

# Stroke Foundation response to Australian Bureau of Statistics (ABS) consultation on Measuring unpaid care in the Labour Account

## Online survey questions

### 1. Definition of care

*More information: definition of care*

Care work, whether paid or unpaid, consists of activities and responsibilities involved in meeting the physical, psychological, and emotional needs of care-dependent groups.

Care-dependent groups require care to live independently due to functional limitations. These groups include children due to their young age, and adults with long-term health conditions or disability.

Care work for these groups range from:

- helping with direct, hands-on care tasks such as activities of daily living (e.g. feeding and bathing),
- helping with more complex or indirect care tasks such as instrumental activities of daily living (e.g. cleaning, transportation, coordinating care),
- supervising and monitoring the care receiver

Adapted from [Canada's Care Economy: A Conceptual Framework](#)

**a. Do you broadly support the definition of care work used in the new Labour Account unpaid care estimates?**

- Yes
- No

**b. Do you have any comments on the proposed approach taken to defining care work in the Labour Account**

In 2024, Stroke Foundation published its [Economic Impact of Stroke Report 2024](#),<sup>1</sup> which estimated the health and economic impacts of stroke in the Australian population in 2023. Importantly, informal carers, defined in this report as 'people most closely involved in helping the person with stroke to live at home (such as a spouse or other member of the family, or a friend or neighbour)', make a significant contribution to the care of Australian survivors of stroke, often at a significant personal cost. The estimated informal care cost over a lifetime for people who experienced a stroke in 2023 was \$3.87 billion (with a detailed age-group breakdown provided in Table 24 on page 62 of the *Economic Impact of Stroke Report 2024*.<sup>1</sup>

The definition of care work used in the *Economic Impact of Stroke Report 2024*<sup>1</sup> aligns broadly with the definition used in the new Labour Account unpaid care estimates, and includes assistance with daily activities such as:

- **community tasks** (e.g. banking and paying bills; errands such as posting letters or making appointments; transport to appointments or social occasions; shopping; and 'check-ups')
- **domestic tasks** (e.g. gardening; handyman tasks; grounds and home maintenance; housework such as laundry, cleaning, washing up; supervision of medication; supervision or assistance to walk outside)
- **personal care tasks** (e.g. eating; grooming; bathing; dressing; toilet use; help with incontinence pads; moving from bed to chair or chair to chair; walking inside the house including stairs).

1. Kim J, Neville E, Dalli L, Zomer E, Birhanu M, Purvis T, Olaiya MT, Talic S, Kilkenny MF, Cadilhac DA, on behalf of the Stroke Foundation, *Economic Impact of Stroke 2024*. Stroke Foundation 2024. Melbourne Australia.

## 2. Range of measures

*More information: valuation methods and recommended approach*

Measures of unpaid childcare work have been produced by four different valuation methods. These methods apply different monetary values to the childcaring activity.

- Individual function replacement cost method: equivalent occupation for each childcaring activity
- Minimum wage replacement cost method: flat minimum wage
- Housekeeper wage replacement cost method: relevant housekeeper wage
- Opportunity cost method: wage of carer's main occupation

The Individual function replacement cost method is the approach recommended by the ABS for valuing unpaid childcare. However, other methods have been presented in the information paper to provide a valuation range.

### a. Do you find it useful to publish a range of estimates using different methodologies?

- **Yes – it is useful to have a range of valuation estimates with different methodologies**
- No – only the ABS recommended approach (Individual function method) is useful
- No – only one headline estimate is useful but not the Individual function method

### b. What is your preferred valuation method(s)?

Stroke Foundation's preferred valuation method is the individual function replacement cost method.

### c. Do you have any further comments on the range of measures?

Stroke Foundation agrees that of the four valuation methods listed, the Individual function replacement cost method is the most useful approach for valuing unpaid childcare; however, valuation estimates using the other three methodologies would also provide important points of reference, and having access to these would be useful. The Individual function replacement cost method was the valuation method used to estimate the cost of informal care in the *Economic Impact of Stroke Report 2024*.<sup>1</sup> While this method is the only one that takes into account the nature of the specific care task and will provide the most reliable estimate of unpaid childcare, we acknowledge its limitations. For example, this method assumes that the skills, experience and quality of care delivered by unpaid and paid carers is comparable, which is not always the case.

1. Kim J, Neville E, Dalli L, Zomer E, Birhanu M, Purvis T, Olaiya MT, Talic S, Kilkenny MF, Cadilhac DA, on behalf of the Stroke Foundation, *Economic Impact of Stroke 2024*. Stroke Foundation 2024. Melbourne Australia.

## 3. Market replacements for unpaid care activities

The ABS is considering which equivalent occupations the Individual function method should use for different caring activities. For example, the closest market value replacement for food preparation for children is a kitchenhand.

### Do you have any comments on what paid work equivalents should be used for specific caring activities?

For the majority of caring activities, paid work equivalents can be drawn from current broad ABS occupation categories. For example, in the *Economic Impact of Stroke Report 2024*,<sup>1</sup> we used data from the [Employee Earnings and Hours, Australia, May 2023 | Australian Bureau of Statistics](#) to inform costing of domestic activities.

1. Kim J, Neville E, Dalli L, Zomer E, Birhanu M, Purvis T, Olaiya MT, Talic S, Kilkenny MF, Cadilhac DA, on behalf of the Stroke Foundation, *Economic Impact of Stroke 2024*. Stroke Foundation 2024. Melbourne Australia.

#### 4. Presenting unpaid care estimates in context

The value derived by applying a median wage rate to all unpaid childcare hours has also been presented for context.

##### a. Is it useful to present estimates using the median wage rate for context?

- Yes
- No

##### b. What additional information would help to add context to unpaid care estimates?

We agree that it would be useful to present estimates using the median Australian wage rate for context, and suggest that it may be useful to provide minimum and maximum values as points of reference as well.

#### 5. Additivity between sex and age data

*More information: additivity*

The estimated unpaid childcare total for sex will not equal the total for age for every measurement method except the 'Minimum wage replacement cost method'. The same occupation may have different applicable wage rates, depending on whether the wage rate was taken from the associated age group or the relevant sex of the unpaid child carer.

In the information paper, the ABS has presented the age total rather than the sex total, as this is created from the finer classification breakdown of five age groups, compared to the sex categories.

To force the sex and age totals to align, some finer level data used to create the estimates will be omitted and the accuracy of the estimates will reduce.

##### a. What information is most useful for your data needs? (select one)

- Publishing the age total only
- Publishing both the age and sex total separately (without forced alignment)
- Forcing the totals across age and sex to be consistent

##### b. Do you have any comments on the additivity between sex and age data?

No, we do not have any further comments on the additivity between sex and age data.

#### 6. Age groupings

*More information: age groupings*

The Labour Account is currently being expanded to include sex and age breakdowns of some paid work estimates. This data can aid in comparing unpaid care work to the labour market.

Due to the input data used for each model, the proposed Labour Account paid work age groupings differ to the unpaid childcare valuation age groupings.

**Paid work age groupings:** 19 years and under, 20 – 24 years, 25 – 34 years, 35 – 44 years, 45 – 54 years, 55 – 64 years, 65 years and over

**Unpaid childcare age groupings:** 15 – 20 years, 21 – 34 years, 35 – 44 years, 45 – 54 years, 55 years and over

Consistent age groupings between the models would allow easier comparison, however modifying the age groupings may impact the accuracy of the estimates.

**a. Which of these approaches would be better suited to your data needs?**

- Unpaid care age groupings that are not consistent with paid work outputs, but may produce more accurate estimates
- Unpaid care age groupings that are consistent with paid work outputs, but may produce less accurate estimates
- **I have no preference**

**b. Do you have any comments on the proposed age groupings?**

We have no specific preference for one approach over the other; however, we do query the unpaid childcare age groupings, specifically the use of the 55 years and over grouping. Given those aged 55 years and over are likely to be undertaking a significant amount of unpaid childcare work, it would be useful to break this grouping into those aged 55-64 years and those aged 65 years and over, as for the paid work age groupings.

**7. Unpaid adult care**

Unpaid adult care is the most difficult aspect of the care framework to populate, in particular indirect care for adults. These activities can be difficult to distinguish from other types of unpaid household work, and short-term direct adult care is not easily separated from care provided on an ongoing basis.

**Do you have any comments for the ABS to consider in developing initial estimates of unpaid adult care in the Labour Account?**

Stroke Foundation agrees that there are a number of challenges associated with developing estimates of unpaid adult care. This includes developing estimates for indirect care tasks that do not have a tangible end product, such as social and emotional care. We suggest that an important first step would be to develop a clear understanding and agreement about what types of intangible tasks should count as caregiving.

When considering which is of these challenges to prioritise, we suggest that the ABS focus on challenges associated with issues or problems of greatest significance for the Australian population.

For example, when considering individual diseases, dementia is the second leading specific cause of burden, and as age is the biggest risk factor for dementia, the number of Australians living with this disease is projected to increase as more Australians live longer. Importantly, for many carers of people with dementia, supervision or being on-call for a care recipient can account for a significant portion of their total caregiving hours, and it may be challenging for them to make a distinction between caregiving time and non-caregiving time.