer feels they have no other choice but to provide the care.<sup>1</sup>

## Key demographic statistics on carers (ABS 2004)\*

### In Australia

- There are 2.6 million carers – 13% of the population.
- 474,600 are primary carers.
- 71% of primary carers and 54% of all carers in Australia are women.
- 6.6% of carers were aged under 18 and 7.2% were aged 75 and over.

### In NSW

- There are 748,000 carers – 11% of the NSW population.
- Of these, 149,700 are primary carers.
- 12.4% of the NSW Indigenous population are carers.<sup>2</sup>

## Key demographic statistics on disability (ABS 2004)

### In Australia

- 3,958,300 people have a disability – 20% of the population.

### In NSW

1,190,500 people have a disability – 17.7% of the population.

## The value of caring

- Carers save taxpayers an estimated \$30.5 billion annually (the cost of replacing carers providing informal care with paid care workers) which equates to nearly \$10 billion for New South Wales.<sup>3</sup>
- As carers assist people to remain living in the community for longer they also make substantial savings on premature admission to costly residential care or supported accommodation options.
- Carers also experience benefits from caring, particularly in terms of their relationship with the person being cared for. Caring can be a very positive, rewarding experience.

## What are the impacts of caring?

### Social isolation

Carers often miss out on important social relationships, including those associated with work, recreation and leisure pursuits, which leaves them feeling very isolated.

Carers are more likely than the general population to have little face-to-face contact with friends or relatives outside the household, especially when caring for someone with high level care needs.<sup>4</sup>

### Financial disadvantage

Caring responsibilities can adversely affect carers' financial situations. There can be a drop in income if a carer has to give up work to become a full-time carer. Most carers are on low incomes and have no opportunity to accumulate or preserve superannuation or any other savings.

- 44% of all carers of workforce age are not in the labour force versus 34% of the total population (ABS 2004).
- The gross household weekly income for 41% of all carers is less than \$453 versus 28% of the general population (ABS 2004).
- Often there are extra associated costs with caring (medical supplies/incontinence supplies/ transport costs etc.) which impact the carer financially. The average weekly cost of caring for a person with a disability is estimated at \$118, or \$162 for an elderly person.<sup>5</sup>
- Government payments for carers include the Carer Allowance (\$106.70 per fortnight) and the Carer Payment (\$701.10 per fortnight). For a single carer receiving both payments this works out to \$403.90 per week which is around \$140 less than the weekly minimum wage of \$543.78.<sup>6</sup>
- The average income for carers is more than 25% lower than for non-carers (ABS 2004).
- The estimated lost earnings for carers is over \$4.9 billion a year (Access Economics 2005).

## The future of caring

- The population is ageing. The percentage of the Australian population aged over 85 will increase from 1.5% to 5% of the total population by 2044.<sup>7</sup>
- Technological advancement is contributing to increased longevity of people with disabilities, which subsequently increases the number and length of informal care relationships.<sup>8</sup>
- A dramatic drop is projected in the ratio of carers to older people needing care over the next 30 years, from 57 primary carers per 100 people needing care in 2001 to just 35 primary carers per 100 people by 2031.<sup>9</sup>
- Over the next 30 years the number of carers is projected to rise by 57% while the number of aged people needing care will rise by 160%.

## Carers health and wellbeing

A national survey of carers health and wellbeing (2007)<sup>10</sup> revealed:

- Carers have the lowest levels of wellbeing of any Australian group
- Over half reported some level of depression, with one third found to be severely or extremely depressed
- More than one third of carers are experiencing severe or extreme stress
- Caring does not get easier with time
- Caring compounds the effect of any other factor that leads to reduced wellbeing
- Any level of consistent, daily, immediate caring responsibility is sufficient to severely damage wellbeing
- Wellbeing decreases as the number of hours spent caring increases
- The presence of a person in the household who requires care severely compromises the wellbeing of other family members, whether they have primary carer responsibility or not.

## Financial assistance for carers

### Carer payment

#### Eligibility

To be eligible for Carer Payment a person must be providing care in the home of the person(s) being cared for and also provide one of the following levels of care:

- Full-time care to an adult who has a disability or medical condition which is long-term and severe and has a minimum level of care needs assessed by the Adult or Child Disability Assessment Tools
- Care for a person whose care requirements are less severe but who has a dependent child that needs care, so their combined care needs are equivalent to the care needs of a person with a severe disability or medical condition

- Full-time care permanently or for at least six months to a child under 16 with a profound disability
- Full-time care permanently or for an extended period to two or more children under 16 with a disability who, together, need a level of care that is at least equivalent to the level of care needed by a child with a profound disability.

Adjusted twice yearly on 20 March and 20 September. The Carer Payment is subject to income and asset tests.

### Current rate

Single rate = \$701.10 per fortnight

Double rate = \$528.50 per fortnight for each partner

**Note:** The payment rates include a Pension Supplement of \$56.10 for singles and \$42.30 each for couples.

### No. recipients

146,870 carers receive this payment

### Cost to government (FaHCSIA Annual Report 2008-09)<sup>11</sup>

\$1.938 billion

From 1 July 2009 eligibility for the Carer Payment (child) was extended and an additional 19,000 carers were expected to receive this payment. Recipients of the Carer Payment (child) automatically received the Carer Allowance (child) from 1 July 2009.<sup>12</sup>

## **Carer Allowance**

### Eligibility

This is an income supplement paid to someone who provides daily care and attention at home to a person with a disability or medical condition who is:

- Aged 16 or over where the disability causes a substantial functional impairment, or
- A dependent child aged under 16:
  - for a Health Care Card only, the child must require "substantially more care and attention" compared to a child of the same age without a disability
  - for Carer Allowance and a Health Care Card, the child's disability must appear on a list of disabilities/conditions which result in automatic qualification or must cause the child to function below the standard for his or her age level
- The child and the carer must live together in the same private residence or, if the child is hospitalised at the time of the claim, there must be an intention for the child to return home to live with the carer.

Adjusted 1 January each year. The Carer Allowance is not subject to income or asset tests.

### Current rate

\$106.70 a fortnight

### No. recipients

Adult Carer Allowance 334,448

Child Carer Allowance 120,090

Total = 454,538

### Cost to government (FaHCSIA Annual Report 2008-09)

\$1.801 billion

## **Carer Supplement**

The Carer Supplement replaces the former Carer Bonus. It is paid to all recipients of a Carer Payment or a Carer Allowance. Note: If a carer receives a Carer Payment and a Carer Allowance they will receive the Carer Supplement for the Carer Payment and the Carer Allowance (ie two Carer Supplements will be paid). A carer will receive a Carer Supplement for each Carer Allowance they receive.

### Current rate

\$600 annually

### Cost to government (FaHCSIA Annual Report 2008-09)

\$40.802 million

### **Child Disability Assistance Payment**

The Child Disability Assistance Payment is a \$1,000 annual payment made for a care recipient aged under 16 years and for whom their carer receives a Carer Allowance.

#### No. recipients

142,139

The payment is not subject to income tax, and it does not count as income for social security or family assistance purposes.

#### Cost to government (FaHCSIA Annual Report 2008-09)

\$1.427 million

### **Utilities Allowance**

Utilities Allowance assists eligible people to meet the costs of regular bills such as gas, electricity and water. Carers receiving the Carer Payment are now eligible for this payment, as are recipients of the Disability Support Pension and Service Pension.

#### Current rate

\$130.50 quarter for single

\$65.25 quarter for each partner of a couple

### **Pensioner Energy Rebate**

The NSW Government offers a pensioner energy rebate to cover electricity and gas bills. The NSW Government announced in April 2008 that it will extend the pensioner energy rebate to recipients of Carer Allowance (child).

### **\* Explanation of References**

The Australian Bureau of Statistics periodically undertakes a comprehensive survey of carers – called the *Survey of Disability, Ageing and Carers (SDAC)*. The most recent SDAC report was published in 2004 on findings from the 2003 SDAC. ABS has conducted the 2009 SDAC, with the findings are still to be published.

In 2008 the ABS said that its other sources of estimates of carers **should not be used** in place of carer estimates in the *Survey of Disability, Ageing and Carers*. This is the major reason Carers NSW uses this source for carer estimates.

### **References**

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<sup>1</sup> The Australian Bureau of Statistics 2004, *2003 Survey of Disability, Ageing and Carers: Summary of Findings*

<sup>2</sup> The Australian Bureau of Statistics 2006, *Census of Population and Housing*

<sup>3</sup> Access Economics 2005, *The Economic Value of Informal Care*

<sup>4</sup> Australian Institute of Family Studies and FaCSIA 2007, *The Families Caring for a Person with a Disability Study and the social lives of carers*

<sup>5</sup> Taskforce on Care Costs 2006, *Where are we now?*

<sup>6</sup> Australian Fair Pay Commission 2009, Federal Minimum Wage. Accessible at <http://www.fairpay.gov.au/>

<sup>7</sup> Productivity Commission 2005, *Economic Implications of an Ageing Australia*

<sup>8</sup> Australian Institute of Health and Welfare 2000, *Disability and Ageing Australian Population Patterns and Implications*

<sup>9</sup> National Centre for Social and Economic Modelling (NATSEM) 2004, *Who's going to care? Informal care and an ageing population*

<sup>10</sup> Carers Australia, Australian Unity, and Deakin University 2007, Australian Unity Wellbeing Index Survey 17.1 *The Wellbeing of Australians: Carer Health and Wellbeing*

<sup>11</sup> Australian Government Department of Families, Housing, Community Services and Indigenous Affairs 2009, *FaHCSIA Annual Report 2008-09*. Accessible at [http://www.fahcsia.gov.au/about/publicationsarticles/corp/Documents/2009\\_Annual\\_Report/docs/ar08\\_09.pdf](http://www.fahcsia.gov.au/about/publicationsarticles/corp/Documents/2009_Annual_Report/docs/ar08_09.pdf)

<sup>12</sup> Australian Government 2008, *Budget Measures 2008-09, Budget Paper No. 2*. Accessible at <http://www.budget.gov.au/2008-09/content/bp2/html/expense-11.htm>

### NEED FURTHER INFORMATION?

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