

Overview

Susan Rogan Family Care has provided services to the home-based child care sector for more than a decade. Initially established to develop and deliver accredited training, the core business is now recruitment and placement of nannies to provide childcare at home.

The Department of Family and Children's Services approved the agency as a provider for the In Home Care program in 1993.

The demand for home-based care has increased as the crisis in other forms of childcare deepens, however a number of issues influence families' access to quality childcare at home.

Issues of particular relevance to the terms of reference for this committee include:

1. Alternative child care option for families
2. Ensuring equitable funding for this sector
3. Providing funded training and support for nannies
4. Addressing relevant industrial issues.

Childcare options

The crisis in childcare in Australia means that many families are unable to source long day or family day care places for children. Although government may be prepared to fund places, these are limited. Local government and other 'not for profit' agencies have largely withdrawn from long day care provision and the industry is generally privatized. It appears that establishment costs for operators result in the development of new centres on the suburban fringe and fewer in highly populated suburbs. Places for babies under two years are in shortest supply.

Changing societal patterns and financial pressures mean that dual income families are now the norm. These families expect that quality affordable childcare will be available & supported by government and face a crisis when this is not the case.

The agency receives calls daily from distressed parents unable to access approved childcare places seeking information about nanny care. The higher cost of care and limits on funding means that many of these families cannot access this model of care.

It appears that care 'out of home' is the preferred option of funding and training bodies, although many families would prefer childcare at home. Advantages of home-based care include:

- Increased flexibility results in decreased pressure on families
- Child care can be accessed when children are unwell
- One to one care is less stressful for children
- Care is provided in a familiar environment by a familiar carer

The Federal Government In Home Care program provides support to a limited number of families for childcare at home. Unrealistic funding limits for this program mean that many eligible families are unable to choose this option.

Funding issues

Serious concerns are raised about the fairness and equity of government support to families accessing home based care.

- ❑ The Federal Government pays childcare benefit (CCB) to subsidize the cost of approved childcare. Payments are means tested and are capped at \$3 hour per child. Nanny care is not approved and the maximum CCB these parents receive is 48 cents per hour per child.
- ❑ The rebate for out of pocket childcare expenses proposed by the ATO in 2006 is limited to approved childcare models. Families paying for home-based care will not be able to claim this rebate. Families will experience further discrimination unless this rebate is extended
- ❑ Any funding proposal for this sector must factor in the higher costs of individual care.

Training & Support

The challenge for the nanny industry is to establish benchmarks to ensure the provision of quality home based care. The industry is unregulated and no funding is available to train and support carers. Provision of quality carers is largely dependant on the professional standards and ethics of unregistered nanny agencies.

There are no funded training options for carers. The focus for funded childcare training is employment in the centre-based sector. Graduates have little awareness of children in the context of family and very limited experience with newborn and young baby care. Some private trainers offer high quality fee for service training but access to these is limited.

Currently 75% of nannies employed by Susan Rogan Family Care have qualifications in childcare or related disciplines and 25% have significant on the job experience.

The New Zealand Government has addressed issues for this sector. Support there includes

- ❑ Provision of funding for a one year program customized for home based care (New Zealand Nanny Certificate)
- ❑ Funding of industry to provide ongoing monitoring, support and education for nannies and children
- ❑ Child care subsidy paid to families for all child care models

Industrial issues

The employment of a nanny is a minefield for families and employment agencies. There are no relevant industrial awards although the Federal Employment Act sets minimum conditions. The challenge for agencies is to ensure fair and equitable conditions for nannies balanced with the ability for families to pay for care.

A small number of nanny agencies retain nannies as employees and ensure that all statutory obligations are met or families may undertake these responsibilities. However the employment of nannies is still often in the cash economy. Many agencies & families describe nannies as contractors although they do not meet the requirements of the ATO work test. These nannies are usually paid in cash, may not be insured and are not paid superannation or leave entitlements.

A recent report of a family being fined by the Work Cover Authority when the family dog bit a carer highlights the risks to families and workers.

The cost of workplace insurance varies across states. Some offer a domestic policy for less than \$100 but this is not available in Victoria and families are charged the full industry rate.

Recommendations:

The current shortage of childcare is a serious concern for Australian families. The rising cost of long day care makes nanny care a viable option for many Australian families.

1. Extension of the proposed 30% Child Care Tax Rebate to all families for out of pocket childcare expenses.
2. Extension of the In Home Care initiative to all families unable to access other suitable care. Families would then be able to claim CCB and Childcare Tax Rebate
3. Funding for development of Home Based Child training, TAFE and private providers funded to deliver training
4. Funding of agencies to monitor and support workers, families and children. This program would provide on the job training and be modeled on the New Zealand program
5. Industry consultation to assist with policy development for the sector