

Carers NSW submission to the discussion paper, *Kickstarting the Productivity Conversation*

Introduction

Across NSW, there are approximately 854,300 carers,¹ and to replace the care they provide the NSW Government would have to spend more than \$17 billion each year.² Carers come from all walks of life, cultural backgrounds and age groups. For many, caring is a 24 hour-a-day job with emotional, physical and financial impacts that can also affect their participation in employment, education and community activities.

The NSW *Carers (Recognition) Act 2010* establishes obligations for public sector agencies, including the Productivity Commission. Under the Act, public sector agencies must ensure their staff and agents have an awareness and understanding of the principles embedded in the NSW Carers Charter, Schedule 1 of the Act. Public sector agencies must also consult with carers or bodies representing carers when developing policies that impact upon carers.

While the discussion paper does not deal directly with carers as a group, Carers NSW believes each focus area has implications for carers. Due to the substantial impacts of caring on carers' economic participation, health and wellbeing, Carers NSW also wishes to highlight the contribution to overall productivity that can result from investment in support and recognition for carers. Enabling carers to balance work or study and care and preventing carer burnout by improving service access has the potential to maximise carers' economic contribution and reduce health service costs.

We therefore recommend that the Productivity Commission have regard for the NSW Carers Charter in the decision making and activities stemming from the consultation.

Building human capital for a modern and evolving economy

The discussion paper notes that an effective and inclusive education system could help to address disadvantage, especially intergenerational disadvantage, improving long term economic participation. It states that education reforms will reduce inequity faced by women with children, older women and people living with disability, however it is not clear whether carers are a population group that have been identified as able to benefit from more inclusive, equitable education systems. Carers NSW believes much can be done to improve inclusion and access for carers in both school and vocational education settings.

School education

According to the 2015 Survey of Ageing, Disability and Carers, there are approximately 96,000 young carers in NSW who are aged 25 years and under.³ Young carers provide a variety of practical, specialist and emotional assistance which often exceed community expectations of what a child or young person can and should be responsible for. The tasks

¹ Australian Bureau of Statistics (2019) Disability, Ageing and Carers, Australia: Summary of findings, 2018.

² Carers NSW estimate based on Deloitte Access Economics (2015) *The economic value of informal care in Australia in 2015*, Carers Australia, Canberra.

³ Australian Bureau of Statistics (2017) Survey of Disability, Ageing and Carers, 2015, TableBuilder.

undertaken by young carers can range from domestic duties such as meal preparation and cleaning, to personal care such as showering, to supervising siblings and providing emotional support.

While young carers often gain important skills from their caring role as well as a sense of pride, satisfaction and a strong bond with the person they care for, young carers are more likely to experience a number of vulnerabilities when it comes to their own health and wellbeing, social participation, education and employment.

For young carers who start caring as children or teenagers when attending school, research indicates that caring is associated with reduced school attendance, engagement and performance and risk of long term disadvantage.⁴ The situation is further complicated in that many young carers do not identify as young carers, either because they or the people around them do not know what a young carer is, or because they are afraid of the implications of disclosing their family situation, which may lead to stigma, bullying or raise questions of child protection.⁵ Failing to identify can prevent young carers from accessing support at school, as well as in the community and within service systems.

Investment in awareness raising and training within schools to facilitate young carer identification is critical, and additional information resources, direct services that assist with their educational needs and caring responsibilities, and opportunities to connect with peers have the potential to connect more young carers with needed support, reducing the risk of longer term disadvantage and lost productivity.

Vocational education

When young carers leave school, or carers of any age seek to develop or update their skills in order to advance their career or return to the workforce, vocational education is a key pathway to further education. However, barriers such as limited time, a lack of replacement care for the care recipient, financial hardship and poor health and wellbeing can prevent carers from engaging in courses that enable increased participation. Many carers also do not know where to begin, and need assistance to find a career path that will accommodate their caring responsibilities and/or take into account the valuable, transferable skills they have developed while caring.

TAFE NSW is currently supporting carers with funding from the NSW Department of Communities and Justice through the program Upskilling Carers, which helps carers to translate their caring experience into a pathway to formal training. Carers NSW believes that many more opportunities exist to improve the inclusion of carers of all ages in vocational training, through specific programs like this, as well as through inclusive eligibility criteria for other programs such as Smart and Skilled, and improved flexibility and affordability of courses.

⁴ Cass, B, Brennan, D, Thomson, C, Hill, T, Purcal, C, Hamilton, M, and Adamson, E (2011) Young carers: Social policy impacts of the caring responsibilities of children and young adults, Report prepared for ARC Linkage Partners, October 2011

⁵ Cass et al, 2009, 2011; Lloyd, K. (2013) Happiness and Well-Being of Young Carers: Extent, Nature and Correlates of Caring Among 10 and 11 Year Old School Children. *Journal of Happiness Studies*, 14(1), 67–80. The Children's Society. (2013) *Hidden from View: The Experiences of Young Carers in England*. London: The Children's Society; Hamilton, M. and Redmond, G. (2019) *Young carers' futures look bleak without flexible school support*, UNSW Newsroom, 28 May 2019; Warren, D. and Edwards, B. (2017) *Young carers*, LSAC Annual Statistical Report 2016 chapter – August 2017.

The discussion paper also highlights the increasing demand for paid care workers in the disability and aged care sectors due to ongoing sector reforms and the ageing population. While for many carers, these types of jobs are a natural fit for both their caring skills and experience and the flexibility they require to balance work and care, carers should have opportunities to advance their careers in a broader range of fields. The Carers NSW Carer Survey 2018 (n=1830) found that just over one quarter of carers are already, or would be willing, to work in a paid care worker role, however the majority were not interested in this trajectory.⁶

Finally, Carers NSW also encourages the NSW Government to consider explicitly including young carers in the eligibility criteria for relevant youth focused vocational training initiatives such as the free traineeships for young job seekers announced in 2019 and the Smart and Skilled program. Furthermore, quarantining a portion of these apprenticeships for young carers and working in collaboration with Commonwealth funded young carer employment support programs (such as the Carer Achievement Pathway project, delivered by Carers NSW and the Young Carer Bursary, managed by Carers Australia) would allow young carers to receive more holistic support, assisting them to overcome some of the many barriers they face to pursuing further education and employment.⁷

Reliable, sustainable and productive use of our water and energy

Caring can come with considerable additional living costs, including, in many cases, higher utility costs due to the specific needs and circumstances of care recipients. For example, some illnesses and disabilities require around the clock heating or cooling to maintain a certain air temperature, and caring for someone living with incontinence may result in higher than average usage of the washing machine and drier. Special equipment may also require regular charging, increasing electricity usage.

At the same time, carers are more likely to experience financial hardship than non-carers, and to rely on Commonwealth income support payments, often making it difficult to cover basic living costs including accommodation and regular utilities.⁸ The Carers NSW 2018 Carer Survey found that 40% of respondents had found it difficult to meet their living expenses in the last 12 months, with increased difficulty among Aboriginal and Torres Strait Islander carers, LGBTIQ+ carers, carers of people living with mental illness, and carers living in regional and remote areas.⁹

Increasing energy costs in NSW have not been offset by any significant increase in Commonwealth income support payments, placing increasing financial strain on carers. It was also recently reported by Australian Energy Market Commission (AEMC) that pay-on-time discounts offered by energy companies significantly disadvantage those already facing financial hardship, with over half of hardship customers failing to meet discount conditions.¹⁰

⁶ Carers NSW (2018), Carers NSW Carer Survey 2018, Carers NSW: Sydney.

⁷ Carers NSW (2017). *Young Carers, Barriers to Accessing Employment*.

⁸ Australian Bureau of Statistics (ABS). (2016). ABS Survey of Disability, Ageing and Carers: 4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings, 2015. Available online at: <https://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/4430.0Main%20Features12015?opendocument&tabname=Summary&prodno=4430.0&issue=2015&num=&view=>, last accessed 12 September 2019.

⁹ Carers NSW (2018), *Carers NSW 2018 Carer Survey: Unpublished data*.

¹⁰ Australian Energy Market Commission (AEMC) (2019) *Draft rule determination: National energy retail amendment (regulating conditional discounting) rule*. Available online at:

Carers NSW acknowledges the NSW Government's energy rebate schemes and other schemes resulting in consumer savings, more can be done to regulate the prices and practices of energy companies operating in NSW to minimise the impact of energy costs for carers.

Smart ways to get more from our infrastructure

Carers generally navigate multiple complex service systems with or on behalf of the person they care for, in addition to the service systems they access for their own everyday purposes. Carers report to Carers NSW that they are often met with misunderstanding, judgement and inflexibility when accessing services, and often have difficulty knowing where and how to access services. Improved awareness among service staff can greatly assist carers to identify themselves, access necessary services and receive assistance in navigating these services.

Carer-friendly service systems

As public service agencies in NSW are required to reflect the NSW Carers Charter in their work, service delivery staff should receive information and training to support them to understand, recognise and respond to the complex challenges faced by carers. Increasing carer engagement and inclusion in service systems is likely to result in increased positive outcomes for carers.

Further, face-to-face and over-the-phone options should continue to be available even in systems that are rapidly digitising, as many carers are not confident accessing services online, not able to afford a device or adequate internet connection, or are located in areas with poor coverage. Enabling these carers easier access online services through Service NSW offices and local libraries goes some way towards addressing this, but additional infrastructure, local navigation support and digital skills development opportunities targeting carers would be worthwhile. Improving digital connectivity in regional and remote areas is also critical.

Better use of existing community infrastructure

Reforming disability, aged care and carer support services have unfortunately resulted in a reduction in the physical infrastructure available for short term respite accommodation and peer support activities for carers in NSW.¹¹ Both service types require affordable, accessible spaces, and enable carers to maintain their own health and wellbeing, ultimately reducing health service costs.

Investment by the NSW Government in the 2019-20 State Budget included some new developments for this context, however Carers NSW recommends underutilised infrastructure be converted, repurposed or made available on a casual basis for these kinds of activities. Better use of State infrastructure for this purpose could create efficiencies by reducing the

https://www.aemc.gov.au/sites/default/files/2019-11/Regulating%20conditional%20discounting%20-%20RRC0028%20-%20Approved%20draft%20determination_0.pdf, last viewed 25 November 2019.

¹¹ Carers Australia (2017) *Improving access to aged residential respite care*, Retrieved from: <http://www.carersaustralia.com.au/storage/residential-respite-care-report.pdf>; National Disability Services (2018) *State of the Disability Sector Report*, Retrieved from <https://www.nds.org.au/news/state-of-the-disability-sector-report-2018-now-available>.

need for additional investment in new development and contributing to carer health and wellbeing overall.

Improving transport infrastructure

Funding to support the purchase, maintenance, running and replacement of vehicles to transport people with disability, older people and their carers to and from health appointments, services, activities, employment and education has greatly reduced as a result of the shift to individualised funding models in the aged care and disability service sectors. Not all carers have access to, or can afford, private vehicles, and in many parts of NSW public transport is infrequent and inaccessible.

Without adequate transport, maintaining one's health and wellbeing and participating in education and employment can be very challenging. Carers and care recipients living in regional and remote parts of NSW are particularly at risk of isolation and financial hardship due to limited transport. Restoration of grant-based or ongoing block funding to support additional community transport would greatly assist in addressing these challenges, as would continuing regional transport subsidies and continued improvement to public transport fleets and facilities across NSW.

Modernising our tax system to help our economy grow

The discussion paper highlights the increased expectations of local government to deliver supports relating to physical and mental health and the needs of specific cohorts within the community. Local governments are diverse in relation to the scope of services they offer and the resource base available to them, with some being more responsive to the needs of people with disability, older people and carers than others.

Carers NSW sees significant opportunities for local governments across NSW to increase this support by leveraging existing, underutilised infrastructure (e.g. community halls, community buses) and by engaging with local communities through competitive community grants processes that encourage local innovation and community support.

The requirement for local governments to develop Disability Inclusion Action Plans under the NSW *Disability Inclusion Act 2014*, coupled with their obligations as public sector agencies under the NSW *Carers (Recognition) Act 2010*, provides a key opportunity to think broadly about the needs of people with disability and carers at local government level.

Planning for the housing we want and the jobs we need

Employment and housing are two key challenges experienced by carers, both of which can be resolved by improved flexibility and inclusion. Limited availability of quality, accessible social and affordable housing and affordable private rental properties affects many carers as well as other disadvantaged communities, and barriers to accessing education along with limited flexible workplaces prevent many carers from staying in, or returning to, paid work.

Carers' housing needs

Many people living in social housing have a disability, mental illness or chronic illness or are frail aged,¹² and according to the 2015 Survey of Disability, Ageing and Carers, over 40,000 carers live in State managed housing in NSW,¹³ with estimates drawing on administrative data from social housing being considerably higher. Carers are more likely than non-carers to live in low income households and are more likely to be out of the workforce and reliant on Commonwealth income support,¹⁴ leading many to apply for social housing.

At 30 June 2019, there were over 50,000 applicants on the NSW housing register awaiting social housing. With less social housing overall and low levels of affordable housing stock, there has been an increase in low-income earners in the rental market, increasing competition for the limited affordable rental properties available. Research indicates that many of the 26% of carers living in the private rental market are in housing stress, spending more than 30% of their income on housing costs.¹⁵ Limited security of tenure within private rental also contributes to the challenges many carers experience in finding and maintaining appropriate housing.

Additional investment in social and affordable housing is required in order to ensure carers have stable, affordable housing, reducing the challenges insecure housing presents to their health, wellbeing and financial security. Policies shaping access to social and affordable housing must also take into account the particular needs of carers to be provided with physically accessible, modifiable housing that is located near the formal services, informal supports and employment and educational opportunities with which they engage.

Further incentives to universal design in new and existing properties for rent and purchase will also continue to make housing in NSW inclusive for all, and planning decisions should consider the importance of safe, affordable and long term parking solutions to enable carers to visit and support care recipients who are not living with them.

Carers' employment needs

Nearly one third of all working age carers are not in the labour force, compared to one in five non-carers, with many exiting the workforce due the difficulties of balancing work and care.¹⁶ One recent study¹⁷ estimated that nationally, the income lost to carers leaving the workforce was A\$3.58 billion in 2015. This is projected to grow by 49%, to A\$5.33 billion, in 2030.

In addition to the skills related challenges mentioned earlier, many carers report being unable to participate in education or employment due to an inability to access suitable

¹² FACS (2014), Social Housing in NSW: A discussion paper for input and comment, available online at: http://www.facs.nsw.gov.au/_data/assets/file/0009/303030/Social-Housing-in-NSW_Discussion-Paper.pdf, viewed 8 December 2016; AIHW (2014) *Housing assistance in Australia 2014*, Catalogue No. HOU 275, Canberra.

¹³ Australian Bureau of Statistics (2016) *Disability, Ageing and Carers, Australia: Summary of findings, 2015*, Canberra.

¹⁴ Australian Bureau of Statistics (2016) *Disability, Ageing and Carers, Summary 2015*, Catalogue no. 4430.0, Canberra.

¹⁵ Beer, A. and Faulkner, D. (2009), *The housing careers of people with a disability and carers of people with a disability*, Australian Housing and Urban Research Institute, Southern Research Centre; *ibid*.

¹⁶ *Ibid*.

¹⁷ Schofield, D. et al (2018) 'Economic costs of informal care for people with chronic diseases in the community: Lost income, extra welfare payments, and reduced taxes in Australia in 2015-2030', *Health & Social Care in the Community*, 27(2).

replacement care for their care recipient while they work. Replacement care usually comes in the form of a paid or subsidised care service or assistance from family members and friends to replace the caring role while the carer is not present. However, not all carers have access to adequate formal or informal support that enables them to participate in work. This may be due to affordability, where required services are not adequately funded, to appropriateness and quality of the services available, or to the existence or availability of a service type during the days and hours they need it.

The discussion paper refers to the implications of female workforce participation for childcare demand in NSW; in the same way, replacement care for carers of children with additional needs, adult relatives and ageing parents also needs to be addressed. While formal services are now largely a Commonwealth responsibility, there are still ways in which the NSW Government can fund the provision of paid or unpaid supports in the home or community to meet this need.

Flexible, carer-inclusive workplaces can also play a key role in enabling carers to maintain their employment, commence work or re-enter the workforce, contributing to overall productivity. In addition to the national entitlements available to employees, the NSW *Carers (Recognition) Act 2010* obligates public agencies to have regard for the NSW Carers Charter in its employment policies. The NSW Department of Communities and Justice funded Carers + Employers program, delivered by Carers NSW, offers all employers the opportunity to improve their carer-inclusiveness. There is a strong business case for more carer-friendly workplaces, as keeping carers in the workforce and recruiting carers has been shown internationally to improve workplace productivity and support the productivity of the broader economy.

Conclusion

Improving carers' health and wellbeing, supporting the sustainability of caring arrangements and facilitating increased social and economic participation among carers promises to increase economic productivity and reduce unnecessary health service spending. Carers NSW welcomes the opportunity to demonstrate the relevance of the areas identified in the discussion paper to carers, and urges the NSW Productivity Commission to consider carer-specific and carer-inclusive responses to the challenges and opportunities emerging from the consultation.