

Appeal for Expanding Government Subsidy for Nanny Services in Australia

AJ Nannies and Services

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To Whom it may concern,

This letter is to seek government support for nanny services as a mainstream childcare option for modern working parents.

I am an early childhood educator with several years of experience in the childcare industry, specifically in managing childcare rooms and child homecare facilities for families in Australia.

While daycare centres have been the more popular method of formal childcare in this country, several studies in the Western world have shown that daycare centres can also have a negative effect on young children.

One of the largest and longest-running studies on the effects of child care, called the 'Study of Early Child Care and Youth Development' (which followed more than 1,000 children from infancy to the age of 15 starting in 1991) was carried out by the National Institute of Child Health and Human Development's (NICHD), US. The study revealed that the more time children spent in daycare centres, the more likely they were to show signs of disobedience, poorer academic habits and social skills and increased risk taking.

While childcare studies have not been able to identify the 'ideal' number of hours that a child can be safely put in daycare, research has also shown that some children need more attention than others and are likely to benefit from a higher quality of care such as the one provided by a nanny.

In my professional experience, there are five major reasons why a daycare centre is not the ideal option for many families -

1. **Lack of one-on-one attention:** In a daycare centre, each teacher handles several children, denying each child one-on-one care and attention for extended periods (8-10 hours a day). This straight-off makes daycare a poor substitute for actual parenting.
2. **Lack of control for the parent:** The benefits of daycare for a young child are greatly dependent on the responsiveness and sensitivity of the caregiver. It is difficult for parents to truly assess the quality of care received by their child at a Daycare Centre. For many parents, this uncertainty is a big enough reason to cut back on their work hours or give up employment altogether to care for their children.
3. **Greater risk of illness:** Putting a child in daycare automatically increases his or her chances of acquiring common communicable illnesses like cold, flu, chicken pox, and ring worm. All of which come with an exclusion period from the centre, often resulting in parents missing work more often.
4. **Unsuitable for modern working parents:** For parents with unusual or long working hours, daycare centres simply do not offer the flexibility in 'care hours' needed.
5. **As expensive for families with more than one young child:** For families with two or three preschoolers, a daycare centres proves as expensive as hiring a nanny, while offering none of the benefits associated with a nanny. Incidentally, the Australian fertility rate has increased from 1.7

children per woman in 2001 to 1.9 children per woman in 2011. This means that an increasing number of households need care support for more than one child.

Even as we consider opening centres for 'overnight' care, we really need to evaluate the impact on the children. Young kids and infants need the stability of 'home' and the security of being cared by a few trusted individuals. In a Daycare centre, where the staff are often overworked or staff turnover is high, it is difficult for the child to form attachments. As per Erik Erikson's theory of psychosocial development, **an infant's ability to develop trust is largely influenced by the consistency and availability of the child's caregiver**. Clearly, putting children in a centre for extended hours with multiple caregivers is not the ideal option for the child.

These disadvantages of a Daycare centre are negated when a family hires a nanny. Here is why a nanny is better for the child -

1. **Security** - A nanny offers young children a safe and loving environment at home while the parents are at work.
2. **Personalised teaching approach** - A nanny can tailor her approach to the existing learning ability and development stage of the child. Most nannies are qualified educators, with certificates, degrees, or diplomas in childcare or teaching, and hold first aid qualifications.
3. **Better health care for the child**- A nanny can closely monitor the child's dietary requirements, including ensuring that the child eats balanced meals on time and avoids foods that could trigger an allergic reaction (incidentally, 5% of all Australian children have food allergies).
4. **Consistency in upbringing** - A nanny by the very nature of her job offers continuity in childcare that is so essential for the child's development. In addition, she can adapt her care to the existing parenting style of the family. Children with a consistent and stable home environment grow up to be much more constructive members of our society, which is also the vision for the Early Years Learning Framework.
5. **Flexibility in childcare for parents** - For many parents, a nanny is the ideal substitute for the care, safety and personal development needs of their children, while also giving them much greater flexibility in their daily schedule.

Not surprising then that parents from all income brackets, from every corner of the country, are considering **a nanny as a more convenient and personal childcare alternative**. However, despite the many obvious benefits of a nanny, hiring a nanny remains difficult for most families.

Let us leave the 'choice of childcare' to the parents. This is why I implore you to expand the current stipulation of government support for inhome care services, which is restricted to 'families with three children under the age of five, have a parent or child with a disability, live in a remote area or be a shift worker who cannot access childcare'.

Moreover, it is not just the families, but also the Australian Government, that will greatly benefit from making a nanny an accessible childcare option.

Benefits of subsidising nanny services for the Government:

1. **More women in the workforce** - You will have fewer women who are forced to choose between raising a family and having a full-time career.
2. **Improve workforce productivity and employment stability** - As per the Australian Bureau of Statistics in June 2012, there were more than 961 thousand one-parent families, of which 81% or 780 thousand were single-mother families. Nannies give families that have little family support some time to relax and reduce stress levels, which in turn boosts work productivity, lesser employee absenteeism, and improve work commitment - all good for our economy!

3. **Create employment opportunities:** At the risk of giving a bit of my business plan away, we can use this industry to help create employment for people over the age of 55. With proposals underway for the retirement age to be lifted from 65 to 70, this could be a valuable investment.
4. **Higher tax collection** – The above stated positive trends would substantially add to the Government coffers via higher tax collection. In addition, the nanny industry in Australia is highly unstructured, with many nannies receiving their wages in cash. Approving nanny services as a form of supported childcare will greatly help formalise the industry. It would invariably promote formal nanny-client contracts, secure payment for nannies, and bring former cash exchanges into ambit of traceable transactions.

As a corollary to subsidisation of nanny services, I also strongly urge you to consider developing a framework of policies that supports growth of nanny agencies.

I am also in the process of setting up a Nanny Agency. My goal is to (i) offer secure employment to nannies, (ii) raise the standard of nanny services available in the country and (iii) help the nanny profession acquire the much-deserved recognition for its positive impact on the learning and development of young children, as well as its critical role in supporting the modern family structure.

If given the opportunity, I would love to share my views on the positive impact of the nanny industry on our society and the need to encourage it any way we can. You can reach me by phone and email for further information.

I look forward to receiving a response from you on this most important matter.

Yours sincerely

Amy Evans
The Australian Nanny Advocate