

*Carers Alliance is a political party to promote and further the interests and full inclusion in society of people with disabilities and their carer-families*

## **“Outdated welfare system hits carers”**

STEPHANIE PEATLING  
Sydney Morning Herald  
May 16, 2010

Carers are losing nearly \$200 a week when the person they are looking after dies, forcing them on to lower unemployment benefits.

Nearly 5 per cent of carers - or about 6300 people - face this problem each year in an anomaly of the welfare system highlighted by the Henry review of taxation.

Older women, who are most likely to be carers, are also spending longer on welfare, with the number receiving the disability support pension surging by 63 per cent.

"The face of poverty in the future will be old, grey and female," said the director of Welfare Rights Centre Maree O'Halloran.

"On current trends it will be a pretty bleak future for older Australian women. They will outnumber old men on the disability pension and will spend decades on pensions with inadequate superannuation, without the protection of home ownership, have higher health costs related to their disability and be increasingly single."

The rise in women on the disability pension in the past 10 years came as the number of women in the workforce grew by only 17 per cent. Welfare groups are angry the federal government did not use the budget to act on observations made by the Henry review that the welfare system no longer suited working patterns or the make-up of the working age population.

They point to the finding that people on the aged and disability pensions spend an average of nine years receiving welfare, with very few doing any work, as evidence the system does not provide enough incentives for people to look for jobs.

The situation faced by carers trying to live on the dole after the person they are caring for dies is one example of a system that is too arbitrary, welfare groups say.

They point to the increasing gap between people who receive welfare classified as allowances, such as unemployment payments, and payments classified as pensions such as the aged or disability payments.

People on unemployment payments receive about \$200 less a fortnight than aged pensioners even though they have the higher costs of job-seeking such as transport and phone bills. The gap between the payments will blow out to \$1000 a fortnight over the next 30 years, the Henry review shows.

The chief executive officer of the Australian Council of Social Service, Clare Martin, said the government had forgotten the unemployed. "This budget has meant little for unemployed Australians who still must survive on \$33 per day."

Some welfare groups are calling for an independent organisation to set all welfare payments similar to the Remuneration Tribunal, which controls the salaries of MPs.

### **Carers Alliance Media Release 16 May, 2010**

#### **WORKING CONDITIONS FOR PEOPLE IN RECEIPT OF CARER'S PAYMENT – AN AMBIT CLAIM**

*Recent media coverage [copy above] has highlighted an outdated welfare system which disadvantages carers even further once their care responsibility ends. Carers Alliance supports the following log of claims which addresses the Dickensian payment system as it currently applies to carer-families.*

The federal government describes the \$350.55 a week (maximum) "Carer Payment" – a very strictly family income- and assets-tested Centrelink benefit paid to carers unable to earn enough money to support themselves and their families because of their round-the-clock caring responsibilities for a family member with a severe disability - not as a pension or as a benefit, but as a "payment".

This word implies – indeed, is very deliberately meant to imply - that full time carers are receiving government funding as "workers", as it were, providing their labour in return for a "wage".

On this basis, those approximately 120,000 Australians now receiving Carers' Payment, either in full or in part, consider it only fair that we now be given the opportunity to negotiate, and have clearly spelt out, our working conditions, as is the case for all other Australian wage and salary earners.

As Australian workers, we therefore request the immediate introduction of :

- **A statutory 70-hour working week**

- **Two weeks paid annual leave**
- **Two days out of seven where we do not have to work**
- **A statutory retirement age of 70**

### **Carer Payment Criteria and Income/Asset Limits**

At present, full-time carers of people with disabilities over the age of 16 are only entitled to the maximum Carer Payment rate of \$350.55 a week if their family income is less than \$71 a week, or \$142 a fortnight. Any income earned over this point reduces the amount of Carer Payment by 40 cents for every dollar earned. The cut-off point for any Carer Payment is a total family income of \$772 a week, or \$1,544 a fortnight. There are also stringent Assets Test limits.

A carer who earns, or whose spouse or partner earns, around \$18,000 a year in income is therefore entitled to a Carer Payment of around just \$200 a week, or \$10,000 a year, bringing total family income to \$28,000 a year.

In addition, carers are only permitted to work or study for **a maximum of 25 hours a week** – including travelling time – before eligibility for Carer Payment ceases. In effect, this means Carer Payment recipients must be working or “on call” for 143 hours a week, 52 weeks of the year.

Full-time carers whose family income is above \$772 a week, and/or who work and/or study for more than 25 hours a week are eligible for a non-means tested Carers Allowance of \$53.35 a week, but this also ceases if the person being cared for receives more than 63 days a year in respite services.

In summary, fulltime, lifelong carers in receipt of Carers Payment, either in full or in part, are at present little more than slave labourers.

We therefore now demand -

#### **1. A 70-hour working week**

We appreciate that this is an extremely modest demand, given other Australian workers' entitlement is now to a 38-hour working week. However, it would be a significant advance on the current situation, where many full-time carers now work well over 100 hours of the 168 hours in a seven-day week, and would at least

elevate such carers to the standard enjoyed by 19<sup>th</sup>-century mill workers and domestic servants.

In other words – it would be a start.

Many lifelong, full-time carers easily clock up around 100+ hours a week of care work, in return for a maximum Carers Payment of \$350.50 a week (an hourly rate, for 100 hours' work, of \$3.50), because they care for a person with a disability at night, as well as through the day, and around the clock from Friday afternoons until Monday mornings.

We propose that any carer who has to tend to the needs of a disabled adult through the night, being woken three or more times to turn, toilet or otherwise provide care, be considered as working for four hours of an eight-hour night shift. Multiplied by seven, this equates to 28 hours already on the clock.

In addition, all carers who tend to the needs of a severely disabled person over a weekend, from 3pm Friday afternoon (which is when school, most "sheltered" employment and or community participation schemes finish) to 9am Monday morning, be considered as working for:

- 40 hours if not woken through the night (comprising an eight-hour Friday afternoon/evening shift; a 16-hour Saturday shift and a 16-hour Sunday shift)
- 52 hours if woken three or more times (using the formula of counting four hours of three eight-hour night shifts, Friday, Saturday and Sunday nights).

[Note: We are not in this initial claim asking for weekend penalty rates, or for extra payment for working double shifts.]

On weekdays, from Monday morning at 7am until Friday afternoon at 3pm -and quite apart from a possible eight-hour night "shift" each night - there is also a morning shift of say two hours, from 7am to 9am – assuming the person with a disability has a five-day a week placement at a school, or at a place of work or community scheme, which many do not – then an afternoon shift Mondays to Thursdays from 3pm to 6pm, and an evening shift Mondays to Thursdays of 6pm to 11pm.

From Monday morning at 7am to Friday afternoon at 3pm, this totals a minimum of **42 hours** a week, assuming the person being cared for has some sort of school, work or day activity program from 9am to 3pm Mondays to Fridays. Adding weekend hours to weekdays, this totals **82 hours a week** if not woken, and **110 hours** a week if woken each night three or more times.

This is just a general example; the working hours of lifelong, full-time carers will of course vary from person to person, depending on individual circumstances.

If, for example, a statutory 70-hour maximum carer working week applies to people caring for those over the age of 12, say, then many of those being cared for will still be attending school, meaning that the 12-14 weeks of the year of school "holidays" also needs to be taken into account in assessing each carer's working hours. During school "holidays", caring hours can easily increase to **112 hours** a week if not woken, and **140 hours** if woken three or more times.

However, any current respite service provision through the week – **if any** – would need to be deducted from the final total of hours worked.

*If a statutory maximum of a 70-hour working week is introduced, this would mean that after 70 hours a week, a carer would have the statutory right to "down tools" and for other funded care providers and care services, such as respite centres, to be available to take over.*

## 2. **Two weeks paid annual leave**

Again, this is an extremely modest demand, given other workers' entitlements to at least four weeks paid annual leave. Again, however, it would elevate us to a standard applicable to workers in the 19<sup>th</sup> century, and would be a start.

*If two weeks paid annual leave were to be provided, this would mean that other funded care providers and care services, such as respite centres and/or in-home services, would have to be available to take over.*

## 3. **Two days out of seven where we do not have to work**

At present, Carer Payment recipients, along with recipients of the non-means-tested Carer Allowance of \$53 a week, are permitted 63 days a year of “leave”. Over 52 weeks per year, this equates to one day a week, plus an additional 11 days per year, presumably to take account of public holidays.

Again, this equates to the working conditions imposed on 19<sup>th</sup>-century factory workers and domestic servants, who were given each Sunday and public holidays such as Christmas Day, New Year’s Day and Good Friday off.

Two days out of seven where Carer Payment and Carer Allowance recipients were not expected to work would equate to **104** days a year of “leave”, an increase of 41 days a year on the current allowance. With 14 days a year annual leave also added, this would total 118 days of leave in total, an overall increase of 55 days.

*If carers had a statutory entitlement to two days off a week, like all other Australian wage and salary earners, this would mean that other funded care providers and care services, such as respite centres or in-home services, would have to be available to take over for those two days a week.*

#### **4. A Statutory Retirement Age of 70**

Although lifelong, full-time carers have little if any opportunity to build up superannuation, as all other Australian workers enjoy, and therefore face even more extreme poverty upon retirement than when in receipt of “Carers Payment”, a statutory retirement age of 70 would at least mean that full-time, lifelong carers could have some light to look forward to at the end of a long, black tunnel of unremitting, often extremely physically gruelling and demanding work, frequently over three, four or even five decades.

A statutory retirement age of 70 would also mean that full-time lifelong parent carers in Australia could live with at least some peace of mind that supported accommodation places would become available for their adult sons and daughters with severe disabilities once parents reached 70; meaning –hopefully therefore – prior to those parents’ deaths.

This would be a significant advance on the current situation, where many fulltime lifelong parent carers live with the constant, nagging fear and anxiety that it will only be following their deaths that a supported accommodation place will – by necessity – be found for, and offered to, their severely disabled adults sons and daughters.

*If fulltime lifelong carers were entitled to a statutory retirement age of 70, this would mean that government-funded supported accommodation places would - by law - **have** to be available for severely disabled adults once their carers reached 70. Government should also be barred from seeking to enlist the siblings of severely disabled adults to take over from parents reaching the age of 70 as a vastly cheaper alternative to providing government-funded supported accommodation placements.*

**Little wonder Australians who have family members with dependent disabilities are Mad as Hell and Carers Alliance fully endorses the Mad as Hell campaign ([www.australiansmadashell.com.au](http://www.australiansmadashell.com.au))**  
**Australia is decades behind other western countries in giving people with disabilities rights and entitlements to services and properly supporting family carers. Carers Alliance is committed to the introduction of a National Disability Insurance Scheme to be introduced and calls on all political parties to make the same commitment.**

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