

THE ECONOMIC CONTRIBUTION & SACRIFICES OF FAMILY, WHANAU AND AIGA CARERS IN NEW ZEALAND

INFOMETRICS REPORT DATA SUMMARY

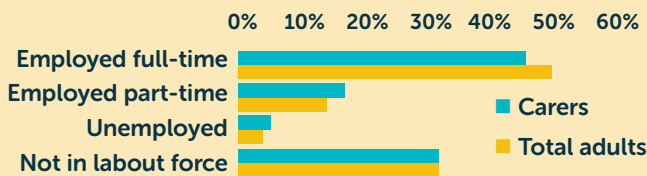
432,000 unpaid carers in Aotearoa*, **1 in 7 adults**. This has changed little since Census 2001. The true number of family carers could be up to 50% higher, equivalent to 9.6 unpaid family carers for every professional carer. Carers NZ estimates that based on global carer numbers, there are likely to be 1m+ family carers in New Zealand.

*Source: Census 2018

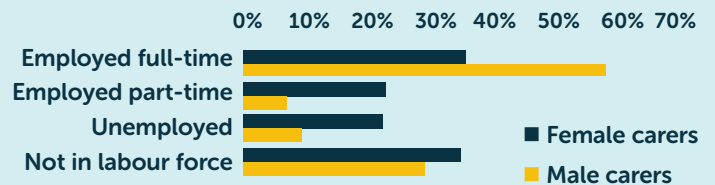
The annual economic contribution of caring is **\$17.6bn** or **5.4% of GDP**. The entire health and social services sector accounts for **6.4% of GDP**.

Carers lose an estimated **\$1,536m** in employment revenue per annum; **97.3%** is lost earnings, **2.7%** is from lost employer/government Kiwisaver contributions.

Carers are more likely to work part-time
This has changed little since 2006



Female carers are more likely to work part-time



TWO-THIRDS of lost income is lost by female carers

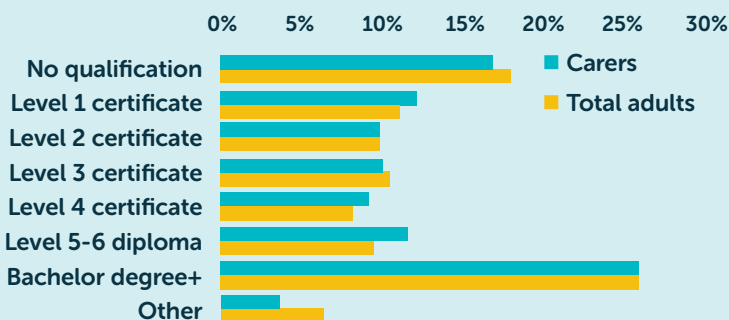
The Government loses **\$540m** in tax revenue annually

Carers more likely to be professionals



Carers have a median household income of **\$87,100** compared with **\$97,400** for non-carers. The income penalty for carers compared to non-carers is 11%.

Carers have similar qualification levels to all adults



Carers may be forced to work beyond retirement age because caring means they haven't enough money to retire

22% of female carers aged 65+ years are employed, compared with

17% of female non-carers



64% of family carers provided more care during COVID-19

51% did so due to support services being reduced or closed

WHAT THE NUMBERS MEAN FOR CARERS

SCENARIO 1 A female carer working 30 hours per week instead of 40 between the ages of 35 and 65

Lost gross earnings	\$888,000
Lost employer Kiwisaver contributions	\$8,000
Lost Government Kiwisaver contributions	\$0
Total lost revenue to carer	\$896,000
Lost tax on gross earnings to Government	\$284,000

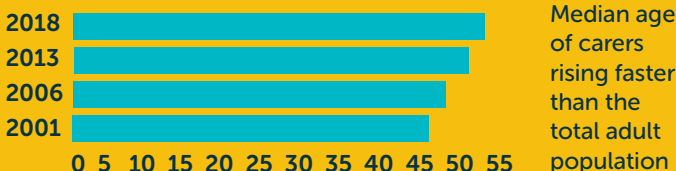
SCENARIO 2 A female carer who retires early at age 45 to care, having previously worked full-time

Lost gross earnings	\$1,628,000
Lost employer Kiwisaver contributions	\$18,000
Lost Government Kiwisaver contributions	\$5,000
Total lost revenue to carer	\$1,651,000
Lost tax on gross earnings to Government	\$358,000

SCENARIO 3 A young Māori female who cares for an elderly relative between the ages of 18 and 34, delays post-school study for four years until age 22, and enters the workforce at age 25 working part-time until age 34, working full-time thereafter

Lost gross earnings	\$419,000
Lost employer Kiwisaver contributions	\$6,300
Lost Government Kiwisaver contributions	\$1,700
Total lost revenue to carer	\$427,000
Lost tax on gross earnings to Government	\$92,000

Carers' median age rising

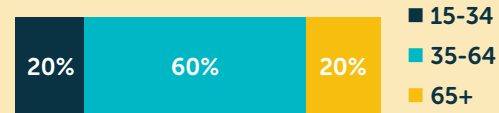


432,000 unpaid carers in Aotearoa, **1 in every 7 adults**. The true number could be up to **50% higher, 9.6** unpaid carers for every professional carer. This would double Ilnometrics' projections.

SCENARIO ASSUMPTIONS

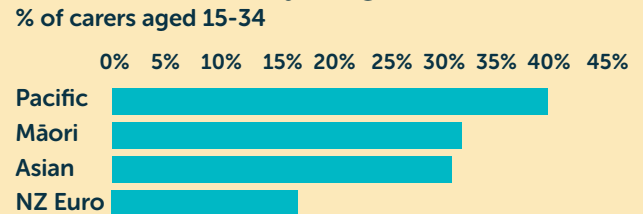
- Current average hourly earnings based on June 2022 quarter Household Labour Force Survey
- Earnings increase at long-term average growth rate of **3.7%pa**
- **3%** employer Kiwisaver contributions
- Maximum current annual Government Kiwisaver contribution of **\$521.43**
- Current tax rates remain constant
- Tax brackets increase each year at same growth rate as earnings
- Future earnings are discounted at **2.65%pa** to incorporate 2%pa growth in prices and 0.65% risk-free rate of interest on savings
- Kiwisaver contributions are discounted at **9%pa** to incorporate 2%pa growth in prices and 7% equity risk premium

85,000 carers are aged 15-34

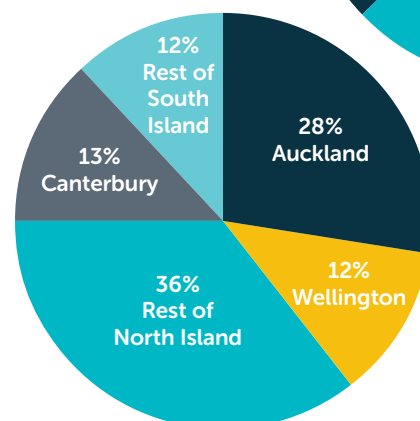
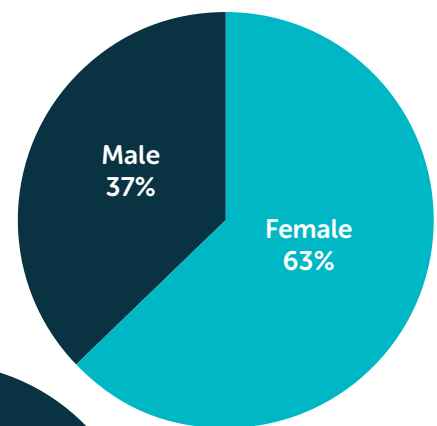


The number of young carers would be higher if carers under 15 years old were counted

Pasifika carers are youngest



Two-thirds of carers are female, this has changed little since 2001



Over one-quarter of carers live in Auckland