

Submission No. 725  
(Inq into better support for carers)

A.O.C. 14/7/08

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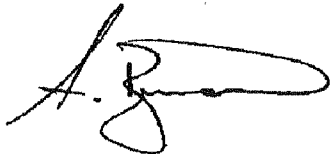
Annette Ellis  
Chair of the House of Representatives  
Family and Community Committee

Via E-mail: [fchy.reps@aph.gov.au](mailto:fchy.reps@aph.gov.au)

Dear Ms. Ellis,

Please find attached the ACTU submission to the Better Care for our Carers Parliamentary Inquiry. If you have any queries about the submission please kindly contact Belinda Tkalcevic, ACTU Industrial Officer on (03) 9664 7333.

Yours sincerely



Sharan Burrow  
PRESIDENT

# **ACTU**

**ACTU Submission to  
the Better Care for our  
Carers Parliamentary  
Inquiry**

## 1. Introduction

- 1.1 The ACTU congratulates the government on this inquiry into how to better meet the needs of carers who look after those with chronic illness, disability or frailty.
- 1.2 This ACTU submission focuses on the need for policies to assist carers to combine paid work and caring responsibilities.
- 1.3 There are about 2.6 million Australians who are carers of over one million people with a disability or frailty.<sup>1</sup> The majority of these carers are employed or would like to be employed.<sup>2</sup>
- 1.4 Carers participation in employment is restricted by their ability to balance paid work and caring responsibilities.<sup>3</sup>
- 1.5 The majority of employed carers have to resign from paid work or change jobs as a result of their caring role.<sup>4</sup>
- 1.6 The most common barriers to being able to balance paid work and caring responsibilities are lack of flexible work arrangements and lack of availability of alternative care.<sup>5</sup>
- 1.7 Carers are often exhausted, isolated and marginalized and are more likely to suffer from depression and poor health. Many are under extreme financial pressure, particularly as they are unable to access mainstream employment opportunities. Carers are also more likely to have reduced savings related to premature retirement.
- 1.8 Carers' inability to participate in the paid workforce undermines the national economy by reducing the labour supply of skilled and experienced prime aged workers.<sup>6</sup>
- 1.9 The government's Intergenerational Report noted the importance of maintaining workforce levels that can sustain a sufficient tax base for servicing an aging population. Treasury officials estimated that a 2.5% increase in labour participation rates would produce an additional 9% increase in economic output by 2022.<sup>7</sup>
- 1.10 Ageing of the population will result in a growth in demand for care. NATSEM (2004) projected that the number of older Australians requiring assistance

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<sup>1</sup> AIHW, The Future Supply of Informal Care 2003-2013, October 2003, p. 345; p.15

<sup>2</sup> Op Cit. Australian Institute of Family Studies, Research Report No.16, p. 103

<sup>3</sup> Access Economics, 2005: Estimates based on data from the ABS 2003 survey of Disability, Aging and Carers.

<sup>4</sup> Ibid

<sup>5</sup> Interestingly, the costs of paying for care whilst at work was not commonly cited as a reason. OP Cit, Australian Institute of Family Studies, Research Report No.16, p. 106

<sup>6</sup> AIHW, Australia's Welfare 2007, p.100

<sup>7</sup> Gruen, D & Garbutt, M. "The Output Implications of Tighter Labour Force Participation", Treasury Working Paper 2003-02, October 2003.

because of severe or profound disability would rise by 160% between 2001 and 2031.<sup>8</sup>

- 1.11 Specifically, due to the ongoing trend to move away from residential care to home based care, there will be a significant increase in the reliance on unpaid, informal care provided by family members.<sup>9</sup>
- 1.12 There is a possibility that, without further assistance, informal carers may become unwilling or unable to afford to care for others at the expense of paid work.<sup>10</sup>
- 1.13 Due to aging of the community service workforce, poor remuneration and career development, there is also likely to be a shortage of paid carers.
- 1.14 As a result, the government faces a projected shortage of both paid and unpaid carers to look after chronically ill, disabled and elderly dependents.
- 1.15 The ability of informal carers to combine paid work and caring responsibilities should therefore be a matter of critical priority to policy makers.
- 1.16 There is a clear need for policies that assist informal carers to remain in paid work if they are able to do so. These policies should center on creating flexible working options for carers and increased support to dependents living in the community and their carers.
- 1.17 Most carers combining paid work and caring responsibilities are not in a strong position to bargain for improved workplace flexibility because of their caring commitments. They need the protection of government regulation.
- 1.18 The government has addressed many of these issues relating to balancing paid work and care for young pre-school aged children, but must extend these provisions to carers of older school-aged children, disabled people and the aged.<sup>11</sup>
- 1.19 Whilst the government has moved quickly to address additional financial support for carers and additional funding for a number of programmes, the issue of providing flexible working arrangements is of critical importance both in terms of quality of life for carers, the strength of the Australian labour market and ensuring the future supply of informal care.

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<sup>8</sup> Op Cit. Australian Institute of Family Studies, Research Report No.16, p. 100

<sup>9</sup> De-institutionalisation has seen the responsibility shift to households; in 1981 10% of people aged 5-64 with a severe or profound disability lived in care accommodation, by 1998 only 3% lived in care accommodation, with the remainder living in households.

<sup>10</sup> AIHW, The Future Supply of Informal Care 2003-2013, October 2003.

<sup>11</sup> Most recently, the National Employment Standards have extended the amount of unpaid parental leave available to both parents, provided the right to request flexible work arrangements for parents of children under 5 years of age; and enshrined paid carer's leave as a minimum workplace entitlement.

**Recommendations:**

The government should:

1. Extend the scope of the National Employment Standard for flexible working arrangements from parents of pre-school children to all carers, including those who care for school-aged children, disabled or elderly or chronically ill people;
2. Clarify the scope of the National Employment Standard for right to paid personal/carer's leave to apply to a wide range of carer responsibilities not limited to illness or injury or emergencies (such as arranging hospice care, attending routine appointments and so on);
3. Consider increasing the amount of dedicated carer's leave available to employees (as opposed to use of their personal leave);
4. Promote the provision of flexible working arrangements (such as purchased leave arrangements) aimed at providing respite for working carers;
5. Provide palliative care leave;
6. Encourage workplace based care (where appropriate) and resource support for carers (including information and referral services);
7. Provide additional funding and resources to support home based care of those with chronic illness, disability or frailty, thus taking some of the load off informal carers;
8. Target programmes assisting return to work for carers wishing to re-train or re-enter the paid workforce; and
9. Investigate ways to improve the working conditions of paid carers and conduct future workforce planning to ensure future demands for care (including support for informal carers) are adequately met.

## 2. Flexible working arrangements for carers

- 2.1 As discussed above, flexible working arrangements for carers facilitate increased labour market participation which benefits the economy and society. Workforce participation also benefits the carer, both in terms of general financial wellbeing and economic independence, and also in terms of social engagement and personal satisfaction.
- 2.2 A recent analysis of studies of the needs of carers points to the common characteristics of isolation, depression, marginalisation of carers of all types of dependents.<sup>12</sup>
- 2.3 In addition, the nature of a carer's role is often short-term. Provision of flexible work arrangements encourages on-going workforce participation rather than the difficult process of re-entering the workforce after periods of absence.
- 2.6 A study by the Australian Institute of Family Studies concluded that *"The data illustrated the very substantial impact that caring had on carer's participation in the labour market and, if employed, their patterns of work hours and the types of jobs in which they were employed. ...the fact that a large number of non-employed carers of working age expressed a desire to be in paid employment suggests that policies that support carers who want to be in paid employment may be worthwhile...There is strong evidence that long periods out of the labour force can make it difficult to re-enter the labour market. It is therefore important for their long-term economic outcomes that carers who want to work and whose caring responsibilities do allow participation in the labour market are assisted in achieving this."*<sup>13</sup>

## 3. The scope of the National Employment Standard: *Requests for flexible working arrangements* should be extended to all carers, including those who care for school-aged children, disabled or elderly or chronically ill people.

- 3.1 The current *Requests for flexible working arrangements* Standard provides that:
- "(1) An employee who is a parent, or has the responsibility for the care, of a child under school age may request the employer for a change in working arrangements for the purpose of assisting the employee to care for the child.*
- ... and...*
- (5) The employer may refuse the request only on reasonable business grounds"*
- 3.2 This type of provision was introduced in the UK in 2003. Initially, it was also limited to parents of young children (under 6) or disabled children under 18 years old.<sup>14</sup> It has since been extended to include carers of adults who are a spouse,

<sup>12</sup> University of Wollongong, Centre for Health Service Development, *Effective Caring: A Synthesis of the International Evidence on Carer Needs and Interventions*, December 2007, Chapter 8; Attachment Three.

<sup>13</sup> *Op cit.* Australian Institute of Family Studies, Research Report No.16, p. 108

<sup>14</sup> Employment Rights Act 1996; Flexible Working (Eligibility, Complaints and Remedies) Regulations 2002; Flexible working (Procedural Requirements) Regulations 2002.

partner, civil partner or relative who lives at the same address and is in need of care.<sup>15</sup> There is no requirement for a particular level of care. Most recently, the right has been extended to carers of school aged children up to the age of 16.

3.3 In addition, the UK provision requires an employer to give serious consideration to the request, unlike the Australian Employment Standard which only requires that employers provide their reasons for refusing a request in writing.

3.4 A review of the UK provision found that it has been a successful tool to introduce workplace flexibility, with 91% of requests agreed to following a dialogue between the employee and employer, and very few cases refused or appealed.<sup>16</sup>

3.5 The Australian NES should be amended to reflect the UK standard, both in terms of the scope of carers who may apply and in terms of the obligation on the employer to give the request serious consideration.

4. The scope of the National Employment Standard: *Personal/carer's leave* should apply to a wide range of carer responsibilities not limited to illness, injury or emergency.

4.1 The Personal/carer's leave standard currently provides 10 days paid leave for:

- (a) "...personal illness, or personal injury, affecting the employee; or
- (b) to provide care or support to a member of the employee's immediate family, or a member of the employee's household, who requires care or support because of:
  - (i) a personal illness, or personal injury, affecting the member; or
  - (ii) an unexpected emergency affecting the member."

4.2 The entitlement to 2 days unpaid personal/carers leave is subject to the same criteria.

4.3 This narrowly construes the range of situations for which employees with caring responsibilities need approved leave of absence. For example, routine medical appointments, general assistance such as shopping or travel, assistance with financial or legal arrangements and so on should be able to be counted as legitimate aspects of providing care and support to a family or household member.

**5. An increase in the amount of dedicated carer's leave available to employees**

5.1 In addition, the combination of personal and carer's leave entitlements often results in carers not having the protection of personal sick leave to assist them to manage their own health. Personal leave and carer's leave should ideally be

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<sup>15</sup> Work and Families Act 2006, with effect from 6 April 2007.

<sup>16</sup> The Third Work Life Balance Survey of Employers, December 2007.

separate entitlements, and, or in the alternative, the amount of personal/carers leave should be increased so that carers have a greater buffer of leave to recover from personal illness.

**6. The provision of flexible working arrangements aimed at providing respite for working carers should be promoted.**

6.1 A key issue for respondents to a recent ACTU survey<sup>17</sup> was that of access to respite for carers. Equally important to the provision of respite care for dependents, was respite for working carers in terms of additional leave from work. Provisions for flexible work arrangements such as purchased leave (such as 48/52) where less income is earned over the year to 'purchase' unpaid leave enables carers to take additional leave without sudden loss of income. Provisions for arrangements such as purchased leave for carers should be included in the National Employment Standards (as discussed above) and through the modern award system.

**7. A new leave for palliative care**

7.1 There is currently no capacity for Australian employees to take temporary paid or unpaid leave to care for a terminally ill family or household member. Canada for example provides for eight weeks unpaid family medical leave from employment and up to six weeks paid compassionate care (federal employment insurance benefits) for employees who need to take care of family members or like family members who have a serious medical condition and there is a significant risk of death occurring within a period of 26 weeks.<sup>18</sup>

**8. Workplace based care and resource support for carers**

8.1 Many carers cite a need for improved access to information and referral services, particularly when first assuming the role of carer.<sup>19</sup> Given that the majority of carers are in the paid workforce immediately prior to becoming carers and that many continue to work, or would like to continue to work, provision of resources for employees with caring responsibilities at work would be a positive support to carers, particularly those wishing to continue working.

8.2 The resources could include referral to information and organizations dealing with specific caring needs, information and referral to government support mechanisms and advice on relevant employee entitlements and support for carers provided at the workplace.

8.3 Where appropriate, workplaces may be able to provide a range of work based support for example ranging from services akin to work-based childcare or a dependent's access to a lounge area for a short period whilst waiting for the carer to accompany them to an appointment and so on.

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<sup>17</sup> Online survey of working carer's needs, July 2008

<sup>18</sup> Employment Standards Act 2000 (Family Medical Leave); Employment Insurance Act (Compassionate Care Benefits).

<sup>19</sup> University of Wollongong, Centre for Health Service Development, Effective Caring: A Synthesis of the International Evidence on Carer Needs and Interventions, December 2007, Chapter 8; Attachment Three.



## **9. Additional funding and resources to support home based care**

- 9.1 The shift away from formal residential care requires government policies aimed at providing greater support to informal carers of disabled people and the aged in their own homes.
- 9.2 This support should be both in the form of additional support to dependents needing care but who wish to remain in the community, thus taking some of the load off informal carers. Studies show that carers cite government provided support such as assistance with home duties such as cleaning and gardening, assistance with personal care, shopping and so on as helpful to lightening their load.<sup>20</sup>
- 9.3 In addition, support for carers such as respite care, information and referral services and coping strategies are cited as helpful.<sup>21</sup>
- 9.4 Studies show that carer's need to maintain existing interests, social networks, leisure time and time for self in order to avoid isolation, stress and marginalisation which lead to depression and poor health.<sup>22</sup>
- 9.5 Additional support for dependents living in the community and their informal carer's improves the capacity of carer's to continue as much as possible with their ordinary lives, including their participation in meaningful and rewarding work.
- 9.6 The Australian Institute of Health and Welfare reports that a large proportion of carers are actually in the labour force, *"highlighting the need to specifically consider the employed carers in the ongoing development of carer support programs. Employed women made up 34% of all primary carers in 1998. The ability of many women to balance paid work and family caring responsibilities and to continue to do so in the future will no doubt depend on the availability of other family and community supports. As the 1999 national Survey of carer health and wellbeing found, carers see respite care and other services as an integral part of their lives and essential to their ability to continue their role as carers."*<sup>23</sup>

## **10. Targeted programmes assisting return to work for carers wishing to enter or re-enter the paid workforce**

- 10.1 The benefits of retaining carers in the workforce were discussed in the introduction. Models aimed at assisting long-term carers to re-train and re-enter the workforce such as those applied to mothers returning to work should be considered for other forms of care including for the chronically ill, disabled or elderly.
- 10.2 The Parents Returning to Earning Program (Victoria) for parents wishing to retrain and re-enter the workforce provides a grant for:

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<sup>20</sup>Ibid.

<sup>21</sup>Ibid.

<sup>22</sup>Ibid.

<sup>23</sup> AIHW, The Future Supply of Informal Care 2003-2013, p.32.

- Course fees
- Payment of Higher Education Contribution Scheme (HECS) fees for the first year of a university course
- First year Higher Education student contribution
- Child care to cover the parent's attendance at training
- Broadband access where the participant is studying by remote access (distance learning)
- Transport costs incurred to attend training where there is demonstrated need
- Course materials such as prescribed books and software required for the course or other prescribed tools and equipment required for the course
- Uniforms required for specific training e.g. hospitality uniform.

10.3 The grant is to be used to directly assist the parent to participate in training to return to the workforce.<sup>24</sup>

10.4 This program has been very successful in assisting parents who have been out of the workforce for some time re-train and re-enter paid employment.

#### **11. Improved working conditions of paid carers and workforce planning**

11.1 The aging of the community services workforce has important ramifications for workforce supply and organizational development.<sup>25</sup>

11.2 The predicted growth in demand for care combined with an aging community services workforce indicates a need for workforce planning.

11.3 Part of this must be addressing the current issues in attraction and retention of paid carers in children's services, elderly care and care for the disabled.

11.4 A recent report on the future needs of the community services sector workforce recommended the following:

- Addressing the low pay levels and lack of career development through funding that better reflects long term workforce costs;
- Providing greater measures to retain older and experienced workers;
- Recruiting new workers into community services, by facilitating more career development;
- Providing training that enables workers in community services to address complexity of need;
- Allow recognition of skills and more movement between roles; and

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<sup>24</sup> [www.parentsreturntowork.net.au](http://www.parentsreturntowork.net.au)

<sup>25</sup> Anouk Ride, Building Social Inclusion in Australia: Priorities for the Social and Community Services Sector Workforce, A Discussion Paper commissioned by the Australian Services Union, 2007, pp.22, 25, 28, 31, 35,37.

- Further research into part time work, casualisation, and its ramifications for the community sector workforce.<sup>26</sup>

## **12. Conclusion**

- 12.1 This submission has focused on just one area of carer's needs. But the evidence suggests that given the shift of the caring burden to families, in particular women, as a result of de-institutionalised care and the increased participation of women in the paid labour force, it would seem that addressing the ability of carer's to balance work and care is an increasingly important policy area to address. The provision of flexible working arrangements is of critical importance both in terms of quality of life for carers, the strength of the Australian labour market and ensuring the future supply of informal care.

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<sup>26</sup> Ibid., pp43-44