



Australian
Human Rights
Commission

Investing in care: Recognising and valuing those who care

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communications@humanrights.gov.au

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For further information about the Australian Human Rights Commission, please visit: www.humanrights.gov.au or email communications@humanrights.gov.au

You can also write to: Communications Team Australian Human Rights Commission
GPO Box 5218 Sydney NSW 2001

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At some point in every person's life they will be involved in a care relationship. Care relationships are a valuable part of Australia's social and economic fabric. The help and support provided by unpaid carers is not only essential to the people being cared for, but is also an important contribution to the community as a whole.

The Australian Human Rights Commission's report, ***Investing in care: Recognising and valuing those who care*** examines the current issues in unpaid caring in Australia. The report looks at ways in which caring responsibilities effect workforce participation and examines the impact of time spent out of the workforce on the retirement incomes and savings of unpaid carers.

The report is intended as a discussion paper to inform potential policy reforms in Australia. By researching a range of mechanisms and models used to value unpaid caring work, both in Australia and internationally, the report identifies possible options for reform that could be applicable in the Australian context.

The options for reform cover a range of mechanisms including legislative mechanisms, flexible work arrangements, carer support payments, leave arrangements, services for carers, workplace initiatives and mechanisms within the retirement income and savings system (ie taxation, superannuation and income support).

The report comes in two parts:

- Volume 1** – the research report
- Volume 2** – the technical papers

In addition the Report is complemented by the ***Supporting Carers in the Workplace: A Toolkit***. The Toolkit focuses on strategies workplaces can use to support unpaid carers to meet their caring responsibilities while continuing to work. The Toolkit provides practical suggestions and examples of different kinds of workplace mechanisms to support carers in organisations and workplaces of all sizes and types. These examples have been drawn from current practice both within Australia and internationally.

Who are unpaid carers and what do they do?

Caring relationships and roles come in all different shapes and sizes. In Australia, unpaid caring work is carried out by two main groups – **parents** (who include biological, step, adoptive, or foster parents, and grandparents or guardians with caring responsibilities for a dependent child) and **carers** (who include people caring for a family member or friend with disability, chronic illness or frailty due to older age).

Every carer's situation is different and their responsibilities may change over time. Some carers will be able to anticipate their duties in advance – for instance, an adult daughter who has to take her father to hospital once a week. Other carer's responsibilities are irregular and may require immediate attention – for instance, a father who has to attend medical emergencies for his child who has a physical disability.

An estimated 5.5 million people aged 15 to 64 have unpaid caring responsibilities.¹

How common is unpaid caring?

In Australia, there are nearly 5.5 million unpaid carers between the ages of 15 to 64 years.² Just over one in three men (35 per cent), and two in five women (41 per cent) have unpaid caring responsibilities for relatives or friends.³

Caring is more common among some demographics than others. Rates of unpaid care are highest amongst people aged 35 to 44 years. In this age group 73 per cent of women and 64 per cent of men had some form of unpaid care responsibility.⁴

The rates of unpaid care are also higher amongst Aboriginal and Torres Strait Islander peoples with 13.2 per cent of people indicating they provide care compared with 11.2 per cent of the non-indigenous population.⁵

In all age groups between the ages of 18 -74, it is more common for women to provide care. Women are also more likely than men to be carers with more care responsibilities involving greater time and intensity. In the 15-64 years age group



72.5 per cent of primary carers were women.⁶ Ninety-two per cent of primary carers for children with disability and 70 per cent of primary carers for parents are women.⁷ Men comprise around half (48 per cent) the primary carers for partners, particularly in older age.⁸

In the 15-64 years age group 72.5 per cent of primary carers are women.⁹

The impacts of unpaid caring

Research indicates that the lifetime earning loss faced by unpaid carers is substantial. Unpaid carers, particularly women, have significantly lower rates of workforce participation and are more likely to work in part-time and casual jobs. Sixty-six per cent of employed women with children aged under six years worked part-time compared to just seven per cent of employed men with children of the same age.¹⁰ Less than 23 per cent of female primary carers of people with disability, illness or frailty participate in full-time employment at any point across all age groups, compared with 52 per cent of men.¹¹

The superannuation system in Australia financially disadvantages people who spend time out of the workforce due to caring responsibilities. This has led to a gender gap in retirement incomes,

whereby average (mean) superannuation payouts for women are just over half (57 per cent) those of men.¹² While this gap is also the result of gender inequalities over a lifetime, a significant contributor to the gap is the unpaid caring work undertaken mainly by women which leads to reduced workforce participation. For many women poverty is the reward for a lifetime spent caring.

Average superannuation payouts for women are just over half (57 per cent) those of men.¹³

Why is it important to support unpaid carers?

Care relationships are immensely valuable to society and unpaid care work is central to social and civic responsibilities. Better recognition and sharing of caring responsibilities will increase gender equality, ensure access to quality care and improve the well-being and quality of life of care receivers and care providers.

This unpaid caring work is also an important component of the formal economy. For instance, an estimated 1.32 billion hours are spent providing unpaid care for people with disabilities each year.¹⁴ If these unpaid carers were



Valuing the work of unpaid carers requires social and economic recognition of the importance of the relationships they build and foster, as well as the assistance they provide to the people for whom they care, and the manifold contributions that they make to the whole community and economy.

Less than 23 per cent of women and 52 per cent of men who are primary carers of people with disability, chronic illness, or older people are employed full time.¹⁷

replaced by paid care providers the cost would be approximately \$40.9 billion per annum.¹⁵

Better recognition and valuing of caring is critical to productive workplaces and a productive Australian economy. Enabling women's workforce participation contributes to women's greater financial security and greater productivity in the market sphere. For example a six per cent increase in women's workforce participation could generate an increase in Australia's GDP by \$25 billion.¹⁶

Unpaid care and workforce participation

A significant proportion of the Australian workforce juggles work commitments with caring responsibilities. 4.1 million or nearly two in five (38.2 per cent) employees are either parents of a child under 15 years or have responsibilities to care for a person with disability, chronic illness or frailty due to older age.¹⁸

Supporting carers through mechanisms like flexible work arrangements benefits employers by reducing staff turnover and increasing employee satisfaction and

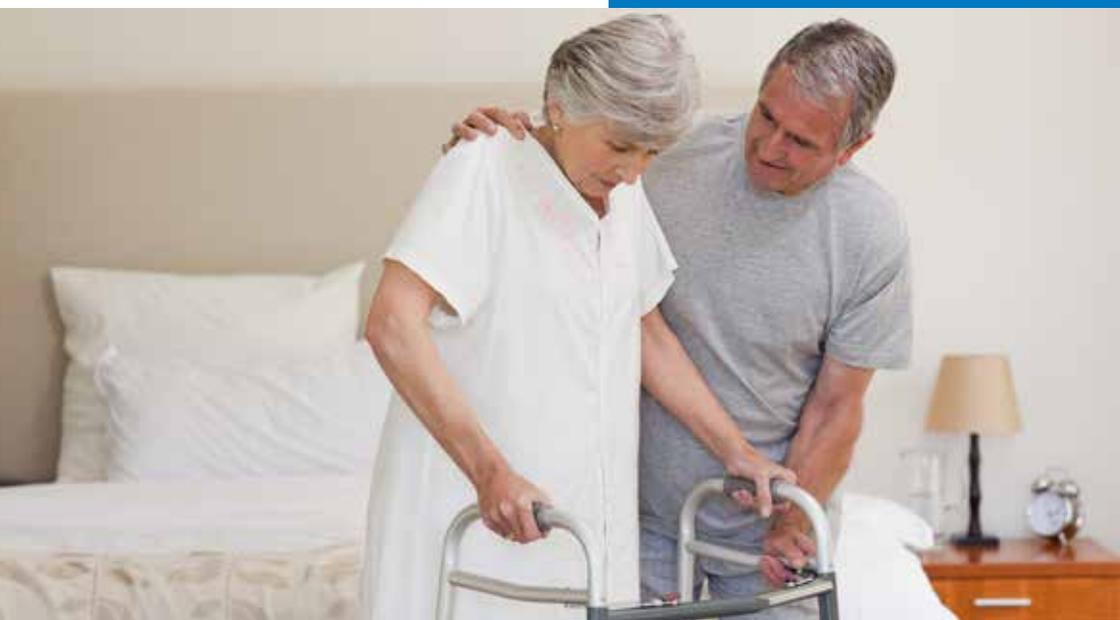
productivity. Supporting carers improves employee loyalty and commitment as well as helping to maintain a diverse workforce with diverse skills and expertise. It is also more cost effective to support unpaid carers and retain their skills, knowledge and experience in the workplace, than to train new employees.

What can be done to support unpaid carers in Australian workplaces?

Changes to workplace culture, work organisation and working arrangements are necessary to support unpaid carers. These changes must start with a dismantling of gender stereotypes and social norms related to unpaid care responsibilities and participation in paid work by men and women. It is important that a public debate about unpaid care

asks what the barriers to men taking more responsibility for unpaid care are. Any debate should challenge the model of the 'ideal worker' who is unencumbered by any caring responsibilities.

Two in five employees are either parents of a child under 15 years or have responsibilities to care for a person with disability, chronic illness or frailty due to older age.¹⁹



Both in Australia and internationally, a number of organisations have introduced mechanisms to support employees who have caring responsibilities. Examples of these initiatives include developing integrated carer strategies, flexible working arrangements, reduced work hours, changes in work location, financial assistance and referral to services and direct services provision to support employed carers. The introduction of mechanisms like these in combination with changes to legislation, services for carers and the retirement income and savings system would be required to fully recognise and remunerate unpaid carers. Examples of such strategies are provided in the *Supporting Carers in the Workplace: A Toolkit*.

Options for reform to recognise and remunerate unpaid carers:

By researching a range of mechanisms and models used to value unpaid caring work, both in Australia and overseas, the report identifies possible options for reform that could be applicable in the Australian context. These possible options include

Changes to workplace culture, work organisation and working arrangements are necessary to support unpaid carers.



Legislation

Legislation could be strengthened to recognise discrimination based on family responsibilities, including caring. At present, carer recognition legislation in Australia does not contain legally enforceable obligations. Introducing mechanisms such as carer assessments to determine a carer's support needs or carer cards for accessing services and entitlements, would allow unpaid carers to participate in society on a more equal footing.

Flexible work arrangements

Research shows that access to flexibility in the workplace assists carers to remain in and re-enter employment. All unpaid carers should have the right to request flexible work arrangements and employers should be required to reasonably accommodate their requests. This would allow parents and carers to remain in the workforce and reduce their risk of financial hardship in later life.

Income support

Income support should not penalise unpaid carers for engaging in education and training or participating in the workforce. It should reflect the variable costs of providing care. This would improve the ability of unpaid carers to contribute to the paid workforce and help to protect their financial wellbeing.



Leave arrangements

Leave provisions need to be expanded and strengthened for all unpaid carers to ensure that they can maintain their attachment to the workforce while also undertaking their care responsibilities. Eligibility for carer's leave should cover all employees. Definitions of caring responsibilities should include kinship networks beyond immediate family members. Such reforms would enable carers to stay connected to the workforce allowing them to contribute to their retirement incomes and enhance their financial wellbeing in older age.

Services

Services for unpaid carers across jurisdictions and care sectors need to be better resourced and coordinated to ensure that unpaid carers and those they care for receive the benefits of these services. Proper resourcing of services for unpaid carers will contribute to the well-being of those cared for and the well-being of unpaid carers.

Workplace initiatives and workplace culture

Workplace initiatives and changes to workplace culture are necessary to support unpaid carers to undertake their work and care responsibilities, and for workplaces to retain their skills and knowledge. Ensuring realistic work hours, reasonable workloads, increased options for flexibility and support for employed parents and carers will help to soften the negative impact of caring responsibilities on labour force attachment.

Retirement incomes and savings

The current system of retirement income and savings, including the age pension and superannuation that is tied to paid work, should be reformed to account for the inequity of retirement incomes and savings that leaves many women in poverty in older age, especially women who are or have been unpaid carers. Reforms might include a carer credit scheme directing carer credits to the superannuation accounts of carers, or the development of a care bonus as a supplement to the age pension. Such changes would decrease gender inequality in older age and ensure the adequacy of retirement incomes for unpaid carers.

To achieve real change in the valuing of unpaid caring work, it will be necessary to undertake a combination of reforms. This report provides a strong evidence base for considering what reform options could be undertaken to create a social and economic policy framework that facilitates genuine choices for men and women to combine unpaid care and paid work.



Options for reform	Focus	Responsibility
Legislation		
<p>Anti-discrimination laws</p> <p>1. Extend the prohibition of discrimination on the ground of family responsibilities to include carer responsibilities in anti-discrimination legislation.</p>	<p>Parents and carers of people with disability, illness or older people</p>	<p>Australian/ State/ Territory Governments</p>
<p>Carer Recognition Act 2010</p> <p>2a. Create legally enforceable obligations to a carer assessment, modelled on the UK legislation, under the <i>Carer Recognition Act 2010</i> (Cth).</p> <p>2b. Introduce a Carer Card, which identifies carers who are assessed as having significant caring responsibilities, and can be used to access services and entitlements.</p>	<p>Carers of people with disability, illness or older people</p>	<p>Australian Government</p>
Flexible Work Arrangements		
<p>Fair Work Act 2009</p> <p>3. Amend the <i>Fair Work Act 2009</i> (Cth) to:</p> <ol style="list-style-type: none"> a. Extend the right to request flexible work arrangements to include parents of children of all ages and to encompass all forms of family and carer responsibilities such as disability and elder care; b. Remove the qualification requirements that restrict the categories of employees who can make a request for flexible working arrangements; c. Place a duty on employers to reasonably accommodate a request for flexible working arrangements; d. Establish a procedural appeals process through Fair Work Australia for right to request flexible work decisions. 	<p>Parents and carers of people with disability, illness or older people</p>	<p>Australian Government</p>

Options for reform	Focus	Responsibility
Leave arrangements		
<p>Carer's leave</p> <p>4. Amend the National Employment Standards to:</p> <ul style="list-style-type: none"> a. Provide for additional carer's leave, separate from personal leave, specifically for carer responsibilities only; b. Extend eligibility of access to carer's leave to cover all employees; c. Provide for job-protected unpaid leave for palliative care; d. Extend the definition of caring responsibilities in carer's leave to include kinship relationships. 	<p>Parents and carers of people with disability, illness or older people</p>	<p>Australian Government</p>
Income Support		
<p>Carer Payment</p> <p>5. The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA):</p> <ul style="list-style-type: none"> a. review the number of hours allowed for work, education, or training while on the Carer Payment to allow for greater flexibility; b. review income testing arrangements to better support combinations of employment, care-giving and carer-directed income support. 	<p>Carers of people with disability, illness or older people</p>	<p>FaHCSIA</p>

Options for reform	Focus	Responsibility
Services		
<p>Employment conditions of paid care workers</p> <p>6. Enhance and protect the employment conditions and pay of paid care workers, including within the NDIS, the Aged Care Reform Package, and the early childhood education and care sector.</p>	<p>Paid care workers of people with disability, illness or older people, and in the early childhood education and care sector.</p>	<p>Australian Government</p>
<p>Carers Assessment</p> <p>7. Enhance mechanisms to recognise carers and their needs, provide for carer assessments, and ensure adequate support services for carers in:</p> <ul style="list-style-type: none"> a. The development and implementation of the NDIS; b. The implementation of the Aged Care Reform Package; c. The health care system. 	<p>Carers of people with disability, illness or older people</p>	<p>Australian Government</p>
Productivity Commission Inquiry: Early childhood education and care		
<p>Productivity Commission – early childhood education and care</p> <p>8. The Productivity Commission conduct a whole-of-system review into the current provision, costs, taxation and financing of early childhood education and care services, with a view to achieving accessible, affordable, flexible, quality early childhood education, including outside of school hours and ensuring each child has an entitlement to attend.</p>	<p>Parents with pre-school and school aged children</p>	<p>Productivity Commission</p>

Options for reform	Focus	Responsibility
Workplace Mechanisms		
<p>Workplace mechanisms</p> <p>9. Employers should consider implementing mechanisms to support unpaid carers in the workplace, such as:</p> <ul style="list-style-type: none"> a. Adopting an integrated carer strategy; b. Providing information and support services to carers; c. Offering flexible hours and leave arrangements; d. Undertaking job redesign to accommodate caring commitments; e. Implementing employment re-entry strategies during and after caring responsibilities. 	<p>Parents and carers of people with disability, illness or older people</p>	<p>Employers</p>
Productivity Commission Inquiry – valuing unpaid caring work		
<p>Productivity Commission – valuing unpaid care</p> <p>10. The Productivity Commission, or another independent body, conduct an inquiry into the following mechanisms for valuing unpaid caring work:</p> <p>a. Parental leave mechanisms</p> <ul style="list-style-type: none"> i. Providing a Government-funded time-bonus of four weeks of additional paid leave in recognition of equal take-up of parental leave in couples; or ii. Providing a Government-funded time-bonus of two weeks additional payment, for either partner, under the Paid Parental Leave Scheme, if the whole father/partner quota is used. 	<p>Parents</p>	<p>Productivity Commission or another independent body</p>

Options for reform	Focus	Responsibility
<p>b. Carer's leave mechanisms</p> <p>i. Providing employees with a legislated right to a job-protected unpaid employment break of up to 12 months, across the lifecourse, to provide care for a person with disability or illness or frailty due to age or for palliative care.</p> <p>ii. Options for Government to reimburse employers in relation to any additional carer's leave (separate to personal leave) introduced under the NES, including the administration costs.</p> <p>c. Superannuation system</p> <p>i. Replacing the existing system of taxing superannuation with a new, more progressive system of tax offsets; and</p> <p>Including a system of 'carer credits' in the form of direct credits to the superannuation accounts of individuals with parental care responsibilities and carer responsibilities (either out of the workforce or working part-time) that would be paid annually at the end of the tax year by the government into the individual's superannuation account through adult life; or</p> <p>ii. Extending the Superannuation Guarantee to individuals with parental care responsibilities and carer responsibilities.</p>	<p>Carers of people with disability, illness or older people</p> <p>Carers of people with disability, illness or older people</p> <p>Parents and carers of people with disability, illness or older people</p> <p>Parents and carers of people with disability, illness or older people</p>	

Options for reform	Focus	Responsibility
<p>d. Care bonus</p> <p>i. Modelling the cost/benefit of a care bonus, as an additional supplement to the age pension, for unpaid carers who have made substantial contributions to care over their life.</p>	<p>Parents and carers of people with disability, illness or older people</p>	
<p>Community Education</p>		
<p>Community education</p> <p>11. The Australian Government and the Australian Human Rights Commission conduct a community wide social marketing/ education campaign on:</p> <ul style="list-style-type: none"> » the positive contributions of carers; » promoting positive attitudes and stereotypes of caring and carers, particularly male carers. 	<p>Parents and carers of people with disability, illness or older people</p>	<p>Australia Government/ Australian Human Rights Commission</p>



Where can I get more information about unpaid caring?

Find out more about the **Valuing Unpaid Caring Work in Australia Research Project** and read the report, *Investing in care: Recognising and valuing those who care* (2013)

<http://www.humanrights.gov.au/about/publications/>

Read also *Accumulating poverty? Women's experiences of inequality over the lifecycle* (2009)

http://humanrights.gov.au/sex_discrimination/publication/gender_gap/index.html

Find out more about unpaid carers and hear their stories in *Something in Common*

<http://somethingincommon.gov.au/dig-deeper/respect/valuing-carers/>

Visit the Carers Australia website to locate the carers' association in your state

<http://www.carersaustralia.com.au/publications/useful-links/>

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Further Information

Australian Human Rights Commission

Level 3, 175 Pitt Street
SYDNEY NSW 2000

GPO Box 5218
SYDNEY NSW 2001
Telephone: (02) 9284 9600

Complaints Infoline: 1300 656 419
General enquiries and publications: 1300 369 711
TTY: 1800 620 241
Fax: (02) 9284 9611
Website: www.humanrights.gov.au

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