



Removing barriers to employment for Carer Payment recipients

2024-25 May Budget

The 2024-25 May Budget provides **\$18.6 million** over five years to give carers greater flexibility and choice to structure their work commitments around their caring role, by changing the 25 hour per week rule for recipients of Carer Payment to instead allow up to 100 hours over a 4-week settlement period.

Carer Payment

Carer Payment is an income support payment paid at the same rate as the age pension for people who provide care for a person with disability or severe medical condition.

It is paid at the highest rate in recognition that individuals face significant barriers to engaging in work.

Changes to the 25 Hour Participation Rules

Currently, Carer Payment recipients are limited to less than 25 hours a week of work, study or volunteering activities, to remain qualified for the payment. This limits the flexibility of carers to take up work or undertake study that will set carers up for better employment outcomes in the future and provide financial independence now.

This measure promotes workforce participation by making the 25 hour participation rule more flexible and removing restrictions on study and voluntary activities.

The 2023 Carers Australia Carer Wellbeing Survey highlighted that many carers work fewer hours than they want to, the survey also found:



Amongst carers who had paid work, **47 per cent** reported they were doing less paid work than they want to.



71 per cent of carers reported their caring duties were a factor that contributed to them being unable to work as much as they wanted to.



More than **68 per cent** of carers reported low satisfaction with their ability to do further education or training.



More than **50 per cent** of carers reported their ability to progress their studies/ education was getting worse.





Changing the **25 hour** per week rule for Carer Payment recipients to instead allow up to **100 hours** over a 4-week settlement period.



71 per cent of Carer Payment recipients are female and **82 per cent** of Carer Payment recipients with earnings are female.



Around **31,000 Carer Payment recipients** currently work and may benefit from the ability to work more flexibly (including around **25,000 women**).



More than **3,000 Carer Payment** recipients in regional and remote Australia have earnings and are likely to benefit from the removal of travel time.

Other improvements for carers



Removing education and volunteering activities from the participation limit, to support carers to build skills that can promote workforce participation.



Removing travel time from the participation limit to provide more flexibility for carers to take up opportunities for work, particularly carers in regional and rural areas.



Allowing carers to use single temporary cessation of care (TCC) days (which allows time away from care), providing the carer with the flexibility to utilise their TCC days in a manner that best suits their, and their care receiver's needs.



Suspending Carer Payment for up to 6 months, instead of cancelling, when a carer exceeds the participation hours limit, or Temporary Cessation of Care days. This allows carers to have their Carer Payment restored without needing to lodge a claim when their work hours drop below the limit.

These changes respond to the recommendations released in the Economic Inclusion Advisory Committee's 2024 report, the 2020 Productivity Commission inquiry into mental health and align with the Government's focus on removing barriers to employment, as outlined in the Employment White Paper.

Changes to the Carer Payment participation rules will commence from 20 March 2025, subject to the passage of legislation.

Information on other services and supports for carers is available on the [Carer Gateway website](#).

For more information about this measure and other [Department of Social Services](#)' Budget measures, visit the Department of Social Services website ([dss.gov.au](#)).

For information about the 2024-25 May Budget, visit the [Australian Government Budget](#) website ([budget.gov.au](#)).