

# The Costs of Caring: Key Facts and Findings

## *Foster Care in Australia*

- There were 18,241 children in out-of-home care in Australia at 30 June 2001. Of these, 16,561 or 91% of the children were either in foster care or relative/kinship care. AIHW (2002)
- Foster care provides the majority of out of home care for children and young people who are unable to remain with their own parents due to risk of child abuse or neglect or other reasons.
- There are an estimated 8,340 foster carers who provide crisis, short and long term care for children (AFCA report prepared for FACS, 2001)
- Indigenous children are significantly over-represented in out of home care with a rate of 18.3 per 1,000 compared to 3.6 per 1,000 for non-Indigenous children (AIHW, 2001).
- Conservative sector estimates claim that the costs of a child in residential care start at approximately \$70,000 per year while the cost to governments of children in foster are estimated at \$10,000 per year.

## *The Costs of Caring Research finds that:*

- The estimates of the costs of children in foster care are on average 52% higher than the costs of children not in care.
- The basic cost of a child in care, depending on age, ranges from \$8,164 for a baby to \$12,896 for a 14 year old girl.
- Foster children require more expenditure than other children in the areas of housing, wear and tear, household and contents insurance, water usage, energy, food, clothing and footwear, health care, specialist assistance (such as counselling and therapy), transport (particularly access visits to birth families), leisure and personal care.

- No state or territory is, overall, paying an adequate reimbursement to foster carers at the standard subsidy level, compared to the estimated costs of foster children (See Table 1).
- There are substantial inequities across states and territories (and sometimes within states and territories) in the level of payment and reimbursement made to foster carers.
- There is a lack of specialist insurance coverage for foster carers and most carers are not sufficiently covered for loss, damage or injury.
- Foster carers report high levels of stress and dissatisfaction in relation to the support and financial assistance provided.
- Allowances and reimbursements are reported by agencies and carers to be significant for the maintenance and endurance of foster care placements.
- Indigenous foster carers appear to have more children placed in their care and often have less material resources than non-Indigenous carers.

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