There has been much talk in recent weeks about changes to superannuation. That's of great interest of course to Australian workers. But there is one large section of the Australian population for whom superannuation itself is a pipedream. I'm talking of course about carers.

In this election year I want to suggest to you that you make carers' superannuation an issue you talk about to your local members and election hopefuls.

While some carers manage to combine some work and caring responsibilities many can't. Many carers are forced into poverty because they can't work and care at the same time. They have very little (if any) superannuation. Some carers can return to the workforce after caring responsibilities end, although a return to work after years out of the workforce is almost impossible for most. Many carers continue to care until they are in their eighties - no retirement or superannuation benefits for them. Many carers find that after caring ends when they are in their 50s they are left without the Carer Payment, no job opportunities, outdated skills, no old age pension. They are desperate.

And the evidence is plain to see. Elizabeth Broderick, Sex Discrimination Commissioner, in her paper *Accumulating poverty? Women's experiences of inequality over the lifecycle* (2009), states:

In 2003, there were 2.5 million carers who provided some assistance to those who needed help because of disability or age. A large majority (71%) of primary carers were women. Women also commonly become carers earlier in life, compared to men. This has implications for the accumulation of superannuation early in the lifecycle, which then has a consequence for the benefits flowing from the maturation of those contributions.

Research shows that female primary carers aged 30–64 have markedly lower rates of paid workforce participation than other women in the same age group. The inability to participate fully in the paid workforce due to caring responsibilities has significant consequences. These include working fewer hours; receiving lower income during their working years; experiencing higher levels of financial stress and possessing a much reduced ability to invest towards retirement. This is of particular concern given research suggests that women who were providing care for someone had increased odds of themselves being early retirees…

…Research indicates that approximately 25% of all Australian women in their fifties are carers of other people. This reduction in the capacity of older women to participate in the paid workforce is yet another financial penalty for undertaking caring responsibilities…

…A key challenge for carers participation in the paid workforce, and their subsequent benefit from the retirement income system, is the fact that workplaces do not reflect the reality of their caring responsibilities, which may occur at any point in the lifecycle. Central to this, is the assumption in public policy and workplaces that employees only require flexibility and support for the care of children. Take for example, the Federal Government's National Employment Standards (put forward as a key 'safety net' element of the revised workplace relations system). The standards did not expand the right to request flexible work arrangements to broadly recognise caring responsibilities, but limited it to parents of children of school age. The lack of flexible work arrangements available for all types of caring and limited protection from discrimination on the basis of carer responsibilities present major barriers for carers. This has consequences for their financial security both at the time of caring and into the future.

Aboriginal and Torres Strait Islander women are also more likely to be carers, compared to non-Indigenous women. This adds a further financial penalty to their already disadvantaged position in the paid workforce…

…Similarly to the care for children, other forms of care do not enjoy the value or status of paid work, despite the significant contribution this care makes to the well-being of the community and the support it provides to the national economy. It is estimated that in 2005, informal carers provided approximately 1.2 billion hours of care at an estimated replacement value of $30.5 billion. Yet, this work is not recognised or rewarded as work in the retirement income system. Instead, those who undertake unpaid work are presented with a financial penalty, leaving carers significantly vulnerable to poverty in retirement.

How do we move forward?

Following the publication of the Australian Human Rights Commission report *Investing in care: Recognising and valuing those who care,* Broderick suggested, *We should examine a system of "**carer credits**" – direct credits paid by the government to the superannuation accounts of unpaid carers at the end of each tax year. We also should consider a supplement to the age pension for people who have already made substantial contributions to unpaid care during their lifetime.*

Stephen Bowles, Carers NSW Board member, suggests one way through this caring-leads-to-poverty situation for some carers: *Carers who are out of the workforce because of their caring responsibilities are not in a financial position to contribute to superannuation during that time. If the caring responsibility ends and the carer returns to work they have obviously missed out on years of opportunity to make contributions.*

The reduced capping of annual concessional contribution limits, even for over 50s, means that a carer is unreasonably disadvantaged in building up a sufficient superannuation balance to live on.

The 2012 budget allowed companies to carry back current year losses against taxes paid in earlier years and obtain a refund of those taxes.

In this light, it would be reasonable that a carer who has been unable to make contributions to super for several years is able to accumulate and carry forward their deductible contribution limits for those years to the years when they can make contributions. So, for example, a carer unable to contribute for five years would accumulate the right to make $125,000 in deductible contributions.

This potential initiative for those carers out of the workforce for a finite period of time may do nothing to help carers who care for 20, 30 or 40 years but it would be a start in recognising that all carers are being denied what other Australians take for granted – superannuation.

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