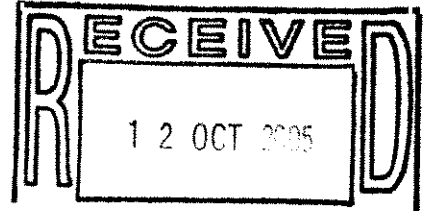
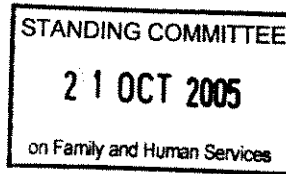


Paul Richards

[REDACTED]

10 October 2005



Submission No: 170
AUTHORISED: DM 8/2/06

[REDACTED]

To.
Bronwyn Bishop

[REDACTED]

Subject; Inquiry to Child Care Costs and Nannies

Michael,
Please forward to Bronwyn Bishop

Please read in conjunction with the attached annexures.

I sent a Letter (Annexure "A") To Michael on 30th March 2005 in regards to tax relief of Nannies and received a reply (Annexure "B") Dated 11th July 2005 from Peter Costello.

I followed the advice of Peter Costello and followed up the suggestion of In-Home Care. After many Phone calls I eventually contacted Wanslea West Coast and received the application forms. As I went through the forms I got to the last paragraph, the Parent Agreement and the last part states "*I understand the In Home Care only relates to the provision of child care and not to other duties within the home.*"

On contacting Wanslea West Coast to clarify this I was also informed that as well as this they would be unable have anyone to stay overnight and What I really need is a Nanny.

I have read there has been a recent inquiry into Child Care costs and Nannies by yourself and I hope this may be used to reinforce the argument into employing affordable Nannies and changes to taxation.

As far as the argument that this will only help high income earners this is in some respect true, but myself as a sole parent even though I have an opportunity to earn \$90K plus at the end of the day I would end up with a fairly average wage as seen on annexure "A".

Any queries or clarifications feel free to call

Paul Richards
10th October 2005

Paul Richards

30 March 2005

To.

Subject; Proposed reforms for sole parents and work

Michael,

In regards to the proposal to "make" Sole Parents to re-enter the workforce nothing would make me happier.

These last 12 years I have been raising 4 children and I work at every opportunity I can. There is a few reasons I don't work now mostly related to raising my kids.

One thing which would be of a great help to me and most probably others if employing a live in nanny could be regarded as a legitimate work related tax deduction. For this to happen a change of legislation is required. Alternatively another idea is to allow live in care to be claimable under the child care system

Just a quick costing would be as follows using a job offer I have now, \$90,000 FIFO in the North West

Myself off benefits	\$20,000
Nanny off benefits	\$10,000
Tax I pay on \$90,000	\$25,000
Tax Nanny pays on \$30,000	<u>\$5,500</u>
Extra income for government	\$50,500
Less tax deduction for paying nanny \$30,000. say I get back \$12,000 government is still \$38,500 better off	

Means I have a net income of $90,000 - 25,000 - 30,000 + 12,000 = 42,000$

Now this is by no means Great figures for me but is far better than any other help offered for me to return to work and still no guarantee I could return to work but at least

Answer. A

I could try. Possibly instead of a deduction the costs of a nanny could be treated as a rebate instead.

I have found out this is not the first time something like this has been proposed. While finding info about hiring Nannies I spoke to Dial An Angel on 1300 721111 and it seems something similar to this was pushed by them before last federal election. I'm told no one seemed to show much interest amongst all the federal ministers they contacted.

At this current time when it is hard getting tradesmen and seeing as I specialize in Railway Signalling maintenance and fault finding as an Electrician I have the opportunity to earn a good wage. It seems a good idea to have those return to the workforce that can and instead of a half-hearted approach to having sole parents return a decent effort would be better. After all what training can I be offered to improve my job opportunities ?

I should add I also have a 15 yr old son with behavioural problems. I have him home most of the time now doing home schooling and attending school part time so this has made it even more difficult at this time.

Any queries or clarifications feel free to call

Paul Richards
30 March 2005