



Fact sheet

Nanny Pilot Programme – subsidies for families

What fee assistance are families eligible for?

The amount of fee assistance for which families are eligible will depend on their total family income. The more families earn, the lower the subsidy amount.

Families earning up to \$60,000 per year are eligible for the maximum subsidy of \$5.95 per hour per child (or 85% of the fixed hourly subsidy rate of \$7.00), decreasing to the minimum subsidy of \$3.50 per hour per child (or 50% of the fixed hourly subsidy rate of \$7.00) for those families earning between \$165,000 and \$250,000 per year. Families earning \$250,000 per year or above are not eligible to participate in the pilot.

Note: the fixed hourly rate of \$7.00 is not the nanny’s hourly fee – this amount is only used for the purpose of calculating the subsidy amount.

The table below provides an **indication of the subsidy amount** for which a family is eligible based on total family income and the number of children being cared for by the nanny.

Total family income	Number of children [#]						
	1	2	3	4	5	6	7
Less than \$60,000	\$5.95	\$11.90	\$17.85	\$23.80	\$29.75	\$35.70	\$41.65
\$70,000	\$5.72	\$11.44	\$17.16	\$22.88	\$28.60	\$34.32	\$40.04
\$80,000	\$5.48	\$10.96	\$16.44	\$21.92	\$27.40	\$32.88	\$38.36
\$90,000	\$5.25	\$10.50	\$15.75	\$21.00	\$26.25	\$31.50	\$36.75
\$100,000	\$5.02	\$10.04	\$15.06	\$20.08	\$25.10	\$30.12	\$35.14
\$110,000	\$4.78	\$9.56	\$14.34	\$19.12	\$23.90	\$28.68	\$33.46
\$120,000	\$4.55	\$9.10	\$13.65	\$18.20	\$22.75	\$27.30	\$31.85
\$130,000	\$4.32	\$8.64	\$12.96	\$17.28	\$21.60	\$25.92	\$30.24
\$140,000	\$4.08	\$8.16	\$12.24	\$16.32	\$20.40	\$24.48	\$28.56
\$150,000	\$3.85	\$7.70	\$11.55	\$15.40	\$19.25	\$23.10	\$26.95
\$160,000	\$3.62	\$7.24	\$10.86	\$14.48	\$18.10	\$21.72	\$25.34
Between \$165,000 and \$250,000	\$3.50	\$7.00	\$10.50	\$14.00	\$17.50	\$21.00	\$24.50

[#] A nanny can care for a maximum of four children under school age and seven children in total. A family is only subsidised for their own children in care.

The pilot is not intended to fully subsidise the cost of a nanny, so families cannot be subsidised for more than 85 per cent of the nanny’s hourly fee.

What is a nanny's hourly fee?

Service providers will be responsible for setting the hourly fee for a nanny. They will need to declare the schedule of fees they are charging (or intend charging) for nannies as part of the selection process.

So what will a nanny actually cost me?

Example – family A

Family A has a total income of \$58,000 and two children who will be cared for by the nanny. Family A is eligible for a subsidy of \$5.95 per child per hour, or a total of \$11.90 per hour toward the cost of the nanny (see the subsidy amounts in the table above for an income of less than \$60,000).

Family A's nanny costs \$25 per hour. As such, family A will need to pay the difference of \$13.10 per hour.

Nanny cost per hour	\$25.00
<i>minus</i>	
Subsidy amount per hour for two children	<u>\$11.90</u>
Difference the family has to pay per hour	\$13.10

Example – family B

Family B has a total income of \$90,000 and five children who will be cared for by the nanny. Family B is eligible for a subsidy of \$5.25 per child per hour, or a total of \$26.25 per hour toward the cost of the nanny.

However, family B's nanny costs \$30 per hour. Because the subsidy amount of \$26.25 is more than 85 per cent of the nanny's cost, family B is eligible for a maximum of 85 per cent of the cost of the nanny per hour (or \$25.50 per hour). The family will need to pay the difference of \$4.50 per hour.

Nanny cost per hour	\$30.00
<i>minus</i>	
Subsidy amount per hour	<u>\$25.50</u>
Difference the family has to pay per hour	\$ 4.50

Example – family C

Family C has a total income of \$120,000 and three children who will be cared for by the nanny at various times. Family C is eligible for a subsidy of \$4.55 per child per hour.

Family C's children require different amounts of care:

- Child 1 is school aged and requires 15 hours per week
- Child 2 is in formal preschool and requires 20 hours per week
- Child 3 is not at school and requires 30 hours per week

Family C's nanny is \$30 per hour.

Family C would be eligible for a subsidy of \$13.65 for each hour that all three children are being cared for by the nanny and would need to pay the difference of \$16.35 per hour.

Where only two children are in the nanny's care, the family would be eligible for a subsidy of \$9.10 per hour and would need to pay the difference of \$20.90 per hour.

Where only one child is in the nanny's care, the family would be eligible for a subsidy of \$4.55 per hour and would need to pay the difference of \$25.45 per hour.

How many hours of care are families eligible for?

The number of subsidised hours, up to a maximum of 100 hours per fortnight per child, depends on how many hours parents work, train or study, as per the table below.

Activity (per fortnight)	Number of hours of subsidy (per child per fortnight)
8 hours to 16 hours	Up to 36 hours of care
More than 16 hours to 48 hours	Up to 72 hours of care
More than 48 hours	Up to 100 hours of care

In the case where two parents have different levels of activity, the parent with the lowest entitlement determines the hours of subsidised care for the child.

Is there an annual cap on the amount of subsidy?

There is no annual cap on the amount of subsidy for which a family is eligible under the Nanny Pilot Programme.

How will the subsidy be paid?

Subsidies will be paid direct to service providers and passed on to families as a fee reduction towards the cost of using a nanny.

Where can I get more information?

For more information, visit www.dss.gov.au/nannypilot