



## **FEDERAL BUDGET 2024-25: WHAT IT MEANS FOR CARERS**



**AN AUSTRALIA THAT VALUES AND SUPPORTS ALL CARERS**



## Carers were not winners out of this Budget.

While we understand the economy is in a difficult phase and there are several competing priorities the Government had to address in this Budget, Carers Australia is disappointed the Budget had only one targeted change for Carers, and some indirect benefit through less targeted measures.

We welcome and praise the measures to stabilise prices in prescription drugs, modest support to Medicare, increased funding to home care packages, more support for the aged care system, investments in Services Australia and the NDIS, a modest increase to Rent Assistance and broad-based tax relief and energy assistance. But these are too little and too late to make a meaningful difference in the lives of the 2.7 million carers who fundamentally underpin the Health, Aged Care and NDIS systems.

In our pre-Budget submission, Carers Australia asked the Government to:

- **Add superannuation to the Carer Payment:** Provide carers with support to achieve greater economic well-being and sustainability by limiting the financial impact of caring on retirement income (not delivered).
- **Review eligibility criteria for carer income support:** Review of the Adult Disability Assessment Tool (ADAT) which is used for the purposes of establishing eligibility for the Carer Payment and Carer Allowance; and replace the '25-hour rule' for those receiving the Carer Payment who wish to work, study or volunteer (partial win).
- **Carer Budget Statement:** Demonstrate the Government's commitment to recognising Australia's 2.65 million unpaid carers by delivering a Carer Budget Statement that outlines targeted investments to recognise and support carers (not delivered).

## Looking ahead to 2025

Carers Australia is working with stakeholders and carers to ensure the National Carers Strategy will be informed by lived experience, will meet the needs and aspirations of all carers, and will drive positive change in the Federal Government. It is our expectation that the 2025 Federal Budget will more fully recognise and support carers to the extent they so fully deserve.

Carers Australia will continue its campaign for a superannuation contribution on the Carer Payment to ensure this comes into line with the Government's commitment to paying superannuation on paid parental leave. In our minds there is no possible justification for the unequal treatment of these two payments.

Carers Australia of course welcomes the return of a Women's Budget. It is our view that if the Government can deliver a Women's Budget Statement, they should be able to deliver the same for Carers.



## WHAT WAS IN THE BUDGET?

**\$29.8 million for 61 Medicare Mental Health Centres.** Clinical capability will be upgraded to ensure every centre can provide free access to a psychologist and psychiatrist and will not require referrals.

**\$77.7 million for Primary Health Networks** which, in partnership with GPs, will be funded to commission the services of mental health nurses, counsellors, social workers and peer workers, to provide ongoing and wrap-around care and care coordination for people with high needs, indeed, in between their GP and specialist appointments.

## WHAT DOES IT MEAN FOR ME AS A CARER?

Both these measures will benefit carers of people with mental health problems and, indeed, carers themselves in need of mental health support, providing they can access these centres.

However, as [Mental Health Australia](#) has commented, the growth in demand for mental health professionals and the shortage in supply requires much more investment and diversification than these measures.





## WHAT WAS IN THE BUDGET?

**\$468.7 million** to support people with disability and get the NDIS back on track.

**\$45.5 million** to establish a NDIS Evidence Advisory Committee to build more evidence about what works for participants.

**\$20 million** for preliminary consultation and design work to help people with disability navigate services.

**\$5.3 million** to undertake preliminary work to reform NDIS pricing arrangements, to help ensure NDIS participants get a fair deal and increase the transparency of how prices are set.

Strengthened governance and advisory arrangements to support the implementation of NDIS reforms.

**\$213.8 million** to fight fraud and co-design NDIS reforms with people with disability.

## WHAT DOES IT MEAN FOR ME AS A CARER?

This was a central pillar of the NDIS review and aims to support a more effective NDIS. Having an evidence advisory committee will allow the NDIS to treat issues from an evidence base and show how vital carers are in the community.

Simplifying the system should make accessing services easier for people living with a disability, which in turn impacts the carers supporting them.

Navigating disability services is a key activity for carers, especially those caring for someone with severe disabilities. We welcome the investment in consultation and urge the government to include carers in the design of a new future service navigation model.

Managing carers NDIS budgets is an important element in the overall NDIS and carer ecosystem. Better transparency around pricing will make the budget setting exercise for carers easier.

Implementing the NDIS review recommendations and ensuring carers are supported is vital for the longevity of the system, carers, and those they care for.

Preventing fraud especially on unsuspecting carers and those they care for is very important especially given how much the NDIS and carers interact daily. In many instances it is carers who are the victims of fraud and suffer the consequences not just financially but emotionally, which in turn reduces their ability to be effective in their carer role.



## WHAT WAS IN THE BUDGET?

**\$531.4 million** to provide an extra 24,100 aged care Home Care Packages in 2024-25.

**\$88.4 million** to continue to attract and retain the aged care workforce (includes funding to grow the home care workforce in regional, rural and remote areas, where workforce shortages are the most acute and support better career pathways for nurses in aged care.)

**\$32.1 million** for improved dementia care

**\$883.2 million** to fund states and territories to deliver:

- programs that help older patients avoid unnecessary hospital admissions and be discharged into a more appropriate care situation sooner if they are admitted.
- hospital outreach services in the community and virtual care services
- training to upskill residential aged care workers to care for older people with cognitive decline and complex care.

## WHAT DOES IT MEAN FOR ME AS A CARER?

There are no specific aged care measures relating to carers in the Budget, although carers will benefit from improved services to those they care for.

Carers will particularly welcome the increase in Home Care Packages to provide some respite from their caring role and responsibilities. Home Care Packages are rationed and wait times to receive packages after assessment can be up to six months or longer. An additional 24,100 packages will make a difference but is still not enough for the growth in the ageing population of people who want to remain in their homes.

Extra funding to grow the home care workforce in non-metropolitan regions will help ensure care workers are available to supply needs as identified in aged care assessments in terms of both quantity and quality.

It is not clear if the transition programs from hospitals to “a more appropriate care situation” includes better support for transition from the hospital to the home. A lot of work is being done on improving transitions between hospitals to residential aged care, but, to the best of Carers Australia’s knowledge, not so much to address the needs of older people and their carers when the person being cared for returns home, which in many cases is accompanied by a significant change in care requirements, much of which will be undertaken by the carer.



## WHAT WAS IN THE BUDGET?

**\$18.6 million** to support Carer Payment recipients through increased flexibility to undertake work, study and volunteering activities.

**Commonwealth Rent Assistance will increase by 10 per cent** to reduce rental stress for income support recipients and those receiving family payments.

**A freeze to Social Security Deeming Rates** - Government will freeze social security deeming rates at their current levels for a further 12 months until 30 June 2025, to support Age Pensioners and other income support recipients who rely on income from deemed financial investments, as well as their payment, to manage cost of living.



## WHAT DOES IT MEAN FOR ME AS A CARER?

After many years of lobbying Government to make changes to what is termed the “25-hour rule”, the changes we have advocated will now be made.

The current 25-hour rule prohibits recipients of the Carer Payment from engaging in employment, volunteering or education for more than 25 hours a week (including travel time).

The change to be introduced (subject to passage of legislation through Parliament) is that the 25-hour rule for employment will be changed to 100 hours over four weeks. This will enable carers to take up more employment opportunities which in some weeks may require them to put in more than 25 hours. Variable shift work, seasonal work and short-term contract work provide some examples. Travel time will not be included in the new 100-hour rule.

In addition, a “grace period” is being introduced for carers who work over the new flexible limit. There will be a six-month suspension period and they won’t lose their eligibility for the Carer Payment as is the case under the “25-hour rule”.

Very importantly, there is now no time limit on volunteering and education.

The increase in rent assistance, which will include Carer Payment recipients, will apply to both social housing and private rentals. This comes on the back of a 15% rise in 2023. While welcome, it still falls far short of the massive rise in rental rates across Australia [New insights into the rental market | Australian Bureau of Statistics \(abs.gov.au\)](#). Even for people receiving a higher level of income support such - as the Carer Payment, the Disability Support Pension and the Age Pension - in some areas their rent will eat up most of their payment.

Deeming rates are essentially the rates at which the government assumes assets held by individuals on social support (such as the Carer Payment, Carer Allowance and Age Pension) have another source of income.

Deeming assumes that financial investments are earning a certain rate of income, regardless of the actual income they generate. Deeming has long been criticised by community sector organisations as it fails to reflect changing economic circumstances as the economy, and interest rates, fluctuate over time.

The freeze should mean more money into the pockets of carers who are affected by this aspect of social security payment eligibility.

Adequate funding and reduced administrative burdens on the community sector should, if fully implemented, mean more money for frontline services for carers and the broader community.



## WHAT WAS IN THE BUDGET?

**\$318 million** for a one-year freeze on the maximum cost of a Pharmaceutical Benefits Scheme (PBS) prescription for everyone with a Medicare card and up to five-year freeze for pensioners and other Commonwealth concession card holders.

**\$11.1 million** - All PBS medicines dispensed by a community pharmacy, public or private hospital, or approved medical practitioner will now be covered by the Closing the Gap PBS co-payment. Eligible First Nations people who are registered on the Closing the Gap database will either get their PBS medicines for free, if they have a Commonwealth concession card, or pay the discounted co-payment of \$7.70 if they don't.

**\$227 million** for additional fully bulk-billed Medicare Urgent Clinics.

## WHAT DOES IT MEAN FOR ME AS A CARER?

The expense of purchasing medications for those they care for can come at significant cost to carers. The five-year freeze on the costs of medicines for Commonwealth Concession Card holders should apply to:

- All Health Care Card holders, noting that carers on the Carer Payment who provides constant care for someone for at least six months or who is caring for someone at the end of life are eligible for the card.
- The Pensioner Concession Card which covers the Age Pension, the Carer Payment, the Disability Support Pension, Parenting Payment (single) and Jobseeker Payment or Youth Allowance if you are single and caring for a dependent child while you are looking for work.
- Commonwealth Seniors Health Card
- Ex-Carer Allowance (Child) Health Care Card for students who had a Carer Allowance Health Care when they turned 16.

First Nation carers and those they care for will benefit from the Closing the Gap measure.

Finding medical services in an emergency at a time, place and cost which meets their needs can be an extremely stressful experience for carers. The addition of 87 bulk-billed walk-in clinics in regional, rural and remote areas which are open seven days a week should make a significant difference for a large number of carers who currently cannot access such services.





## WHAT WAS IN THE BUDGET?

**Disability Employment Services** – \$253.6 million over five years to reform employment services and supports for people with disability, including:

- **\$227.6 million** to implement a new specialist disability employment program to replace the existing Disability Employment Services program
- **\$23.3 million** to establish a Disability Employment Centre of Excellence
- **\$2.6 million** to extend the National Disability Abuse and Neglect Hotline and the Complaints Resolution and Referral Service.



**\$98.4 million** to help childcare services increase their capacity to support inclusion of children with additional needs, through tailored support and funding to services.

**\$34.6 million** to support the Digital Technologies Hub, Mathematics Hub, Literacy Hub, Civics and Citizenship Hub, Student Wellbeing Hub, Massive Open Online Courses and Number Check, and Early Learning Languages Australia initiative to make evidence-based curriculum support and professional development materials available to all teachers and school leaders.

**\$26.1 million** for the Skills and Training portfolio to contribute to a strong and effective Vocational Education and Training system, continue structural reforms, and maximise returns on previous skills and training investments and commitments.

Commonwealth Government-Funded Paid Parental Leave (PPL) enhancement – Government will provide \$1.1 billion over five years from 2023–24 (and \$0.6 billion per year ongoing) to pay superannuation on Commonwealth government-funded PPL for births and adoptions on or after 1 July 2025.

## **WHAT DOES IT MEAN FOR ME AS A CARER?**

Carers Australia welcomes the increase in funding to disability employment schemes which may assist carers to enable those they care for transition to employment and increased self-sufficiency.

Improvements to childcare services, with a focus on inclusion for children with additional needs is welcome, \$98.4 million is unlikely to bring a sea change in services available to carers.

The ability to provide additional well-being through evidence-based supports may have some benefit for young carers and carers of children.

Improvements in vocational training may assist carers as they transition back to the workforce.

Carers Australia welcome the payment of Superannuation on Paid Parental Leave, and applaud the report in the Women's Budget Statement that:

*The Government's policy to pay superannuation on Government-funded PPL will recognise the contribution parents make to society and reduce the negative impact of parental leave on retirement incomes.*

It is a strange double standard that the Government is not willing to extend the same consideration to Carers when the Government continually acknowledges the central role of carers in Australian society.



## ABOUT US

Carers Australia is the national peak body representing the diversity of the 2.65 million Australians who provide unpaid care and support to family members and friends with a disability, chronic condition, mental illness or disorder, alcohol or other drug related condition, terminal illness, or who are frail aged.

In collaboration with our members, the peak carer organisations in each state and territory, we collectively form the National Carer Network and are an established infrastructure that represent the views of carers at the national level.

Our vision is an Australia that values and supports all carers, where all carers should have the same rights, choices and opportunities as other Australians to enjoy optimum health, social and economic wellbeing and participate in family, social and community life, employment and education.

**Disclaimer:** This document has been developed to provide basic information about the main May 2024–25 Federal Budget measures in relation to carers. It is not possible to cover every measure that may apply to carers and their individual circumstances.

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