



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON FAMILY AND HUMAN SERVICES

Reference: Balancing work and family

THURSDAY, 22 SEPTEMBER 2005

SYDNEY

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

INTERNET

The Proof and Official Hansard transcripts of Senate committee hearings, some House of Representatives committee hearings and some joint committee hearings are available on the Internet. Some House of Representatives committees and some joint committees make available only Official Hansard transcripts.

The Internet address is: **<http://www.aph.gov.au/hansard>**

To search the parliamentary database, go to:
<http://parlinfoweb.aph.gov.au>

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON FAMILY AND HUMAN SERVICES

Thursday, 22 September 2005

Members: Mrs Bronwyn Bishop (*Chair*), Mrs Irwin (*Deputy Chair*), Mr Cadman, Ms Kate Ellis, Mrs Elson, Mr Fawcett, Ms George, Mrs Markus, Mr Quick and Mr Ticehurst

Members in attendance: Mrs Bronwyn Bishop, Mr Fawcett and Ms George

Terms of reference for the inquiry:

To inquire into and report on:

How the Australian Government can better help families balance their work and family responsibilities. The committee is particularly interested in:

the financial, career and social disincentives to starting families;

making it easier for parents who so wish to return to the paid workforce; and

the impact of taxation and other matters on families in the choices they make in balancing work and family life.

WITNESSES

ADELMAN, Mrs Susanne, Parent, Care for Kidz Nanny Agency 1

CLARK, Mrs Cathy, Director/Owner, My Little Friend Nanny Agency 1

DOUGLAS, Mrs Donna Sharne, Director, Mothercraft and Nannies Pty Ltd 1

ELGHITANY, Mrs Sarah, Scheme Coordinator, Australian Professional Nannies 1

GIBIETIS, Mr Paul Robert, Director, Nanny Sharing Connections 1

GIBIETIS, Mrs Hilary Gaye, Director, Nanny Sharing Connections..... 1

KERR, Mrs Christine Margaret, Academic Manager, Charlton Brown Group 1

MacDONALD, Mrs Edwina, Private capacity 1

McHUTCHISON, Ms Marina Roxanne, Manager, The Australian Consortium of Nannies 1

McINALLY, Ms Anita, Affiliate Agency, Abacus Ark Corporate Childcare, Australian Consortium of Nannies 1

SCRIMIZZI, Mrs Grace, Managing Director, The Elite Nanny Service..... 1

SLATTERY, Ms Lara Terese, Director/Owner, Working Nanny, Care for Kidz Nanny Agency 1

STANKOVIC, Ms Sonja, Registered Nanny, My Little Friend..... 1

VAN VEENENDAAL, Mrs Kerri Joy, Chief Executive Officer, Mumsweb/Charlton Brown Victoria..... 1

WILSON, Mr David Colin, Director, Australian Professional Nannies; President, Child Care Services of New South Wales..... 1

Committee met at 9.43 am

ADELMAN, Mrs Susanne, Parent, Care for Kidz Nanny Agency

CLARK, Mrs Cathy, Director/Owner, My Little Friend Nanny Agency

DOUGLAS, Mrs Donna Sharne, Director, Mothercraft and Nannies Pty Ltd

ELGHITANY, Mrs Sarah, Scheme Coordinator, Australian Professional Nannies

GIBIETIS, Mrs Hilary Gaye, Director, Nanny Sharing Connections

GIBIETIS, Mr Paul Robert, Director, Nanny Sharing Connections

KERR, Mrs Christine Margaret, Academic Manager, Charlton Brown Group

MacDONALD, Mrs Edwina, Private capacity

McHUTCHISON, Ms Marina Roxanne, Manager, The Australian Consortium of Nannies

McINALLY, Ms Anita, Affiliate Agency, Abacus Ark Corporate Childcare, Australian Consortium of Nannies

SCRIMIZZI, Mrs Grace, Managing Director, The Elite Nanny Service

SLATTERY, Ms Lara Terese, Director/Owner, Working Nanny, Care for Kidz Nanny Agency

STANKOVIC, Ms Sonja, Registered Nanny, My Little Friend

VAN VEENENDAAL, Mrs Kerri Joy, Chief Executive Officer, Mumsweb/Charlton Brown Victoria

WILSON, Mr David Colin, Director, Australian Professional Nannies; President, Child Care Services of New South Wales

Witnesses were then sworn or affirmed—

CHAIR (Mrs Bronwyn Bishop)—I declare open this public hearing of the House of Representatives Standing Committee on Family and Human Services, specifically its inquiry into balancing work and family. I thank everybody for coming this morning. During the inquiry, the committee will explore a range of issues relevant to many Australians and the choices they make in relation to having children and raising families. Today's roundtable will particularly focus on the following four important things concerning the nanny industry: (1) nanny employment conditions; (2) employing a nanny; (3) qualifications, training and regulation; and (4) other nanny industry issues.

The public are welcome to observe this roundtable and a transcript of the evidence gathered today will be available on the committee's web site. The aim is to allow the committee to hear diverse and varied views from key stakeholders in a forum that encourages discussion and debate. I will shortly invite you to make a brief opening statement.

We will discuss topics by theme basis. You will be invited to make a three-minute statement on a particular topic. Following these statements, members of the committee will have the opportunity to ask questions before I open the floor to general discussion on that topic. I will watch time limits to ensure that people have an equal opportunity, so please remember that succinct points are good. You can put in a supplementary submission or write to the committee concerning any particular topic subsequently if you wish.

I now invite representatives of each organisation here this morning to make a brief opening statement of three minutes, as we discussed.

Mrs MacDonald—I am not representing an organisation as such; I am a parent, but I do hire a nanny through one of the organisations that is here. I would like to thank you for giving me the opportunity to talk today. I have a permanent part-time job, which I think is the Holy Grail for mothers. My husband works long hours. He has a good income, by any standards, but the bulk of that goes on the typical Sydney mortgage. We have three children aged four, three and 18 months. Aside from the mortgage, child care is the biggest issue impacting on our lives. In the past I have used long day care and family day care. I am now using a nanny for a number of reasons, mainly because it is the cheapest option for three children. Also, I choose it for the quality of care, the backup for when children are ill and the excellent home support it offers, making my working life much easier and much more productive.

I want to emphasise that it is not just the wealthy that use nannies. Nannies are becoming increasingly popular for many families either because they cannot get into long day care or because, as in our case, it is the most cost-effective option. Nannies are also the only option if you cannot get into after-school care. This is crucial as there are virtually no jobs that let you finish at 2 pm or 2.30 pm to pick up your children and, if you do find such hours, the job would be so badly paid you would be better off staying at home. A nanny provides all the support in the home that enables women to use their skills back in the work force. If government policy is to make or encourage mothers back into the work force, it has to accept that there are not enough child-care places whether or not they are affordable.

I pay my nanny \$19 an hour. From that she takes out her own tax and super. I know she is not well-paid, but I simply cannot afford to pay her more. As it is, every week I pay more to her than I bring home but it is worth it, in my view, to be back in the work force, to develop my skills, even though it is not sustainable in the long term for my family. We are going backwards and, frankly, I resent working so hard with nothing at the end of the day to show for it because of child care.

I would like nannies and incidentally preschools—I know that is another topic but I also use a preschool—to come under a fairer system of rebates. The amount we get back under the registered carer category is laughable. I got back \$935 for a whole year, which works out at less than \$4 a day. There is a huge work force of mothers out there—especially now, I believe, because there is a baby boom on and people are wanting to have a third child. We are educated

and we want to contribute. We enjoy being back in the work force with its other than financial rewards. It is easier for mothers to employ a nanny for fewer than 30 hours a week so that they could just pay cash. This means that many mothers choose jobs with fewer career prospects if the alternative is to work more hours and bring home even less money. Also, by paying cash, the government is not getting any income but, more importantly, nannies are not getting the super, sick and holiday pay that they should be getting.

Now that I work we do not qualify for family tax benefit part B—a policy which I do not believe was a good one anyway—and we miss out on the benefits of part A, so all we get is the tiny rebate for registered care, which is really quite useless. I would like to see more government subsidy for the cost of a nanny; they deserve to be paid decent money as they do such a great job. As a form of child care it is just as deserving of a government subsidy or rebate. If you are serious about finding a work-life balance then this is where the government should be putting its money. I appreciate the argument that if you choose to have children you should pay for their upbringing, but we are raising the next generation of working Australians and I believe this is where the government should be supporting us.

I do not know what the answer is. I do not know whether or not we should make child care tax deductible. I believe there was some discussion in the government about a flat payment per year per family to spend how you wish in raising your children. The baby bonus is great although we did not get it. I think it is later, when parents go back into the work force, that you really need the financial assistance.

Ms McHutchison—I am representing the Australian Consortium of Nannies which is a resource and information service. I have also invited Anita McNally from Abacus Ark which is a corporate nanny agency, so to speak. I have been a nanny for the past 20-odd years and I have worked as a nanny mummy and right across the board in the nanny industry. I have also run an agency. My main concerns are the employment conditions for nannies. I find the superannuation loophole that exists, which stops part-time nannies from being paid their superannuation, to be a little bit absurd. I have actually come out of 20 years of nannying with only four years worth of superannuation. I consider it unfair that my family then has to basically foot the bill in my old age whereas everybody else has had the opportunity to fund their retirement. If you work at McDonald's, you start to accrue superannuation, but if you are a nanny working 30 hours a week or less, unless you negotiate those conditions then you are not legally entitled to them.

My other area of concern is about the lack of regulations. We have a great representation here today of agencies, but there are operators who do not practice as ethically as those who are here today. The regulation has disappeared. We have had it in the past but there is no basic standard being applied to agencies for screening practices. Those are my main bugbears.

Ms McNally—I am the Director of Abacus Ark. My company specialises in providing emergency and other child-care services to companies. We do not deal directly with the general public; we deal with companies. My business partner and I started this business because we did a lot of research and companies are very keen on providing child care to their employees but are saying they cannot afford on-site child-care facilities. They recognise that there are all sorts of different types of child care. There are obviously child-care centres and there are nannies being employed by parents and so on. What we do is to work with families to look after their child-care needs particularly in emergency situations. The companies themselves are actually paying

for part of our services, but the services attract fringe benefits tax and that is a real issue for companies. The only exemption from FBT, as you probably know, is if the companies provide on-site child-care facilities. There are no other exemptions in that respect. So we have an interest there because obviously that benefits the families who want to use our services and also companies. It means getting working parents back to work and also having them at work when they might not otherwise have been because their children were not able to attend child care or school because they were sick or their own nanny did not turn up and that is a real issue.

Mrs Douglas—I am one of the directors from Mothercraft and Nannies. I am a mother of two children, so I feel I represent the agencies, the families and the nannies. One of my concerns is that I have noticed that often girls will ring us, as an agency, and use us as a sounding board for any issues they have. They do not have a union or an award that gives them the guidelines. The superannuation, which Marina mentioned, is something else that concerns me, as is the tax relief for families to help the nannies achieve the wages they are entitled to. That is all I would like to say at this stage.

Mrs Clark—I own My Little Friend Nanny Agency and have done for 11 years. I worked for My Little Friend for four years prior to buying it, so I have 15 years experience. I am a mother of three, and I have employed a nanny for a very long time as well. My main gripe is that nannies are not tax deductible. If I employ an office assistant to assist me in my office, she is tax deductible; if I employ a nanny to give me some assistance so that I can be in my office, I pay myself and I pay the tax, I then pay my nanny and she pays the tax. So two lots of tax come out of my wages—and that is wrong. For any other person who employs someone, it is tax deductible, but not if you employ a nanny. I can tell you that there is a lot of cash out there being paid to nannies. It is too hard for parents; they do not get any subsidy whatsoever. I think if nannies became tax deductible as employees, the standard and the quality of girl would improve, because people would say, ‘I’ll pay my nanny \$100,000 a year instead of paying her \$20,000 cash’—which the government is getting nothing out of. I would rather pay my nanny \$100,000 a year: she runs my life, she runs my house and she keeps my business going. She is the most important employee you can have because, if your family is unhappy at home, it does not matter what is happening in your business: you cannot focus and you cannot concentrate. That is my big thing: any other employee is tax deductible except a nanny. So that is why I am here, and I am very, very passionate about it.

Mrs Adelman—I am here with two hats on. I am a mother of three children, and I am the owner-director of Mum’s Best Friend agency, which has been operating since 1995. I am a guest of Lara Slattery, who also happens to be one of our best nannies and who has always kept me informed and abreast of what is going on in the industry, so I thank her for that. Like Cathy, I feel the need for nannies to be a tax deduction. I understand that the reason they are not at the moment is that they are not income earning.

CHAIR—The High Court held that there was not a sufficient nexus between a nanny and deductible assessable income.

Mrs Adelman—Exactly. I think there is room for movement on that because, if we can employ nannies that are a tax deduction, of course we will go back into the work force and be the income earners. I also feel very passionate about that. I believe there has been a change in the industry over the 10 years that I have been in it. Many more agencies are ensuring that nannies

do get the right wage, they are paid gross and they do get their holiday pay. We do fight hard for superannuation but, as Marina said, there is that 30-hour a week loophole which, unfortunately, parents take advantage of because it is there to be taken advantage of. Part of our job is to also educate the employer which, in this case, is the parents. If we had guidelines to work within—an award wage, superannuation and various other things—I believe there would be a lot more uniformity within the industry. I also believe that would lead to nannies being happier in their jobs, therefore giving more longevity to the families and exactly what parents want: continuity in their child-care arrangements.

I would also like to mention the au pair industry—and I know that Lara has a guest here to represent that. Au pairs is an industry in Sydney which is certainly booming. It is an industry that is taken advantage of because au pairs are usually working holiday makers that live with a family for a period and earn pocket money and board. At the moment we are struggling with the three-month visa regulation. Although the girls are here for a one-year working visa they can only work for three months with any one family. That is difficult because it does not give the families the continuity that they would like so we struggle with that all the time. I feel that having no guidelines within that particular market of child care leads to a lot working travellers and students here in Australia being taken advantage of and, unfortunately, leads to bad feeling. That is no good for industry, no good for child care, and no good generally. I would like to see that industry become more regulated.

Ms Slattery—I own the Care for Kidz Nanny Agency. I am also a full-time nanny working 50 to 60-plus hours a week. I also deal with parents. I have three hats on: I know what parents want; I know what nannies want; and I know generally what agencies want and the regulations and rules. Everyone has mentioned that the industry is unregulated—superannuation, working conditions, long hours and live-in and live-out nannies. Live-in nannies are more prone to being exposed or taken advantage of because generally once the parents come home they should be off duty. That does not mean that they can be called upon to work 80 or 90 hours a week to help out parents when they decide to go out or away for weekends. Basically, that is nanny burn-out.

Secondly, because the industry is unregulated, superannuation is big problem. Cash is also a big problem. Nannies are getting paid in cash and there is no legal status for that nanny. If she has a car accident, for example, and is injured in the long term, she gets no insurance: she cannot prove her income because it is paid in cash. Therefore she loses out and the government has to fork out all the Medicare costs. It is an ongoing circle.

There is another big problem in the nanny industry and for parents: after school care. We have many jobs that need to be filled in after school care but we do not have the nannies to fill them because of the 20 or 30 hours a week after school care. A nanny cannot live on a 20-hour wage. She cannot do a morning job because it is 2.00 till 7.00 am, 2.00 till 6.00, 3.00 till 6.00 or 3.00 till 7.00. I believe au pairs who come in from overseas can fill in that gap. Overseas, in London and in America, there are regulated au pair industries and I believe that Australia should look into that to fill the after school care.

Qantas flight attendants start work at 4.00 am or have to leave at 4.00 am and they come home at midnight. What nanny is going to want a job that starts at midnight or at 4.00 am? They are working only 20 hours per month so they cannot fill that job. Flight attendants and pilots work on a roster of about 20 to 25 hours a month and cannot get their children into child care because

there are no 24/7 child-care centres. If I want a nanny I have to pay her a full-time wage to make her work in that month. I resent having to pay a full-time wage if I am going to be around. I think that some agencies will back me on this about Qantas flight attendants.

Mrs Gibietis—We get a lot of inquiries about flight attendants about nanny sharing. I can talk more about that later if you like.

Ms Slattery—Yes, it is a big thing.

Ms GEORGE—Which agency—

Ms Slattery—Care for Kidz. I am a nanny as well.

Mr Wilson—Australian Professional Nannies is a business unit of Child Care Services of New South Wales. My background is a little different. I originate from the long day care sector. I am currently the President of Child Care Services of New South Wales and the federal delegate to Child Care Associations Australia, so I have a fair idea of what has happened in the long day care and formal child care sector. I have operated long day care, before and after school care and currently run an in-home care service under the federal government's in-home care program. We look after about 305 children throughout the Sydney metro area on any one day.

Ms GEORGE—That is in the in-home care program.

Mr Wilson—Yes. Some time ago we saw that, despite having long day care, before and after school care and in-home care, there were still parents who did not fit any of those models, so we started Australian Professional Nannies. We employ our nannies and keep them on our payroll; we do not do placements at this stage. I think the nanny industry is probably the poor cousin of the formal child-care sector and it probably should not be because it has been around longer than the formal child-care sector. I think there are a number of things the government could do. I have a number of suggestions, but I will probably best make those later on in the various sections that you have coming up.

Mrs Elghitany—I have originated from the long day care sector as well. I worked in that industry for about 10 years and have been in the nanny side of things for about a month, so I am still learning. It is quite fascinating because, as I am learning, I realise that nannies are just as important as child-care workers in the learning and development of our children. I would really like to see more research and effort put into things like the minimum criteria for nannies. An award wage would be great as well. There needs to be a minimum amount of study for nannies before they go out there and take care of children because they are there to help the children learn, grow and develop just as much as any other child-care centre.

Mrs Van Veenendaal—I am wearing three hats today. I am a mother of four ranging in ages from 20 to four. I lost my job 20 years ago because I could not have child care. Then I employed a nanny. For the first eight years of my professional working life with children, I earned \$38 a week above my child-care payments. I am also CEO of mumsweb.com, which is the largest online web site for mothers. We represent 91,000 registered mothers online, with over 300,000 a month contributing to our forums. We have had ongoing forum discussion on the issues of child care and balancing work. We also have taken the Victorian part of Charlton Brown, which has a

very good synergistic approach to mumsweb. We are looking at developing Charlton Brown in Victoria, which is the agency and training institute.

We are looking at a very balanced viewpoint to this. Simply saying an award wage is necessary or firming up the industry is one thing, but there is also the problem of a black market springing up once you put in awards et cetera. However, there does need to be some recognition. There certainly needs to be better options for those in the essential services sector. There needs to be discussion on how to empower women to get back into the work force and decide not to opt for the parenting payment and single mothers' allowances rather than paying child care and having a piecemeal wage after that. Today I represent the mother's point of view from mumsweb.com as well as representing Charlton Brown, and I will contribute throughout the sections.

Mrs Kerr—I am the academic manager at Charlton Brown Group. Before that, I was the agency manager. I have been a family day care mum. I have been a director of long day care centres et cetera. But I have also done research into nannies. Part of my master's thesis was research into nannies. I started listening to their stories, which was the tale I was telling. A lot of it came back to the importance of nannies in the family—how they have become an integral part of the family and how their job role increases the longer they are with the family but that is not commensurate with their wages and their conditions. Because they are in love with the children and the family, they think that it is okay. They think that it is okay to take a minimum wage because that is what the family needs. But they do not think of themselves and their future.

Charlton Brown is also a labour for hire company. We have had many nannies coming in over a period very upset because, as you were saying before, families pay their nannies X numbers of dollars. They have been upfront with their nanny and said, 'This is your tax and super and stuff.' Some families have given them \$8 an hour and at the end of the financial year have said, 'Your superannuation and your tax were included in that.' The girls thought that was what they were getting; they then owed the government money for their tax.

We decided that nannies really need the recognition. They play an integral part. We believe that all nannies should be qualified. Our own training course is specifically designed for nanny training. Working in a home and with a family is completely different from working in a child-care centre. I know because I have done a bit of both. I really think that it is important that nannies get the recognition they deserve. They all should be trained and should work upfront.

The black market is huge and we need to hit that on the head and stop it as much as we can. Maybe the way to go is to require registered carers to have a qualification—you cannot be a registered carer or a nanny unless you have a qualification. I do not know how we get around this; there has to be some way. People will pay more to get their ironing or their hair done than they will to get their most precious resource, their child, cared for. I think that is an issue that we need to look at too.

Mrs Scrimizzi—My business, the Elite Nanny Service in Melbourne, has been placing nannies for eight years. I also worked as a nanny for 15 years in London and in Australia, in Melbourne, and in America. In each of the countries, and here in Melbourne as well, where I worked as a nanny—I am now placing nannies with families—I have seen the differences. There are a couple of issues that I am quite concerned about based on the feedback from both nannies

and families. Firstly, I am concerned that nannies get superannuation and holiday pay, sick pay and annual leave and, importantly, that they are treated as professionals within the workplace by their employers who are also professional working people dealing with professional working people in the workplace every day.

A lot of the issues that have been mentioned today about nanny employment conditions et cetera indicate that there is a need for regulation so that there is more continuity. The main feedback that I have from families—and I have the information today from families who apologise for not being able to come themselves—is that they are not able to claim a nanny as a tax deduction. One family in particular has employed a nanny for the past five years since the baby was four months old. She started up a company and now has her own company. Her situation is very similar to that of Cathy: she employs 10 people and is paying taxes for 10 people—money which is being put into the Australian economy—and is not able to claim a nanny. If she did not have a nanny she would not be able to have her own company and have employees. They need to be able to claim a nanny as a tax deduction—a portion of the cost or the full amount. These issues need to be addressed.

In 2005 employing a nanny is no longer for the privileged. It is for families who wish to return to work or who want to be given the choice to return to work. In Melbourne at the moment child care is in a crisis situation. Women who are not yet pregnant are putting their names down for child-care places. What is happening is absolutely ridiculous; it is unbelievable. Families who thought that they could not afford to employ a nanny now have no option.

We are talking about parents and other people having choices. They are not able to choose the best quality care for their children, whether that be a child-care centre. If they are not able to get their children into child-care places what other options are there: employing someone who is not qualified and not experienced and having to pay them a minimum wage—and that is not really the first choice—or employing a nanny and being able to have a tax deduction so that they can then go back to work and have more income coming in? In turn, it will improve the status and professionalism of nannies and the recognition that nannies should have. As Cathy said—and I think it was excellently put—a nanny is the support and the backbone of these families. It is time to consider tax relief. Tax is outdated and it needs to be brought into 2005.

Mr Gibietis—I am wearing two hats. I am a director of Nanny Sharing Connections. I will let my wife, Hilary, talk about the business. As the father of 17-month-old twins, we employ a nanny for a couple of days a week. From the non-business side, the fact that we get a lovely rebate of 44c per hour and we pay \$20 an hour—I think Edwina also mentioned it—is laughable. It is not enough compared to the child-care centre rebate. If nannies are recognised and it becomes more affordable for a family to hire a nanny, it will be a good thing for our business. We are not greedy but we have a business that relies on nannies and we want to make nannies more affordable by sharing them. If nannies are more affordable and more of an option to any status of family as opposed to just a family at a higher income level then it is good for our business, but I will let Hilary talk about the actual business side of things.

Mrs Gibietis—I am a director of Nanny Sharing Connections. The business commenced in December 2004, so we are really new to the market. Essentially, we were created to put families in touch with other families for the purpose of sharing a nanny or sharing care. Typically, our database is made up of 99 per cent of families who wish to share a nanny. We are essentially like

a dating agency, an RSVP agency, where two families with similar needs want to be linked together. We work closely with nanny agencies to source the nannies for our families. We do not actually have nannies on our books just families wanting to be connected with other like-minded families. We connect families across the eastern states of Australia at the moment and we assist them in finding an alternative, affordable child-care solution. We believe we fill the gap for families unable to secure a position for their children in formal child-care centres or family day care schemes and those who are unable to afford a nanny in their own right.

People often want to know what we mean by nanny sharing. Nanny sharing is typically where two or more families engage the services of a single nanny to care for their children. It not only provides financial benefits for the families but, in addition, the children are cared for in an environment that is socially stimulating and relaxing. The parents reduce the risk of communicable diseases for their children and the parents also have to travel less often to and from care for their child. It often suits families whose children are plagued by illnesses. They prefer to have in-home care. So 99 per cent of our database that we maintain is made up of families wishing to simultaneously share with another family to cut down on the costs of having a nanny.

We also have families wanting to share on alternate days, which we term 'nanny splitting'. That is only about one per cent of our database. If you take \$20 on average to be the cost per hour for a nanny it cuts the cost to about \$10 per hour per family. We also deal with families looking for mummy nannies. The idea of mummy nannies has already been brought up. We take registrations from mummy nannies looking for work. Essentially we describe mummy nannies as nannies who have had several years of experience in the industry and had a child of their own and then wish to return to work taking their own child in tow. Our service will match mummy nannies to families thereby creating an instant nanny for the partner family and no subsequent hiring of a nanny is required.

We find that nanny sharing is quite a new concept for Australian families. When families consider child-care options they do not typically consider nanny sharing to be on the pick list. They consider having a nanny, long day care or family day care, but nanny sharing is not typically on that pick list at the moment. We have found that this contrasts to England and Canada where nanny sharing is more mainstream and where dedicated agencies like ours have existed for a lot longer. This is highlighted by the frequent interest in our services by English, American and Canadian families who are contacting us. It is, however, gaining interest via the launch of our business and the need for cost-effective alternatives for families.

Obviously there is the child-care rebate for registered approved centres, which provides a mechanism for affordable child care for families, but no such system exists for registered in-home care like nannying. Out of the inquiry we would like to see consideration for similar rebates or some form of salary sacrificing for qualified ABN registered nannies.

CHAIR—Thank you very much. The second theme, 'Employing a nanny: taxation, costs and subsidies', is really starting to flesh out what we have just begun. I found the opening statements most helpful and useful. Arising from the contributions we have had, I would like to ask an opening question of Ms Marina McHutchison, who raised the question of the 30-hour a week super loophole. What would be the average number of hours that nannies work, or is there no such thing?

Ms McHutchison—There is no such thing. It varies from doing the two hours a day for after school care all the way through to nannies who are working 70 hours a week. Some nannies even work in a four-person team for one family—that is talking about the Nicole Kidmans of the world. We are talking about everyone from your local midwife or fireman all the way through to the Nicoles. Regarding the superannuation loophole, there is a trend that many nannies work two part-time jobs to make up one full-time wage, and that is where I fell down with my superannuation. I did not see it as a problem. When you are in your twenties you do not really think about your old age. As a mother of 3½ children, I think about it a lot now and wonder what my alternatives are. My husband and I are working out strategies there. It strikes me that it is because I have been caring for other people’s children that my kids are going to miss out in the long term. I have explained that I am having four children: they get to cop mum and dad for one season a year in our old age until we drop. We have four, so they can share us around.

CHAIR—And they said, ‘That’s our pleasure.’

Ms McHutchison—My seven-year-old daughter did. My eight-year-old went, ‘Hmm.’ I think he has already worked it out. One of the problems with the job—although I do not see it as a problem, for me as a nanny it is one of the joys—is that when you are a part-time nanny you have a friendship relationship with your employer because you are there for a couple of days a week. You back them up and it is very rewarding to work for someone and see them working hard on a project. When that project turns from being a part-time business and grows into a full-time business, they are suddenly employing other people but you are a part of that. There is no bitterness. Even when I look back now, I am still in touch with my children whom I have cared for. The first one has had her 21st birthday recently, so there is that close connection.

When you turn into a full-time nanny, you become a family member and, within two weeks of starting a job, you end up with the trust of your employers. They have given you the keys to the house and the SAAB. They are quite happy to give you the PIN of their bank accounts and you basically fill in the holes. With the superannuation loophole I find it odd that, even though nannies have been established since colonisation, it is the one group that has missed out even though we provide consistent care. I find it strange that nannies—and cleaners too—are backing up especially couples who are working—

CHAIR—Basically under 30 hours you are classed as a casual worker, so it does not apply.

Mrs Adelman—It is only in a domestic situation.

CHAIR—Is it only in a domestic situation?

Mrs Adelman—If it is 30 hours or under of a domestic nature.

CHAIR—Really.

Mrs Clark—If we worked here in this office for 29 hours we would get super but if we worked in Susanne’s home for 29 hours we would get no super. We have a lot of clients—

Mrs Scrimizzi—It is \$450 a month—

Ms Slattery—It is 30 hours domestic.

Mrs Scrimizzi—for any employee within Australia as opposed to employing a nanny. I would like to ask the question: what is the distinction? What is the difference between a domestic worker and why is there an exemption as opposed to every other employment situation in Australia? If you earn \$450 a month, your employer must pay superannuation.

Ms GEORGE—That was my understanding that there was a minimum threshold. I thought it was around \$450. It can be less than that if you are covered by an award. It may go to the definition of nannies whether they are employees or contractors. I think that is an issue.

Mrs Kerr—We have to pay superannuation to all our nannies. It does not matter whether or not they do the 30 hours a week. We are a labour for hire group so we have taken that on board that our nannies get superannuation.

CHAIR—So they are on your payroll?

Mrs Kerr—Yes, they are on our payroll and they get the super even if they do 14 hours a week.

CHAIR—We have several models. We have the skills for hire model where you pay the super, workers comp and insurance and then your employees then work in somebody else's home.

Mrs Kerr—That is right and the families pay us—

Ms GEORGE—So you do the placement.

Mrs Kerr—and we pay the nannies.

Ms GEORGE—And you take the responsibility for the workers comp and all that.

Mrs Kerr—Absolutely everything.

CHAIR—Then you have the model of someone who is a contractor, someone who is their own business in that sense.

Ms GEORGE—Edwina employs someone on the basis of their being a contractor from what you have described.

Mrs MacDonald—Yes.

CHAIR—So they are responsible for their own insurance, super and all those things.

Mrs MacDonald—I pay insurance.

CHAIR—You would pay workers comp. Contractors are covered by workers comp.

Ms Slattery—But you have to make sure that if you do hire someone on a contract basis that they have an ABN. If they pay less than, I think, \$50 a week, they do not need an ABN; if they earn more than that, they have to have a number.

Mrs Douglas—A lot of girls who are 21 do not want the responsibility of an ABN either. They get paid \$600, \$700 or \$800 a week and they spend \$700 or \$800 a week. When they get to the end of the financial year they are hit with a huge tax bill.

CHAIR—They are going to have to learn.

Mrs Clark—They are not going to be a nanny next year. They are going to say, ‘I’m going to work at McDonald’s. I don’t get a tax bill if I work at McDonald’s.’

CHAIR—Maybe if that is their attitude you do not want them being responsible for your children. If they are not responsible for their own money, I do not think they are a good bet for looking after kids.

Ms GEORGE—What is the situation for family day care workers? Are they covered by an award?

Mr Wilson—Yes, they are. The person in the family day care home—the family day care mother—is an independent contractor, and there is a tax ruling on that. They run their own business, and they can care for up to five children at any one time. They are supported by a coordination scheme which is funded by the federal government. That scheme has visiting officers to support the carers, to add to the developmental aspects of the program and to support the accreditation scheme that all the family day carers have to go through.

Ms GEORGE—In terms of the conditions of employment, does the mum who provides the family day care get access to a minimum wage?

Mr Wilson—She is an independent contractor.

Ms GEORGE—So there is no award regulation there.

Mr Wilson—There is no award regulation for her as such.

Mrs Kerr—They get X amount per hour per child they have in care.

Mr Wilson—That has actually been deregulated just recently, so they can charge whatever they wish per hour per child.

CHAIR—They might, for instance, take three siblings and say, ‘Well, I’ll charge so much for the first one, and so much for the second, and so on.’

Mr Wilson—They set their own rates. It is based on the principle that they are supplying their own home—their home being their tools of trade, basically—and that gives them the independent contractor status. Most family day care mothers seem to be very happy with the

arrangement, and there are quite a lot of tax incentives for them also, because they are supplying their own home, electricity, et cetera.

CHAIR—But that then makes their own home subject to capital gains tax when they sell it.

Mr Wilson—That I could not answer. I wonder if they have considered that—I do not know.

Mrs Van Veenendaal—It could be a portion of their home for capital gains tax. But if I may interject just for one point: part of this stems back to the way the child-care subsidy is dished out. For an average family to go to child care, you often only pay the difference between what you are assessed at and what the ultimate cost is. However, with your nanny in-home, you have to front up with the entire amount first. If there were some way of regulation of that child-care provider or the nanny being provided with a qualification number and regulation at that point, it can ultimately stem back to cleaning up the black market in that industry and get through to the superannuation issues.

It is all a matter of regulation of who is providing the child care and how easy it is for the family to go and get that subsidy back or in fact understand that subsidy. A lot of the families are opting to put their names on child-care lists because they have the ease of the payment. That is putting a heavy burden on the child-care system and the formal day care system out there. Essential workers in essential services with long hours often cannot access that and cannot get to a Medicare office to claim their rebate back. There needs to be some formalisation to regulate that industry.

Mrs Kerr—Charlton Brown actually does that for nannies. We have an in-home care contract in several states of Australia so, in that situation, it is exactly the same as a child-care centre: the government pays us the money, we work out every week how much that family owes according to how many hours they have used the nanny and we charge the family each week.

CHAIR—So you get the child-care benefit.

Mrs Kerr—It is exactly the same as child care. Every quarter they give us the money upfront, and then we have to—

Ms GEORGE—As if you are a long day care centre.

Mrs Kerr—As if we are a long day care centre, but that is our in-home care—

Ms GEORGE—How do you manage to do that?

Mrs Kerr—We have very strict systems in place, and we are audited, of course, all the time. The nannies ring in and have timesheets every week—

Ms GEORGE—You are recognised as a registered child-care provider.

Mrs Kerr—We are an approved child-care provider as well as a registered child-care provider. We actually do that each week, and that makes it much better for the families.

Ms GEORGE—What would you put in to other agencies around the table seeking similar approval?

Mrs Kerr—In-home care places are capped at the moment, so I believe you cannot actually get any more places.

CHAIR—You have got that because you do in-home child care.

Mrs Kerr—We do in-home child care, so we are under that subsidy scheme. There are lots of hoops to jump through.

Ms GEORGE—But that is capped and full at the moment.

Mrs Kerr—Yes, it is.

Mrs Elghitany—That is under very strict eligibility as well, so the family has to—

CHAIR—Disguising the isolation.

Mrs Elghitany—It is isolation if they have three or more children under school age and they cannot find child care or if the children have special needs. There are certain criteria that they have to abide by before they get that entitlement. As everyone keeps mentioning, I do not see why a government scheme cannot be introduced with nannies. They are just as important as child-care workers.

CHAIR—I agree with that.

Mrs Elghitany—They are working in the home. ‘Domestic households’—what does that mean?

CHAIR—It is just another place of work for some people.

Mrs Adelman—Also, we have to bear in mind that—I might not be very well liked for saying this—nannies are quite well paid, I believe, nowadays.

Mrs Clark—I do too.

Mrs Adelman—It is an industry that more child-care workers on a day-to-day basis come into because their hourly rate is much better than the award rate in child-care centres. There has been a trend towards parents paying them correctly—not when they are contractors but when they are employed by the parent. Their tax is taken out each week and sent to the ATO; everything is done properly. In Sydney particularly—I cannot speak for Melbourne and Brisbane—most nannies are paid properly and paid well.

CHAIR—What would the average payment be?

Mrs Adelman—The average would be between \$18 and \$20 an hour gross, plus nine per cent superannuation on top of the gross annual salary, five days sick leave and four weeks holiday per annum for full-time workers.

Mrs Clark—That is what worries me about having an award for nannies. David, what is the child-care centre award?

Mrs Elghitany—It is crap. It is \$14-something.

Mr Wilson—No.

Mrs Elghitany—That is unqualified, though. That is a child-care worker on step 1. When you look at the higher steps and someone who is qualified, it is a bit higher than that. Still, \$18 to \$20 is a very fair rate.

Ms GEORGE—Bear in mind that the national minimum wage is currently \$12.75.

Mrs Clark—Nannies are very well paid. The problem is that, to find a good quality nanny, you have to pay well. If I have a girl come in who has an early childhood degree and seven years experience, who has worked in a child-care centre and been a nanny, and I say that I have a job where the family is paying \$15, she will not look at it. If that is the award—

CHAIR—But you can put it to the family that this is an excellent person and, if they want this person, it will cost \$18.

Mrs Clark—Absolutely—or \$22 or \$23.

Mrs Douglas—I spoke with a nanny yesterday and she told me that she is on \$26 an hour, which is a lot. I said, ‘Really! I think that is terrific.’ She said that the family pays part of her wage as cash and part of it is declared in tax, and that is what has made it easier for them to go the higher rate. It is not one off. She told me that a lot of nannies are paid that way.

Mrs MacDonald—Is that legal?

Mrs Douglas—No, it is not. They do that to increase the wage for the nannies. The parents are feeling their tax so heavily that—

Mr Wilson—The problem with that is that the control is with the family. If they are paying part cash or all cash, the control rests with the family. If they are a good family and look after the nanny, then that is fine, but, if they are slightly unscrupulous—

CHAIR—But it is not; it is illegal.

Mr Wilson—It is certainly illegal, but—

CHAIR—That worries me.

Mr Wilson—There certainly are unscrupulous people out there. I have heard of nannies getting halfway through the year and getting totally ripped off by exactly what we were saying before—no superannuation.

CHAIR—That can happen in any industry.

Ms GEORGE—It is not dissimilar to the labour hire industry where you have the reputable companies that do the right thing and the shonks that undercut the floor. I imagine there are nannies out there not working for \$18 to \$20 an hour but probably for \$8 to \$10 an hour.

Mrs Kerr—In Queensland wages are much lower than that.

Mrs van Veenendaal—As in Darwin and Perth. It is not a national occurrence.

CHAIR—The cost of living is different in those centres. Living in Sydney is very expensive.

Mrs Scrimizzi—In Melbourne the hourly rates will vary from \$12 to \$17 per hour, which I think some of the agencies pay. My belief from when I first started eight years ago was that, as a qualified, experienced nanny who also worked in child care and was a director of a child-care centre, I knew my value and worth in working with children. I always negotiated my hourly rate. Our nannies are the highest paid in Melbourne. Our hourly rates start from \$18 to \$23 per hour. If it is overnight care or working with infant twins, the rate is up to \$25 per hour. Our clients will pay that because they know the screening that we do and they want the service we provide. Therefore, they are happier because they know they are employing quality care for their children. There are fewer turnovers of nannies; therefore their nanny is staying for 12 months, two years or three years. So they are happier paying the nanny the higher hourly rate because they know they are getting quality care.

If the hourly rate of \$18 or \$19 gross per hour for Melbourne is similar to Sydney then, yes, that is an excellent wage based on the affordability of what parents can pay. They wish they could pay more but they just do not get the tax relief. They are only able to claim 40c per hour as a tax deduction out of \$18 or \$19 per hour, and that is nothing. I put the hourly rates higher so that the nanny is actually recognised as a professional within the workplace. She is treated better. She is paid superannuation, holiday pay, sick pay—all of the normal entitlements. Some of our clients, even though they do not have to pay superannuation, do pay superannuation. What I do as a service is to provide that service to our clients and ensure that the regulations and entitlements are met. But at the same time the tax relief for the parents is a very difficult situation. Also, they do not have a choice now; they have to employ a nanny because they do not have child-care places.

Ms McHutchison—With past history, as far as the Medicare cash rebate was concerned, we were getting 44c an hour. This is going back 10 years before it was means tested. I thought it was quite ironic that the amount that you could claim for a nanny caring for two children in the home was \$68.50. The average rate for a Sydney live-out nanny then was \$350, so the tax rate was \$68.50. I know this was under the Keating-Hawke government but I thought that was clever. The government is not actually making any money; they are basically paying for the nanny's tax. When I spoke to the Cash Economy Task Force about seven years ago, I asked if there was an increase of nannies on the books. They said that they were surprised that there was a dramatic

increase of nannies in the taxation bookwork. What it did for our industry was that it made the parents sit up and take notice of the nannies. Instead of being paid cash, suddenly the nannies were on the books, which meant that they were getting holiday pay, sick leave and superannuation. So there was recognition there. Then, when means testing was brought in, suddenly all the payment went back under the table. So there is proven history that if parents are given some sort of subsidy then they do come onto the books.

It is an education system too. The nannies talk at playgroup. They say, 'This is what I get.' And others say, 'Hang on a minute, I don't.' The older nannies then educate the younger nannies on how to negotiate. Because when you are 20 years old and you are negotiating your wages with the CEO of some financial institution who makes and breaks people for breakfast, it is very intimidating. Unless they have been given the little tactics such as, 'I have just got to talk to you for 10 minutes tomorrow morning.' 'No, no, we can talk now.' 'No, the kids want you, if I can just talk to you for 10 minutes in the morning, I'll come early.' The parents spend the night thinking, 'She's leaving.' The next morning when the nanny arrives and says, 'You know that \$50 pay rise that I was due to have three months ago', then the money is on the table and the parents are relieved. The nanny has got what she wants but there are little strategies that the nannies need to be taught about how to negotiate.

I think that is one way that we do not have to have a lot of formal regulations. It comes down to education. When I had my employment agency, I would ask for a driver's history report. I am guessing here but I thought that my hit rate was that for every 10 parents who would contact me I would have one or two who would actually book a placement. But then it went out into the industry and nannies would come in to my interviews whom I had never had contact with before with their driver's history report. So you put the information out there and educate the clients, because they are the powerbrokers in this situation, that this is what screening is available. These are the employment conditions which are available. This is how you can manage your nannies. It can be as simple as a booklet coming from the federal government saying, 'This is about employing nannies. Even without award wages, this is what we recommend.' The sheep follow. It does not have to be as complicated as having award wages, because how do you compare the nanny who is working for the midwife to the nanny who is working for Nicole Kidman and will need to have her security licence?

CHAIR—I was going to say that we will stick to the first theme of talking about employment conditions and then we will go on to tax. In fact, we are covering the whole gamut as we are going. I think that, if we continue in this way, this will be okay as long as we then say that we will home in on discussing taxation per se and say, 'What are the areas that we want to look at with regard to taxation reform, which does seem to be a major driver?' Then we will look at training issues. Having been minister for aged care, I know that a lot of the problems are not dissimilar. You might want to think about that. The pay rates, the conditions and all those sorts of things with regard to the care for older people who need care as distinct from young children who need care are very familiar to me. That is all basically institutionalised, except for the services that I instituted to give care in the home, which work very well.

We might then—and please think about this when we are talking about the directions we might think about travelling in—think about salary sacrificing for people as a means to provide for before-tax income to pay for nanny services. I do want to hear about the government's

system of in-home care as it is working now for special needs and special conditions. If we could possibly get a handle on just how many children are in that system, that would be quite good too.

Mrs Van Veenendaal—And the lack of the families' understanding of that system. They do not know it exists.

Ms GEORGE—Do we have any idea how many nannies there would be across Australia? Has anyone ever done any research?

Ms Slattery—I looked into that as the director of a nanny agency, and I got a booklet from the government of the rules, the regulations and the red tape that was so thick I threw it in the bin. Basically, the girls cannot be contracted. As a business, you can only pay the same rate as your nannies are getting paid now, which means I would have gone backwards if I paid the same rate as a parent who pays \$12 an hour. If I paid my nannies \$12 an hour, I would still have to take tax out, pay their insurance, pay their super and everything. I would have lost money. If I wanted them as a contractor, I would have had to write and submit to the government why I wanted my girls to be subcontracted.

Mrs Adelman—Did it say how many nannies there were though?

Ms Slattery—I knew there were 7,000 placements and that they were going to be brought in over a five-year period.

Ms GEORGE—There would be more than 7,000. That is for the in-home care. I am asking about the industry generally.

Ms McHutchison—In 1999, the Australian Bureau of Statistics, after a bit of lobbying, finally included nannies under 'informal care'. To get the correct number of people who are paid for child care within the child's home, you have to go back to the person who actually did the survey. There is a cost of \$400, which makes it untouchable for me. I chased these blokes. They gave me the numbers. They said they interviewed 240,000 families and that 10 per cent of those used paid informal care within the children's home. In 1999—and that survey report came out one or two years later—over 20,000 nannies were working in the home. The guy I spoke to said you have to allow for the people who do not speak English or take 'nanny' to be the wrong concept or whatever.

Ms GEORGE—That number would have grown.

Ms McHutchison—He said that there would quite easily be 20,000.

Mrs Van Veenendaal—We have done two aspects of research, both for education and informally. We surveyed the 91,000 members of mumsweb.com.au leading up to this. Over 63 per cent of our members have paid for in-home care with some form of child-care subsidy. However, that said, 70 per cent of our members also pay a cleaner of some sort. The problem we have is that the black market is taking a vast proportion of this care. Again, it comes back to the regulation of the industry. We are finding that some proportion of the in-home care—whether it is two hours for a babysitter or 40 hours a week for a professional nanny—is not trapped by any award. The other problem we are finding is the lack of understanding that families have of their

obligations for WorkCover, superannuation and insurance of that carer in the home. There are more and more cases where the legal system is becoming involved. We saw a rise of discussion after cases from overseas with nannies in the home were publicised. Again, here there are legal obligations for the carer and how they are insured. With the black market, where they are paid directly et cetera, they are not covered under their WorkCover agreement. The families do not understand at all their legal obligations for paying that.

Mrs Scrimizzi—I think that is where agencies such as ours come into it. Part of my job is educating my families—informing them, providing them with those forms and guiding them through that so it makes it an easier process when they are employing a nanny. As mentioned before when looking at the tax situation, if families could claim a proportion, I believe that if they employ a qualified nanny—someone who is qualified in child care—they could get some tax relief for that. I think, then, that all of these other issues about nannies, their employment situation, educating parents and providing information with regard to their obligations, would fall into place. It continues on from that. We are looking at the one issue with regard to tax and how that can assist and help parents. If you know you can get tax relief for employing a nanny, whether it is part or all of the money that you are paying as the tax deduction, then you are also going to find out what your obligations are and how to meet those obligations. In a long-term situation it is going to improve the status of nannies as being regarded as professionals and treated correctly.

Mrs MacDonald—If we get tax relief, it does not cost as much and we will willingly pay them more. I would love to pay my nanny \$30 an hour or more. She is fantastic. But I am not earning any money at the moment. What I get back from the registered care category that she comes under, because she has that number, is just pitiful. It is worthless. It does not make any difference whatsoever. So we just have to keep forking out all this money and we are going nowhere.

CHAIR—The problem is going to come when the 30 per cent rebate is introduced.

Mrs MacDonald—Because it does not cover the nanny. That is the problem.

CHAIR—No, it does not. It is only for registered carers. And you have to get the child-care benefit to get it.

Mrs Clark—The other thing is that there is a big emphasis on qualified. Do not get me wrong, I am a big fan of qualified. I think it is fantastic. But there are a lot of amazing nannies out there who are not qualified. If you have been a mother—

Mrs Kerr—They can get recognition of prior learning. They can get a qualification by coming to a registered training organisation. They just bring data and information along, and we can recognise what they do. We just ask them questions—it does not have to be a major thing—and they can get qualifications. If they can prove to someone like me that they can do the job and do it efficiently by bringing references et cetera along, they can get a qualification. It is not that hard. They may have to do a little bit of training just to make sure that we know they understand some things, but it is not that hard for them to do.

CHAIR—Is that like the equivalent of a level III TAFE certificate?

Mrs Kerr—Yes.

Mrs Scrimizzi—We are talking about the care of children. This is one of my gripes: I have had so many nannies that have come to me that are not qualified. They say, ‘But I’ve had over 10 years of experience and I don’t need a piece of paper.’ For goodness sake! You are working with children. Why not take one year to do a course through TAFE? It is an excellent course. It is a child-care course.

Mrs Clark—Experience is far more valuable than a one-year TAFE course.

Mrs Scrimizzi—They do not have to take time off work. It is one night per week.

Mrs Clark—But if they do not have it—

Mrs Scrimizzi—If they are choosing to work with children—I have nannies that do, and they do that. It is because I have provided that information to them. On the one hand, they want to work with children and want to work as a nanny. Like in any industry, you should become qualified in the profession that you are choosing to work in. Therefore, if you are employing a nanny—and we are talking about a tax relief—this is about getting the standard of child care within Australia raised as well.

Mrs Clark—So if you get a grandmother who is 60 years old and she goes to get an after school care job—

Mrs Scrimizzi—I take grandmothers in their 60s who do that.

Mrs Clark—But, for 15 hours a week, I can tell you: she is not going to go to TAFE for 12 months to go and get a job for 15 hours a week—

Mrs Elghitany—You do not need to go to TAFE for 12 months anymore. You can do online training, correspondence—

Mrs Clark—This is just in my experience. Forgive me if my experience is wrong, but I am going to work for 15 hours a week at \$20 an hour and I am 60 years old. I have had four kids of my own and I have got six grandkids. I have done family day care for five years. I can tell you that nine out of 10 are not going to go and do it. Some will, but nine out of 10 will not go and do a course one night a week to earn \$300 a week. They just will not. That is what I have found.

Mrs Kerr—But that is when they can get recognition of prior learning. It is as easy as that. It is recognising what they already know.

Ms McHutchison—I have started my certificate II and my certificate III four times during the last 20 years. Whether it be my own family commitments or those of the families that I am working for, suddenly my hours have increased from 50 hours a week—and dad suddenly goes overseas. I have not got the brain time to put into doing a course.

Mrs Kerr—But you cannot ‘un-know’ what you know. So you get recognised for it.

Ms McHutchison—Yes, but what is the process that I have to go through?

Mrs Kerr—It is not difficult. I do it all the time.

Ms McHutchison—Is there a cost involved?

Mrs Kerr—The process for getting recognition of prior learning—

CHAIR—This is getting into training, and that was going to be our next theme. So let us just stick with tax for the minute. Let us look at existing models that the government has in place, where it gives some form of assistance, whether it is the child-care rebate or whether it is going to be the 30 per cent tax rebate, and what criteria it requires for that, such as registration of the person. Are there ways that we can look at expanding what is already in place to then become inclusive of nannies working in homes and to give an advantage? Let us look at that model for a start.

Ms McHutchison—If you go back to removing the means testing for the Medicare cash rebate scheme—

Ms GEORGE—What is that?

Ms McHutchison—That is the 44c an hour. If you earn over \$70,000 as your family income, then suddenly you are in Mrs MacDonald's position, where all you are entitled to is the 44c. That process was put in place and that is where that rebate has come from. There was, originally, no means testing on that.

Ms GEORGE—Sorry, I just do not understand the connection with Medicare. You keep saying 'the Medicare'.

Ms McHutchison—Is it still called the Medicare system?

Mrs Adelman—No, it is 'family assistance'—

CHAIR—Hang on, we are in a different ball game here. We are talking about family tax benefits A and B. That is a totally different thing from what you are talking about.

Mrs Van Veenendaal—We are talking about the child-care rebate.

CHAIR—The child-care rebate is what we are discussing here.

Ms McHutchison—The child-care rebate was not originally means tested when that system was put in. They have changed the forms.

CHAIR—No, I think it has always been—

Mrs Van Veenendaal—The problem is not whether it is means tested or not; it is the actual way it is administered and the accessibility for families. The problem is that if you go to a long

day care centre your child-care rebate is automatically calculated via the child-care centre, and you pay the gap. However, if you employ someone in your home, you have to pay the total amount up front. So there needs to be some formal system for when they go through an agency or if they are a formally accredited person. They need a mechanism there to be able to have that gap instilled for the in-home care portion as well.

Mrs MacDonald—It is also that the amount is just so low, as well.

Mrs Van Veenendaal—We can get into debates for hours on whether or not the means test is okay, but the means test is going to be there. The fact is that the administration of the collection of the child-care rebate often disadvantages families that have to pay the vast amount up front.

Ms GEORGE—Why could you not expand the current family day care model—

Mrs Van Veenendaal—You could.

Ms GEORGE—to your sector, where the service is provided in the parent's home rather than the day carer's home?

Mrs Kerr—That is exactly what we are doing with our in home care subsidy contract.

Mrs Van Veenendaal—And if it can be expanded to the greater model, then that can—

Ms GEORGE—So what do we need by way of government change to expand the new scheme that they have just introduced to pick up the people outside the system?

Mrs Van Veenendaal—It needs a formal registration process of who is providing the recognised care in the home. It then needs recognition for the nanny level. So as a child-care centre must go through accreditation—

Mrs Kerr—And family day care and OSHC have their own accreditation.

Mrs Van Veenendaal—the nanny will need to have an accreditation number associated with them, which will also in turn clean up the black market and the taxation and superannuation issues.

Ms GEORGE—To get the accreditation number, if it is someone with a lot of worldly experience—a grandma who has raised children—she can then go along to the accrediting agency and say, 'My prior experience in this—

Mrs Van Veenendaal—She could go through recognition for prior learning and be certified for recognition of prior learning. It needs to have that process.

Mrs Clark—How long would that process take?

Mrs Van Veenendaal—It would depend, but we can go into that as an education and qualification issue. Let us focus on the taxation and superannuation issues here, stemming back to the collection. If that formalisation of the rebate is brought in part, I think you will see a

diminishment of the black market, a clean up of the superannuation, WorkCover and insurance issues, and a widening of the accessibility for nannies in home so that there is less demand for child-care places.

Ms GEORGE—So if you could get the ground rules for the rebate expanded, then you could argue the case that similar provisions ought to apply for the accessibility for the 30 per cent tax rebate.

Mrs Van Veenendaal—Definitely.

Mrs MacDonald—Is this the 30 per cent rebate currently for child care if you use a long day care centre?

Ms GEORGE—It is not for your sector at the moment.

Mrs MacDonald—But that could be something that you could consider.

Ms GEORGE—We are just looking at options. It seems to me that you are going to run an equity argument if you say that you should have tax deductibility for nannies in the home, just as you have up to 30 per cent if you use a child-care centre.

Mrs MacDonald—Is that means tested?

Ms GEORGE—No, the 30 per cent is not means tested, but it has a cap on it of \$4,000.

Mrs Van Veenendaal—I must say that I am very surprised that there has not been an equity argument by people in essential services and shift workers to say that they are disadvantaged because they cannot access the same means that a child-care centre person can get, which is usually regular workers.

Ms GEORGE—You cannot do it if your child is in a preschool centre either. I have had a lot of constituents speaking about that.

Mrs MacDonald—Exactly, preschools are registered care as well.

Ms Slattery—I will bring up a point on that. What happens with the nanny's wage? If it is means tested and the parent gets a rebate, that means that instead of the nanny getting, hypothetically speaking, \$500 a week, she is not going to get that \$500 a week at the end of the week.

Mrs Van Veenendaal—Yes, she will. It has nothing to do with the nanny's wage.

Mrs Elghitany—They pay the gap fee and then they get government assistance. It is exactly the same.

Ms Slattery—So it is going to go directly to the parents, and then the parents pay their nanny directly?

Mrs Van Veenendaal—Yes.

Ms Slattery—Okay, that is fine. That is all I was clarifying.

CHAIR—It is capped at \$4,000.

Mr Wilson—I will hand something out to you; it is about a system that happens in the UK at the moment and would dovetail quite nicely into what we are talking about.

Ms GEORGE—Could you tell us about it?

Mr Wilson—It is called SureStart.

CHAIR—It has been moved that that document be accepted as an exhibit. There being no objection, it is so ordered.

Mr Wilson—What you are talking about here with the \$4,000 rebate would probably be ideal. It would be quite equitable.

CHAIR—Up to \$4,000.

Mr Wilson—Up to \$4,000 as a rebate would probably be quite equitable. This is done by the government in the UK. The nanny has to register with the government and she has to provide details in relation to first aid qualifications et cetera. If you go through that form, you will see that. She will then get a number allocated to her by you, in the same way that you would allocate registered care provider numbers. That number would then be on the top of the invoice that she would give the parents on a weekly basis. She would invoice the parents and the parents would pay the exact amount required. The parents would then get the receipt and the receipt would then be the vehicle that they use to claim their \$4,000 rebate. It is \$4,000 per child, so for three children, you could have up to a \$12,000 rebate.

Mrs Gibietis—Is that claimable progressively or once?

Mr Wilson—Not progressively at the moment.

Mrs Adelman—It is \$4,000 per child?

Ms GEORGE—This is in Britain you are talking about?

Mr Wilson—No, the \$4,000 is Australia—the 30 per cent rebate.

Ms GEORGE—But that is over and above the child-care rebate?

CHAIR—No, this rebate begins on 1 July 2006. In order to be eligible for it, you must be in receipt of the child-care benefit.

Mr Wilson—From an approved child-care provider.

CHAIR—Yes. If you are eligible then you will in fact be eligible for the 30 per cent rebate of up to \$4,000 per child, capped.

Ms GEORGE—And that is for costs over and above the rebate you are getting from government?

Mr Wilson—It is for your out-of-pocket expenses.

Ms GEORGE—But this sector is not eligible—preschool parents with children—

CHAIR—No, because they are not registered.

Mr Wilson—That is right.

CHAIR—But you are, presumably, for the in-home service that you are providing?

Mr Wilson—Yes.

CHAIR—That is the model that maybe we should be looking at—expanding it from children with special needs and special disabilities to kids who are just kids.

Mr Wilson—Absolutely. It is very frustrating when we get parents telephoning us for placements and they do not fit into the categories.

Ms GEORGE—Can you just outline the scheme at the moment so that we can look at whether there are some elements of it that could be transferable?

Mr Wilson—It commenced in 2001, I think it was. The government announced 7,770 places to be allocated throughout Australia over four years. I think they are up to about 5,000 places at the moment. There are about 85 in-home care schemes spread around Australia. They are in all states and territories. I think the largest scheme has 305 places. There are set criteria for in-home care. It is a targeted child care measure. It targets children who have a disability or an illness, parents who have a disability or an illness, families that have three children or more under school age, families that cannot access child care because of their rural or remote location, breastfeeding mothers working from home, and shift workers and other people who work unusual hours. The places are strictly allocated by the Department of Family and Community Services. You cannot just go and open your in-home care scheme tomorrow. You have to go through a rigorous application process.

CHAIR—That is designed to ration it?

Mr Wilson—It has that effect, yes. But you also have to put plans in place so that you can train, recruit and support carers and ensure that the quality of care is at a certain level. We only accept certificate III and above unless you can demonstrate to us that you have had extensive experience and there is some sort of RPL attached to that. You must have first aid qualifications et cetera.

Ms GEORGE—So your agency gets paid the child-care benefit and you pay the workers?

Mr Wilson—That is correct.

Mrs Van Veenendaal—We have over 100 places in Queensland and over 55 in Victoria.

Mrs Kerr—And there are some in the Territory. We have a lot of rural and remote places in the Northern Territory.

Mrs Van Veenendaal—One thing that does come through is that parents are not aware of the in-home care program.

Mrs Kerr—Yes, they do not know about it.

Mrs Gibietis—So that is one carer in that home supporting that family with the eligible—

Mrs Kerr—Yes.

Mrs Elghitany—It is exactly the same as a nanny but they actually get government assistance.

Mrs Adelman—Is there a cost to the family?

Mrs Elghitany—They do pay a gap fee, so it is exactly the same as child care. Whatever percentage of hours that they are entitled to, they are actually allowed that in the home. With that gap fee, they pay the carer. Whatever is remaining, we would pay it out of the government assistance.

Mrs Van Veenendaal—A similar model in the way it is paid—that is, with that gap—could be extended to the nanny or in-home worker.

Mr Wilson—It is run along strict child-care guidelines for attendance. There have to be formal attendance records. We supply medication forms and excursion forms—a whole list of things. It is very similar to what you do in a child-care centre. We support the carers, with developmentally appropriate activities for the children. It is a miniprogram such as you would find in a child-care centre, so the care is a bit more early childhood education focused.

CHAIR—David, Christine and Kerri, in your two organisations you are basically running multistranded businesses, aren't you?

Mr Wilson—Yes.

Mrs Kerr—Yes.

CHAIR—You have some in-home care, that special scheme.

Mrs Kerr—Registered carers.

CHAIR—You have registered carers, you have a training organisation and you run an organisation where you employ your people and put them into placements on that basis.

Mrs Kerr—We do some placements fees, but not a lot.

CHAIR—So you are running a multistranded business, whereas quite a few of you here are running a single strand.

Mrs Clark—And referral agencies, so we charge a placement fee. The client pays us a placement fee if we find them a nanny, and then they employ the nanny or the nanny becomes a contractor.

CHAIR—That is right, and presumably for a set length of time.

Mrs Clark—Yes.

CHAIR—If we said that we ought to have the CCB and the rebate applying to nannies caring in the home, that they have to be registered and that a key point of registration is that they would have to have at least, say, a level 2 certificate, that would not be a problem for you but it would be a problem for others; is that right?

Mrs Clark—Would that mean that people would have to go through an agency?

Mrs Van Veenendaal—Once qualified—it would be like the difference between a black-market brickie and a qualified brickie: you would have a qualification and a qualification number. We are talking about children here. It could be something that would need to be refreshed every two years with a current first aid certificate, for instance.

Mrs Clark—I agree. What I am asking is what that means if the parent wants to get the rebate. For example, if I want to get an in-home carer I have to go through David or someone else for Sydney in-home care. If the nanny does it, does that mean they have to go through Mothercraft and Nannies or through My Little Friend Nanny Agency? Because, if so, that would take away the choices.

Mrs MacDonald—No. It means that that nanny would have to be in the register.

CHAIR—They would use you because you are the logical way to find the fit. That is the basic reason one uses any agency.

Mr FAWCETT—All it would mean is that you as an agency would only have people on your books who have obtained the qualification.

Mrs Van Veenendaal—And they would have a registered provider number associated with them. It would be like a licence. They would need a licence to look after our children, which makes sense. That licence would have to be renewed every two years with an update of their first aid certificate.

CHAIR—I have to say that, in aged care, I set a target that I wanted everybody employed in aged care to have a certificate III as a minimum. I can tell you that they are almost there now. It has taken a few years. I did not mandate it; I just said that it had to be, which had the same effect.

Mrs Van Veenendaal—The demand would come from families too. If they knew that level was there, they would say, ‘I want a level 3.’

Mr Gibietis—Can I give a perspective as a parent?

CHAIR—Yes.

Mr Gibietis—We have employed a nanny, but we did not look for a certificate or a grading. We looked for personal references. We have twins so we looked for someone who had dealt with twins before. We found someone who was working three days a week with another family with twins who were about 10 months older than ours. She had been with that family for a year and a half or two years. We spoke to that family. We got really positive references and we employed the nanny. She is now registered through the family assistance office so we can get our 44c an hour, so we are happy with that. But as employers we did not look for a specific certificate; we went with a gut feeling.

CHAIR—From what we are discussing here that would still be fine; people could still do that. But, if you wanted to attract the child-care benefit and the rebate, this would become a criterion. That is a model we are discussing.

Mrs MacDonald—So you are saying that a parent could only qualify for that rebate if their nanny had this number? But there are a lot of parents who do not want a nanny who is that well-qualified, because that really well-qualified nanny is going to charge you more, understandably.

Ms McHutchison—But a certificate III is not well-qualified. It is half-qualified, because it goes up to certificate V.

CHAIR—I said ‘certificate II’.

Mrs MacDonald—I was saying ‘certificate II’, but what I mean is that those nannies would want to charge more, which is fair enough. But we are struggling as we are.

CHAIR—It is not arduous, but it would be damned helpful for everybody.

Mrs Clark—And you could get that through RPL.

CHAIR—This is quite an important point. Pardon me for referring again to what I have done already with aged care, but we have a lot of training agencies that are conducted by agencies themselves, by people who are actually providing care, and they become registered trainers. So it is not necessarily going off to TAFE of an evening or whatever; it is a question of being in the training—

Ms McHutchison—You can do it by correspondence.

Mr Gibietis—We do not want a black market for licences, a bit like the building industry that had—

CHAIR—I can promise you we will not end up like the building industry.

Mrs Kerr—I understand what you are talking about with aged care, because our company did 60-odd RPLs for people who had been working in the aged care industry, and the majority of them had to do one or two units to do the full certificate III. The reason they had to do those units was that the facility that they were working at would not allow them to do the paperwork. They were compulsory units they had to do the paperwork in. So those people have done two units. It cost them \$200 and they have a certificate III qualification.

Ms GEORGE—Can that be done online or externally?

Mrs Kerr—They do it externally.

Ms GEORGE—Can it be done by correspondence?

Mrs Kerr—Yes, absolutely, and we have been doing that. In Queensland there is a program the government has put in place called Skilling Solutions. The government in Queensland is actually funding an RPL process for certificate III in children's services. People go in and get onto a computer. If they meet the criteria, they are eligible to go to registered training organisations. I have done several of them and I RPL them and see what they need to do. I am finding that, because it is a certificate III in children's services that they are RPLing, nannies have to do one unit. It is relevant for child-care services; it is not relevant for nannies. I have not had one nanny who does not have to do this unit.

CHAIR—What is the unit?

Mrs Kerr—It is called 'Observing Children'. It is a formal way of observing children, because nannies do not know the formal way of observing children that we do in child-care centres. They do it, but they do not know the formal way, so I cannot give them credit for it. That is the only reason. That is the one unit they have to do.

Ms GEORGE—Can you explain the kinds of things that unit involves?

Mrs Kerr—It is about observing in child care. It is knowing the formal way to observe—knowing how to do a running record, an anecdote, a time sample, a sociogram—and then linking that to what the child needs to know, pulling it apart—

Ms GEORGE—Sorry, that does not mean much to me.

Mrs Kerr—I know. That is what I meant: it is formal. It is observing and looking at what the child does and writing it down in formal ways. An anecdote is like a little story. A running record is a very precise documentation of what a child physically does. A time sample is what a child does over a period of time.

Ms GEORGE—I am not being difficult, but why does it have to be so prescriptive?

Mrs Kerr—Because the certificate III in children’s services is written for child-care centres; it is not written for nannies.

Ms GEORGE—Could that unit not be modified to cope with a different set of criteria that might apply?

Mrs Kerr—We have to meet performance criteria as an RTO. To meet those performance criteria, I have to see some sort of documentation like that.

Mrs Clark—You have to go to whoever provides your certificate III in child care and say, ‘You now have got to do one more unit, which is a nanny component.’

Mrs Kerr—But you do not have to do the certificate III; you can do the certificate II in community services, which would cover you as a nanny, and you do not have to do that unit.

Mrs Van Veenendaal—The issue is that maybe there needs to be some training assistance scheme brought in from the petrol levy or whatever—something to put an incentive into the industry.

Mrs Gibietis—Maybe some short-term funding to get the accreditation level up.

Ms GEORGE—Is there a training board for this industry, like there is for lots of other industries?

Mrs Van Veenendaal—It comes under ANTA.

Mrs Elghitany—The same way that there is basic programming within child-care centres. Why can’t they just be introduced into this scheme with families where they might have a mobile park with activities? These are things we are introducing anyway, regardless of whether or not we have a scheme, which will actually help them, as I mentioned before.

CHAIR—What we are discussing here are the means of including nannies in the model that already exists for government and that would extend the rebate. That would result in an extended cost but against that would be the fact that these people would then be in the regular economy and not in the black economy, and therefore they would become taxpayers instead of tax avoiders.

Mr Wilson—You would probably find that it is cost neutral; it is income forgone, not income paid out.

CHAIR—That is right. I think you might find that we would make a profit.

Mr Gibietis—What would be in it for the nannies?

Ms GEORGE—What was in it for the nannies would be superannuation.

Mr Gibietis—Currently our nanny is employed by us. What is going to give her an incentive to get this accreditation?

Mrs Elghitany—Recognition and a career.

CHAIR—The advantage would be for you because, in relation to what we are discussing now, if you employed someone who did not meet the registration criteria you would not get the rebate.

Mrs Gibietis—There is something in it for the nanny because she will not be chosen over other candidates who are applying for the job because she is—

Mr Gibietis—That is true.

Mr Wilson—She would be paid a higher wage because you were getting a rebate.

Mr Gibietis—So the nanny might get some more money. I am trying to understand it from the nanny's point of view. She might get some more dollars out of it and an accreditation that will make her more employable down the track.

Mr Wilson—She would get a formal employment record, superannuation et cetera.

Mrs Van Veenendaal—It would give her a formalised long-term career path. She would be going out of a sweatshop mentality industry into a non black market industry which has recognition right through. Was Mary Poppins on the pension? Are our nannies going to be on the pension? Yes, because we have not paid their superannuation along the way.

Mrs Elghitany—This way the nannies could get bank loans and all of that sort of stuff. Some people do not get formal pay slips and that sort of stuff so how can they get proof so that they can get bank loans? Some families may be great at that sort of stuff but nannies in the past have not got pay slips. Therefore they could not even get a car loan. How many people expect to pay a nanny a very small amount of money—I am talking about other places, maybe not Sydney—and expect them to bring a car along? They expect the nanny to put their child in the nanny's car and take the child to places. Yet they pay them cash in hand. The nanny cannot upgrade the car to make it safer for the family if they do not provide a pay slip.

Mrs MacDonald—Is the child-care benefit means tested?

CHAIR—Yes, it is, and so is the rebate.

Mrs MacDonald—Will you look at redressing that?

CHAIR—We could certainly consider all points in this.

Mrs MacDonald—Consider the cost of living in Sydney. We have a good income by any standards but it is certainly not great. I am pretty sure we will not come into this category now. We do not qualify for part A or part B. I bet we would not qualify for this. I really would ask that you look at this.

CHAIR—The question that arises from that is about not means testing the rebate.

Mr FAWCETT—We could look at alternatives like salary sacrificing for people who are in higher income brackets.

Mrs MacDonald—We need to look at something because we are going to miss out again.

CHAIR—We might hear what you think about this. We have taken quite a bit of evidence about salary sacrificing. It is quite common practice for people to salary sacrifice to get a car, extra superannuation or a laptop. Could you salary sacrifice to pay your child-care bills? Would that be an attractive proposition for you?

Mrs MacDonald—Yes.

CHAIR—That would be something that small business as well as big business could do.

Mrs Scrimizzi—Every individual could do that, whether they had had their own business or they were an employer.

CHAIR—They could; the big stumbling block is FBT. There is one public ruling that allows for exemption from FBT but it does mean that you have to take a lease over a child-care centre and so on. That is another hurdle that we have to examine.

Mrs Van Veenendaal—You could treat the nanny like a laptop computer—a tool of your trade.

CHAIR—That is what the High Court are inclined to do. The High Court said, ‘This is not a legal problem; this is a political problem.’ They first said that way back in 1981 and they have repeated it since then. Every now and then it has got onto the agenda. Andrew Peacock, when he was Leader of the Opposition, promised partial tax deductibility for child-care expenses. He lost the election so it disappeared off the agenda.

Mrs Clark—The other thing is that a lot of people employ a nanny as a personal assistant through their business.

CHAIR—Yes, let me tell you about that. Remember the famous Phillip Smiles case? That case was an outrage because it really was a question of apportionment, yet it ended up destroying him. On appeal he won, but by then it was too late. But that was an apportionment question.

Mrs Clark—And the problem with that—I actually did not place a job just recently because somebody wanted to employ this nanny as a PA, of which he did not inform us prior to listing the job with us. Then the girl said: ‘I can’t take that job. I’m doing a \$6,000 child-care course. If I’m employed as a PA, I can’t claim my child-care course back off my tax. Therefore I can’t take it.’ So you are getting back into that circle again.

CHAIR—The PA is a different set of qualifications. What we are discussing here is nannies; we are not discussing split personalities.

Mrs Van Veenendaal—Do we have to get back to redefining the word ‘nanny’? We could call them ‘personal home assistants’.

Ms McHutchison—From a nanny’s perspective, I have put that to nannies over the past five years, and every professional nanny that I have spoken to, no matter how I broach the subject, would come back with: ‘You’re trying to change the name “nanny”. I am a nanny. That is what I do. It has been like that for thousands of years, since mums have gone off and passed messages across in wars and things. It has always been a “nanny”, and that won’t change.’

Mrs Kerr—It is like calling a nanny a ‘babysitter’. They do not like it—and they should not. It is a profession and it should be perceived as a profession. Nannies are the invisible work force. They are the invisible work force that need recognition.

CHAIR—They do. It is very important to us on a strictly government basis. With our ageing population and fewer young people in the work force we have to have female participation in the work force. Otherwise we cannot grow as a nation.

Mrs Kerr—We are finding that some nannies are actually going to elder care as well. They are going across to that side.

CHAIR—There are different pay scales. The base rate for people in aged care is about \$13 to \$14 an hour. They can move up the chain with more qualifications. We put some stress on the level IV certificate and being able to get certain modules added on to become higher paid, and that is working.

Mrs Kerr—They are pushing cert IV now.

Mrs Adelman—If it is a government priority to get more female participation in the work force then what we are discussing regarding families not being means tested to allow them to get up to the \$4,000 child-care rebate is a very realistic proposition.

Mrs MacDonald—Can I make a comment about family tax benefit part A. That is paid out irrespective of the main person’s income. So the husband could earn \$1 million and you could still qualify for it. As soon as the second person, usually the mother, earns, I think, \$11,000 a year, they lose it. That is the most discriminatory policy against mothers going into the work force. It is great to support mothers who choose to stay home with their children; that is terrific. But for it not be means tested in some way, so that you literally can earn \$1 million and you do get it—

CHAIR—Part A is means tested.

Mrs MacDonald—No, I believe not.

Mr FAWCETT—It is means tested.

CHAIR—It is means tested.

Mrs MacDonald—I thought it was means tested on the second person's income, though—not the first. So the first person can still earn anything.

CHAIR—No, part B is means tested on the second person's income. That is a limit of \$4,000, I think, a year. But part A is means tested on the household income. Part B is really targeted at stay-at-home parents. I think it is \$4,000, isn't it, for part B?

Mr FAWCETT—I cannot tell you the actual amount.

CHAIR—I think it is for the second income. But, yes, it is most definitely means tested. We have lowered the taper to 20c.

Mrs Scrimizzi—Can I ask: specifically what is the reason that parents cannot claim a nanny as a tax deduction?

CHAIR—Because the High Court has ruled that there is not sufficient nexus between the incurring of child-care expenses and the production of assessable income. One way of tackling all tax deduction points is if you dehypothecate those two things, but at the moment the law says you may only have a tax deduction for something which is an expense that is required to produce an assessable income. The High Court has said that child-care expenses do not meet that test. You could say that if we had a few more women on the High Court we might have had a different decision.

Mrs MacDonald—Yes, absolutely.

Mrs Scrimizzi—That was how many years ago?

CHAIR—I think the first decision was in 1981, but there has been a second one since then in the 1990s.

Mrs Clark—What about the employing situation—you are still employing the person and paying their wages?

Mr Gibietis—The after-tax money.

Mrs Clark—The after-tax money, so the person is getting taxed twice.

CHAIR—Absolutely. The logic is perfectly good and I have argued forever that there needs to be tax deductibility. As I said, in 1990, when Andrew Peacock was the leader, he actually agreed to partial tax deductibility. When he did not win that election it disappeared off the agenda.

Mrs Clark—People think that nannies are for the rich; they are not.

CHAIR—That is the point that needs to be got across, because whenever we talk about tax deductibility that is the response that comes back immediately.

Ms McHutchison—To influence change from a government’s perspective, do we encourage parents to write to their local MPs and say what their situation is? Is there someone in particular that we can turn to? What is the most direct line that parents can use?

Mr FAWCETT—There are multiple lines. The direct line for parents is their local MP. The direct line for the industry is committees like this that are looking at the issue. As we tap into the stated direction in which the government wants to go of encouraging more participation in the work force, if we identify this as one of the key hurdles—particularly if we can demonstrate that it is going to be cost-neutral, getting people out of the black market and into the paid the work force—then for the industry this is probably your best forum. What will come out of this is a report to government with recommendations for further action. Part of this process, though, is trying to tease out what we are doing here today. There is no point us walking away from here with a recommendation in a report that says we should go direction A if it suits perhaps the providers down the end but the others who are looking at placements say, ‘It doesn’t help us at all.’ We need to find either a combination or a single path that actually covers the needs of the bulk of, if not all of, the industry.

Ms McHutchison—That is my concern with extending the in-home program. I have worked within family day care. It is great having support, but on a practical level—being a nanny working as a sole-charge carer in the home—routines chop and change depending on what mum and dad are doing and where they are and all those types of things. It may not be practical to apply the support factor.

CHAIR—I am not saying that we apply all the paperwork and bureaucracy, because, to be blunt—I am not telling tales out of school—when a government wants to ration a service, it puts a lot of red tape and paperwork in the way and that rations it very effectively.

Mrs Adelman—I believe—and I think I may be supported—that what also needs to be taken into consideration with the tax issues we are raising is that many parents are employing nannies on a permanent part-time basis. Women are going back into the work force two or three days a week, rather than on a five-day per week basis.

Mrs MacDonald—That is right, if they are lucky enough.

Mrs Adelman—If they are lucky enough, yes. Although, I am finding there is a trend towards that. As a result, nannies still need their five-day per week position, so they are being paid by two employers. That is where you get into the trouble of one employer paying cash and the other doing the tax scenario. There needs to be a way of—

Ms McHutchison—That is education, again, for the nannies—the nannies can apply to the tax office to be registered. ‘This is my income. I have two jobs. This is what I receive each week.’

CHAIR—But you pay 47 cents in the dollar for the second job.

Mrs Adelman—Exactly.

Ms McHutchison—They basically declare it. Again, that is educating the nannies. That has been around forever.

Mrs Adelman— I have done this for a couple of my girls: for someone earning \$500 from this family and \$300 from this family—so they are earning \$800—if you look at the tax table, the first tax is on the \$500 and then from the second column they have the tax on the \$300. If you add those taxes together, it is only a matter of dollars if you then look at \$800. Do you know what I mean?

CHAIR—Yes, I see what you mean.

Mrs Clark—If you are paying tax on \$300 here and on \$500 here, even though you have the higher rate of tax on the second one, it does not make a great difference because you are not going into the much higher tax bracket.

CHAIR—But you are for the second job.

Mrs Clark—Yes, but if you add the two taxes together look at the tax you would be paying if you earned \$800—

CHAIR—You still would not be paying more than 30c.

Mrs Clark—Have a look at it. I have done it about six times in the last two months for girls who have said the same thing: ‘I need a five-day a week job because I am going to be double taxed.’ I said, ‘You are and you aren’t.’

CHAIR—Tell them it is compulsory saving and that they will get it back at the end of the year.

Mrs Clark—That is right.

Mrs Scrimizzi—I have done the same. The majority of my clients work part-time. They need to return to the work force part-time, and it is the same thing. A nanny working two days with one family and three days with another may be earning \$450 and \$350 respectively, for example. Again, adding those two together, the nanny actually ends up with about \$15 more in their pocket. They pay about \$15 to \$20 less tax per week if they work two different positions because they are taxed in the lower bracket with both, as opposed to working one job at \$900 a week where they fall into a higher tax bracket.

Mrs Clark—No. If you do the maths—

CHAIR—No.

Ms Slattery—No, because it is always the second job—

CHAIR—What you are saying is quite true. If you are in a casual situation with a second job, that is when you start incurring the higher penalty rate.

Mrs Kerr—I run a nanny for hire system. The girls do not have that because we are the employer, not the family.

CHAIR—The point you make is right. If two people are withholding tax and sending it in, it is not a problem; there are just two group certificates.

Ms Slattery—That is right.

Mrs Scrimizzi—If that is the case, is it because the employer knows that the nanny has already been taxed with one situation? Is it then the nanny who is saying they do not want to be taxed again? Nannies are still members of the Australian public. They have to pay tax like all the rest of us. When I speak to my nannies about it, we do not even discuss that there is a cash situation and that they are taxed in one job. I explained it to them, educating nannies as to their entitlements and about how the tax system works for them. At the end of the day, the parent is employing the nanny part-time. If both sets of parents are employing a nanny part-time and they are paying the tax, they are fulfilling their obligations as far as the tax situation goes.

Ms McNally—Obviously companies are struggling to attract women back into the work force. We specialise in providing child-care services to companies directly, rather than to the general public. They are saying to us, 'Yes, we'd like to subsidise child care, particularly if we need our employees to come in on their day off, for example, or when there is a project on and they need to work back late.' Somebody has to pay for the child care for that situation. They are saying, 'But it attracts FBT if we subsidise the cost; it's only for on-site facilities.' They are saying, 'Yes, we do want to pay it.' It is in their interests.

CHAIR—Or at least off-site. That is okay too.

Ms McNally—Yes, that is right, as long as it is work related. Companies are saying, 'We need you to work; we are prepared to pay the cost or to subsidise it,' but the FBT is putting them off, obviously. They have money set aside, it is just about how much they want to spend. They do not have enough to provide the on-site facilities. What company is able to do that? That is a huge thing.

CHAIR—We are talking about banks now?

Ms McNally—Yes, that is right, but the FBT exemption could be extended to other child-care services off-site. That would help with other companies. They are saying, 'Yes, we would sponsor it.'

Mrs Van Veenendaal—May I ask a question of the chair?

CHAIR—Yes.

Mrs Van Veenendaal—In one of the outcomes of all this discussion on employment, superannuation, tax and recognition, is there a capacity for the government to run an education campaign for families? One thing which new mothers, and mothers that are revisiting motherhood, do not understand is why there is no formalised advice on their obligations and options in child care. They get immunisation obligations, their obligation to pay tax, there are

family benefit obligations, but there is really no clear-cut education material given to a pregnant woman—and it needs to be when she is pregnant, not after she has had the child—on their alternatives for child care, both for home care and for child-care places.

CHAIR—To chart their options.

Mrs Van Veenendaal—Yes—to look at their options. But piggybacked to those should be their obligations under each option, such as their obligation if they have a worker in the home to pay that worker's superannuation, tax, insurance and WorkCover. So, building in with whatever recommendations come from this committee, there should be some form of formal education campaign, brochure or online facility for parents-to-be or new parents to be handed or referred to, perhaps when they get information about immunising their children, or even earlier, when they are getting their pregnancy screening.

Ms McHutchison—There is currently a phone hotline that people can ring. A person can ring up and say, 'I'm in this area, these are my hours and this is what I require.' But it is only for approved care; it does not explain about informal care. So that information is accessible, but it is only for approved care at the moment.

Mrs Van Veenendaal—It is to bridge over the obligation of paying your people and, if you do opt for in-home care, your obligation as an employer in the home. A new mother might not know about that.

CHAIR—If there is a need for the employee to have a tax file number and the employer to have a withholding tax—it does not have to be a big one—then there is a trail and we can really start to kill the black economy.

Mrs Van Veenendaal—And give a checklist to pregnant or new mums for them to follow these things, so that they know they should ask for a tax file number et cetera.

Mrs Clark—I hate to throw something else into the works, but what about babysitting? For example, a person has to be working, looking for work or studying to obtain the child-care rebate.

Ms McHutchison—Or be entitled to 20 hours a week of care.

Mrs Clark—That is right. So what happens as far as babysitting goes?

CHAIR—That is not part of what we are looking at.

Mrs Clark—Even though babysitting is part of our work as a nanny agency? We provide babysitters.

CHAIR—If you provide babysitters as part of your business then that is a tax issue for those people. But we are not dealing with that. That is incidental care. We are dealing with the need for reliable and constant care for children whose parents work, so that those parents have peace of mind that their children are being properly cared for and are in a loving environment. Hopefully, we can start to relieve some of the stress placed on mums and dads when they are both working.

They have the mortgage to think about, they have HECS fees to repay, they have to pick up the child by two minutes past five or pay the penalty rate and all of that.

Mrs Kerr—Well, nannies give that flexibility to a family.

Mrs Clark—A lot of people use an agency because they want to be issued with a receipt. If they are going, say, to a conference and conference dinner they use an agency to get a babysitter as opposed to using the girl down the road. Where they might have paid the girl down the road \$80 they will instead pay our babysitter \$100 because they can get a receipt and their work is going to cover it.

Mrs Van Veenendaal—That is something with their individual employer.

CHAIR—It is not tax deductible either.

Mrs Clark—But the employer might pay it for them.

CHAIR—That is a matter for them.

Mrs Clark—Okay.

Mrs Van Veenendaal—I think it goes further than that, Chair. You are both removing a blockage to returning to the work force and empowering women to go into it. There is another aspect too; that is, looking at some of the overseas models of twinning care that could be piggybacked with those experienced with aged care. With our ageing population people might have both an aged relative and a young child in the house at the same time.

CHAIR—I am very pleased you raise that, because there is also the problem of disabled people that carers are looking after. I know of cases where people have had to leave work because they have had to deal with either someone who has suddenly become disabled or with a loved one who is perhaps aged. It is a serious problem. I think it is common.

Mrs Van Veenendaal—Whatever model of the nanny profession we look at today, it is the in-home care profession that we should widen the model to include. It is too small a model to look at just the nanny; it must include across-the-board in-home care, whether it be for a newborn child, whether it be for our mother who is 98 or whether it be for our 18-year-old who is suffering depression.

CHAIR—Then you get into that whole area of carer payments and carer allowances, which are a whole different stream of government too. That is also very complicated.

Mrs Kerr—That would not come under the HACC funding though, would it?

CHAIR—No. One is an equivalent pension payment and one is a fairly small payment of about \$78.

Mr Wilson—What we are looking to do here is encourage people back into the work force. That is your whole business case to get the government involved. If you try to make it too broad,

you start losing that, because it is not the same business case that says, 'Let's have HACC funding to look after someone in their own home,' because that is reducing institutional costs. It is a different business case.

Mrs Kerr—If we are looking at in-home care, sometimes people cannot go to work because they have an elderly parent at home whom they cannot get into a low-care facility or a high-care facility. Therefore, they cannot go to work.

CHAIR—But that is a different stream, and there is provision for respite care that comes under the respite programs. I think that, for the purposes of our inquiry, we better to stick to our knitting and stick to our paradigm of impediments to parents going back to work—and the implication is that these are small children.

Mrs Douglas—My business is mothercraft as well. We supply a lot of mothercraft nurses to families for nights because parents have the babies. When they are first home from hospital, they are feeding them through the night for the first six months. They need their sleep. A couple of mums have approached us just in the last month or so who are returning to work immediately within a week of coming home from the hospital. Would this sort of tax help? I know we were talking about nannies, but now I am talking about mothercraft nurses. Can that cover that sort of things as well for parents that are returning to work?

CHAIR—If we started to recommend a model that said, 'If you got registered, that would be the criteria to meet,' and if the mothercraft qualifications met that requirement, it would be covered. I would think that would be reasonable, don't you David?

Mrs Adelman—They are one of the most qualified child-care agencies in the industry.

CHAIR—They are. Is there still a distinction between Tresillian and Karitane?

Mrs Douglas—Yes.

Ms Slattery—I also bring up the fact that, in our industry with nannies and nanny agencies, we have a really hard time placing after school care. Everyone does. We cannot get the nannies; we cannot get the girls, and it is a major problem for parents. They cannot even get into their after school care at school or the kids might have after school activities or the parents cannot leave work to pick up the kids at six o'clock. We have this whole group of parents being disadvantaged because they cannot access this after school care. We cannot find the nannies because it is 25 hours a week but a nanny needs a full-time wage to survive.

Mrs Adelman—Demand outstrips supply. In that particular instance, there is not a supply of staff.

Ms GEORGE—Have you got any suggestions?

Ms Slattery—My suggestion is to bring in an au pair program like they have in London and in America or extend the working holiday visa from three months to 12 months so that the girls can live in and get paid \$200 a week to help out with the parents for just that after school care gap.

Mrs Gibietis—Not all of them want live-ins. That does not solve the problem.

Mrs Van Veenendaal—The whole lesson of that working holiday visa program and the three-month minimum is to encourage the girls to travel and see Australia. If they are going to come and sit here for 12 months, they are certainly not coming on a working holiday visa; they are coming here to work for the time. You have to tread very carefully when it comes to tourism visas versus working holiday visas and I think you have to look very carefully. If you are looking at the after school hours program, that stems across a different gamut again, with slightly older children and looking at work flexibility.

We as an industry need to look at who we are attracting into our industry. We perhaps need to look at the retraining of single mothers to go back into the work force or something like that to fulfil that obligation. I agree that we should stick to the nanny conditions. One thing that we have not talked about under the employment conditions is a nanny award and how they are paid in terms of remuneration. We have touched on superannuation and taxation, but we have not touched on the obligations of WorkCover, health, holidays or any conditions.

CHAIR—Let us do that now, because we are working within the framework of the first two items on our timetable.

Mrs Scrimizzi—I would like to make a quick comment. We were talking about after school care. With all of our after school care, the hourly rate is \$23 per hour and we have a minimum of five hours. Parents do pay that and they get quality care. They also get continuity of care, because the nannies will stay for a year to two years. But, yes, they are paying us a higher hourly rate. Again, there is the question of them getting some tax relief for that because they are paying the higher hourly rate, but it comes down to the fact that they are getting quality care.

Ms GEORGE—And this is mothercraft?

Mrs Scrimizzi—No, this is after school care.

Ms GEORGE—So it is just after school care?

Mrs Scrimizzi—There is a five-hour minimum in the afternoon. Because those nannies are skilled and they are qualified and experienced to work with older and younger children, we do have morning positions that come up where mums want to work part time—say, for three mornings a week. Therefore, the nanny will do three mornings a week with one family and then work in the afternoons. They earn enough to be able to have a full-time wage and both families are happy because they have long-term nannies. It works really well. I have been placed in that for the past five years, and it works really well.

Mrs Clark—Do you find that those girls are happy to do some housie type things within that five hours?

Mrs Scrimizzi—In the afternoon situation?

Mrs Clark—Yes.

Mrs Scrimizzi—There are all the duties pertaining to caring for the children—for example, the children’s washing and ironing, getting things ready for the next day or preparing a meal. There are all of those things. We say five hours so that, when they are picking the children up at three o’clock or 3.30 pm, they are not coming home and then doing all of those duties. Those duties are completed before the children are picked up. So there is more quality of care, the children are happier, the nanny is happier—

CHAIR—So they do that preparation work and then the children are picked up?

Mrs Scrimizzi—And they have had a position in the morning as well.

Mr FAWCETT—Last budget, the Treasurer announced 82,000 new before and after school care places. One of the things I think this committee might like to look at is the actual process that the department has from announcing those places to getting those places on the ground. That is an impediment in getting people back into the work force, because it takes so long, it is so rigorous and it is such a pain in the backside—excuse me. It can take you 12 months to get those places on the ground.

CHAIR—That is quick.

Mr FAWCETT—And that is quick—but not for families, unfortunately. So they are sitting there waiting to be used.

Ms GEORGE—One issue that concerns me is that, when we talk about the nanny industry, there is the perception that it is an industry that is for the very high income earners. A couple of you have said that that is not the case. I think it would be important for the public record of this roundtable if perhaps one person from each agency could tell us the range of people who are being looked after through the nanny industry. I think it is important that we have a general understanding that whatever we are doing is not just for the benefit of the top income earners. I think that might be useful.

CHAIR—That is fair enough, Jenny.

Mrs Gibietis—I will start on that. Our agency tries to help all families—and not just those who are in the top income bracket. We try to make it more affordable for families by close to halving the nanny rates for each of them if they share a nanny at the same time. We do have families in the high-income bracket coming to see us, but we do not just see those. We have hot spots of interest on our database which show wage earners and where they are living. The hot spots of interest on our database, particularly for Sydney, are the eastern suburbs, the lower North Shore and the inner west. I guess they are some of the higher income earners. The inner west is a terrible place to try to find child care. There is a real crisis in the inner west. The eastern suburbs and lower North Shore are higher income earners. They are happy to have a nanny but they also want to offset the costs of that. So, for us, I think it is the middle to upper bracket of income earners; it is not just the—

Mr FAWCETT—That is very relevant around Australia. Putting a dollar figure on it or perhaps occupation groups on the span of groups that you are covering, are we talking about people earning \$35,000 a year or about people who are earning six figures plus?

Mrs Van Veenendaal—It is mostly population categories—for instance, A, B, C and D, if you look at the terminology. If you look at income brackets, it stems from shiftworkers, which is certainly not a high-income bracket, through to essential service providers, a police woman wanting to return to the work force.

CHAIR—Ambulance workers?

Mrs Van Veenendaal—Through to ambulance workers nurses et cetera, going through to the professional A and B demographic.

CHAIR—So, by that description, you are looking at people who are earning from, say, \$30,000 to \$45,000 a year, a situation in which both parents are probably working.

Mrs Van Veenendaal—When I have interviewed the families recently, they have had high mortgages and high repayments. With the current dropping interest rate they all have very high commitments. Multiples of children make it—

Ms GEORGE—Is there any pressure point for the under twos?

Mrs Clark—Huge.

Mrs Van Veenendaal—Very much so. The under twos is a crying need. There is a shortage of places.

Mrs Scrimizzi—The placements I do are with families who cannot get into child care—that is the main thing. Therefore, it is a case of opening it up not only to high-income earners but to anyone who wants to have quality child care. They find out what the rates are and the cost of employing a nanny, because they cannot get their child into child care. Some of them do not want to place a three- or four-month-old baby into child care.

CHAIR—I understand that.

Mrs Clark—They come to me and say, ‘I’ve had my baby in day care for the last year. I’ve had so many days off work that I’m going to lose my job, because my baby is always sick.’ It is not because anything is wrong with the child-care centres—they are fantastic; they do a great job—but you have 35, 45, 55, 65 kids all sucking on the same thing. It does not matter how many times it is sterilised; the child gets sick. A number of women say to me, ‘By the time I pay my child-care or nanny costs, pick up the dry-cleaning and buy a takeaway one night a week, I don’t have any money in my wallet at the end of the week. But I need to come to work because, if I’m out of the industry for five years, I’ll never come back.’

Mrs MacDonald—With my friends, I find that the turning point is with the third child. Having two children in child care is okay but having three in child care is unbelievably expensive and a nanny is cheaper. Our Treasurer wants us to have one child for the mother, one for the father and one for the country. I have a lot of friends who are going for a third child. There seems to be a bit of a baby boom and nannies are where it is at.

CHAIR—It is called a \$3,000 baby bonus. It is actually working.

Mrs MacDonald—It is \$5,000 now, isn't it?

CHAIR—It will be \$5,000. We had 6,000 extra babies born last year.

Mr Gibietis—Thank you for bringing it in after our twins were born!

Ms GEORGE—What about the other agencies?

Mr Wilson—I just did some maths on child care. The average cost for child care in Sydney is about \$90 a day for a two-year-old and about \$65 a day for others. For two children in care, that is \$40,300 a year and, for three children in care, that is \$57,000 a year.

Ms GEORGE—That is before the rebate?

Mr Wilson—That is before—but those people, whom I call the working poor, are both on \$50,000 each per annum, which is not an unusual wage, these days. They pay \$40,000 in child-care fees and \$15,000 to \$20,000 in mortgage and tax. There is really nothing left over at the end of the year.

Mrs Elghitany—And they get the lower bracket of government assistance—16.7 or whatever it is.

Mr Wilson—It is \$950 per—

Mrs Clark—I sent one of my children to school a year early, because it was cheaper to send him to a top private school than it was to have a nanny. The poor child started a year early, and I said, 'You'll cope; don't worry.' He had lots of tutoring after school. It was cheaper to send him to a private school than to keep employing a nanny—that is crazy.

Mr Wilson—For each person in the family on \$50,000—

Ms GEORGE—Which is the average wage now.

Mr Wilson—which is the average wage, and they have three children, it would be totally normal for them to get a nanny; it would actually be cost effective. You certainly would not call them rich people at all.

Mrs Van Veenendaal—That is also assuming that they are working full time. But the majority of women are part-timers and, therefore, the situation is even worse.

CHAIR—You very often find that you have a combination of—I am looking at the tax office statistics—one person earning \$50,000 and somebody else earning \$30,000 or \$35,000. We have long since passed the day when we say that that makes them rich, particularly in Sydney.

Ms GEORGE—Cathy and Susanne, what clientele are your agencies servicing?

Mrs Adelman—Again, I think I might throw a spanner in the works—sorry, everyone. Nannies may not be for the wealthy anymore, but certainly I only want people to register with me who can afford to pay the nanny and who can afford to pay my fee, which means that I am a business proprietor as well and I have to keep my business running. So I would say that my clientele probably are amongst the wealthier and they are higher income earners, because that way my nannies get paid properly and I am still in business after 10 years.

CHAIR—That is fine—you have targeted your business to a particular segment of the market—

Mrs Adelman—That is correct, yes.

CHAIR—and you are entitled to do that as a businesswoman. But, when we are talking about the larger firms, you have a spread.

Mrs Clark—Huge.

CHAIR—Is that fair to say?

Mrs Kerr—Yes, and I would say that the in-home care program that the government has put in place has seriously helped the people on \$35,000 to \$40,000, because those subsidies have increased their use of nannies.

Mrs Adelman—That is what my company has seen.

Ms McHutchison—There are also a huge number of parents who go through privately and place their nannies. I have only had one job in 20 years that I have got through an agency.

Mrs MacDonald—It is expensive going through an agency.

Mrs Clark—Don't say that!

Mrs MacDonald—Sorry. It is an added expense.

Ms McHutchison—Yes, that is what happens with a lot of parents—they look at the agency placement fee, and that is one to two weeks of the nanny's wages. So if they have any human resource skills they will put an ad in the *Sydney Morning Herald* themselves or put a free ad on gumtree.com.

CHAIR—That is fine, but looking at the model—this is hypothetical—that we are looking at presently, the ad in the paper, to attract the tax relief, would have to be for a registered person.

Ms Slattery—I have worked for different people, from those on the rich 200 list right down to the poor policemen and ambulance people.

CHAIR—Policemen are reasonably well paid, particularly duty officers.

Ms Slattery—I would say that the people who are in the rich list could not be bothered and they do not have the time to fill out receipts or to get the cash rebate. It is wasting their time.

CHAIR—That is their choice. We are not talking about that.

Ms Slattery—It is a dollar that is paid, but at the other end—the ambulance and police officers—are the ones who will want receipts and will claim back.

Ms GEORGE—Why is it that the essential services people seem to be driving a lot of the demand? Is it the hours, the shifts?

Mrs Kerr—The hours. It is the shiftworkers.

Mrs Van Veenendaal—It is the hours and flexibility.

Mr Wilson—The flexibility and the style of care.

Ms McHutchison—It is also the choice and quality of care. Parents are starting to really recognise that. They will look at my resume and I will go in, talk to the kids and come back and they will say, ‘You’ve got the job.’ I say, ‘But you haven’t rung any references,’ and they say, ‘No, you’ve got the job.’ They have just looked at my resume and it comes down to the type of care that I provide. Even though I am not trained, I do take into account the educational side of children. I do not only nurture the academic side but also look at their physical, social and emotional needs—the whole gamut. They can see that from your resume.

There are a lot of nannies who need to be educated that that is what a child needs. That is where training is great, but the problem is getting the girls. I have had an agency, and some of the girls who come in with certificates I would not put into a placement. I would not let them look after my great dane, let alone look after a child. They may have the information there but they do not apply it. That is where the big quandary is, but the quality of care is the important thing. You have the flexibility and all those other things, but I think what nannies have over long day care centres—unless it is an extremely well-run centre—is the quality of care. That is what parents are now looking for because they see the advantages.

Mrs Clark—Also, a lot of my clients say to me that, if they have got to get to work by eight o’clock, they have to get up, get the babies dressed, pack their bags, get them in the car, drive to the child-care centre, put the children in the child-care centre, unpack the children’s bags, get the children settled, then get back in the car and drive to work. Then, if they are in the middle of a meeting they have to say, ‘I’ve got to go. It’s 10 to six. I’ve got to be at the child-care centre.’ However, if you have a nanny and you are in the middle of an important meeting you just SMS the nanny and say, ‘I’m running half an hour late.’ When the mother walks in the door at the end of the day, the children are bathed and fed, the house is relatively tidy and the washing has been done. Mum walks in, she sits down and she spends quality time with her children.

CHAIR—And she has a conversation with her husband.

Mrs Clark—And has a conversation with her husband—and then tries to be the mother, the lover and everything else. But that is the difference for a lot of my clients. They say to me:

‘Otherwise, I drive in traffic and pick my kids up at six o’clock. They are screaming tired; they are dirty. I’ve got nothing for dinner. I’ve got to go to the shop and pick something up and then come home. By the time I’ve fed the kids it’s 7.30 or eight o’clock. I’ve got to bath the kids and put them to bed. By that stage I’m exhausted and I start screaming at my husband. My life is a tragedy!’ That is my life when I do not have a nanny. I can tell you: that is me. Then you get in there and sigh and think, ‘It’s not that bad after all.’ That is why a lot of women and families choose to have nannies: for quality time with their children—to come home and have your beautiful baby bathed, in its pyjamas and fed, while the kitchen is tidy and everything is done, and sit down and do a puzzle with your baby, who you have not seen for 12 hours.

CHAIR—There is another interesting point. We might then talk about conditions. In another inquiry that we are conducting into adoption, particularly overseas adoption, we took evidence in Tasmania on Friday that if you are bringing a child from overseas it is usually going to be 20 or 24 months old before the paperwork is done and you take delivery. Sometimes it would be older. They were talking about attachment syndrome in relation to children who are in institutions from a very young age. This is the way it was explained to me, and it really made me start to think about child-care centres with the nought to twos. If you have a child at home and it starts to snuffle or cry or whatever, you go and tend to it and it feels okay. If it is in an institution, particularly a large one—and I am talking about overseas at the moment—there is probably going to be no response to that.

The next phase is that the child will cry rather loudly and carry on. We have all heard that. If it was at home, you would go and do something about it. But if there are not enough people then it is going to cry and cry and cry. It is learning that it will get no response to its cries, so it kind of turns inwards and will not reach out. It is something that they are starting to look at very seriously and teach parents who are adopting children from overseas about. It is not impossible to think that there could be some of these problems with bringing up our own children; whereas if you have more personalised care in the home for the very young then you are getting that continual care, that attachment.

Mrs Kerr—That is why the child-care industry is trying to say that we need to bring the ratios down. I have run a babies room in a child-care centre for 12 months, so I understand what that is like and I understand what it is like for parents. It is a tough job. When you have four babies crying at once, you want to attend to them all at once. That also gets to the nanny share issue—and I am not putting the business down in any way. If we are looking at employment conditions and stuff for a nanny, how many is enough for a nanny to care for? I actually have a daughter who is a full-time nanny. She has twins. She loves her twins to bits. But if you have a set of twins and you have another family with two or three children, you have five children under the age of four or five with one carer—what sort of quality of care do they get?

Mr Gibietis—We are not nanny sharing with our twins, because we think that two with one nanny is great.

Mrs Kerr—I am saying that there is no regulation as far as this goes.

CHAIR—We do not want to overregulate either.

Ms McHutchison—I am a multiple carer. I do not have a problem doing family day care. I would point out to my supervisor frequently: ‘You have me overloaded with the under-two-year-olds.’ She said: ‘Marina, in terms of the quality of care you provide for them, everybody is happy. The kids are happy and the parents are happy—can you take one more?’ I would say, ‘No, three is my limit of under-tuos.’ I will not do that, because I like to have that leadership aspect and that family aspect in family day care. But it is usually a natural progression. But there are other people. There are the women who can foster 27 children. We all think, ‘How on earth does she do it?’ And she is glowing!

CHAIR—We won’t go there at the moment, but we are coming to it.

Mrs Van Veenendaal—I think there is a danger here with getting sidetracked on child-care centres versus in-home care and the benefits—

CHAIR—I am not doing one versus the other, but I think it is valid to consider the evidence we took last week.

Mrs Van Veenendaal—I speak as a mother who had both her kids under two at some stage in child care, as the only alternative, but who also balanced that with a couple of days with in-home nanny provisions—not through desire, but through necessity, because I was unable to get a place for my children in a child-care centre. Getting back to the issue of registration and qualification: number one, taking on board the comments made before that a piece of paper does not make you a good registrant, we have to start a benchmark at some place. If we have a benchmark of registration, at least that is a start; it is a level playing field of qualification. From there on, it is the personal skill level.

Mrs Clark—The other question with registration is: how long would it actually last?

Mrs Van Veenendaal—Getting back to the issue of registration, the next thing is the ability to offer conditions for registered carers and the conditions then lead on to the conditions that we are about to talk about, I hope, when we discuss the pertinent issues, because that is what the industry is in part about—creating the conditions that the carer can work in.

CHAIR—That is what I want you to talk about, so go ahead.

Mrs Van Veenendaal—Part of that is that we have conditions based on child-care centres with ratios. There are no conditions governing nannies at this stage for in home care guidelines.

CHAIR—No, and I would not think we would do that either. For instance, we do not say that mothers have got to get a certificate before they can have X number of children.

Mrs Van Veenendaal—Maybe we should look at that—I believe they are trying to bring in a degree program in Queensland!

Mrs Kerr—Maybe we are getting too specific in looking at conditions, but do we need to look at a minimum number of hours someone should go to work, or should we look at whether every nanny should be entitled to holiday pay? What if they are only employed part time with this family and part time with that family—do they do that sort of thing?

CHAIR—Maybe that is the sort of thing they could negotiate. I think the things that are important are superannuation and workers compensation.

Mrs Scrimizzi—Sick pay?

CHAIR—No, you can trade away your sick pay if you want to; that is a matter for you; but those two things are—

Mrs Kerr—What about insurance?

Mrs Scrimizzi—So you are saying negotiating—

CHAIR—absolutely fundamental; otherwise, you can negotiate.

Ms GEORGE—But if the people are going to be registered and given a number, and they are going to be part of the tax system, under the laws that the government intends to introduce there will be five legislated minimum conditions.

CHAIR—That is only if it is for an award. Not everybody is covered by an award.

Ms GEORGE—No, this is for everybody.

CHAIR—We do not know that yet.

Ms GEORGE—Well, I assume that that is going to be the case. If that were to be the case then I would imagine that any nanny who is part of the formal tax system would be covered by a minimum set of conditions, and I think those go to sick leave and annual leave, and it would be on a pro rata basis if you were not working full time.

Mrs Scrimizzi—Nannies are currently covered under the Personal and Other Services Industry Sector awards, which means that they—

Mrs Kerr—In Victoria only.

Mrs Scrimizzi—Yes, in Victoria, which means that they do have sick pay, paid annual leave, holiday pay et cetera. But superannuation is the 30 hours plus per week.

CHAIR—I think this 30 hours domestic work is an anomaly that we really have to look at seriously.

Mrs Kerr—What about insurance? Should that be part of it—that there should be some insurance, indemnity insurance for example, that should go—

CHAIR—Workers compensation?

Mrs Kerr—No, indemnity, like—

Ms McHutchison—For the nannies—

Mrs Kerr—The nannies need to have some sort of indemnity insurance because accidents happen that are not the fault of anybody, and that would cover that sort of thing. Should that be part of it?

CHAIR—No. Normal workers do not have that either, and there are all sorts of situations where you could be sued under common law but—

Ms McHutchison—That is an education thing, because there are two types of policies available in Australia. There is an excellent policy that has just been released in the last two months, I think, through nannysure.com.au. They cover the product and also the public liability. Then there is Triton Underwriting, who sell their policies through Guardian and Aradlay. Those policies are held offshore and they are not Australian guaranteed, whereas NannySure insurance is Australian guaranteed because it is underwritten by QBE. So, again, it is the nanny culture that agencies can influence.

CHAIR—That is not something an employer would be concerned with.

Mrs Elghitany—They can pay it every month. They pay for the period they work in instalments. It normally covers however many families they work for. If they are sharing their responsibilities with three or four families in the one week—

CHAIR—Is this for contractors?

Mrs Elghitany—This is for contractors. Obviously, because we employ nannies as well we take care of the insurance side of things.

Mrs Kerr—Would that be in home care?

Mrs Elghitany—Yes, but within home care because they are contractors and they take out their ABN they get the nanny insurance. It is a criterion.

CHAIR—But that would not apply to an employer-employee situation.

Mrs Elghitany—No.

Mrs Schrimizzi—For all of our nannies it is all employer-employee situations and all of our nannies have insurance.

Mrs Clark—I think that it is a very valid point.

CHAIR—If you are a contractor it would be in your interest to take out insurance because someone might sue you.

Mrs Van Veenendaal—That is right. So should that be part of the registration?

CHAIR—No.

Ms McHutchison—Some professionals have insurance and then other operators do not like it in other industries. There is an insurance that the employer—

Ms GEORGE—I notice that in the British paper that we have here for registration there is the equivalent of a police and criminal records check. Does that apply now? Do the agencies operate that?

Mrs Kerr—Yes.

Mrs Adelman—The working with children check was brought in in 2000.

Ms GEORGE—So that would have to be part of the registration.

Mrs Adelman—It would be fantastic.

Mrs Clark—Absolutely, but I do think also that there is a small problem—and it is probably a completely different issue but a relevant issue and I think something that should be looked at—with the working with children check. It covers anything pertaining to a sexual, violent or domestic nature, but if a girl has been involved in fraud, theft, drugs, whatever that does not come up in the working with children check. I think it is very relevant—if somebody is going to be working within your house, it is something that should be looked at. They should have to have a criminal history completed, but the problem with the criminal history check and with the working with children check is: how often do they have to have the criminal history check done? We could place a girl in a job today and then in three years time she might get charged with something but she is still working for the same family and the family do not know. Every time a girl comes back onto my books, I redo her check.

Ms McNally—But the working with children check is free; the Federal Police check which covers the criminal history is \$39.

Mrs Clark—But the girls have to pay \$39 to get a job. I cannot be a taxi driver if I have not got my driver's licence. I cannot be a photographer if I do not have a camera.

Mr FAWCETT—If you look across industries there is quite often character checks which include the criminal record to be employed, but there are very few other than defence areas where you have a national security requirement and a regular review—

Mrs Clark—These are children.

Mr FAWCETT—But the theft and fraud issue is not directly related.

Mrs Clark—Drugs is pretty big.

Mrs Kerr—It is different in each state as well.

Ms Slattery—There is a blue card in Queensland—

Mrs Kerr—Which is renewable every two years.

Ms Slattery—which covers your driving history. If you have been criminally charged for negligent driving it will come up in your blue card. If you have been charged with assault it will come up in your blue card check. It goes back to whether their convictions have been recorded or not. Even if you committed an offence when you were a juvenile, it will only stay on your record for five years, I believe, then after that it is wiped. If you want to change your career when you get older, under this blue card it will still show up.

CHAIR—That is pretty unfair.

Mrs Van Veenendaal—Could this be part of the registration renewal?

Mrs Elghitany—I think it is very valid.

Mrs Van Veenendaal—It is part of their registration renewals that a current police check or working with children check is submitted.

CHAIR—The working with children check is essential in some states.

Mrs Van Veenendaal—It is part of receiving the registration number that that be completed.

Mrs Clark—If a girl goes and gets a job out of the paper, for example, she does not have to have a working with children check.

Mrs Adelman—That is true.

Ms McHutchison—Yes, she does in Queensland. It is up to the employer. It has nothing to do with the nanny. It is up to the employer to ensure that they sign the declaration. It comes down to education. The employers are not aware of it. It is only in New South Wales that they have the loophole that the nanny agencies have to do it.

Ms GEORGE—Nannies working in the black economy would not be bothered doing it.

Mrs Van Veenendaal—That is right.

CHAIR—It is so strict in New South Wales that when we do the Salvation Army appeal and we have adults accompanying children on the appeal they have to sign off on the certificate.

Mrs Clark—It is fantastic. I think it is a fantastic initiative that has come in. The criminal history check should be linked to getting the rebate, for example. I do not think that is asking for—

CHAIR—That is a registration issue. Could we examine a model that would make being registered a condition of getting a rebate? We are now talking about a condition of having that check in order to be registered.

Mrs Scrimizzi—In terms of the conditions, all of our nannies have to be qualified in child care and have a minimum of three years full-time employment experience. Every 12 months I do Australia-wide police checks, driving history checks and check if their first aid certificate is current. Those three are updated annually, irrespective of how long the nanny is with us.

Mrs Clark—Is that just the girls who are working for you?

Mrs Scrimizzi—It is any nanny that is registered and continues to work with us. When a nanny first registers with me, they do all of the checks. Then every 12 months we do the checks again.

Mrs Clark—If she registered with you today but went and got a job through Mum's Best Friend and then you did not hear from her for 18 months because she was in a position, would you check her in that 12-month period or would you wait until she came back to you? You have not placed her in a job.

Mrs Scrimizzi—If I have placed her in a position, I do the checks, but not if I did not place her. If a nanny registered with me now and found a job elsewhere which did not work out—whatever happened—and she came back to me in four months time and said, 'I need to find a job,' I would reregister her. She would have to do another police check because I have not had contact with her in that period of time. She does a police, driving history and first aid check.

CHAIR—That is prudent on your part, because otherwise you could be held liable for not having conducted yourself properly.

Mrs Scrimizzi—Yes, that is right. Something that is perhaps missing here is that it is not only for the parents' situation. I can feel for them in that they are employing someone that they do not even know to look after their children, but we are talking about nannies who are choosing to work with children, so they are going to be in an industry that is a little bit more scrutinised, obviously, because it is working with children. They are accountable for their education, their qualifications, their experience, being able to do the correct checks and things that are required to look after children. Therefore, some of the onus and the accountability needs to come back to nannies as well. If we are talking about conditions—if they want to have those conditions met; which they are completely entitled to, I believe—I think that parents should also have the peace of mind of knowing that, whether they are going through a professional service or not, there are certain regulation criteria—police checks, driving history and first aid et cetera.

Mrs Van Veenendaal—This can be all wrapped up in part of that registration process, which brings us to the idea that, if the registration process is there, there need to be some clear guidelines from state to state that check what is required for working with children, because it varies so much from state to state.

Mrs Kerr—In Western Australia it is a national police clearance; in Queensland it is a working with children check; there is the same sort of thing in New South Wales—

Mrs Elghitany—They have the prohibited persons list.

Mrs Kerr—Yes. Because we work in different states, it is quite difficult. If a nanny moves from this state to that state, they have to change whatever clearance they have.

Mrs Van Veenendaal—It has not quite got to being federal yet.

Mr FAWCETT—In this British form here, I notice there is a section that looks at equal opportunities; it talks about both gender and race. Everybody has consistently talked about ‘my girls’ or ‘the girls’.

Mrs Kerr—We have male nannies.

Mr FAWCETT—Do parents accept the concept of male nannies?

Ms McHutchison—Yes. They are very popular and get snapped up really quickly.

Mrs Adelman—I disagree entirely.

Mrs Clark—I disagree totally. They do not want to touch them.

Mrs Adelman—One per cent of my families—

Mrs Clark—Not even one—maybe a quarter of a per cent.

Mrs Adelman—Maybe not even one per cent would look at having a man in their home looking after their children.

Mrs Scrimizzi—I have had one client in eight years that has said that they would be happy to have a male working within the home.

Ms Slattery—I have actually placed a male in an after school care job.

Mrs Clark—I have placed three males in 15 years. I currently have 960-something girls on my books but no males.

Mrs Adelman—I have placed one male in 10 years.

Mr FAWCETT—So it is largely a perception driven thing by the parents who do not want the male, or is it that blokes do not want to do the work?

Ms Slattery—It is families.

Mrs Clark—You get a few inquiries from men who want to be nannies. I will put it to Edwina. She has three little children; she is a mum.

Mrs MacDonald—They are all boys, so it might be good, but I just do not think so.

Mr Gibietis—Most paedophiles are men, and I think that is probably the fear.

Mrs MacDonald—It is not even that. I would not hire a male. I am not concerned about the paedophile issue at all; I just do not want another male around the house.

Mr FAWCETT—What about the cultural issues? Is there a predominant group within Australia that works as nannies that people prefer, or is that a nonissue?

Ms Slattery—The 20 to 30 age bracket; before they have kids themselves.

Mrs Clark—I disagree with that. I have a lot aged 20 to 30 but I also have a lot over 45.

Mrs Adelman—It is pre children or post children.

Mrs Scrimizzi—I think the only thing they would ask is if the nanny speaks another language, just to teach their child another language. That is really the only thing. They may be a family who have relocated from, say, Hong Kong or another country where the children spoke another language or they are used to a particular culture and they would like to have the same thing or continue that, or a child may be adopted and they would like to have that. But it does not come up that often.

Mrs Adelman—We have halal versus kosher and those sorts of sensitivities.

Mrs Clark—The other thing is that people request someone who speaks fluent English—

Mrs Adelman—English as a first language.

Mrs Clark—because children who are under two in particular, who are learning to speak, mimic the person who is looking after them. A huge number of people say to me, ‘I want someone with English as a first language and I don’t want a heavy accent.’ Other people have requested things like, ‘I want a French-speaking Japanese girl.’ You would be surprised what we get asked for. We could write a book.

Mr Wilson—We had a school exchange student who was a Korean-born Japanese speaker who got a job.

Mrs Clark—Give me her number! Predominantly religion and age—

Mrs Adelman—They come from all walks of life. It is a really broad spectrum—

Mr Wilson—But they are predominantly not men. Somebody had men snapped up—who was that?

Ms McHutchison—Lara has placed three. I have met about 10 male nannies over my career. They do not go through the agencies. They get handed around. It is the same as with the nanny mummies. They do not go through the agencies—they have a history of being a nanny—

Ms GEORGE—Word of mouth, is it?

Ms McHutchison—and people will just grab you. You just get handed around when you are a good nanny. I am disappointed that we do not have professional nannies here. A lot of them do not go through the agencies. In the last two years we have had big changeovers in ownership and new agencies coming on board. The people who are here today are mainly long-term agency operators. They are good operators. But then we have had a high turnover of half-hearted agencies that have burned parents and burned nannies. Once a nanny has been burned, she will wipe all agencies and just go privately. That is when they just get handed around the babysitting ring.

CHAIR—Ms Sonja Stankovic is a nanny. She will join us at the table.

Mr FAWCETT—Ms McHutchinson, you made the point about professional nannies being here. Is there anything in particular that you would like Sonja to brief us on?

Ms McHutchison—Just on being a long-term professional nanny if you are in it for the career. Within the Australian community there is this idea that nannies are nannies for about two or three years and then they nick off overseas, come back and get married or go into other areas. As I said, I have been nannying for 20 years and I know many other nannies who have been nannying for 15 to 35 years. There is a difference between the high-turnover nannies and a professional nanny and the kind of care she provides. How long have you been nannying?

Ms Stankovic—Hello, everyone. My name is Sonja Stankovic. I have been living in Australia for six years. I have been a professional nanny for the last year. I have been a child-care worker for a year and a half or two years. I am a qualified primary school teacher and I love children.

Ms McHutchison—What do you find, as a child-care worker, is different in working in a centre as opposed to being a nanny?

Ms Stankovic—It is a totally different environment. It is different from school. I learned lots of things about children under five in child-care centres. That was when I started learning as a professional. I learned about observing children and strategies for learning in child-care centres.

The difference between being a child-care worker and a nanny is that, as a nanny, you can do a more creative job. You can really give your own time. You can really get emotional. In a child-care centre, you have 20 children under five. Who are you going to love? All of them in the same way? With home care you really provide your special time with the children. You are trying to replace mum. You know you cannot, but you can emotionally. Children under five have a really high need to have a mum at home. The first time I faced that separation was at a child-care centre. You would see children crying and saying, 'Mum, please don't go.' But that is life in Australia.

Mrs Scrimizzi—I initially worked at a child-care centre and then decided to work as a nanny. I actually did not find the hands-on care of children working at a child-care centre that different when I transferred my skills to working as a nanny. The thing that I found that I enjoyed more was that I was having more one-on-one time with children. And I was enabling a parent to return to the work force and making it an easy progression for them to do that. In terms of my duties caring for the children—hygiene, accountability and all those things—it was very similar. That is where I find a lot of nannies coming from child care are excellent. They are able to transfer those

skills to working within the home. Again, that accountability is there and the standard of care is there.

Ms Stankovic—It is good coming from a child-care centre to be a nanny because you are carrying a lot of experience that you get from that.

Mrs Scrimizzi—And you have so much you can contribute. The other thing I find exceptionally good with those who have worked in child care—and having done that myself—is that they have worked with a lot of children of the same age group, so the skills and experience they have gained are fantastic. You have had lots of experience and you are coming across different situations. You have liaised with different parents as well in child care; therefore, when you are liaising with the parent within the home with regard to the child's day and communicating that to the parent you have a bit more of a professional approach to the job. Working as a nanny, you want to be treated and regarded as a professional.

Ms Stankovic—In my second job as a nanny I had a question from the mum about what she should buy for the child because they had said I had worked in a child-care centre. She asked me should she buy Play-Doh and all of that. You bring a lot of activities that you can do at home because you have already experienced them in the centre.

Mr FAWCETT—Coming back to the whole question of qualifications, training and regulation, the points that you and Sonja have made are that structured learning provides a depth to what you deliver that perhaps life experience does not. Your argument would be that life experience—

Ms McHutchison—I think it is having an understanding. You have an activity. You can either get the Play-Doh out for the sake of punching Play-Doh and having fun and rolling with it. When I am sitting down with Play-Doh, I can work on maths concepts and science concepts. It is the language that you are using. You can say: 'It's soft and squishy. If you push it, it comes back out again. Why does it do that?' You can talk about it. So it is how you apply it. This is what I meant before. I have had some girls who have had the training and exposure to that knowledge but they do not apply it. It does take an extra effort. Most of the good, professional nannies that I have met all talk underwater. It is constant. It promotes language skills with the children because they are constantly talking. It is productive speech, so to speak. There is a purpose behind each activity. One question I would like to ask Grace, because she has a lot of professional nannies, is: do you encourage your girls to keep diaries?

Mrs Scrimizzi—Absolutely. They have a daily communication book and they write down everything, including medication given and activities they have been doing with the children. If they have had outings, they write down where they have been and what they have been doing. They write down the children's meals. Everything is written down in the diary on a daily basis.

Ms McHutchison—Apart from being the main communication tool that I have used with parents and have seen other nannies use, that seems to be the key factor between your average nanny and a profession nanny. The information is there not only for the parents but also, if you are a temporary nanny, for the nanny who follows. It provides consistency for the children.

Also, if you notice a particular behaviour with children then it is documented and there is a record of it. So the quality of care that a nannied child receives is no less than that which a child receives in a well-run child-care centre, because the observations have been done. Maybe they do not use that formal language that child-care centres expect, but anybody who has an understanding of child care could read through the basic information and know that, for example, every three months we are getting ear infections or that there is a delay in a particular development area.

Mrs Clark—Coming back to why we are here, as a parent that diary is so important to me. If I say to my kids, ‘What did you do today?’ guess what they say? ‘Nothing. I did nothing.’ I then go and say, ‘You went to the park and you saw a big dog,’ and I can continue that child’s day because I know what has happened. I do not want to talk to my nanny for 15 minutes at the end of the day and she does not want to talk to me. She wants to get out the door and I want to kiss my kids. So I can then read the diary. Also, children do not get sick at six o’clock. They start vomiting at three in the morning, and I cannot ring my nanny at three in the morning and say, ‘What did you feed them today?’ I go back to my diary and I then say, ‘Obviously they have had a bad day on food today and that is why he is vomiting,’ or ‘Those two had chicken sandwiches and that one had tuna, and only those two are vomiting.’ That diary is really important for me, as a working mother, so that I can continue my children’s day when I get home from work.

Mr FAWCETT—All the stuff we are talking about here really comes down to governance and duty of care. From a government perspective, often when we are putting in place criteria for government subsidies then we want the registration at the entry level, we want some visibility of process and we want some assurance that there is ongoing maintenance of standards. We have talked about the in-home or family day care, where there is that ongoing supervision and ongoing skilling or support. Is there a role in the nanny industry for the government to not only put some benchmarks there for entry but also mandate some level of process, like the diary, and some level of ongoing supervision, particularly if somebody is working as a stand-alone and the parent who employs them wants to get a tax rebate? Is there a role for some level of ongoing supervision?

Mrs Elghitany—That would be relevant to family day care. If you put in place an accreditation system it would be really hard for the one nanny and for a validator to go out to every single family. But, definitely, introducing the concept of bringing child care into the home is important, where they do implement and discuss the daily routine with the family. They discuss what their goals are, whether they need to help the kids with their homework and whether they want to bring in a writing book or a portfolio for the kids or have some sort of basic program for indoors and outdoors.

Ms McHutchison—That is where I have to take you to task. The difference between nanny care and family day care is that a nanny can write a program of what she has done because she follows the child’s lead. If there is an interest in dinosaurs then suddenly you are pulling out the dinosaur books and singing the dinosaur songs. You may have had the idea that you were going to do flowers today but, no, it is dinosaurs, thank you very much. The joy of having a nanny is that you can flick a task that quickly. You can change your playdough from a flower—bang!—into a *Tyrannosaurus rex*.

Mrs Elghitany—Family day carers do the same thing. Family day carers program a lot based on the children's interests.

Ms McHutchison—But they have to have their programs written out prior to the week, whereas a nanny keeps a running program.

Mrs Elghitany—They do daily programming.

Mrs Clark—From their observations.

Mrs Elghitany—Yes.

Ms McHutchison—You make sure you tick the five boxes, basically.

Ms GEORGE—I would like to know what the requirements are for the new in-home care program, because that seems to be the closest situation.

Mr Wilson—We follow the emergent curriculum, which basically does what Marina said: it follows the child's interests. You have a loose program, but that program is adapted, based on the child's interests, so it becomes a child-driven experience, somewhat similar to the Reggio Emilia style of child care.

Ms McInally—To answer your question about whether we should review what goes on in the home, certainly we provide to every family a membership folder, which is intended to stay in the home. In that folder are details about the children. It has a medicines form so that if a nanny is required to administer any medicines at all the parent and the nanny have to sign off. There is a home safety check list and an accidents form as well. So all the requirements in day care centres we have also made requirements. That is essential so that if a person is administering medicine they do not do it off their own bat.

Mr FAWCETT—But, if things like that are working for you, do we leave it up to the market to determine that people will come to your business because they have heard there is good quality, or do we actually say, 'You're dealing with kids, medicines and stuff like that. This should, from a duty of care point of view, if you are going to get a government subsidy'—

CHAIR—They are not getting the subsidy; the parents are getting a rebate on their tax.

Ms McHutchison—I think the provider has to fill out a diary, but is that going to be a criterion?

Ms McInally—I think there is a problem about overregulating and Big Brother looking at everything you do. It is probably unworkable. I think what is happening, from hearing comments from other people, is that the standards are rising. As we talk about these things and they are commented on, people are saying that their expectations are rising, so this is happening or will continue. But there is a problem of overregulation.

Mr FAWCETT—Sure. In other industries, like the aviation industry, for example, with respect to the handling of dangerous goods you have an initial qualification and every two years,

to retain your qualification, you actually have to do some level of course work which updates you with new concepts, new terminology et cetera. Then not only does the person who is operating the airline or the pilot in command—or whatever the role is—get that training but the customers and the stakeholders get information that says, ‘By the way, here are some expectations that you should have of people who are providing a service to you.’

Mrs Scrimizzi—I think that is a similar situation to the nursing industry. Mothercraft nurses have to reregister every 12 months or two years, and I think the same applies with registered nanny, in-home providers, carers—whatever you call them.

CHAIR—That sounds like cash cow to a government because you have to pay to register.

Mrs Van Veenendaal—No. To receive your registration, like accountants and pilots—even an accountant has to do in-service training—they have to do so many hours of in-service training, whether that be a seminar on updating child psychology or whatever. Regarding the processes that you were talking about earlier, you have to separate the registration versus the process of delivery. You talked about standards of delivery in the home. If you have a benchmark for your qualification, part of that qualification is record keeping and process.

Ms GEORGE—I will play the devil’s advocate for a minute. We are not looking at a scenario where we are imposing higher standards on the nanny than we require of some parents who are entrusted with the care of children.

Mrs Van Veenendaal—I do not agree with my colleagues in Queensland who think that women should have a degree in mothercare or mothering but, again, perhaps registration could have that qualification. Then you could ask them to have updated skills in first aid and in-service training of some kind and give them an elective number of hours—over a two-year period you need to complete six hours of in-service courses.

Mrs Scrimizzi—I find with my nannies—because I update it every 12 months—that that professionalism is maintained, and it is also a way of me keeping in contact with my nannies, and I find that exceptionally important. Another thing is that, at the end of the day, we were talking about the communication book. I keep coming back to accountability on the nanny’s part as well. Her day—being unsupervised with your children, whilst you are at work for eight to 10 hours a day—means there is an accountability there because it is written down if it is part of a regulation that a diary of the daily activities is maintained, and it is part of the nanny’s continual registration that they have on an annual basis. That covers nannies who are with nanny agencies, who have that as part of their criteria anyway, as well as nannies who are working—so that parents can get some tax relief—through any other means. They are all on the same par and are all working together to maintain the same standard.

If that means that some of those nannies who perhaps do not like to have the piece of paper have to do something about maintaining their own professionalism, then I think the onus is on them to do that. Then it comes back to the choice of the parents. If they choose to employ a higher standard of care and a nanny who is qualified and experienced, and they want their tax relief, then they will go to that. It will force those nannies—and I hope I do not offend anyone—who really cannot be bothered and who do not want to, because they have not needed to because they were always able to find a job within the nanny industry or because they were just

recommended from one to another, to do it. So the incentive there is to raise those standards and accountability. I think it covers all of the conditions as well as terms of employment.

Mrs Clark—So what have I got to do? Send in my diary to get my tax rebate?

CHAIR—No, you are not getting a rebate.

Mrs Clark—As a mother—

CHAIR—No.

Mrs Clark—But then who polices that she will write in the diary every week?

Mrs Adelman—Surely that cannot be part of the registration. That is work conditions and employment relations between the nanny and the parents.

Mrs Clark—I agree. I do not think that can be part of the registration. I think they are a fabulous idea.

Mrs Adelman—They cannot be included in the—

Mrs Clark—Otherwise, someone would just sit down on the weekend and fake a diary.

Mrs Adelman—Updating a first aid certificate certainly could be.

Ms GEORGE—I think a first aid is essential, and a criminal check is a basic requirement.

CHAIR—I think we are getting some sense here. I think it is sensible to keep an updated first aid certificate.

Ms GEORGE—Yes, and a police check.

Ms Slattery—CPR is a must. That has to be done every 12 months.

Ms GEORGE—That is first aid.

Ms Slattery—No, it is separate.

Ms GEORGE—Is it?

Ms Slattery—CPR is attached to first aid but it is separate. It is only valid for 12 months.

Mrs Clark—Do child-care centre workers have to do that?

Ms Slattery—Yes.

Mr Wilson—No.

Mrs Clark—No, I did not think they did.

Mrs Scrimizzi—They do in Victoria.

CHAIR—I do not think we want to place more of a restriction on a nanny than we do on someone working in a child-care centre.

Mrs Scrimizzi—In Victoria we have a paediatric first aid certificate through the Royal Children's Hospital. It is a six-hour paediatric first aid course. All of my nannies do that annually. In the courses run there, which are three years, you have to update your CPR and resuscitation every 12 months, whereas this course means that you are doing six hours of first aid every 12 months. So you are learning the new information that is coming through, and there is a higher component of CPR and resuscitation with that particular course than in the other two hours.

CHAIR—Does it cover everything for the kids?

Mrs Scrimizzi—It does, such as methylated spirits.

Ms GEORGE—And peanut allergies.

Mrs Scrimizzi—It is an excellent course and it is geared more towards nannies working within the home than other first aid courses are. So every 12 months—

Mrs Van Veenendaal—St John Ambulance has just brought out a national one which is basic first aid for working with children. It incorporates the model that the Royal Children's Hospital uses. That could be a standard.

Mr Gibietis—As parents, we did first aid for children.

CHAIR—I think the CPR course is important, because a lot of homes have swimming pools and child-care centres do not.

Ms GEORGE—Does the St John Ambulance course incorporate CPR?

Mrs Van Veenendaal—Absolutely.

Mrs Adelman—That is not the current caring for kids course?

Mr Gibietis—No. Everyone passes that one, regardless.

Mrs Adelman—The interesting point to be made is that there is currently a St John Ambulance caring for kids course. The consensus from around the table is that it is not quite good enough. It needs to be the new, updated—

Mrs Elghitany—But what are child-care centre workers doing?

Mrs Van Veenendaal—We have just booked this one.

CHAIR—I thought I heard it said that St John Ambulance has just brought out a new one.

Mrs Van Veenendaal—Yes. We have just booked it. It goes for 7½ hours.

Ms GEORGE—What is that called?

Mrs Van Veenendaal—It is paediatric first aid.

CHAIR—It has a technical term used to identify it as a new course.

Ms GEORGE—And it is an hour longer.

Mrs Elghitany—Is this paediatric first aid course going to be part of the criteria to register as a nanny when, at the same time, child-care workers do not even do it?

Mrs Van Veenendaal—It could be. You could register.

CHAIR—We are going to have one conversation here.

Mrs Van Veenendaal—The regulations have to have a phasing-in proportion, whichever way you do this regulation. So it may be that the first phase will be that you must have a qualification in basic first aid that is current within a 12-month period. Then, once a standard is set in a paediatric first aid component, whether it be a Royal Children's Hospital model or whatever, that can be revised when the standards are upgraded. I am sure that over the lifespan of this industry the standards will be upgraded but, initially, at least they could have a current first aid certificate current to within 12 months.

Mrs Gibietis—When you say 'current', how do you know if it is current or not? Is it completed in the last 12 months?

Mrs Scrimizzi—There is an expiry date.

Mrs Elghitany—It has an expiry date.

Mr Gibietis—Is that like what they have in child-care centres?

Mrs Elghitany—Yes.

CHAIR—David has a question.

Mr FAWCETT—It is not so much a question as a comment. I have heard a few comments from people expressing concern that we are making things too hard here. This at the moment is not an attempt to write or set any legislation; the concept here is just to discuss what sorts of things would need to be covered by any legislation. If we are going to present a business case to include nannies—and the guts of the reason people are here is that you want to make the

industry more affordable for parents and more beneficial for those who are working in it—to take to the Treasurer and other people, we need to know what kinds of elements need to be discussed.

The way these things work is that if the government accepted a report recommendation that said they should move down this path then there would be industry consultation in far more depth than we would ever cover here today to actually thrash out what is a first aid qualification that would be suitable in the context of other industries et cetera. So all we are really trying to cover here today are what kinds of concepts we should be rolling into this process in the business case.

Mrs Van Veenendaal—And all we have asked for so far is very clear cut: a minimum of a cert II, or equivalent in recognition of prior learning, a current first aid qualification and a police check for working with children or equivalent thereof.

Mrs Scrimizzi—Including a driving history.

Mrs Clark—Some people do not drive.

CHAIR—We are not going there either.

Ms Slattery—Keep it simple.

CHAIR—I think we are getting good parameters at the moment. A question of a driver's licence is a matter between an employer and an employee.

Mrs Scrimizzi—There is something very important here. In Victoria a police check which is for education and child care does not cover any traffic offences. So you can be done for drink driving; you can have traffic offences that do not come up on your police check. That is why I say having a driving history check also, regardless of whether or not the nanny is driving children within the workplace, should still be part of the screening. There is actually a component so that you cannot discriminate when you are working with children. The discrimination laws are different in working with children than with criminal histories et cetera. Therefore it is an extra screening that I think is also important.

CHAIR—That is something we can talk about later. I think we should just get on the record these basic parameters that we are talking about. We have covered tax options.

Mrs Kerr—On that point of things for registration, from an employer's aspect, they should hold public liability insurance. I have worked for lots of people who have not. It is an extra \$30 or \$40 that gets added on to your insurance.

CHAIR—From my point of view, anybody who invites anyone into their home, like I do, should have public liability insurance. I think I carry \$20 million. That is just commonsense.

Ms Hutchison—For a domestic worker in your home it is extra. It is called domestic workers insurance, which is workers comp.

Mr Gibietis—Domestic workers insurance is about \$40 a year.

Mrs Scrimizzi—But as an employee they are not covered under your home and contents insurance.

Ms McHutchison—No, you have to have domestic workers comp.

CHAIR—Workers comp is what covers it. If they fall down the stairs and break their ankle, they get workers comp.

Mrs Clark—In our industry we are blessed that the workers comp is so cheap. It is only \$40 a year. But if you are in any other industry it is a lot more expensive than that.

Mrs Douglas—Actually I believe it is more than that. I think it is more like \$120 per annum.

Mrs Clark—No, I do not think so.

CHAIR—It would depend. Workers comp for domestic insurance, if that is what you are covering, is reasonably inexpensive. Once you start to get into an award situation and you are categorised by type of industry, it will depend on the degree of claims in that industry. That is how it basically works. It will differ in each state. But we have to have workers comp.

Mrs Van Veenendaal—Madam Chair, in the light that lunch is a pressing time agenda and we are getting a bit frayed around the edges, I think, can I ask that we look at where we have got to this morning and perhaps look at what agenda we are going to follow this afternoon.

CHAIR—What we are going to do is break for lunch at one o'clock for half an hour. When we come back we are going to look at the qualifications and training situation. Then we are going to look at any other industry matters which we have not touched on, and we will do a bit of a recap. The most important issues, I think, we have looked at today are tax and the concept of a possible model which would entail a registration component to include nannies in home being included in the rebate system. That is basically what we have discussed today.

Mr FAWCETT—We have also pretty much covered the training and qualifications.

CHAIR—We have not covered training yet.

Mr FAWCETT—We have gone through the cert II concept and RPL.

CHAIR—Yes, but who is going to do it?

Ms Slattery—Yes. I have got girls with, and I myself have got, 15 years of experience. Why should I go back to school? Why should my other nannies? Another nanny has got 20 years experience. Another nanny has got 12 years experience, full time. Why should we have to take a year out?

CHAIR—When we get on to training, which will be after lunch, we will explain how RPL works, why what you have just described does not have to happen, and how private sector firms

can be involved in it. That is most important. Then, as I said, we will look at any other industry matters and do a recap. If we are lucky we will go home early. Can I say thank you very much for the session this morning. It has really been quite terrific, and I have appreciated it.

Proceedings suspended from 12.55 pm to 2.01 pm

CHAIR—We will now resume this meeting of the House of Representatives Standing Committee on Family and Human Services and its inquiry into balancing work and family. This morning we looked at employment conditions for nannies, taxation issues and incidental matters. This afternoon we are going to look at training—which we did deal with in part this morning—and then any other industry matters that we think we should examine. We will begin with a training question, and we will stick right to the nuts and bolts of what is entailed. What training options exist—for example, TAFE, private sector, distance learning? Some of our knowledgeable people who conduct training classes might like to comment.

Mrs Kerr—Charlton Brown is a registered private training provider. It is currently conducting courses in Brisbane and Darwin and is about to conduct courses in Perth and Melbourne. Charlton Brown offers certificate II, certificate III, certificate IV and a diploma and advanced diploma in children's services, aged care, disability care and out of school hours care.

The demand for private and more flexible delivery of training has been quite high; thus, we are looking at different delivery modes over the next 12 months, including the incorporation of more recognition for prior learning for those who have been working in the industry for some time and, for mothers returning to the work force, the incorporation of more recognition of their own life experience in part of the certificate II courses. We are also developing online methodologies so that courses can be conducted over the internet and people can do them in their own time and are able to work in the industry and update their qualifications.

One of the major aspects that we look at is recognition for prior learning. Being competency based, it is a fairly straightforward and easy task to gain recognition for prior learning and experience in the work force. There are guidelines on how to submit the details of qualifications, experience, diaries, work experience et cetera. We usually find that, on first pass, it just needs some extended explanation of certain areas and competencies to be clarified and then we can give qualifications to those areas.

Generally, for certificate III, we find that, if someone has been working in the industry for a lengthy period of time and basically on the nanny side of the industry, there are one or two subjects that need to be done to upgrade their skills to the certificate III level. It must also be said at this stage that the nanny award has some particular idiosyncrasies that are unique and that are not replicated in the child-care centred qualifications. There are four main areas. We concentrate on our first aid and first aid in the home, with CPR implications; self-defence; defensive driving; and observation in the home, basically—which is slightly different to child-care centre abilities—and being able to perform flexibly.

One of the key things that we find in the industry at the moment is the lack of understanding by those in the industry that their skills can be upgraded fairly easily and that their experience can be recognised, as we have seen here earlier today. Once skills are recognised and certificates can be met, then you can start to get some quality and recognition throughout the industry.

Charlton Brown is very dedicated to looking at regulation from within a training stance. Training and recognition of those skills in a formal sense can lead to a better recognised part of the profession. That is where we would like to see it develop further.

CHAIR—Would you like to add to those comments on where ANTA fits in?

Mrs Van Veenendaal—ANTA is the Australian National Training Authority. All the curriculums are national competency based curriculums and they are ANTA approved—as well as CRICOS et cetera. So it is a national curriculum, rather than a state-by-state curriculum; thus we can deliver it in every state.

CHAIR—Would you like to add as to, once ANTA has approved it, whether or not the states recognise the curriculum and the qualifications?

Mrs Van Veenendaal—They should. There are some idiosyncrasies in certain states, and it really is up to the training provider. We are finding there is a variation, state by state, between providers. As with any industry, as we are finding in this industry and in training industries, there can be a difference between what is offered and what is on paper. However, it is getting cleaned up. Training providers, through ACPET et cetera, are cleaning up the industry and providing that industry information. We have to answer to a very strict code of delivery methods, processes and assessment, so that is something that is really important to understand.

Ms GEORGE—What were the steps that you had to go through for your agency to be registered as a private training provider?

Mrs Van Veenendaal—I will let Chris answer that, because she was instrumental in going through those steps. She has just been having a short discussion outside with ABC and will be back shortly. She was integral as the person in charge of getting the curriculum development through those steps. It was a fairly extensive program. We have taken it on in Melbourne. Again, our process is scrutinised and evaluated every six months as regards our training delivery method and the process we are following of re-evaluating and applying it. When we are looking at qualifications, the people delivering the education have to adhere to strict guidelines as well. Hopefully the outcome at the other end, with what we are providing in terms of certificate II and certificate III outcomes, will be a fairly regulated outcome through our national accreditation.

CHAIR—Mr Wilson, would you like to add something to that?

Mr Wilson—We actually outsource all of our training. We concentrate on the early childhood educational part of the service delivery. Through various training providers, we can provide certificate II—child protection, record keeping, OH&S—and certificate III and IV if they wish to do that.

CHAIR—Would you like to tell us who you outsource to?

Mr Wilson—It is a company called Peak Training Organisations. They were developed out of the National Family Day Care Council at Wyong. I do not think they do online delivery yet but they do correspondence delivery, and they can do RPL for us as well. In relation to one of the things that I was just hearing from Charlton Brown—and it is good to hear that you are very

rigorous in your training—one of the difficulties that Child Care New South Wales has found in New South Wales is that some private providers are offering certificate III and certificate IV courses in periods of time as short as 12 weeks. We have some concerns, and we have expressed concerns to VTAB, about the speed at which those courses are being delivered. I guess what we are saying is that normally a certificate IV or diploma course would take you two years of TAFE. We certainly have some questions as to how it can be delivered in 12 weeks.

CHAIR—They are offering certificate IV in 12 weeks?

Mr Wilson—Yes.

Mrs Van Veenendaal—For a set target.

Mr Wilson—Diploma level. There are a number of smaller training organisations. I guess the end result for us is that we want to ensure the quality of a graduate, so there is a consistency of quality.

CHAIR—Are they accredited by ANTA or by a state organisation?

Mr Wilson—They are VTAB approved. I do not know who they are accredited by.

Mr FAWCETT—Does that period include recognition of RPL and learning?

Mr Wilson—No, with no RPL. We are currently looking into that. I just flag that for the committee: when you are talking about training and qualifications, these are things to be taken into account.

CHAIR—That is a question of making sure that people who are responsible for accrediting training institutions or training organisations are properly vetted and have a good standard.

Mr Wilson—Absolutely.

CHAIR—Do you know the answer to that—do you know who accredits a training organisation? Is it ANTA?

Mrs Kerr—Yes. Each state has its own accreditation through the department of training or whoever it is. We are accredited by the Queensland department of training with the Australian national training person. There are two people who come to accredit you. We have 12 standards we have to be accredited against. We have to prove each one of those standards. It is quite a complex task.

Mr FAWCETT—Are the courses that you deliver with that accreditation service based or outcome based?

Mrs Kerr—It is all linked to the national training package. Each unit, according to each course, has performance criteria. They have to meet the performance criteria of every element to actually get the qualification.

Mrs Van Veenendaal—Which is all competency based.

Mrs Kerr—You are either competent or not competent; there is no range in there.

Ms GEORGE—How did your agency go through the hurdles of accreditation as a private provider, in view of the fact that, if that is the way that we go into the future, some other people operating in the private sector might be interested in exploring that avenue?

Mrs Kerr—The training side or the agency side?

Ms GEORGE—How you got accredited to become a private training provider.

Mrs Kerr—We have been accredited as a training provider for 15 years. We have to maintain standards. You have to apply to the department of training in your state to get accredited. You have to show you meet all the standards within that and how you are going to meet them. It is like a quality assurance system. You are accredited for five years within that. They audit you every so often within that system.

Ms GEORGE—Once you are approved and accredited, you are then capable under the guidelines of giving recognition for prior learning.

Mrs Kerr—One of the AQTF standards is RPL, recognition of prior learning, and to assess that you have to match competency against each of the performance criteria. It is not hard. I do not want people to think that RPL is really hard; it is not. We have worked with the government on a special program to devise RPL. Because of the aged care stuff that was going on, we were the pilot in Queensland to do aged care RPL. I have just transferred that information straight across to child care, because it is not hard. So how do we do it? You give us as much information as you can. You tell us who you are. We need letters from your referees. You show me what you do every day as a nanny. You write it down. You tell me what the parents think about that. You tell me about any courses and any first aid training you have done. You give me every bit of information. Then I have to meticulously match all that information against each performance criterion. Then I end up saying, 'I'm not really sure about this, I'm not really sure about that.' So with each unit, I write a set of questions on areas that I am not quite sure that you meet and then I interview you. If I think there is a skill gap, I will tell you. You get a statement of attainment for the units the college or the training institution thinks you are competent in and then all you have to do is train within the skill gap to get your full qualification.

Mrs Scrimizzi—How is the training that you are talking about supervised?

Mrs Kerr—It is all done under RTO status. We have units. We can give you a unit and you can do it externally but you have to get it signed off in a practical setting. There are a couple of different ways that we can do that. We can go out and watch you. I have actually been out, watched people in the field working and been able to sign them off after seeing how they do in the field. If they work in a child-care centre, we can use the information from the centre. Some of our families are workplace trainers. There are a variety of different ways that you can do it.

Mrs Clark—What would you charge for someone to assess them?

Mrs Kerr—Five hundred dollars.

Mrs Clark—So that would mean that the nannies would then have to fork out \$500, if they did not have a certificate II or a certificate III.

Ms McHutchison—If they have to do extra training is there an additional cost for that?

Mrs Kerr—It is about \$100 a unit.

Mrs Clark—From other agencies' points of view, can you see this being a problem?

Ms Slattery—I can see it being a problem because if you have a nanny who has above 10 years experience they are going to say, 'Why do I need a piece of paper to tell me what I already know how to do?' The girls with the 15 or 20 years experience can run rings around a lot of the girls who have the qualification of a basic certificate, which is 8 weeks, 12 weeks or a year.

Mrs Scrimizzi—I do not agree with that. I think that is unfair because that is not the case. You have to go case by case in individual situations.

Mrs Kerr—Absolutely.

Mrs Scrimizzi—I think that is putting a blanket over it.

Mrs Kerr—I have seen mothers drag their children by the arm through a shopping centre and they say to me, 'Ah, but I've been a mother for 10 years.' How do I know what sort of mother they have been? How do I know what sort of carer they have been? That is why we go out and watch.

CHAIR—Obviously the nanny industry has been a cottage industry for a long time. Again, if I can draw an analogy with aged care, that was a cottage industry and it had some appalling people in it and they had to go. You all heard about one that went, Riverside, with its kerosene baths, but you did not hear about the other 220 that went as well. You people have come forward because you are staying at the cutting edge right where contemporary thinking is. To move out of a cottage industry into a properly acknowledged profession you have to acknowledge that there is a need for standards that people can judge by—stand-alone accreditation, if you like.

Ms Slattery—I honestly believe there should be standards and qualifications. But you have still got to take into consideration all these other girls who have been professional nannies for years and years.

Mrs Gibietis—No-one is telling them that they have to apply, but there is a chance that if they do not have this accreditation they may not be selected over other applicants for roles.

CHAIR—There is a provision for acknowledging the learning that they have.

Ms Slattery—Five or six hundred dollars is a fair whack.

Mrs Scrimizzi—They can also do a child-care course through TAFE.

Mr Wilson—But \$500 to \$600 is a very small part of one year's income.

Mrs Elghitany—Especially if you are going to get a qualification out of it.

Mrs Kerr—And you will get it back off your tax anyway.

Ms Slattery—But I was coming from the nanny's point of view.

Mrs Scrimizzi—But I came from a nanny's point of view 10 years ago. It did not stop me from becoming qualified in the area that I wished to continue to work in.

Ms Slattery—I am telling you what nannies have told me—

Mrs Scrimizzi—I am also finding out from nannies on a day-to-day basis, and that has been over the last eight years.

Ms Slattery—and that is what they think. I agree that there should be an industrial standard. But we are talking about bringing in qualifications, so what is going to happen to all those girls who do have 10, 15, or 20 years experience?

Mrs Scrimizzi—What is stopping them from becoming qualified?

Mr Gibietis—They have a choice.

Mrs Scrimizzi—What is stopping them from becoming qualified? You said before that it is more about 'Why should I?' Nannies are working with children.

Ms GEORGE—It is probably more of a cost issue.

Ms Slattery—Yes. It is a cost issue. We are seeing skyrocketing petrol prices and that sort of thing, and they are looking at it and saying, 'I may as well spend \$500 or \$600 on another course and get out of the industry altogether because there is a life expectancy.'

Mrs Scrimizzi—Why would you if you have had a life dedicated to working as a nanny, if that is their profession?

CHAIR—I do not follow that one.

Ms Slattery—What do you mean?

CHAIR—If you have 10 or 15 years experience in an area where you like working, for \$600 you are not going to buy another career.

Ms Slattery—There is a life expectancy for a nanny. Once she gets pregnant and has her own kids—

CHAIR—She has to have been in that industry for 15 or 20 years, if she is at that stage.

Ms GEORGE—What would it cost to get the equivalent by doing the TAFE unit?

Mrs Van Veenendaal—They still have to pay student fees and uni fees.

Mrs Kerr—It depends on what state you live in. TAFE is state dependent and it is also dependent on the amount of funding that the training organisation within that state will give. The training organisation within a state says, 'We're going to fund this type of course and that type of course.' I can speak only for Queensland because I know that system, and in Queensland it is cheaper to go to a private RTO than to go to TAFE to do your training. It is about \$4,000 at TAFE; it is cheaper to do it at a private RTO.

Mrs Van Veenendaal—I presume that a nanny would not be asked to do this overnight. There would be a certain time period to upgrade her qualifications if she wished to be registered. She will not be forced.

Mrs Adelman—It seems that we are putting on the table that, for a nanny to be registered, they must be qualified.

CHAIR—Perhaps that is the model we have been discussing. We have made it level II, not level III. That is what we were discussing.

Mrs Clark—So if someone is a primary school teacher she does not have to go and get a certificate II, because her qualification is over and above that required?

Mrs Kerr—No.

Mrs Scrimizzi—The minimum requirement would be a certificate III. It is like what we do: the nanny has to have a qualification in child care. As long as they meet that, we are happy to place them.

Mrs Gibietis—Lara, is it the cost issue that is the primary concern?

Ms Slattery—I am just saying what nannies have told me. I believe it will be a cost issue at \$500 or \$600. If it were brought in over a two-year period that would be fine. But if you are going to bring it in and say, 'Right, these girls have to have it by the end of the year,' you will get a lot of experience going out of the industry.

Mrs Gibietis—If it were a cost issue and if it were to be phased in over a two-year period, perhaps consideration could be given to funding the nannies to complete the training within a defined period.

CHAIR—No. We are not turning into the 'nanny' state.

Ms Slattery—We also have to consider other courses that nannies have completed over the years in other countries, such as at the Norland College.

Mrs Kerr—The Norland? It is ridiculous to put that against a certificate II, because that is so far above a certificate II it is not funny.

Ms Slattery—I know, but will that be recognised in Australia, or will the Rangī Ruru qualification be recognised in Australia?

CHAIR—Those are the sorts of things—obviously that is a high standard that the industry recognises now. We are not writing the rules and regulations here; as David pointed out to you earlier we are looking at the broad picture, at the way we are travelling and at what the options are. We all do seem to have come to an agreement that registration is a good idea.

Ms McHutchison—And the training aspect that needs to be there. As a nanny of 20 years who does not have a certificate, although I have attempted it a number of times, I did not know about the prior learning.

Mrs Kerr—They should have offered you RPL. In an era of RTOs they have to offer you RPL.

Ms GEORGE—Who does the kind of work that you do in this state? Who does it in New South Wales?

CHAIR—In New South Wales we have heard that contracts are out, that those courses are available.

Ms McHutchison—There is also the early childhood academy, which is based at Parramatta; there is one down in Melbourne—Susan Johnson; and Pam Arnold has been around since the year dot.

Mrs Van Veenendaal—Pam Arnold is no longer Pam Arnold; it is now owned by Stotts College.

Ms McHutchison—The still have a national nanny—

Mrs Van Veenendaal—There are plenty of private providers around.

Ms McHutchison—Yes. And then there is always TAFE. When I was screening nannies, one of the problems I found was that if they were not being trained by someone who had experience in the nanny industry—and I used to go out to TAFEs as a guest speaker—the girls would come out as weaker nannies. They would come out with a centre based aspect rather than a home based aspect.

Mrs Scrimizzi—Having worked in child-care centres and also having placed nannies who have come from child care to work as nannies, I would not see them as weaker in terms of being company qualified. The TAFE child-care course is part time for one year, and you attend maybe one night per week, but part of the criteria is that you have to be working with children for a certain number of hours. During that year you might be doing one day a week in child care and four days a week working as a nanny, so you are still able to earn a full-time income while gaining a qualification in the field. You are in a situation where you are training over a one-year period, which is a lengthy enough period for someone to observe you in your training. It is not just a case of having them complete a few forms, sending them off and then they are qualified.

I would like to come back to the point that we are working with children. I believe that people who choose to work with children should become qualified—that should be part of the regulation as well. In turn, when you are looking at families wanting to have some sort of tax relief, it can only benefit that situation, because they recognise that if they are happy to pay a little bit more for someone who is qualified they will get tax relief. The nanny will be happier because they are going to be qualified, and recognised for the qualifications, and also because they are going to get the conditions and employment situations they should be entitled to. So it is win-win in all situations. I think that those nannies who choose not to gain a qualification because they cannot afford it, because they feel that they cannot afford it, because they do not want to plan for it or because they have years of experience and do not need a piece of paper should reconsider. What is the problem with becoming qualified and setting aside one year? You can still work full time. A lot of the families who are employing nannies who are not qualified—families whom I have placed nannies with—are very happy for the nanny to take time off to study. If it is one night a week they can take come home a little early if they need to go to TAFE at six. They can work in with them if they know it is going to benefit them and benefit the nanny. There are ways around it. It does not mean that you can never work and study at the same time. A lot of professional women do it. It is a profession; it is a career. We all have to make sacrifices within that.

Ms GEORGE—Could you do it online by correspondence?

Mrs Van Veenendaal—Yes

Mrs Clark—I think people will say it is too hard, and then you can weed out the girls who are not supposed to be there.

Mrs Scrimizzi—That is right. Exactly.

Mrs Kerr—We have gone to a situation where child-care centres are saying everyone has to have for qualifications. The people who did not want to get qualified have left the industry—they were the ones you did not want in the industry anyway—so we have the more qualified and more professional people in the industry, and that is what we are looking for.

Mrs Elghitany—In terms of costs, there are lots of courses where you pay week by week. The academy of early childhood do instalments on a weekly basis. You do not even have to pay it off during your time of study; you can continue to pay even after you have graduated.

Mrs Kerr—You cannot get your certificate until after you have paid for the course.

Mrs Elghitany—I received mine. Are you talking about Charlton Brown?

Mrs Kerr—They are not allowed to give it to you.

Mr Wilson—At the moment, the nanny profession is a very informal and unrecognised profession. If we can start this system, we will start to improve the status and standing of the industry; it will be a platform to build upon to grow the qualifications and standing of the industry.

Ms GEORGE—You would not do it overnight.

Mrs Scrimizzi—That is right. If the nanny chooses not to be a part of that—if they choose not to become qualified and follow through on those criteria—that is their choice.

Mr Wilson—We are not asking for very much at all. I guess I probably feel that way because I come from the child-care industry, but we are not asking for very much at all.

Mrs Scrimizzi—It means they are providing better quality care for children, because they have gained that bit of extra training. It does not mean they lose out and that the skills they have learned through experience are invalid; it adds to that. If you learn something new in the delivery of service and care you give, that is fantastic. If you do not, and it is just to reiterate that what you are doing is great, where is the harm? It is not making any difference. What difference it might make is that you end up earning a little more because you have become qualified with those years of experience. If you are looking at the next five years, it might mean that more job opportunities will be offered to you.

Ms McInally—It is not about the money; it is about the fact that people need to be trained. Everyone has to pay money for something; it does not matter what you do.

Mrs Scrimizzi—That is right; it is in any employment situation. Whether you are paying HECS or whether you are paying \$500 for a course, at the end of the day it gives you the qualification and you can build on that.

CHAIR—And you help build the industry and give it some status.

Ms McHutchinson—Will this recognition list that they have to go through also apply to au pairs who are coming here? Will parents be able to claim for an au pair?

CHAIR—I do not think so, because they would not be registered.

Mrs Adelman—They would not be registered and the amount that they are paid per week would be too low to make any sort of claim anyway. The fact that they can only stay for three months with any one family would wipe out the rebate. What would be interesting is that there are so many different degrees of nanny. We are talking about our sole-care nannies—the professionally qualified girls. But girls still have the opportunity to start off as a mother's help, working alongside the mother in the home without the qualifications and then working towards the qualifications—

Ms GEORGE—Of course.

Mrs Adelman—and becoming recognised. That would be a great way to enter into the industry. That opportunity would still be open.

Mrs Kerr—Our nanny course is a practical placement in a family home. In that course they are practising in a family home under the supervision of a family, with us supervising. It is a mixture of how we supervise and all that sort of stuff.

CHAIR—There are the two ways, because she is still your employee that you put in there?

Mrs Kerr—No, these are students.

CHAIR—But she is your student?

Mrs Kerr—Yes.

CHAIR—And you are responsible for her?

Mrs Kerr—That is right.

CHAIR—Whereas what you are saying is that there is the opportunity for people to go into the home as a mothers' help at a lesser remuneration, do the study, move up, get registration and become part of it?

Mrs Adelman—Exactly.

Mrs Scrimizzi—In that situation the parent would not be eligible for fee relief, because they are not employing someone who is qualified, which is fine, because everyone has to start somewhere.

Mrs Adelman—Exactly, so it is still recognising the difference.

Mrs Scrimizzi—And when you get to that point—

Mrs Kerr—There are different wages and then bang!

Mrs Scrimizzi—That is the best way to gain experience, whether it be in a child-care centre or working with the parent. But obviously it is the parent's choice who they employ. That is a stepping stone to it.

Ms Stankovic—Mothers' help is more for a very rich family, because mum is not working. That means she has money to stay at home.

Mrs Kerr—Or it could be that the mother really needs assistance around the home because they have a lot of little children.

Ms Stankovic—Yes, or there are disabled children in the family. That is why they ask for mothers' help. It is a great idea, because I have been in school the whole of my life. It is really great because a lot of my girlfriends used to say, 'You are a servant; you are cooking and washing.' It is a great idea, but I think in your school you may need to have a bigger range of different qualities. I have a different language background. I am a third category. There is Australians speaking English, English-speaking people from England and those parts of the world and the third category are those who speak with an accent like me. Maybe some people can present something better, but I am excellent with art—I can do lovely face painting. Lots of people can, but you need to give them a chance to get the credit for those qualities.

Mrs Kerr—We work with a multicultural church and we train people from all around the world. It is just the most amazing thing that you can do. They are very special people.

CHAIR—What we might do now is see if there are any other issues relevant to the industry that we have not touched on and then I am going to ask everyone around the room to have two minutes to sum up to hear your final take out of today. First, are there any other issues?

Ms McHutchinson—There currently are not any regulations for placement agencies.

CHAIR—Why should there be?

Ms McHutchinson—It is as far as the screening is concerned and standards with the in-home child-care program. There are screening standards that have to be met for your placement.

Mrs Kerr—But to be a licensed agency you have got to go through a whole lot of hoops.

Ms McHutchinson—You get a business name and that is it.

CHAIR—That is all right—I am in favour of that. Regulation is just—

Mrs Adelman—If we have this registration for nannies, that is obviously something that would affect us very much and we would have to stay in line with that. With agency regulation the thing is to realise that if we are all still around—or those of us who are after 10, 11 or 12 years—we are obviously doing something right. The clients keep coming back to us and the nannies keep coming back to us because we are doing something right. Those people who have not changed in accordance with when things change or go wrong are, quite frankly, no longer in the industry.

Mrs Clark—Absolutely.

Ms McHutchinson—I was thinking about the clients who come along and use the new services or use services who have been around but who have lower ethics than others.

Mrs Clark—The buck stops with the mother.

Ms McInally—Isn't it about the parent saying, 'What do you have to offer?'

Mrs Clark—That is right—the mother has to make that decision.

Ms McHutchinson—It comes down to education again.

Mrs Clark—Also, even if we refer the girls to them, I say to all my clients: 'These are the references. This is her first aid, this is that and this is what she's done. Absolutely, double-check it, triple-check it. It is your baby. Please, you may ask a question that I did not think was relevant. The mother might feel more comfortable talking to you than she was talking to me.' I say to my clients, 'Please double-check and triple-check their references.' I know I have done it. I cannot imagine putting my child into a situation where someone would not check. They are using our services as an agency to finalise it.

Anyone can put an ad in the *Sydney Morning Herald*. I could do that this Saturday and get 60 phone calls, but of those 60 phone calls I might only see eight girls and, of those eight girls, I might only put three onto my books and, of those three girls, I might place only one. Parents come to me because they know they want a nanny for five days a week who has experience, references and this, this and this. All I do is give the parents a short list so that they do not have to speak to the 60 girls on of the list. The buck stops with the parent. It is up to them to then say: 'Okay. You sent me five girls. They were all really good, but my personality choice was Mary Smith.'

A good agency, as Susanne said, lasts the test of time. It is very hard. There are 70-something nanny agencies in Sydney and, let me tell you, it is really hard work. There are a lot of blood, sweat and many tears, aren't there, Susanne?

Mrs Adelman—Many tears.

Ms GEORGE—So it is quite competitive?

Mrs Clark—It is very competitive.

Mrs Adelman—You are only as good as the last person you sent. They might be fantastic in one job and not in another.

Mr FAWCETT—The last thing you need in that competitive environment is more government regulation. If you need standards for parents to hang on to, the most effective thing I have seen across a range of industry sectors is the industry itself coming up with a code of practice. Basically, you educate the public. If you want a high standard, go to an agency that subscribes to, and has been accredited by, the industry. One of the marks of a more mature industry is that it has bodies that get together and give stamps of approval. That is far better than government putting a burden on your back that makes it hard for you to be innovative and responsive to the competitive market.

Mrs Scrimizzi—I also believe that, at the end of the day, it is not up to the government to make regulations on how to screen and place nannies. It is up to you as a service—the service that you provide—to do that and, again, the parents to have the choice of whom they want to employ to look after their children. I have a code of conduct for all of our nannies that I give to them when they come in to meet with me and have chat about employment or an interview. I go through that, and I am not backwards in coming forwards in saying: 'This is our code of conduct. If you are not happy working within this code of conduct then I am sorry I cannot help you with employment. Go elsewhere.'

My clients have peace of mind knowing that I go through that information with my nannies. You referred before to having that in place. You do not need the government to tell you to do that or to ensure that every nanny that you speak to is going to adhere to that code of conduct, because they know that if they do not they will jeopardise their employment and jeopardise their future employment. I am not going to place them with another family.

If all agencies put in place these sorts of things, the benefit for the nanny would be that her interests would be protected by adhering to a professional code of conduct. Also, by a nanny

becoming qualified and having experience in following the code, they can expect to be employed by people who are going to treat them professionally. The employer can also turn around and feel: 'I am happy to pay a little bit more. I am getting someone who is qualified, someone who is going to follow her code of conduct.' Therefore they are going to treat them more professionally.

CHAIR—This time I think we will start in the middle. Ms Stankovic, we will start with you because you joined us last. Just give us a quick two minutes on what you observe and how you feel as a nanny.

Ms Stankovic—I feel great listening to all this information. I agree with this side of the table about getting extra qualifications. I already have them; it is easy for me. I do not know about the other nannies getting qualifications; that is really long term. It is really hard for a 60-year-old Russian-speaking lady, who is a great nanna, to get qualifications. Time will show us.

Mrs Adelman—Thank you very much for giving me the opportunity to be here today. I loved meeting everyone and hearing what you all had to say. My main take is I cannot wait for the employment of child carers in a nanny environment to be a tax deductible option for particularly working mother but for all families. Also, I would like to encourage Charlton Brown to come and do their training course in New South Wales. I am not sure why you are not here, but we will all help you.

Mrs Kerr—We are looking at premises at this point in time.

Mrs Adelman—That would be a wonderful thing, and we look forward to that. I think this is great. We are heading in the right direction to get nannies out of a cottage industry and into the mainstream.

Ms Slattery—Once again, thanks for inviting me. I would like to see some sort of registration where nannies have to comply with some sort of regulations, including basic first aid, CPR, years of nanny experience or qualifications and experience to be recognised as a nanny in the work force. I believe that parents should receive more subsidy than 40c in the hour. I believe that could be improved as well. I hope that from today the issues we have discussed and all agreed upon do come into play.

Mr Wilson—Registration, absolutely; some assistance better than the 48c per hour most definitely—I think that is only fair—and equitable and recognition through the registration. I know many Senate committees have sat and considered things and then reported upon them and those reports lie in state for quite some time, but do you have any vision as to how this will go? I think this one is a little different because work and family balance is probably the most critical thing facing Australian families at the moment. I want that comment on the record perhaps.

CHAIR—What I might say is that when we do bring down our report I am sure all the committee would be very grateful if anyone who is interested in the subject really makes their point of view known loudly. Many a report will come in and disappear perhaps. I do not think this one will.

Mr FAWCETT—No, I do not think this one will.

CHAIR—I think we have got a good commitment to the issue.

Mrs Elghitany—Going along with everyone else, I think registration is really good. I think it is good for everyone that is involved. Recognition for nannies, training and development that can be brought into the home and of course any sort of rebate for the families would be good. I would also like to say thank you to everyone as well because this has been a really good learning curve for me. Thank you very much.

Mrs Van Veenendaal—I suppose the main thing which has come out around the table is registration, but I want to make sure that the registration is part of the process that we are going through. The first thing I would say is that we are bringing a cottage industry or the nanny industry into a professionally recognised industry equivalent to child-care centres. To do that we need to have the instrument of recognition, whatever number and qualification goes with that and the constant continuity of upgrading that recognition every so many years thereby facilitating and enabling women to return to the work force quicker, to return to the work force with confidence and to be able to get the same amount of access to financial rebate that is with the current system of child-care centres, and putting this industry on the equivalent path of a child-care centre. The main thing to come out of today is to bring the industry on par with the out of home care centres and to do that through educational recognition.

Mrs Kerr—I want to reiterate what everyone said. The registration is a great idea that we can go through. I know that we need to consider the children that we caring for. There has been a lot of discussion about nannies and things like that, but the children are what this is all about and getting the parents back into work force in a comfortable environment. According to statistics there are over 227,000 children not cared for by a parent or a relative in that sort of environment. By anyone's standards that is a lot of children, and we need to make sure that the people who care for those children know what they are doing and are caring for them in an appropriate manner. That is where I think the registration comes in. We go back. We want people who know how children grow and develop and who these children are. How can we help them move onto the next level? That is where we need to come from. Children are our future. If we can do that I think we have come a long way. Nannies to me are hugely important, and their stories are amazing. We should recognise their stories as the amazing things they are.

Mrs Scrimizzi—I would like to say thank you very much for this opportunity to listen to everyone's points of view. Obviously everyone is very passionate about this topic. Thank you very much for the opportunity to speak today. It has been a long time coming. I think I have made my point of view fairly clear about nannies becoming qualified, about raising the standards in child care here in Australia and about working as a nanny and the benefits that follow. The feedback that I have from parents is that it is time for a change in tax relief. I would like to submit my briefing on the situation. I also have a letter from one of my clients, who was not able to come today. I mentioned her earlier today. For the past five years she has employed a nanny. To be able to return to return to the work force she had to employ a nanny. Her main gripe is: why is she not able to claim that nanny as a tax deduction? She now employs 10 other people and has 10 other staff. I would like to submit that letter as well.

CHAIR—Certainly. Is it the wish of the committee that this letter be received as a submission to the inquiry and be authorised for publication? There being no objection, it is so ordered.

Mr Gibietis—I was trying to work out whether we had any losers today, and I do not think we do. The parents are winning because we get tax relief. The nannies are winning because they have better pay, conditions, recognition and opportunity. The children are winners because they are happier, and the industry is winning because it is better regarded. It is a good result.

CHAIR—That is a very nice summary. Thank you, Paul.

Mrs Gibietis—I want to say ditto to what everyone has said. We do appreciate having the opportunity to be here and to share our thoughts. We also appreciate the networking benefits of meeting other people in the industry. We look forward to seeing the findings from the inquiry and, hopefully, improvements to the industry being implemented. I say ditto to what everyone has said about the registration. I think that is a win out of today.

CHAIR—Thank you very much.

Ms McHutchison—It is great to finally put some faces to the names of people I have been speaking to on the phone over the years. I am really looking forward to some superannuation changes. The tax office has to go and reprint all those brochures that say that nannies are not entitled to their super. Registration is a key to changing the industry. It will be a culture shock at first, but I think it will be a good culture shock. Any change is as good as a holiday. It is great that it will be linked to qualifications and support for parents financially. I hope that the message flows out from here, that everybody goes out and talks to their clients and their nannies and gets them to write to the politicians and support what we are doing. It will be nice to see some refreshing changes that we have waited a long time for. Thanks for the opportunity.

Ms McNally—It has been fantastic. I have really enjoyed myself. It is great to see the passion around the table. I have certainly learnt a lot from listening to all of you as well. Again, I agree with improving the standards for nannies and so on, because at the end of the day it is about the children. Most of us here are parents and we are all very concerned to make sure that all children are looked after properly. Having training and so on for people who look after them is imperative. A couple of other things: it would be great to extend the FBT exemption outside of on-site facilities and also to allow people to salary sacrifice for child care.

Mrs Douglas—Thank you for coming in today. I have really enjoyed it. I found it to be a great learning curve. I feel very positive and excited about what is happening, and I am looking forward to going back and talking to the nannies, as I do every day at work. There could be a little bit of hesitation with them and they may be fearful of this registration coming through. I will definitely be a spokesperson for it, to encourage it. I think it is a wonderful idea.

CHAIR—Thank you.

Mrs Clark—Thank you. It is good to network and meet lots of people and hear other ideas and things like that. I think that registration is fantastic, and it is what we have needed for a long time. At the end of the day we are looking after children, and that is our sole cause. We all run businesses to make money but, at the end of the day, that is what we have to look at and that is what our end result has to be. You are exactly right; everyone is a winner because, at the end of the day, the kids are the ones who are going to benefit a lot from it, and that is really important.

The other thing is about tax deductibility—I am not giving up. The black economy has gone. I reckon that I personally could fix it overnight. If I put an ad in the paper with ‘My Little Friend’, the phone does not ring as much as if I just put my mobile number. When you answer the phone, people ask: ‘Are you an agency?’ You say, ‘Yes,’ and they say, ‘No, thanks,’ and bang down the phone. If you can get them to talk, you say, ‘What is it about not wanting to join an agency? We don’t charge you a fee and there is nothing payable to you from us.’ They say, ‘I want cash.’ I cannot tell you how many people say that to me on the phone. I say, ‘That’s illegal and we do not do that,’ so they say, ‘Thanks very much,’ and hang up. The reason why we need it to be tax deductible is so that people will pay their nanny more, and then more qualified and more experienced people will come in because it will become an industry where they will be paid well. People will then go to work and improve the economy of the country. They will be working full time, earning lots of money and keeping their businesses running, and their children will be happy, safe and in their homes. Tax deductibility is the key to it all.

CHAIR—On behalf of my fellow members of the committee I thank you all for coming. It has been a very useful session. We have been producing new ideas here, and that is always an exciting thing to do. The ‘work-family balance’ has become almost a prosaic statement. What we have done is to look beneath at what we are really talking about and at what outcomes are achievable. We have looked at a variety of models which the committee will certainly consider.

Resolved (on motion by **Ms George**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 2.52 pm