

Submission No. 985

(Inq into better support for carers)

1 July 2008

Committee Secretary
Standing Committee on Family, Community, Housing and Youth
PO Box 6021
House of Representatives
Parliament House
CANBERRA ACT 2600

I request that this submission be treated as "name withheld" but I consent to it being published. I am available to appear before the committee if there are public hearings.

I am the carer of my spouse who has a progressive chronic disease and who has retired on invalidity grounds from a senior position in the Australian Public Service.

I believe I represent many carers who are currently not identified as needing assistance in their role.

The person I care for has been assessed as requiring ongoing care and I receive the Carer allowance of \$50 per week but we have no other benefits. I remain ineligible for the carer payment as my spouse receives a Comsuper invalidly pension and I have turned 55 this financial year and was put in a position where I needed to claim my deferred Comsuper pension which pays me only \$400 per fortnight gross, plus interest puts us just over the income threshold. Our assets remain under the new asset threshold for a couple.

As my spouse is under 60 his Comsuper pension is taxed and he receives only a small rebate each year at tax time. Without any healthcare card or other concessions we find that our income which is seen to be a reasonable, does not provide us with a standard of living, for two people who have raised a family, always paid taxes, participated in the workforce, the community as volunteers, as well as carefully managed our assets and saved hard for many years.

Unlike planned retirement we had no time to consider or place our assets into areas that would most benefit our long term retirement plans. My spouse paid full tax on his accrued annual leave and superannuation the year he retired. He receives a Comsuper pension calculated at the percentage for a person retiring aged 65 years however this amount does not take into account that he did not have another 15 years of additional contributions when he retired aged 50 with 32 years as a contributor.

Since my spouse retired unexpectedly 7 years ago I have only had casual employment as a health professional and have not been able to work at all for the past two financial years as he requires continual 24 hour supervision to prevent falls as well as requiring assistance with a number of activities of daily living.

For younger persons retired on invalidity and their spouses, there are few groups or venues to attend as the majority cater for older couples or single persons only.

Our day to day expenses account for most of the Comsuper pension which is fully taxed apart from a small yearly tax rebate as he is less than 60 years. This interest and a reasonable amount of our investment capital has been used for improvements to make our home disability friendly, a new vehicle to fit a fold up wheelchair and a small scooter in and the additional medical costs incurred due to chronic illness.

If we access any help we are expected to pay full commercial rates and many tradesmen and medical providers over quote knowing that you have no alternative but to use them.

On the advice of Peter Costello we transferred nearly all of our assets into an industry superannuation fund last year which unfortunately only permits the change in asset class once a month. Resulting from this we like many other superannuants sustained losses in January 2008 and have actually lost capital this financial year.

In real terms our income for the past financial year like many other Australians who chose superannuation products instead of mainstream investment, is actually less than we received through our Comsuper pensions yet as there is no way to claim this loss we still remain ineligible for Government benefits.

I believe there are many Australians in the same circumstances as we are. We are self funded invalidity retirees who have additional household and medical expenses that are constantly overlooked by those who provide benefits to the general Australian community at a time of chronic illness.

I find it inequitable that the Australian Government provides Fluvax to over 65 regardless of health income asset or work status yet ignores the chronically ill, other invalidity retirees and their carers who are at constant risk of infection as they accompany the persons they care for when they seek medical treatment. As they are deemed to have income and assets over a certain level.

This inequity is also evident in that over 65 receive generous taxation concessions regardless of their income or assets as well as a concession card.

I make it clear that I have a happy marriage and am happy caring for my spouse but I did not choose to be a carer let alone a full time one. I became one without any notice one day when my spouse was no longer able to attend work due to an exacerbation of his condition due to work stress, resulting in greater physical incapacity. He was unable to return to work and was subsequently retired on invalidity without any Comcare benefits as his CEO chose to deny liability. By caring at home I am saving the Australian Government far more than it would cost to pay me the Carers Pension.

To assist carers I submit the following proposals:

1. **A formal assessment process undertaken to identify the circumstances of carers and make care payments allowances available due to set categories.**

Assessments need to include home visits and interviewing of all carers and or relatives known to be involved in the care and personal and financial matters of the person being carded for.

2. **For carers who are categorised as having a full time caring role preventing them from participating in the workforce. The Carer Payment be paid tax free with entitlements to health care card and other allowances and not subject to reduction from deemed income from investment or assets.**

The deeming rate could be applied for any additional income from assets acquired as gifts or inheritances after granting of the Carer Payment.

For carers who are assessed that the caring role allows them to participate in the workforce this allowance would be adjusted according to the hours of care provided and the rate of their ability to participate in the workforce. This would apply regardless of whether they worked or not. For those who chose not to work the Income Asset test could be reapplied.

This test could also apply in some form for eligibility for the Carers Allowance.

3. **Carers with spouses who require full time care at home to be eligible to split their income for taxation purposes in addition to both being eligible for a health care card and concessions.**
4. **Carers and their spouses who require full timer care should be eligible for taxation concessions and benefits at the same rate of those who are 65 years.**
5. **Access to a Carer Centre that provides Support, Education, Referral, Legal & Financial advice for the Carer in addition to limited advice in regard to the legal affairs of the person they are caring for.**
6. **Power of Attorney & Guardianship, Aged Care Assessments and Public Trustees should be removed from the States into a single Federal Agency.**

Some of these concessions could also apply to carers who are assessed as continuing to provide essential care to persons who are in hospital, hospice, hostel, nursing home and other residential care.

The caring role does not cease on entry to these facilities and sometimes brings about a complete change in personal and financial circumstances leaving the carer in dire financial circumstances as the emphasis is funding the person in residential care.