



Australian Priority Investment Approach to Welfare – Carers

The Priority Investment Approach is a new way of looking at the welfare system. It uses data analysis to provide insights into how the system is working and uses those insights to find innovative ways of helping more Australians live independently of welfare.

What we know

In 2014-2015, there were around 265,000 people receiving Carer Payment.

It is estimated in 10 years, around 40 per cent of those carers will be receiving Carer Payment, with only 12 per cent having left the welfare system.

Young carers

Additional PwC analysis shows that young carers aged 24 and under are particularly vulnerable to the risk of long-term welfare dependency.

Departmental analysis shows that the number of young carers in the welfare system has trebled in the last decade to 11,200 people.

If nothing changes for these young carers:

- Over 60 per cent will be receiving income support payments in 10 years.
- Around 50 per cent will be receiving income support payments in 20 years.

Why?

We know that education plays a large part in the future of young carers. The unfortunate reality presented in Departmental analysis of young carers is that over 60 per cent have not studied beyond high school.

Not finishing their education can lead to young carers becoming welfare dependent—leading to less fulfilling lives with lower career and job prospects.

The Government will spend an estimated \$109 billion on future welfare payments for all people currently receiving Carer Payment over their lifetime.

People currently receiving Carer Payment have an average future lifetime cost of \$411,000 per person.

Young carers are expected to have a higher average future lifetime cost at \$464,000 per person.

Try, Test and Learn Fund

The Try, Test and Learn Fund will seek new and innovative policy responses that support groups identified by Priority Investment Approach analysis as being at risk of long-term welfare dependency.

About Carer Payment

Carer Payment provides income support for people who personally provide constant home care to someone with a severe disability, medical condition, or to someone who is frail aged.