

MEDIA RELEASE



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***Caring Costs Us* report finds average lost earnings and superannuation is over \$567,000**

New analysis released today has revealed the huge financial disadvantage Australia's 2.65 million carers face when they take on a caring role – amounting to more than \$567,000 on average in lost earnings and superannuation.

Caring Costs Us: The economic impact on lifetime income and retirement savings of informal carers – a report for Carers Australia completed by economic consulting practice Evaluate has found that Australian carers on average forego \$392,500 in lost wages to age 67 and miss out on a further \$175,000 in superannuation.

Australians who are informal, unpaid carers¹ for extended periods will forego substantially more, with the most affected 10 per cent going without at least \$940,000 in lifetime income, and \$444,500 in superannuation.

Carers Australia Acting CEO Melanie Cantwell said, “We commissioned this report in collaboration with our members and, sadly, it confirms what we often hear from carers around Australia – there are major negative financial impacts on carers and by extension their families, with insufficient financial supports to compensate for the economic costs of caring”.

“What we didn't anticipate was the figures, and how much carers can lose in lifetime earnings and superannuation, more so the younger they are when commencing their primary caring role”, Ms Cantwell said.

The *Caring Costs Us* report found on average, the superannuation balance at age 67 of a person who becomes a primary carer is reduced by about \$17,700 for every year that they are a primary carer. Similarly, their lifetime earnings are reduced by \$39,600 for every year that they are a primary carer.

The *Caring Costs Us* report notes income support through the Carer Payment is 21% of the average weekly earnings in Australia for a member of a couple, and the value of Carer Allowance has significantly decreased since its introduction.

¹ Carers Australia uses the term 'carer(s)' as defined by the Commonwealth *Carer Recognition Act 2010*. The term should not be used broadly and without context to describe a paid care worker, volunteer, foster carer, or a family member or friend who is not a carer.



The economic modelling and microsimulation report analyses trends in government expenditure on care, including the relationship between paid disability care work, paid Aged Care work, and unpaid informal carers. The *Caring Costs Us* report outlines two fiscal policy options for government to consider to address the huge deficit gap in lifetime earnings and retirement savings of carers, compared to those in a non-caring role.

A [Summary of the Key Findings](#) has been prepared by Carers Australia and is available on the website along with the full Report.

Ms Cantwell said, “the findings and options presented in the *Caring Costs Us* Report are only one component to address the barriers and long-term impacts on carers’ financial and economic security. Carers also need to be supported and enabled to participate in employment, education and training”.

“Carers are often hidden in our community, with initiatives for their specific support needs, be they financial, health or wellbeing, overlooked. A clear example of this was the lack of carer recognition in last week’s Federal Budget [announcements](#). We need to see carers front and centre this Federal Election to ensure appropriate carer recognition that rectifies the financial impacts of caring”.

In the lead up to the 2022 Federal Election, Carers Australia’s [2022 Federal Election Platform](#) calls for increased economic and financial security for carers, equitable access to respite, strengthened carer recognition and accountability in government, and advocacy and navigation support for carers.

About Carers Australia and the National Carer Network

Carers Australia is the national peak body representing Australia’s carers, advocating to influence policies and services at a national level. The National Carer Network, which consists of Carers NSW, Carers ACT, Carers Victoria, Carers Tasmania, Carers SA, Carers WA, Carers NT, and Carers Queensland, deliver a range of essential carer services across states and territories.

About carers

An informal, unpaid carer is a family member or friend that cares for someone who has a disability, chronic or life-limiting illness, is frail aged, has a mental illness, alcohol or other drug related condition. Informal carers are distinct from paid support workers who are colloquially also called carers but are fully employed and remunerated with all the benefits of employment. Conversely, family and friend carers perform their caring duties without remuneration.

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