

Administration Centre
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Inquiry into the provision of childcare

The organization known as DIAL-AN-ANGEL® was founded by the writer's family in 1967. It is Australia's only national group of 11 offices and associated companies which specialize in the provision of comprehensive home and family care services. I invite you to visit our website www.dialanangel.com. The Group operates in the main as a recruitment agency for its clients' in-home support requirements. To address the inquiry into the provision of childcare the guidelines in the Terms of Reference are used as follows:

- a. the financial, social and industry impact of the ABC Learning collapse on the provision of child care in Australia;

The Government's financial support of the ABC Learning Centres enrages us. Over the past 20-25 years representatives of DIAL-AN-ANGEL have been to Canberra regularly to meet with one or another of the Ministers (of both persuasions) involved with Government childcare policy. On each occasion and in response to every letter and submission, the Minister or her/his representative has stated categorically that it would cost the Government too much to reintroduce income tax deductions for any type of private child care. This action could not possibly be considered despite the fact that it would give every family a **choice** in the way in which their children might be cared for.

This short-sighted and negative approach enabled ABC Learning Centres to monopolise the Child Care industry and the subsequent waste of Public Money has never been challenged. That the government has been pouring multi millions of dollars into ABC since Eddie Groves commenced his takeover of every childcare centre operating successfully is an affront to the hard-working families who otherwise eschew hand-outs. All they have asked for is tax relief (after all they're the ones who provide the Governments with the money spent so freely).

This does not include the other areas of subsidy – with aged and disability care packages offered to quasi-Government and not for profit agencies who are raking in millions of dollars from both State and Federal governments.

By allowing income tax deductions for carers engaged through reputable, licensed agencies - the cash economy would have been better controlled and superior childcare would have been an automatic consequence.

Not only did ABC collapse but there has been a resulting surge in engaging tourists to Australia to stay on and work illegally in childcare (and aged care) by tapping the cash economy (sending Australian dollars back to the Philippines and Indonesia)

- b. alternative options and models for the provision of child care;

When families received tax deductions for childcare, a choice of care for their children was available. With this option removed, those families who were disillusioned with daycare or unable to secure a place in any type of childcare centre or who were not happy with the quality of care in group situations found themselves with no affordable alternative. Parents have been obliged to pay fees even when they are not using a centre in order to retain the place; many have been concerned that their children tend to contract more illnesses at an earlier age due to the contagion factor in group settings.

Nearly all the families we speak to are receptive to in-home child care (especially where there are two or more children involved) but are unable to meet the costs associated with this service without tax relief. They and we, on their behalf, question why they are able to receive a substantial subsidy from the government for ABC and other daycare centres and such a small consideration for care undertaken in the child/ren's familiar and secure environment at home. Given that many of them have had to enrol their child/ren into daycare prior to their birth in order to try to ensure a placing, suggests that the issue should be tackled at a higher level.

A societal benefit from Government making appropriate changes to childcare subsidies is that such a move would effectively encourage suitably motivated young people to view childcare or nannying as professional area of employment for which they would pursue certification or qualification - and not view childcare at home as simply "something to do" when they cannot obtain other work. The result would ensure higher calibre applicants and more appreciative families.

When clients contact child-carers whose names are placed on local community bulletin boards or newspaper advertisements, they tend to offer low rates of pay (because they simply cannot afford to pay what the position and responsibility warrant). They have come to accept sub-standard performance as the norm.

- c. the role of governments at all levels in;
 - i. funding for community, not-for-profit and independent service providers;

Governments should not be involved in the practical aspects of providing childcare. They simply do not know how successful care centres should be operated. Small privately owned centres and reputable agencies with experience in this field have been actively discouraged in every way and will need to be encouraged to re-establish.

- ii. consistent regulatory frameworks for child care across the country;

Each area /territory has its own specific requirements for childcare – a use-by-all approach has no appeal. Country families and areas are different to towns and cities and Government regulation is rigid, adds to the costs of administration which is always unacceptable

- iii. licensing requirements to operate child care centres;

General licensing as is required of Baby-sitting agencies in e.g South Australia seems to work well. The proprietor would be required to have unblemished character and background testimonials and be able to demonstrate experience in the field.

- iv. nationally-consistent training and qualification requirements for child care workers,

This is best handled by the TAFE colleges.

- v. and the collection, evaluation and publishing of reliable, up-to-date data on casual and permanent child care vacancies;

More and greater administrative costs will be incurred. People will do their own research and word of mouth is a great way to find childcare places in local centres.

When will Governments learn that every additional committee, report, data collection and other administrative tool is what has landed this State and the nation in the constant financial mess it proliferates. Let's get back to basics. Encourage private enterprise, encourage initiative, put the brakes on monopolies and funding huge enterprises. Give families a CHOICE again. Let society be less regulated and more flexible.

- d. the feasibility for establishing a national authority to oversee the child care industry in Australia; and

More administration will only add to the costs of childcare however, if the current committees, authorities and departments can be amalgamated into a National Authority (not just another ineffectual administrative tool) then this might be a progressive move. The States would need to hand over their control and disband their multiple staffing and administrative costs. We wish you luck, but cannot see that happening, a National Authority will be just another cost to be absorbed.

- e. other related matters.

Cognisant of the law, reputable agencies like DIAL-AN-ANGEL are required to inform and receive proof from clients who use Agency home help services, that they are required to cover their workers and carers for Workers Compensation insurance, to register for PAYG tax and deduct tax from all payments made to persons performing home care services. Private arrangements made between clients and workers often result in non-payment of income tax and Superannuation. These carers do not receive those benefits enjoyed by other employees. Those who have been engaged through reputable agencies know that they will have prompt

recourse to an independent third party where they might feel diffident about approaching a public servant of a Government department.

To summarise our submission, we request that the Government give serious consideration with resultant action to ensure that all families who prefer to give their children the benefit of in-home childcare, receive the same 50% rebate enjoyed by client-families of registered childcare centres.

Contact should be made with the writer



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