

Submission to the 2022-3 Senate Inquiry into the extent and nature of poverty in Australia

Poverty among informal kinship care families

About the writer

I am a psychologist with over 30 years experience in child welfare practice and 15 years in research and consulting. <https://findanexpert.unimelb.edu.au/profile/169314-meredith-kiraly>. I have specialised in kinship care research, consulting and advocacy, and have an extensive publication record in this area. I am currently engaged in an advocacy initiative regarding recognition and support for informal kinship care families, and am in contact with kinship care groups and organisations in all Australian States and the ACT.

In this submission, I focus on **Inquiry Terms of Reference (c), (d), (e) and (f)**. I would be pleased to discuss the issues outlined below further if desired.

Definitions

Kinship care is family-based care within the child's extended family or with close friends of the family known to the child, whether formal or informal in nature (United Nations, 2010).

A non-means-tested care allowance broadly equivalent to the foster care allowance is payable by child protection to formal kinship carers in Australia. Formal kinship care is seen as a component of foster care in some Australian States ('kinship foster care').

An *informal kinship care arrangement* is an agreement, often verbal, with the child's family about caring for the child, without a court order. The child's parents remain their legal guardians.

facs.nsw.gov.au/families/carers/about-relative-and-kinship-care/chapters/types-of-relative-and-kinship-care (accessed 22 November 2022). It is also sometimes called 'informal fostering'.

There is no financial support from child protection for informal kinship arrangements.

Prevalence and characteristics of informal kinship care families

The prevalence and circumstances of Australian children in informal kinship care arrangements (also known as 'informal fostering') is little known and little recognised.

Based on census data, UK and USA sources estimated that 95% of kinship care arrangements were informal (Selwyn & Nandy, 2014; The Annie E. Casey Foundation, 2012). The Australian census cannot provide comparable data, however a proxy figure obtained from the 2011 census indicated that at least 80% of two-generational kinship care households were providing care informally (Kiraly, Hoadley, & Humphreys, 2021). This equated to at least 100,000 children in informal kinship care at that time, more now due to population increase. We also know the numbers are higher than this when multigenerational households are included, figures that could not be estimated from the census. Aboriginal and Torres Strait Islander people are over-represented. Many carers look after multiple children, more than foster carers, due families' strong motivation to keep siblings together.

Children in informal kinship care are thus a significant cohort of Australian children.

The focus of attention on kinship care, such as it is, has been mainly on grandparent care families. While the percentage of grandparent carers is actually unknown, current best estimates suggest that around half of kinship carers are grandparents, with the other half comprising aunts and uncles, older siblings, other relatives, family friends, and members of the child's network (e.g. teachers, care workers, neighbours, members of faith communities) (Kiraly, 2018).

Poverty in informal kinship care

Poverty has been identified as the predominant issue for informal kinship care families both in Australia and internationally (Kiraly, 2015).

The major challenge is financial. It is a continual battle to make ends meet.

I have no other problems with my grandchildren, I love them dearly and they bring me so much joy, but I need money.

I wish we didn't have to raise our grandchildren ... with our retirement fund.

(Quotes from carers surveyed by Brennan et al., 2013).

Older Australians such as grandparents can lose their retirement savings in raising grandchildren. Young kinship carers such as siblings and young aunts/uncles lose opportunities for post-secondary education and training and thus experience loss of income over a lifetime. Carers in mid-life can lose the chance to own their own home and provide education extras for children in their care such as remedial tutoring and school camps.

- In a NSW survey, Yardley, Mason, and Watson (2009) reported that over half (56%) of kinship carers were on a pension/benefit, and over one-third (36%) had a partner on a pension/benefit. One-fifth (20%) indicated that their income was low, while 22% had levels of low-medium income.
- In a survey of 335 Australian grandparent carers, Brennan et al. (2013) reported that over half (56%) of the grandparent respondents were receiving a government pension or benefit. Two-thirds (66%) of respondents reported they were “just getting along”, “poor”, or “very poor”.
- Through analysis of data from the 2006 census, Hill (2013) identified that approximately 35% of Australian sole grandparent families and nearly 18% of couple grandparent families had a family income of less than \$499 per week, a relatively low income even then.

The Australian policy and service environment

There is little articulated Federal or State policy that relates to informal kinship care.

- Under the Australian *Carer Recognition Act 2010*, kinship carers are not recognised as *Carers*. They are, however, recognised in the ACT *Carer Recognition Act*, and the Queensland *Carer Recognition Act* recognises grandparent carers (only).
- The Australian census has no suitable question that can provide exact figures about the number of households that include the care of children other than the sons/daughters of the adults in the household, or an accurate picture of the relationships between such children and the adults.
- There is no national body representing informal kinship carers and providing advocacy on their behalf. Only one State (South Australia gfgsa.com.au/) has such an organisation.
- Kinship care support programs are available only within child protection services; informal kinship care families are thus excluded. Mainstream counselling and support services do not have specialist knowledge of the complex issues of intrafamilial dynamics where parents have lost parenting capacity due to substance abuse and mental health issues and family members have become the children's carers.
- Services Australia (formerly Centrelink) provides benefits to low-income Australian families that constitute a small contribution only to the costs of care – unlike the statutory foster/kinship care allowances payable to formal kinship carers. A Child Care Subsidy for

infants may be payable to low-income carers. There is also a small Double Orphan Allowance payable in very limited circumstances such as where both parents are dead, or one is dead and one is in long-term custody.

- Child protection policy across Australia provides for minimum intervention in family life consistent with protecting the safety of children (see *National framework for Protecting Australia's Children 2021- 2031 (2021)*). Thus, where informal care can be effected within the child's extended family or community network, this is the preferred response for child protection.

The current child protection policy preference for informal kinship care where possible has generated the unintended consequence of a two-tiered approach to children in kinship care. On the one hand children in statutory kinship care are provided with significant financial support from the States and Territories, and on the other, large numbers of children in informal kinship care are living in poverty.

Previous Senate Inquiries of relevance

Many of the issues outlined in this Submission were heard by the **2014 Senate Inquiry into Grandparents who take primary responsibility for raising their grandchildren** and the **2015 Senate Inquiry into Out of Home Care**, and were articulated in these Inquiries' Reports and Recommendations. However, few if any of the Recommendations of either of these Inquiries have been implemented.

2014 Grandparents who take primary responsibility for raising their grandchildren

Recommendation 1: DSS and DHS [*Commonwealth Departments*] to initiate a **comprehensive review** of support provided to grandparents raising grandchildren.

Recommendation 6: Australian Bureau of Statistics to include a **question in the Census commencing in 2016**, to identify those households in which kinship carers have primary responsibility for children, and the carer's relationship to that child.

Recommendation 8: Through COAG, convene a national forum specifically for grandparent carers & their local support groups, non-government organisations & representatives from the Commonwealth, State & Territory governments, and that this forum investigate a **means of recognising the role and contribution of grandparent carers throughout Australia**.

2015 Senate Inquiry into Out of Home Care

Recommendation 34: COAG to include in the 3rd Action Plan of the National Framework (2015-2018) a project to develop and implement nationally consistent financial and practical (including training and caseworker) support for statutory and informal relative/kinship carers. This should include:

- **Establishment of a national peak body for relative/kinship carers**
- Accreditation and training of relative/kinship carers
- **Increasing allowances available to relative/kinship carers**, and
- Evaluation and development of nationally consistent best practice models of supported relative/kinship care.

International responses to poverty in informal kinship care

The problem of financial support being provided on the basis of legal status rather than need has long been recognised in the US, the UK and New Zealand. New Zealand has made real headway in rectifying this problem, and a campaign is now underway in the UK to create a national kinship allowance.

United States

Many years ago, two prominent kinship care experts articulated the problem of poverty in kinship care

It is clear that the present mixed system of [child benefits] and foster care payments provides the least support to those in greatest need (Hegar, 1999, p.237).

Part of the solution to designing a public policy approach to kinship care is understanding why kin are caring for children, the needs kin have as a result, and how best to meet those needs.... An effective kinship care policy would better match kin needs with public support and match state intrusion and oversights with safety concerns. Kin who need greater financial assistance than is offered under welfare or who need services to help care for a related child should not seek out child welfare involvement to get the support they need (Geen, 2003, p254).

United Kingdom

Three British research studies conducted around the same time identified these issues.

Understanding family and friends care: the relationship between need, support and legal status: Carers' experiences (Hunt & Waterhouse, 2012, P.6), makes the first point under the heading Carers' messages to local authorities:

Sort out the money. Carers want a funding system that is clear, transparent and consistent across the country. One based on entitlement not discretion, independent of the child's legal status, not means-tested and set at the same level as the allowances paid to unrelated foster carers.

The Poor Relations: Children & Informal Kinship Carers Speak Out (Selwyn, Farmer, Meakings, & Vaisey, 2013, p.79) includes the first two Recommendations:

At present whether kinship carers receive help in cash or kind in the UK is not related to children's needs or to the financial situation of the carers. Whole system change is needed to replace the current unjust arrangements for kinship care.

A national kinship financial allowance is required which is funded by central government to cover the costs of bringing up the children.

It's Just Not Fair! Support, need and legal status in family and friends care (Hunt & Waterhouse, 2013, p.177) includes a heading Deliver services which meet needs and are not determined by legal status, under which the second recommendation is:

Equalise the allowances available to carers looking after children who would otherwise be in the care system, whether they are caring informally [or] under [specific British orders] and align them with the basic fostering rate.

Nearly 10 years later (2022), *Kinship*, the foremost British organisation representing the interests of kinship care families, has launched a campaign for financial allowances:

#ValueOurLove. We're calling on the Government to value the love of kinship carers and take urgent action to improve support available for kinship families
<https://kinship.org.uk/> (accessed 21 November 2022).

New Zealand

Grandparents and Other Relatives Raising Kin Children in Aotearoa/New Zealand (Worrall, 2005) is the first of three large surveys by the NZ Grandparents Raising Grandchildren Trust www.grg.org.nz/ This research led to the pre-existing Unsupported Child's Benefit being increased to equity with the foster care allowance, as reported in the 2009t GRG Trust survey report.

The evidence gained in the 2005 research showed that kin/whanau carers who received the Unsupported Child Benefit received considerably less financial support than if that child had been placed in foster care outside the family and that most families were struggling financially. That evidence has been a major contributor to the fact that from April 1st 2009 Orphans and Unsupported Child Benefit weekly rates have been increased to align with Foster Care Allowance weekly board rates (Worrall, 2009, p.4).

The website of the NZ Department of Work and Income (accessed 21 November 2022) <https://www.workandincome.govt.nz/products/a-z-benefits/unsupported-childs-benefit.html> describes the Unsupported Child's Benefit:

Unsupported Child's Benefit is a weekly payment which helps carers supporting a child or young person whose parents can't care for them because of a family breakdown. You may be able to get the Unsupported Child's Benefit if the child or young person you care for is...financially dependent on you [and] not able to be cared for by their parents. You must be 18 or older and the main carer of the child or young person; have primary responsibility for the day-to-day care of the child; [and] be a New Zealand citizen or permanent resident.

Recommendations

Most of these recommendations echo the unimplemented Recommendations of the **2014 Senate Inquiry (SI 2014)** and the **2015 Senate Inquiry (SI 2015)** outlined above.

1. In order to lift kinship carers and children in their care out of poverty, create a national, non-means tested **Unsupported Child's Benefit** modelled on the NZ Unsupported Child's Benefit. **(SI 2015, Recommendation 34)**
2. To recognise all kinship carers, rename the **Parliamentary Friends of Grandparent Carers** as the **Parliamentary Friends of Kinship Carers**, with associated extension of its remit to allow for a voice for all kinship carers within the Parliament.
3. Amend the **Federal Carer Recognition Act 2010** consistent with the **ACT Carer Recognition Act 2021** to include kinship carers in the definition of 'carer', so kinship carers can access the benefits that accrue to recognised carers. **(SI 2014, Recommendation 8)**
4. Support the creation of a **National Kinship Care Organisation** to be a voice for informal kinship care families and to advocate for better support for these families. **(SI 2105, Recommendation 34)**
5. Include a **question or questions in the 2026 Census** to identify those households in which kinship carers have primary responsibility for children, and the carer's relationship to that child. **(SI 2014, Recommendation 6)**

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