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Reference: [REDACTED]

Australian Institute of Family Studies

Via email: [REDACTED]

Dear Members of the Foster, Kinship and Permanent Carers Payment Review,

I would like to express our appreciation for the important work your committee is undertaking in evaluating the carer payment system. It is encouraging to see this critical issue receiving the attention it deserves, particularly given the increasingly complex challenges faced by foster and kinship carers.

The Queensland Family and Child Commission (QFCC) is committed to supporting a sustainable and effective child protection system that truly meets the needs of children, young people, and their carers across Queensland. There is critical need for reform and redesign to a responsive, modernised system that takes into account the evolving needs of both carers and the children they care for, highlighting the critical role family-based care plays in achieving better outcomes for children.

### ***We are running out of carers***

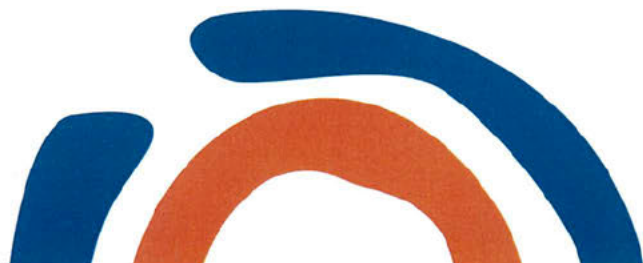
There have been numerous and profound social changes since the current model of foster care emerged in child safety systems across the Western world. The QFCC community survey, the Growing Up in Queensland Report, and the Foster and Kinship Care Association's survey of carers all point to shifts in household dynamics, economies and motivations of the Queensland population which can shape the appetite to nominate to be a foster carer.

In the past year, the QFCC has published two reports, the *Demographic Insights Report* and the *Carer Allowances Insights Paper*, both of which highlight the critical need for reform in Queensland's family-based care system. The *Carer Allowances Insights Paper* notes that the cost of residential care is set to rise dramatically, with the number of children in care projected to increase to 2,766 by 2028.<sup>1</sup> This underscores the importance of redirecting resources to strengthen family-based care, which could better support foster and kinship carers, improve the attraction and retention of new carers, and provide more resources for kinship care. However, ongoing financial pressures, particularly in housing, continue to strain carers.

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<sup>1</sup> Queensland Family and Child Commission (2024). *Carer allowances. QFCC insights paper.*

<https://www.qfcc.qld.gov.au/sites/default/files/2024-05/Carer%20allowances%20-%20QFCC%20Insights%20Paper.pdf>



Inadequate increases to carer allowances, when compared to rising living costs, make it increasingly difficult for carers to cover both necessities and enrichment activities for children.

The *Demographic Insights Report* further emphasises the need for innovative models of foster care and improved approaches to recruiting and retaining carers. As traditional pools of foster carers continue to shrink, the report calls for the development of flexible and contemporary foster care models that can better meet the evolving needs of children and young people. Collaboration between policymakers, agencies, researchers, and carers is crucial to creating a more responsive system. The report advocates for better support structures for foster carers, including financial support and training, as well as new strategies for recruiting diverse and committed carers.<sup>2</sup> These insights stress the need for a comprehensive overhaul of the foster care system to ensure it is sustainable, inclusive, and capable of providing stable and nurturing environments for children in care.

The average annual cost for a child or young person in residential care is approximately 13.77 times higher than for a child in family-based care. The total average cost per year, per child for a child or young person in foster or kinship care is \$30,660. The total average cost per year, per child for a child or young person in residential care is \$420,548. Consequently, there is sufficient funding available to reward carers that either:

1. prevent a child entering residential care; and/or
2. enable a child to leave residential care.

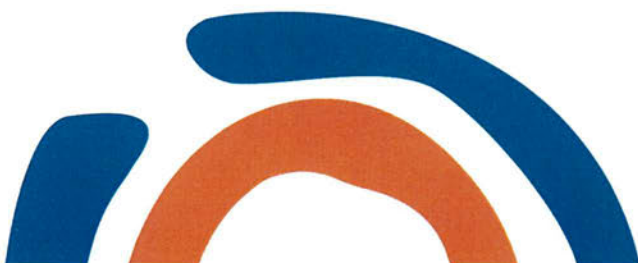
The foster and kinship carer allowance in Queensland is a three-tiered payment structure, allowing carers to receive higher payments based on the complexity of needs of the children they care for. In Queensland, a loading is also added for carers living in regional or remote areas where the cost-of-living is higher. The allowance is based on age range, increasing with the age of the child.

The day-to-day costs the allowance intends to cover include:

- reasonable clothing and footwear, including one school outfitting per year;
- personal care items;
- general schooling and education expenses, including lunches and travel;
- costs for consulting with a GP (excluding Child Health Passport assessments);
- all prescribed and non-prescribed pharmaceuticals;
- general travel costs, including fuel costs up to 250km per week (excluding for approved family contact);
- leisure and recreational activities, toys, pocket money, entertainment, hobbies and holiday expenses;

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<sup>2</sup> Queensland Family and Child Commission (2024). *Preserving a vital system. The future of foster care. Queensland foster carer demographic insights report.* <https://www.qfcc.qld.gov.au/sites/default/files/2024-06/Queensland-Foster-Carer-Demographic-Insights-Report-PeakCare-June-2024.pdf>



- safety equipment such as car seats, bike helmets;
- energy and utility costs (pro rata); and
- household goods for the child.

In January 2023, the base carer allowance in Queensland for each age bracket increased by 7.91 per cent. This increase occurs each year in line with the consumer price index (CPI). Queensland is the only jurisdiction that increases payments in January, rather than at the start of the new financial year in July. QFCC's information suggests that the annual increase of carer allowance in line with CPI is not enough to meet the needs of children in family-based care, particularly when Queensland families are struggling more broadly with the cost of living. Housing affordability across Queensland is decreasing, with rents increasing at a rate that far exceeds increases in wages, family support payments or the foster care allowance. In June 2018, the median weekly rent for a 3- bedroom house in Queensland was \$350. In June 2023 it was \$500, which represents an increase of 42.9 per cent. When it comes to applying for a mortgage, children in foster care are considered as dependents, however, the carer allowance is not eligible to be included as income. Increases in rent and challenges for mortgage applications should be resolved to remove barriers for potential carers. Recent comparisons of capital cities across Australia found that Brisbane has the third highest cost of living, behind only Sydney and Canberra.

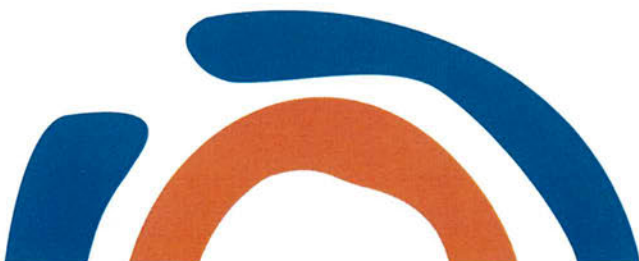
### ***Supporting carers as an investment to avoid the more costly and least effective residential care system***

Foster carers, driven by a genuine commitment to providing a stable and nurturing environment for children, often find themselves faced with the complex task of maintaining placements despite the challenging behaviours exhibited by children with trauma.

While foster carers strive to create a supportive atmosphere, they may encounter situations where additional assistance is essential to address the unique needs of children who are in their care. Seeking help, whether through specialised training, therapeutic interventions or support networks, becomes crucial for foster carers in navigating the complexities of caring for children with trauma.

As young people in care get older, the cost to adequately support them increases, particularly because they have often experienced complex trauma. The Australian Child Maltreatment Study found that Australians who experience maltreatment are substantially more likely to have:

- mental health disorders;
- health risk behaviours; and
- higher health service utilisation.



While health-based services and specialist supports are generally covered, the costs of recreational and leisure activities and programs to support ongoing positive household dynamics and structures for the young person must be met within the carer allowance. These informal supports are critical to creating stable and positive care environments but are likely to stop when families are experiencing difficulty meeting day-to-day expenses.

In 2023, I was requested by the then-Minister of Child Safety to provide independent oversight of the Department's review of the residential care system. During the review, I visited residential care homes, spoke with frontline workers, and engaged directly with young people in care. Their perspectives, captured in the QFCC's report *I Was Raised by a Checklist*, revealed the growing complexity of children's needs, which outpaces the system's ability to provide adequate care.

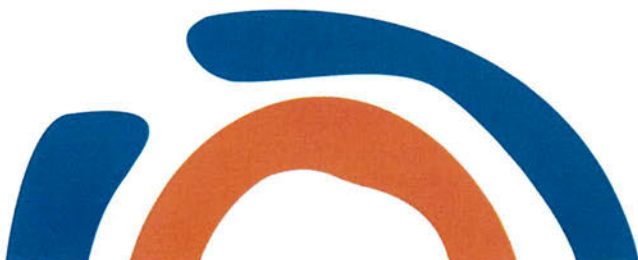
The young people who worked with the QFCC to review the system strongly agreed that carers need more support. There was a profound discussion where these young people advocated strongly for carers, speaking with passion and conviction for the social value of foster carers. Specifically, many spoke positively of the carers they encountered and wished more effort was made to keep these foster care and kinship care arrangements together before they 'were moved'. The young people also highlighted the importance of 'family' mediation or a debriefing team, as they didn't want to be removed from stable homes if the carers were unsupported. The young people particularly recognised that providing carers additional support was valuable – but that counselling and conflict resolution for the household would have a profound opportunity to reduce placement breakdown.

One young person, Malakai, who shared his lived experience of the family and out-of-home care systems with me during the Child Safety review, highlighted the need for increased personal allowances for children in care. He suggested these funds should support recreational activities, hobbies, and personalised living spaces, and all important factors for helping children feel safe, loved, and valued. Malakai's insights also pointed out the funding disparity between family-based and residential care, advocating for better use of allowances to provide a more enriching environment. His contribution to the oversight report, *A System That Cares*, which responds to Child Safety's *A Roadmap for Residential Care in Queensland*, calls for transformative reform to address these issues. Enclosed is the report to assist in reviewing carer allowances and exploring sustainable, family-oriented solutions in the care system.

The stagnation of foster and kinship care placements further exacerbates the problem, leading to an over-reliance on residential care that often lacks the personalised, nurturing environments of family-based placements. This issue is further intensified by financial challenges, as revealed by the 2023 community survey, where 89 per cent of carers stated that the cost of living negatively impacts children.<sup>3</sup> Many carers shared that while they can meet children's immediate physical needs, there is limited funding for enrichment activities crucial

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<sup>3</sup> Queensland Family and Child Commission (2023). *Community perceptions survey 2023 – research report*. <https://www.qfcc.qld.gov.au/sites/default/files/2023-10/Community%20Perceptions%20Survey%20Report%202023.PDF>



for their development and wellbeing. These concerns intensified in the 2024 community survey, with 91 per cent agreeing that the cost of living is the most significant challenge, with common themes being fears of poverty, inflation, and financial strain in Queensland.<sup>4</sup> First Nations respondents to the Survey were more likely to highlight housing affordability and homelessness as major issues for families in Queensland (13 per cent, compared to 9 per cent among non-Aboriginal and/or Torres Strait Islander respondents).

Although children and young people living in residential care may have higher needs than those in family-based care resulting in greater costs, the significant difference in annual cost raises the question about whether there is an opportunity for reinvestment in the family-based care system to address the gaps raised by carers and strengthen the capacity of the family-based care system. Changing the investment away from residential care will not only benefit the day-to-day care of young people, but also potentially improve the attraction and retention of foster carers and free up resources for greater investment in kinship care. Increasing financial incentives for foster and kinship carers will:

1. improve the quality of care provided to children;
2. reduce financial pressures in the family-based care system;
3. reduce placement turnover and placement instability for children;
4. retain more foster carers in the system;
5. support more children to remain with kin;
6. reduce the number of children entering residential care; and
7. reduce placement breakdown.

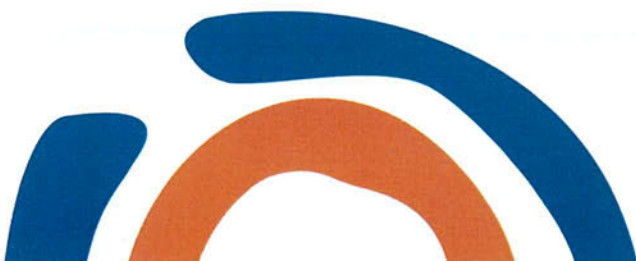
### ***Understanding modern carer types and their needs***

In April 2024, the QFCC hosted the inaugural Youth Summit which provided a platform for young people to share their experiences and highlight issues important to them. Youth Advocate Caroline shared her experience as a carer for her younger siblings, and spoke to the gravity of providing a nurturing, family environment whilst balancing the costs and demands of being a carer. You can watch Caroline's full speech on the QFCC website:

[www.qfcc.qld.gov.au/caroline](http://www.qfcc.qld.gov.au/caroline) and I have included a transcript for your reference. Caroline's advocacy is a powerful reminder of the urgency of reform to better support foster and kinship carers to provide safe, supportive homes for children in their care.

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<sup>4</sup> Queensland Family and Child Commission (2024). *Community perceptions survey 2024 – research report*. <https://www.qfcc.qld.gov.au/sites/default/files/2024-09/Community%20Perceptions%20Survey%20research%20report%20-%202024.pdf>



### Recommendation

Based on the above, I firmly believe there is significant financial and human benefit in introducing three new forms of financial incentives for carers:

- 1) those that retain carers in the system;
- 2) those that acknowledge the additional effort and cost of caring for children with trauma backgrounds during adolescence; and
- 3) those that recognise the cost-of-living increases for any carer.

I trust that the insights provided through these publications will assist in shaping the future of foster and kinship care and help ensure a system that can adequately support both carers and children in.

If you have any queries in relation to this matter, please don't hesitate to contact me directly on [REDACTED] or via email at [REDACTED]

Yours sincerely

[REDACTED]

Luke Twyford  
Principal Commissioner  
Queensland Family and Child Commission

14 April 2025

