

# Explore and implement a Carer's Credit framework in Australia's retirement income system

Unpaid caring is not economically valued and women continue to bear the workload of unpaid care in Australia. On average, women spend 64% of their 'working hours' with no remuneration, in comparison to 36% for men[1]. Women represent 70% of unpaid primary carers for children and 56.1% of unpaid carers for the elderly, people with a disability or those with a long-term health condition[2]. Centrelink does make a carers payment, but many carers are not currently entitled to it, despite needing financial support [3].

A key factor behind the gender super gap is that women take on average five years out of the workforce to care for children or family members which can cause their super savings to stagnate and fall behind those of men. One of the most critical levers for addressing the super gender gap is recognising and valuing the unpaid caring work, which is undertaken predominantly by

women. Unpaid caring roles should be valued in an appropriate way that recognises the economic contribution made by this work - caring credits can do this. This will close the super gap by increasing women's balances and by bringing them more into line with the necessary amount. This change will also help to provide for a fairer retirement system and would improve the retirement experience of women by recognising the incredibly important economic and social contribution they make through unpaid caring work.

## References

[1] WGEA, n.d. <https://www.wgea.gov.au/sites/default/files/documents/australian-unpaid-care-work-and-the-labour-market.pdf>

[2] ABS, 2012. <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/D9BD84DBA2528FC9CA257C21000E4FC5?opendocument>

[3] Services Australia, 2021. <https://www.servicesaustralia.gov.au/carers-payment-rules-for-carers?context=21816>



*Women represent 70% of unpaid primary carers of children*