



# HC COOMBS POLICY FORUM FINDINGS

## Visioning Australia's Future

### Care to work? Expanding choice and access to workforce participation for mature aged women carers

October 2012

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**Over the life course, all will receive care, most will provide care and many will both receive and provide care, at multiple points in time. This paper explores policies to enhance mature aged women's participation in the labour market, with a particular focus on fostering employment choices for women with current or past informal caring responsibilities.**

#### Key points

- > 2.6 million Australians over the age of 15 years provide informal care. Around 1.28 million mature aged Australians (45–70 years) are informal carers, of whom 58 per cent are women. Carers foster the social participation of aged parents, spouses and children with disabilities or illness. However, the provision of care often competes with other life domains and constrains economic and social participation, placing carers at risk of social exclusion.
- > Just over half (52.6 per cent) of female mature aged carers are employed compared with 61.5 per cent of women who are not carers. The comparable figures for men are around two thirds (64.2 per cent) of carers and three-quarters (75.5 per cent) of non-carers in employment.
- > The current Australian policy framework situates individuals' choices around work and care at the nexus of two policy agendas:
  - The social Inclusion agenda, which envisages all citizens as active participants
  - The workforce participation agenda, which aims to address anticipated labour shortages, enhance productivity and fund the costs of an ageing population.
- > The interaction between these agendas leads to important questions about who will provide care in the future (if more mature aged women are in paid work), how individuals balance the right/opportunity to care with other forms of participation (such as paid work) and whether policies provide genuine choices to work and/or care.
- > Current retirement income policy, which emphasises occupational superannuation, also means that carer's decisions to reduce or leave paid work have immediate and long-term financial consequences.
- > New analysis considers five outcomes of relevance to social inclusion for carers: subjective poverty; financial stress; time pressure; social connectedness; and social support. Preliminary results suggest that different combinations of caring and employment may have different outcomes: non-employed carers had higher rates of subjective poverty and lower rates of social connectedness than carers working full-time, and carers who were working had relatively high rates of time pressure compared to non-employed carers.
- > The authors outline integrated policies based on the principles of recognition, conferral of rights and redistribution of resources. Recognition would entail legislative and socio-cultural recognition of the value of care and the costs of care borne by caregivers; the conferral of rights would entail carers' rights to have their needs recognised and assessed so that they can combine caregiving with other life domains, in particular paid employment. Redistribution would entail redistribution of resources and services, so that the costs of care are redistributed across community/governmental/services/employment relations spheres.

#### For further information

The *Visioning Australia's Future* initiative is a program of work examining major challenges facing Australia. The full set of summaries, papers and a synthesis report can be found at [crawford.anu.edu.au/hc-coombs/](http://crawford.anu.edu.au/hc-coombs/)

## Background

Informal carers are people who provide unpaid support or assistance for family members or friends with chronic illness, disability or frailty due to ageing. Caring activities are central to the functioning and sustaining of society and the economy, complementing the aged care, disability, mental health, palliative and community care systems.

This paper focuses on mature aged female carers. Mature aged persons refer to those aged 45 to 70 years, which aligns with definitions used by the Australian Bureau of Statistics. The paper places attention on how the needs of mature aged women carers, either employed or not employed, might differ from carers and mature aged carers in general.

The paper provides an overview of the current Australian policy context in which mature aged women make choices and decisions about paid work and care and a data analysis of the characteristics of mature aged carers and mature aged women carers, in particular, using a new analysis of the Survey of Disability, Ageing and Carers (SDAC) 2009. The authors also undertake a new analysis using Wave 9 of the Household Income and Labour Dynamics in Australia (HILDA) survey to consider five outcomes of relevance to social inclusion for carers. International legislation and policies designed to facilitate carers to reconcile work and care are then discussed. Finally, the authors identify a possible set of integrated policies to enhance carers' options in relation to social inclusion understood as participation in multiple spheres, such as informal caring and paid work.

## Summary of findings

### Tensions in the policy context

Mature aged women's choices and opportunities around combinations and sequences of paid work and unpaid care are framed by the contemporary policy environment. Key among these policies are the Australian Government's *Social Inclusion Agenda*, which is the over arching policy impelling the *National Carer Recognition Framework* that includes the *Carer Recognition Act 2010* (Cth) and the National Carer Strategy. The development of the *National Disability Insurance Scheme* (NDIS) and *National Disability Strategy*, and other policy initiatives with respect to mental health have implications for the services available to people with disability and illness and their informal carers, both in and out of the paid workforce. The specific issues of mature aged women carers are not currently addressed in these agendas.

Alongside these policies specifically targeting carers and the people for whom they care, are the National Employment Standards (NES) within the *Fair Work Act 2009* (Cth) which have provisions regarding the right to request flexible work and paid and unpaid leave arrangements of particular relevance for carers engaged in paid work. But these require extension of eligibility to be beneficial for people who are carers of adults with disability and frailty due to ageing. The extent to which carers' employment leave entitlements are sufficient to facilitate continuing employment is likely to be a significant reason why carers, particularly mature aged carers, leave the workforce or reduce the hours of their paid work.

In addition, choices that these carers make are shaped by eligibility criteria and restrictions of the income support system. Current retirement incomes policies, which prioritise occupational superannuation, imply that carers' decisions to reduce or leave paid work at any point in time have both immediate and long-term financial consequences. Occupational superannuation benefits employees who have a history of strong labour market attachment, preferably full-time attachment, over a full working life. This is not typical of the employment/care life trajectories of most women and is therefore gender biased. The issue of superannuation contributions and the negative impact on retirement incomes is likely to be highly salient for mature aged women approaching retirement and influential on decisions about workforce participation.

All the above policies intersect with the Australian Government's long-term agenda articulated in the *Intergenerational Report 2010*, in which enhancing the labour force participation of mature aged workers through a range of policies is a key element in responding to the effects of an ageing population. The report recognises the importance of promoting social inclusion, yet does not speak directly to the challenges to reconcile workforce participation with caregiving responsibilities of older people nor address the complex factors influencing carers' choices.

The interaction between the social inclusion and workforce participation agendas, in particular, raises three important questions:

- > If workforce participation is mandated to increase for mature age people, especially women, how will this hinder the provision of care?
- > If citizens are to have the right/opportunity to care and to participate in other spheres (eg paid work), how will these often competing claims be reconciled?
- > What factors affect choices and to what extent do these policies underpin genuine choices to engage in paid work and/or care?

Moreover, the policy tension between these two agendas will become more pressing due to the intersection of a number of socio-demographic trends, medical, technological and policy developments which will increase the demand for care [or reduce the potential supply of informal care] such as population ageing; increases in female labour force participation and later childbearing; advances in medical technology and health care; greater use of formal home and community care packages, rather than residential aged and disability care; and continuation of current activation and labour market policies, whereby the need to provide informal care may militate against initiatives designed to increase the labour force participation of older people.

## Carers, mature aged carers and mature aged female carers

Overall carers and primary carers have lower rates of labour force participation and higher rates of part-time work than non-carers, and evidence suggests this should not be inferred as a result of choice. Mature age is a compounding factor affecting the experiences of older workers and job seekers, but this should be placed in the context of the overall increase in labour force participation in the last decade. However, while labour force participation rates have increased considerably for both men and women, the rates for women remain considerably lower than for men. Australian and international evidence suggests that this gender gap is derived partly from women's relatively higher rates of informal care-giving throughout the life course, which increases with age.

Despite increases in workforce participation, a number of barriers have been identified which continue to constrain/prevent labour force participation of older people. The barriers could be minimised through policies and practices that:

- > address perceived and actual age-based discrimination
- > support opportunities for retraining and updating skills
- > enhance the physical and mental wellbeing of older people.

The specific issues for mature aged women carers arise due to both needs and challenges facing women in this age group, alongside the gendered social norms and social structures in which decisions about taking on caring roles are made. These gender norms are evident, for example, in the unequal division of domestic labour across the life course.

## Impact of care on social inclusion

Understanding the factors that shape genuine choices for carers also requires an understanding of the consequences of differing combinations of care and employment. The paper details a preliminary analysis to consider outcomes in relation to aspects of social inclusion for mature aged carers by their employment status. The authors draw on Wave 9 of the HILDA survey to consider five outcomes of relevance to social inclusion for carers: subjective poverty; financial stress; time pressure; social connectedness; and social support.

The preliminary results suggest that different combinations of caring and employment may have different outcomes for carers. Non-employed carers had higher rates of subjective poverty and lower rates of social connectedness than carers working full-time. No significant differences in financial stress for carers were apparent. Carers who were working had relatively high rates of time pressure compared to non-employed carers. On the social isolation measures, carers who worked full-time were less likely to report that they were lonely and or lacked support than non-employed carers, but the differences were not statistically significant in a chi-squared test. These results, however, should be interpreted with some caution, as other factors not included here may contribute to the social inclusion outcomes for carers and the sample size of carers is relatively small.

## International policies to reconcile work and care

The paper sets out a range of policies implemented internationally which are designed to support carers' choices and protect them against economic disadvantage.

- > *Legal recognition of the role of carers:* the United Kingdom has enacted specific carer legislation which recognises the role of carers and makes provision for an assessment of their needs and resources and services required to provide care. Other countries have revised existing legislation to include support for carers. Australian legislation does not give carers a right to an assessment of their needs or access to services.

- > *Workplace arrangements:* Internationally some developed countries have some form of legislation that assists carers to vary their working arrangements, usually a Right to Request flexible working arrangements. In Australia, carers of older people and of adults with disability currently do not have this right. Many countries also have both paid and unpaid leave policies for carers.
- > *Other mechanisms to support employed carers:* Carer credits specifically for carers of older people or people with disability (whereby carers are credited with pensions contributions whilst caring) have been introduced in a number of countries, including Germany, UK, Ireland and the Czech Republic. In some countries, for example Belgium, employees can take breaks from work of up to 12 months for a number of reasons, including caring responsibilities. The Belgian model of ‘time-credits’ can be taken on a full-time or part-time basis.

## Policy implications and avenues for further research

A vision for Australia’s mature aged women carers needs to encompass an integrated system of supports that recognises mature aged women as citizens with entitlements to choose to provide care and to choose to engage in paid work. Fundamentally, these choices should not be posed as mutually exclusive alternatives.

A comprehensive suite of supports for mature aged women carers would cover the following domains:

- > Recognition of care through conferral of rights as a carer, including through strengthening anti-discrimination legislation for those with caring responsibilities and establishing a statutory right to a carer’s assessment of their needs, with a particular focus on whether the carer seeks to remain in employment or re-enter employment.
- > Workplace mechanisms, including more flexible work options and enhanced paid and unpaid leave options and opportunities for career breaks.
- > Workplace culture, including recognition of, and support for, flexible work as the norm.
- > Income support, pensions and superannuation benefits, including credits in the superannuation system for employees with caring responsibilities.
- > Support services including community care, disability care and aged care services to provide options to facilitate carers participating in employment, ie to move beyond support of carers in their caring role to facilitation of employment/ care combinations.
- > Training, re-training and education, in particular tailored support and employment services for mature aged women to remain connected with and re-enter employment during and after time spent caring.

The integration of policies for carers could be supported by:

- > Building on the development of the *National Carer Strategy* to establish an interdepartmental network of key departments to develop mechanisms for public and service sector employers to be given obligations to recognise and support carers.
- > Developing a carer identification and linking tool such as a ‘Carer Card’, which would be provided to a carer at the first point of contact with health, aged care or disability services to link carers to support options and would include a carer’s assessment of their service requirements. This would be linked with the conferral of obligations on health and various community services providers to ensure that services for carers are available, appropriate and accessible, obligations not currently a feature of the *Carer Recognition Act 2010* (Cth).

The overall approach of these two proposals would aim to raise carer awareness and carer recognition in all sectors so as to link carers with supports that may provide opportunities to participate fully as citizens and expand their choices to make transitions from care to paid work, and to combine employment with care, over the life course. This would enable the over-arching principles of ‘recognition, rights and redistribution’ to be embedded in policies for carers participating in multiple domains.

The authors recommend further research to:

- > explore the reasons for the persistence of gendered patterns of employment and care-giving across the life course
- > examine, in the Australian context, mature aged carers’ access to, and use of, flexible working arrangements and employer responses to the issues faced by mature aged carers
- > undertake further analysis to identify whether specific combinations of caring and employment are associated with social inclusion outcomes, how these vary over time, and whether mature aged women carers are specifically disadvantaged on these measures compared to carers in general and mature aged male carers.