

A Lack of Fair Sharing - the Care Economy

Lifelong Economic Wellbeing for Women in Australia research (2015) was undertaken by economic Security 4 Women as part of an informed dialogue to ascertain the perceptions of and issues of Australian women concerning to their economic empowerment and wellbeing throughout every decade of their lives. It reveals the fiscal challenges and/or opportunities that impact women economically, including the cumulative effects of sometimes intersecting advantage and disadvantage on lifelong personal wellbeing and financial security.

A series of eS4W Discussion Papers address key areas that emerged through women's narrative in the survey including the implications and impacts of divorce, violence, and parenting on women in the workforce, and for women wishing to re-enter the workforce.

This discussion paper is on the care economy and women's lifelong economic security is drawn from Stage 1 (e-Survey and consultations) and Stage 2 (Draft Discussion Papers and Roundtables) of the economic Security for Women Lifelong Economic Wellbeing for Women in Australia research (2015) results. This section builds on eS4W previous studies such as Workplace Gender Equality, Scoping the Australian Care Economy, A Gender Equity Perspective, and Counting on Care Work in Australia.

For the purposes of this discussion paper, eS4W defines the care sector as "the total (paid and unpaid) labour required to meet the needs of children to be cared for and educated, everybody's physical and mental health that requires attention, and the needs of individuals who require assistance with the activities of daily living because of illness, age or disability" (Albelda et al., 2009, p.4)¹. The care sector is comprised of paid care, unpaid care and government investment in the care sector.

Extended interruptions in work due to caring requirements generally results in women unable to return to their previous level of expertise or salary grade. Some women are forced to move into part-time or casual work which are invariably at much lower rates of pay. Further, that women feel compelled to take on the primary caregiving roles only serves to compound their financial security and economic welling in later life.

The ongoing cultural and social acceptance that caring responsibilities are primarily women's work, is both irrelevant and unsustainable in the 21st century. There are more highly-educated women graduating from tertiary institutions; more women seeking a life-long career; more women seeking independence through full-time work; and more women making financial decisions and choices around housing, education, travel and in the pursuit of other interests.

It is generally found that women in later life uphold the unpaid work of the voluntary sector, by providing caring for their immediate family, or by providing their time and service to the wider service sectors and charities.

Background Facts & Figures – the cost of the Care Economy

In a Deloitte and Carer Australia study (2015)² it was shown that over 1 in 8 Australians (2.86 million people) are estimated to be providing informal care. Of this, 2.86 million, approximately 825,000 informal carers are 'primary carers';³, that is people who provide the majority of the recipient's care. The study also shows, in absolute terms, there are approximately 10,000 fewer carers in 2015 than there were in 2010 mainly due to a declining propensity to care. The composition of carer types among carers

¹ Albelda, R. et al. 2009. 'Counting on Care Work', *Human Infrastructure in Massachusetts*. Available from: http://countingcare.org/documents/counting_on_care_web_0909.pdf. As quoted in eS4W 'Counting on Care Work' (2012) <http://www.security4women.org.au/wp-content/uploads/eS4W-Counting-on-Care-Work-in-Australia-Final-Report.pdf>

² Deloitte and Carers Australia Study 'The economic value of informal care in Australia in 2015' <http://www.carersaustralia.com.au/storage/access-economics-report-2015.pdf> Last accessed 23 February, 2016

³ A primary carer is the person who provides the most informal assistance to a person with a disability, specifically related to one or more of the core activities of mobility, self-care and communication (ABS, 2014b).

has also changed. There are 285,000 more primary carers in 2015 than there were in 2010 and 294,000 fewer non-primary carers.

The Deloitte and Carer Australia study (2015) also states that informal carers provided an estimated 1.9 billion hours of care. This is equivalent to each carer providing 673 hours per year or 13 hours per week. If all hours of informal care provided in 2015 are replaced with services purchased from formal care providers, the replacement value of informal care would be \$60.3 billion (equivalent to 3.8% of gross domestic product and 60% of the health and social work industry).

With an aging population and current trends, it is predicted that the demand for carers will outweigh the supply of informal carers. By 2050 it is estimated there 'will only be 2.7 people of working age to support every person aged 65 or over' (compared to 5 working age people per aged person people available in 2010)⁴.

The majority of informal carers are female and predominantly fall within the age range of 25- 64 years.

The Gendered Implications of the Care Economy in Australia

In Australia, women constitute the majority of primary paid care providers, with approximately three times as many women employed in the paid care sector as men. Latest figures show that average paid care sector worker earns 96 cents for every dollar earned by the average Australian worker⁵. Women in the paid care sector earn 84 cents for every dollar earned by their male counterparts. This does not reflect pay discrepancies for males and females in the same roles, rather it reflects the number of males in higher level (and higher paid) roles.

In the unpaid care sector, the emphasis of care still remains predominantly with women. What was noted through the eS4W '*Lifelong Economic Wellbeing for Women in Australia*' research (2015) is that women are impacted by caring in multiple and intersecting ways. Care for children, children's children, aging parents and aging parents-in-law as well as those with disability were listed among key challenges for women, especially for those who are further challenged by being older women trying to access work.

Australia is a multicultural society, with an increasingly diverse population; attitudes to informal and formal care are mixed. The Productivity Commission (2011) reported that older people from culturally and linguistically diverse backgrounds exhibit a significantly lower use of residential aged care, suggesting a preference for care that is sensitive to their cultural needs and preferences. There is little data currently to inform on aging populations in LGBTQI communities. Disability remains a key factor in the care economy.

Despite key Commonwealth, State/Territory and local government investment in the Care sector, estimated at around \$135.9 billion (2012), women remain the primary unpaid care providers; women are more involved in voluntary activities and undertake the greater share of domestic duties. Women are likely to also undertake child caring duties and household duties while men are more likely to perform maintenance duties around the house. In the eS4W '*Lifelong Economic Wellbeing for Women in Australia*' research (2015) from over 5000 comments on a national survey, having to care for children without flexible workplace practices and other support services, is a key barrier to entry or engaging with work. Alternative care to home care is still reported as too costly and often not adequate to the needs of the person requiring care (ABS, 2014b⁶).

Since 1978 the female labour force participation rate has slowly increased from 43.4% to 58.5% (ABS, 2015a⁷). There is a government commitment to increase women's representation in the workforce by 25% by 2025

Past history has shown that the increase in numbers of women in the workforce both reduces the hours available to provide care, and equates to a growth in women taking up part-time, and casual work that may be more conducive to informal caring arrangements (Productivity Commission, 2011⁸). Cost of

⁴ iii Commonwealth of Australia (2010), *Australia to 2050: Future Challenges*, January 2010, Barton, ACT.

⁵ eS4W 'Counting on Care Work' (2012) <http://www.security4women.org.au/wp-content/uploads/eS4W-Counting-on-Care-Work-in-Australia-Final-Report.pdf> Last accessed 23 February, 2016

⁶ 2014b, *Caring in the community, Australia, 2012: summary of findings*, 2012, ABS Cat No 4436.0, Australian Government, Canberra.

⁷ Australian Bureau of Statistics 2015a, *Labour force, Australia, April 2015*, ABS Cat No 6202.0, Australian Government, Canberra.

⁸ Productivity Commission 2011, *Caring for older Australians*, Australian Government, Canberra.

care providers remains high and at times inadequate to the needs of the person requiring care. Many carers remain unaware of available supports and services. Health risks and a prioritization of the health and well-being of informal carers may encourage greater use of respite services.

Concerns / Recommendations

The emphasis of care remains predominately with women and the **nature and diversity of care is growing**. Women are now impacted by caring for children, elderly (parents and parents-in-law), those with disability and more increasingly caring for their children's children.

Formal and informal carers provide a significant contribution to the health and wellbeing of Australians in need of support and assistance. Women bear the brunt of responsibility for care work.

With current trends in Australia (aging population, lack of flexible work practices, lack of affordable, accessible childcare, and increased financial need for dual-parents working) and International obligations, such as 25 x 25, greater recognition and awareness of carer demographics and preferences will ensure that approaches to health, disability and aging policies undertake a holistic approach, and are responsive to the needs of carers and care recipients equally.

Given Australia's increasingly diverse population, better sex and gender disaggregated data is required to understand and consider the implications of this in the care economy. More informed policy making might be achieved from considering these implications. While there has been some advances in legislation and policy around flexible practices, for many this still remains a key challenge. Greater recognition and acknowledgement of carers is needed to make a cultural shift in thinking and practice.

Limited awareness among carers of available support and low utilisation of respite services suggest more work can be done to improve accessibility to services and promote awareness of their existence. Consideration needs to be given to women accessing part-time and casual work due to caring responsibilities. Avenues and opportunities for better paid, flexible work force practices needs to be further investigated and acted upon.

The low value placed on care work is an incentive for paid carers to reskill and look for better- paid work, leaving a gap in the supply of care. Using a market model, better pay and conditions for care workers, and more incentives to move up the chain of responsibility, should lead to an increase in supply and improved access to alternative care arrangements that will encourage more women – who are currently caring – into the workforce with a positive impact on productivity.

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economic Security4Women (eS4W) is a national women's alliance, funded by the Australian Government through the Office for Women in the Commonwealth Department of Prime Minister and Cabinet. eS4W is one of five National Women's Alliances.

It is an alliance of women's organisations united in the belief that economic wellbeing and financial security are essential for women and will enable women of all ages to have an equal place in society.

A key function of eS4W's remit is to source the views, issues and concerns of Australian women on matters that affect their lifelong economic wellbeing and financial security.

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