

Chapter 6: Carers



Carers are more likely to work in low-paying or part-time roles to accommodate their caring responsibilities.

Around 6.5 million carers in the UK provide informal care worth an estimated £57-£100bn per year.

There is considerable 'turnover' within the informal carer population. Every year 2.1 million adults become carers and almost as many find that their caring duties cease. This means that caring duties will end up touching the lives of most people with three in five people taking on these responsibilities at some point in their lives.

Inevitably, many carers don't have time for paid employment. Around one half are in work compared to the population average of three quarters. Among female carers this falls to only two in five (42%).

They are also likely to look for part-time roles to manage their caring responsibilities, with 32% working part-time compared to an average of 22% of the wider population.

The impact of these working patterns on incomes is clear. Carers earn between 16% and 20% less than the average income for the whole UK population, depending on their gender and work patterns.

81% of carers are locked out of automatic enrolment

Four out of five (81%) carers who are working (and receiving care-related benefits) don't meet the qualifying criteria for automatic enrolment. This means that carers are reaching retirement age with private pension wealth of £29,800 - just 37% of the UK average of £80,690.

On average, carers earn £4,460 less in full-time work and £1,760 less in part-time work compared to the rest of the population

Average annual income by gender, caring responsibility and work-pattern, ages 16-64, 2018



Case study:

Helen Walker, Chief Executive of Carers UK, said:



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Many of us don't expect to become an unpaid carer but the reality is two in three of us will do it in our lifetime.

Caring impacts on all aspects of people's lives, leaving carers facing difficult decisions about their loved ones' health, family finances and how best to combine paid work and care. Juggling paid work and caring responsibilities is a tricky balancing act, many carers feel they have no choice but to pass up promotions or reduce their hours and for some they have to give up work all together. This is not just affecting their finances now, but it impacts on their income in later life as well. It's vital that carers are provided with opportunities to build up pensions in later life.

Our research also shows women are disproportionately affected, facing these difficult choices on average more than a decade earlier than men. Just as childcare used to be a key issue stopping women from continuing to work, now caring is holding back thousands of people from enjoying a fulfilling career, retaining an income and saving for their retirement.

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Jenny Jeffery, aged 61 works part time and is a carer for her husband, said:



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I had always worked full-time until my husband got sick and then had to reduce my hours significantly so that I could care for him. This consequently means that I have historically had to work 20-hour days in order to both care for my husband and fulfil my workdays which were long shifts in a supermarket. In the past I have had to take a lot of unpaid leave at times when I am needed at home.

I am not surprised to see that carer's pension wealth is so small compared to the average as most carers are continuing to struggle with juggling work and caring. More needs to be done to ensure carers get better support as a whole, let alone allow them to even think about something such as their pensions. If carers were better supported including the receipt of Paid Carers Leave which would give them better financial support, they may be able to possibly think about saving for their pension.

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Policy proposals to close the gap



1. Removal of the £10,000 trigger would get 100,000 more people saving through auto-enrolment.



2. Pension saving from £1 would increase pension wealth by 38%.