

The boomers' future: who cares?

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One of the greatest instances of privatisation and government "outsourcing" has hardly registered on the public's consciousness. Yet it affects many families and will affect many more in coming years. It will create problems and burdens for many people - which means it will come back to haunt the politicians.

It's the trend to "deinstitutionalisation" in which children with disabilities, including those who've become adults, and the frail aged are cared for in their homes rather than being packed off to institutions.

It's a great idea. The people involved usually much prefer to stay at home. And it saves the taxpayer a fortune.

There's just one, small problem: it imposes an enormous burden on the family member who feels obliged to become the disabled person's "informal" (read: "unpaid") carer.

In tightly defined circumstances the Federal Government makes a heavily means-tested carer's payment to some people and a carer's allowance to others, but they're hardly generous and take no account of the extra out-of-pocket costs of caring for people at home.

In principle, the state governments help with respite care and other support services, but in practice resources are spread very thinly and you get only a fraction of the help you need.

Within families, the responsibility for providing the informal care tends to fall on mothers, daughters and wives. Which makes it a feminist issue with similarities to the need for child care - although it gets far less attention than the problems faced by younger women.

That, however, is set to change. We've reached the point where the baby boomers are having to look after their ailing parents and it won't be too long before the boomers themselves will need caring for. Every problem that affects the baby boomers gets moved to centre stage.

But there's more to come. For a start, the ageing of the population means we'll see enormous growth in the number of elderly people requiring in-home care.

For another thing, baby-boomer women are more likely than earlier generations to be in paid employment and less available to become carers. That's even truer of the boomers' daughters.

And then you've got the likelihood that the retirement of the baby boomers and longstanding decline in the fertility rate will mean much slower growth in the working-age population and lead to a general shortage of labour.

That means slower growth in the economy. As you know, the Government has big plans to counter this slowdown. It's trying to encourage people to retire later, even if they just stay on part-time.

And, particularly when John Howard's successor as prime minister doesn't share his old-fashioned notions about mothers staying at home, we'll have a big push from the government to make better

use of our well-educated women in the paid workforce. A lot of women working part-time could be full-time.

Do you see where this is leading? On the one hand we'll have a lot more elderly people needing informal care. On the other, we'll have a shortage of labour and a lot more pressure on daughters (and sons) to be fully employed in the paid workforce.

So the ageing of the population will set up a conflict: a lot of women - and increasingly perhaps, men - will be torn in opposite directions. Whichever way they jump, the government will have a problem.

The trouble is that it's hard to do paid work and be a carer at the same time. To shed more light on the problem, Professor Michael Bittman, of the University of New England, and two colleagues from the Social Policy Research Centre at the University of NSW, Dr Trish Hill and Cathy Thomson, have examined the work experience of carers of working age.

Their survey of other research shows that informal carers provide more than three-quarters of all the care that enables people with disabilities and older people to remain at home.

About 90 per cent of people aged under 65 in need of continuing assistance receive help from family and friends, whereas only a quarter receive care from formal care providers. (Obviously, some people receive both.)

All the informal care provided is equivalent to 1 million full-time jobs. Access Economics has calculated that, in 2005, the value of the earnings forgone by informal carers totalled \$4.9 billion a year.

Turning to their own research, Bittman and his colleagues find that about half the carers with intensive care responsibilities (that is, more than 20 hours a week) are not in the paid labour force, whereas only 15 per cent of people without care responsibilities aren't in the labour force.

For people with medium care responsibilities (between five and 20 hours a week) the proportion not in the labour force ranges as high as 35 per cent.

So clearly, it's hard to be a carer and have a job. It's particularly hard to have a full-time job. No more than 15 per cent of people providing intensive care are employed full-time.

And whether people are providing intensive, medium or light care, less than a third manage to work part-time. It follows, of course, that the earnings of carers are a lot lower than they otherwise would be.

Using the Household, Income and Labour Dynamics Australia survey, Bittman and his colleagues are able to track the experience of particular carers over time.

They found that 12 per cent of women and 6 per cent of men had been an intensive or medium carer between 2001 and 2004.

But this study hasn't been going long and that's quite a short period. Similar research in Britain suggests that, over 12 years, about 40 per cent of working-age individuals will provide informal care for at least a year.

The Australian study has found the longer people go on providing care, the less likely they are to have a paying job. But it hasn't been going long enough to confirm the finding of overseas studies that once people's caring responsibilities end - and they do end - they don't make it back into a paying job quickly or easily.

The answers to these problems don't seem obvious or easy, either. But it would be better for all concerned if more could be done to help carers keep a foot in the paid workforce.

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