



# **2025-26 State Budget Submission**

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## Introduction

Most of us will become unpaid carers at some point in our lives, providing care for a family member or friend who is impacted by illness, disability or older age related frailty.

One in eight Victorians are unpaid carers and this number is growing. Between the 2016 and 2021 census, there was a 22% increase and as our state's population continues to grow and change, we anticipate there will continue to be significant growth in carer numbers.

Unpaid carers play a crucial role in our community, contributing over \$77.9 billion in unpaid hours of care to the national economy, preventing unsustainable demand for services and underpinning the ongoing viability of Victoria's health and social support systems.<sup>1</sup>

Yet it is a particularly challenging time for Victoria's unpaid carers. Two major data releases in 2024 -the Carer Wellbeing Survey and the National Carer Survey, presented alarming statistics about carers being disproportionately impacted by the cost of living whilst struggling to maintain their paid employment (where relevant), general health and wellbeing.

Qualitative data indicates carers often feel isolated when confronting the significant challenges that are part of their day to day lives, that they and their contributions are invisible and that their needs are not considered by governments and service providers.<sup>2</sup>

1. Deloitte Access Economics (May 2020) The value of informal care in 2020, accessed 11 December 2024: [https://www.carersaustralia.com.au/wp-content/uploads/2020/07/FINAL-Value-of-Informal-Care-22-May-2020\\_No-CIC.pdf](https://www.carersaustralia.com.au/wp-content/uploads/2020/07/FINAL-Value-of-Informal-Care-22-May-2020_No-CIC.pdf).

2. Further details about these survey results are included at the end of this submission – Key facts about Victorian carers.

- Just 19% of carers reported good or excellent health.
- Less than 12% of Victoria's carers felt that their caring role was recognised or valued by government.

## Carers are Struggling on a Number of Fronts

- Carers' health and wellbeing is consistently much lower than those who do not have care roles.
- Carers are experiencing high levels of financial stress and are unlikely to have financial reserves to endure unexpected shocks or expenses.
- Carers experience significant social isolation at twice the rate of those who are not in care roles.
- Carers can miss out on opportunities for social connection because they can't afford them.
- An increasing number of carers are working less than they wish.

# A Strategic and Measured Approach

Many of Victoria's unpaid carers are struggling and need help now. If collectively we can't sustain them, they will be unable to continue vital support for the people in their care relationships. Not only will this negatively impact the lives of care recipients and carers, but it will also result in an unsustainable increased demand for, and cost of, support services.

However, we recognise the challenge for governments in developing budgets in a fiscally restrained environment. This submission addresses both these priorities by providing evidence based, scalable investment options that would make a significant difference to the lives of Victoria's unpaid carers now, while also laying the foundations for a system of supports that will help meet their future needs.

Three initiatives are proposed for investment in the 2025-26 state budget totalling \$11.94 million over 4 years (\$7.08 million in 2025-26):

- A one-off, financial relief package for Carer Card recipients to provide practical financial assistance in the short term, benefitting 30,000 carers, alongside targeted work with industry to grow the number of benefits for Carer Card holders (\$5.46 million over 1 year)
- An early intervention program for new carers that aims to equip carers to sustain themselves in a longer-term caring role, rather than waiting until they are in crisis and need immediate help, benefitting 1600 carers (\$2.48 million over 4 years)
- Modest growth in funded respite, benefitting 2000 carers (\$4m million over 4 years).

## **For more information:**

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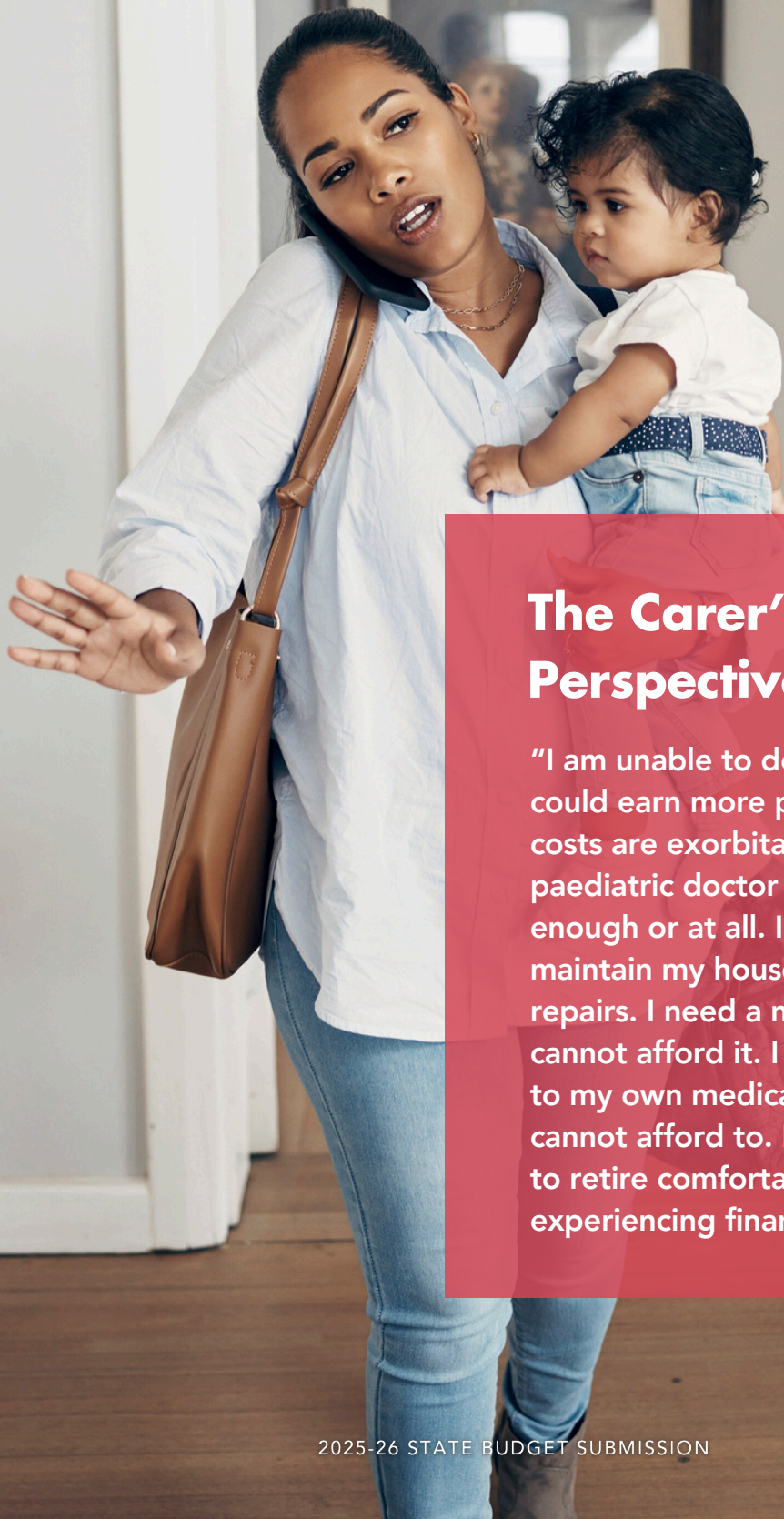
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## The Carer's Perspective

"I am unable to do work that could earn more pay. Medical costs are exorbitant for a paediatric doctor and not covered enough or at all. I am unable to maintain my house and conduct repairs. I need a new car, but cannot afford it. I need to attend to my own medical needs but cannot afford to. I will not be able to retire comfortably without experiencing financial difficulties."

# BUDGET PROPOSAL ONE

## Cost of Living Relief for Carers

- 62% of unpaid carers in Victoria experience financial stress.
- For every year someone is a primary carer they will lose an average of \$39,600 in lifetime earnings and \$17,700 in superannuation savings.

Cost of living increases have a disproportionate impact on unpaid carers. Recently released data from the 2024 National Carer Survey found a major increase in the proportion of Victorian carers experiencing financial stress (62%), up 6% since 2022.<sup>3</sup>

These pressures are particularly acute for those carers whose caring role means they have limited capacity to participate in paid employment.

A one-year package of financial relief for holders of the Victorian Carers Card will provide important recognition for the role that carers play and help those who are really struggling to make ends meet.

Drawing on the approach adopted for the Thanking Victorian veterans with cost-of-living relief budget package in the 2024/25 State Budget, this would combine reductions on car registration, annual Victorian Parks membership fees as well as assistance with hospital car parking fees to provide short term relief for up to 30,000 unpaid carers in 2025-26.

This initiative will also include proactive work with industry to help grow the number of benefits available to Carer Card holders and improve recognition of carers across all parts of our community.

Carers Victoria encourages the Victorian Government to also consider incorporating Carers Card holders as a target group for other financial relief packages that may be under consideration for the 2025-26 budget.

**Budget impact: \$5.46 million for up to 30,000 unpaid carers in FY 2025-26.**

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3. Carers NSW 2024 National Carer Survey, Summary tables for Victoria.

## The Carer's Perspective

"We finally found [some support] after 18 months of not knowing anything about it. Again, it's the lack of information out there. Even GPs aren't aware of the services that are available."



## BUDGET PROPOSAL TWO

# Intervening Early – A Program for New Carers

- 25% of Victorian carers reported high or very high levels of psychological distress.
- 37% of Victorian carers report high levels of loneliness, almost twice the level of those not in care roles.

Care relationships often start unexpectedly. Carers are focused on ensuring that the person with care needs has the support they need. Providing practical support and navigating complex support systems can become all consuming. Carers don't stop to think that the support they provide is more than would be typical of other relationships.

Carers have told us that it is only after they experience significant impacts to their own health and wellbeing, which can be five or ten years into their caring role, that they recognise they are a carer.

Identifying unpaid carers earlier, connecting them to support for their own health and wellbeing, and helping them navigate services will lead to better outcomes for carers and for people receiving care. Sustainable care relationships also avoid the need for costly intervention by health, mental health or other support services.

Carers Victoria has extensive experience providing services and supports for unpaid carers and can leverage our extensive carer networks, expertise and local infrastructure to deliver this program.

Funding this initiative would enable a suite of educative modules to be developed and delivered through a therapeutic small group environment. The aim is to ensure that carers feel seen and heard, as well as practically and emotionally supported.

An initial cohort of 1600 unpaid carers would participate in the program over the four year funding period, with targeting to high priority groups enabling solid evaluation of how the program can best be tailored to different segments of carers and different geographies.

**Budget impact:** \$0.62 million in FY 2025-26, \$2.48 million over 4 years, benefiting 1600 unpaid carers.





## **The Carer's Perspective**

**"I got to the point where I was just exhausted and needed a short break from caring for my husband who has dementia, but it was really hard to find respite and I was told it may be a 4 month wait for it locally."**

## BUDGET PROPOSAL THREE

# Expand Access to Carer Respite

Providing direct support to unpaid carers is critical to sustain them in their caring role. However, service utilisation remains low with many unpaid carers experiencing barriers to accessing funded respite.

The 2024 Carer Wellbeing Survey found over 72% of Victorian carers had no access to respite services in the previous 12 months. At the same time, the number of carers continues to grow.

Expanded investment in respite is needed now to build future capacity and address current gaps. This investment will ensure more unpaid carers are supported sooner within their local communities, which in turn will improve carer health and wellbeing while making care relationships more sustainable.

**Budget impact:** \$1 million in FY 2025-26, \$4 million over 4 years, benefiting 2000 unpaid carers.



# Changing the Future for Carers

This ask is just one piece of a broader plan Carers Victoria is seeking to progress to improve our collective understanding of unpaid carers and their access to assistance.

Carers Victoria welcomes the Allan Government's commitment to refreshing the Victorian Carers Strategy and the opportunities this presents to drive life-changing improvements for Victoria's carers. We will continue to contribute to this important work that will play a key role in shaping the future for Victoria's carers.

As part of this, we will continue to invest in activities that we know improve the health and wellbeing of carers, alongside work that will help build an insights-driven, joined-up system that makes it easier for carers to get what they need, when they need it, whoever they are or wherever they live.

*By working together, we can move towards a future where supporting unpaid carers is everybody's business and carers are recognised and celebrated as an integral part of the fabric of our society.*



# Key Facts about Victoria's Carers

## Financial Impact of Care Roles

Over half (62%) of Victorian unpaid carers reported experiencing financial stress in 2024.

Nearly a third had difficulty affording the groceries they usually buy, and 18% often went without heat or cooling in their home to save money.

An increasing number of carers are having to reduce other household spending to afford the costs of appointments and care-related costs for one or more of the people they care for.<sup>4</sup>

Cost of living pressure is exacerbated by limitations on carers' ability to take on paid employment. The Survey of Disability, Ageing and Carers has consistently shown that primary carers are much less likely to participate in the workforce (65%) compared to other carers (80%) and people who are not in care roles (82%).<sup>5</sup>

Additionally, over two thirds of Victorian carers report their caring duties prevent them doing as much paid work as they would like.<sup>6</sup>

Of all carers that were employed in 2024, 40% worked less than 20 hours per week, 27% worked 30-34 hours per week, 28% worked 35-44 hours per week, and only 5% worked 45 or more hours.

Further, the age a person becomes a carer has a significant impact on their lifetime earnings and superannuation. For every year someone is a primary carer they will lose an average of \$39,600 in lifetime earnings and \$17,700 in superannuation savings.<sup>7</sup>

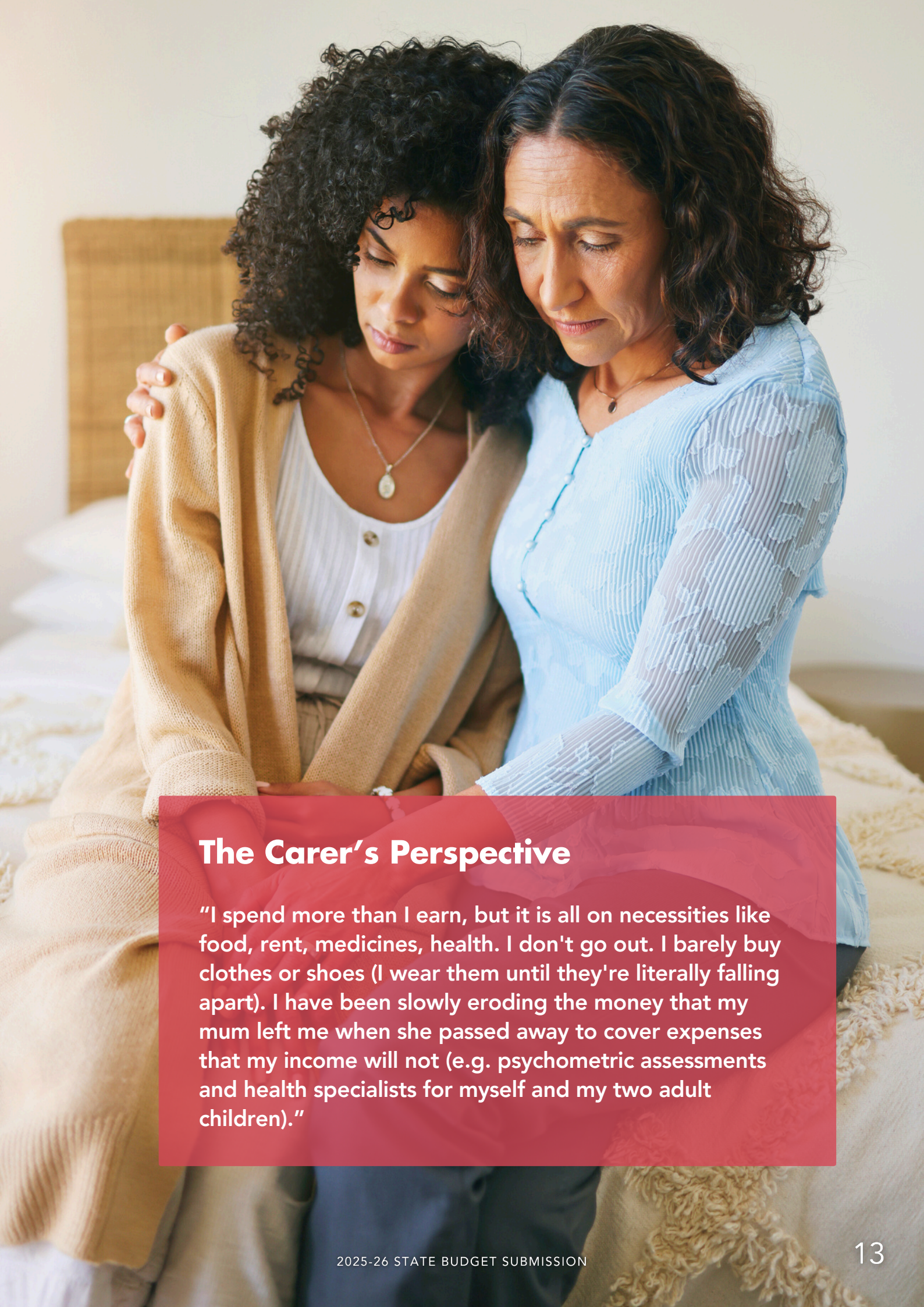
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4. 2024 Carer Wellbeing Survey data tables, version 1.0, October 2024, University of Canberra.

5. Disability, Ageing and Carers, Australia: Summary of Findings (July 2024).  
<https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/2022#carers>.

6. 2024 Carer Wellbeing Survey data tables, version 1.0, October 2024, University of Canberra.

7. Caring Costs Us: The economic impact on lifetime income and retirement savings of informal carers- a report for Carers Australia', 2022 [carersaustralia.com.au/programs/caring-costs-us/](https://carersaustralia.com.au/programs/caring-costs-us/)



## The Carer's Perspective

"I spend more than I earn, but it is all on necessities like food, rent, medicines, health. I don't go out. I barely buy clothes or shoes (I wear them until they're literally falling apart). I have been slowly eroding the money that my mum left me when she passed away to cover expenses that my income will not (e.g. psychometric assessments and health specialists for myself and my two adult children)."

# Mental Health and Wellbeing of Carers

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- A young man in a wheelchair is being pushed by another young man on a beach. The scene is overlaid with a blue tint. The man in the wheelchair is wearing a blue jacket and is looking towards the right. The man pushing him is wearing a striped shirt and is looking down at the wheelchair. The background shows a beach and the ocean.
- Carers continue to report low levels of wellbeing compared to the general population (58% compared to 24% for non-carers).
  - Their general health is also steadily declining. Just 19% of carers reported good or excellent health in 2024, compared to 50% who are not in care roles.
  - They are also twice as likely to report high levels of loneliness (37% of Victorian carers) compared to Australians who are not in care roles.

Given these statistics, and the time and financial pressures experienced by carers, it is not surprising that 25% of Victorian respondents to the 2024 Carer Wellbeing Survey also reported high or very high levels of psychological distress.<sup>8</sup>

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8. 2024 Carer Wellbeing Survey data tables, version 1.0, October 2024, University of Canberra.

# Use of Carer Services and Challenges of Access and Navigation

The way people take on new caring responsibilities is unique to the individual. Sometimes it can happen unexpectedly, or it may be a gradual process, but it is often five to ten years before carers identify as such and realise they need support after experiencing significant health and wellbeing impacts.

While finding support can be difficult for new carers, even those who have been caring for many years are finding it challenging to access and navigate across service systems to find the supports they need, and the situation is getting worse not better. The 2024 Carer Wellbeing Survey found 72% of Victorian carers had no access to respite services in the previous 12 months. The number of Victorian carers reporting good access to in-home overnight respite care dropped from an already very low base line of 20% in 2023 to just 13% in 2024. Access to out-of-home day respite also dropped from 30% in 2023 to 25% in 2024.

Over one third of Victoria's carers reported that they had difficulty finding information and organising services across multiple systems and typically spent many hours per week navigating government support systems (such as Centrelink, NDIS, My Aged Care) on behalf of the person they cared for. The Commonwealth's Carer Gateway website was used to help navigate government service systems by just 45% of Victorian carers in 2024.<sup>9</sup>

## Carer Recognition

Despite their huge contribution to society, and legislative recognition at both state and federal level since 2012, less than 12% of Victoria's carers felt that their caring role was recognised or valued by government in 2024 (a decline from 16% in 2022), indicating that carers are losing trust in governments to help them sustain their caring role.<sup>10</sup>

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9. *Ibid.*

10. Carers NSW 2024 National Carer Survey, Summary tables for Victoria.



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Carers Victoria acknowledges the Traditional Owners of the land on which we work, the Wurundjeri peoples of the Kulin Nation, and pay our respect to Elders past, present and emerging. We acknowledge the continuing connection to land and waters. Sovereignty was never ceded.