



7 March 2024

## Superannuation for unpaid carers: The next logical step.

Carers must be supported to achieve greater economic wellbeing just like parents, according to the national peak body representing unpaid carers.

Carers Australia is calling on Federal Government to improve the wellbeing and economic support for Australia's 2.65 million unpaid carers by adding superannuation to the Carer Payment. It comes after Finance Minister Katy Gallagher confirmed the government plans to introduce legislation ensuring super on government-funded paid parental leave.

While Carers Australia fully supports the move, and applauds the government for its investment, it wants to ensure those whose working lives are interrupted to provide unpaid care, are not left behind.

Data analysis shows a primary carer loses an average of \$175,000 in superannuation and \$392,500 in lifetime earnings, to the age of 67<sup>1</sup>. Some who are carers for extended periods of time will lose substantially more, with the most affected 10% losing at least \$940,000 in lifetime income, and \$444,500 in retirement savings.

As of September 2023, there were 304,480 Australians in receipt of Carer Payment, and the average length of time receiving this was 11.5 years<sup>2</sup> – significantly longer than the average length of time taking paid parental leave.

Providing unpaid care can impact an individual's employment outcomes, and over time affect the superannuation and retirement savings.

Paying superannuation on the Carer Payment would not only contribute to a carer's financial security in retirement but also reduce the demand for future government expenditure on the Age Pension.

Lucy Tatchell, Carers Australia acting CEO, said: "If these changes were implemented by the current Government, we would begin to see real-life benefits for a community in Australia providing at least \$80 billion worth of care services for free to those who need it most.

---

<sup>1</sup> [Caring Costs Us: The economic impact on lifetime income and retirement savings of informal carers](#)

<sup>2</sup> [Data.gov.au](#) – September 2023



“Economically, people who provide unpaid care are likely to earn less than those who do not. It is time we did more for the cohort of carers who have had to give up employment opportunities to provide care and reduce their superannuation deficit.”

ENDS