

Dr Jim Chalmers
Treasurer
By Website Submission

RE: Early Childhood Education and Care Productivity Commission Review

Dear Dr. Chalmers,

Thank you for the opportunity to provide a submission as a Parent/Carer of a child currently attending an Early Childhood Education Centre on the Central Coast of NSW.

My three-year-old son attends an Early Childhood Education Centre (ECEC) 4 days per week. I am currently eligible for a Childcare Subsidy (CCS) of 64.68% which is applied to 100 eligible hours per fortnight. This means I pay \$992.68 per month (after CCS is applied) for my son to attend daycare so I can earn income to contribute to household bills. My Husband is in full-time work and my eldest son attends a Catholic Primary School, which costs \$294.83 per month. Both sons attend their ECEC or School for the same amount of time per day.

If the CCS were not available to me, my monthly cost for the ECEC would be \$2,574 per month, or \$30,888.00 per year. In comparison, my annual school fees for my school-aged son are merely \$3,537.96.

ECEC Fees cost more than a bachelor's degree. Let that sink in for a moment.

Allow me to put this into a little more perspective for you. My current work situation is that of a Sole Trader, working from home approximately 32 hours per week. My income is approximately \$4,000 per month net of tax, superannuation, Medicare levy etc. That's \$48,000 per year that I contribute to the cost of living. I am grateful for the government's CCS contribution because without it I would not be able to afford ECEC for my three-year-old son.

This year, our ECEC notified us that they would commence charging fees for public holidays when my son is normally enrolled. For example, if a public holiday falls on a Monday that my son is enrolled for, I will be charged a fee for that day. The excuse provided to me for this new fee is that the Centre does not receive sufficient funding from the Government to justify not charging a fee for Public holidays, and the fees raised will be put towards paying the educators and additional needs programs for children requiring additional support. I am aware that other ECECs in our area also charge for Public Holidays. However, Early Childhood Education Centres are closed on Public Holidays and the fee increase has been labelled "unfair".

I and many other families in my community have objected to the fee increase, unsuccessfully, with the only resolution offered by the ECEC being a "holiday" discount of 25% if applied for,

which is capped depending on the number of days a child attends the ECEC. This means that we must now use our allocated discount days to apply for a discount on public holidays – reducing the number of discounted days available to us for planned family holidays during school holiday periods.

This is disadvantaging families and making ECEC unaffordable.

This fee increase is in addition to annual fee increases. Our pre-CCS fees at the start of 2022 were \$140.50 per day (\$2,435). This amounts to an additional \$139 per month or \$1,668 per year (approximately). The fees were again increased in July of 2022 to \$144 per day, and again in July 2023 to \$149.50 per day. The below table doesn't take into account the unpaid Public Holidays for 2022 and 2023 years.

Year	Fee per day	Annual Cost
2022	\$140.50	\$29,224
2023	\$144.00	\$29,952
2024	\$149.50	\$31,096

I appreciate the work the educators at our ECEC do with my son, who requires additional assistance for social and language skills. I am currently on a waitlist to have a dedicated support person work with my son within the facility. There is currently a shortage of these workers, and the wait time is currently around 6 months.

How can the ECEC justify a fee increase when we are not seeing the benefits of the additional funding it raises going towards our son's care?

Early Childhood Educators receive annual salary increases. Board Directors do as well – however the total cost of salary increases for Board Directors far outweighs the increases of Early Childhood Educators when the ratio of Early Childhood Educators to Board Members are taken into consideration. If our not-for-profit ECEC is serious about its price increases contributing to that of the hard-working educators, perhaps this should be reviewed as well.

Outdated system unable to respond to demand

Parents at our ECEC are still unable to pick up days that parents of sick children are charged for because the current booking system does not allow for casual bookings. There is currently a 12-month waitlist for new enrolments in my ECEC and the situation is similar for other ECECs in my community.

If I were able to pick up an additional day for my child, to replace another child reported as sick, the day care would still collect fee for the day, the parents of the sick child would benefit from not having to pay for their sick child to be home from daycare (ECEC also charge for sick days) and parents of children requiring care on these days would benefit from being able to pick up a casual placement for their child, allowing them to work more. Yet, since 2013, when I started sending my children to an ECEC, the ECEC has not been able to implement this system.

Further, it cannot cater towards shift workers – a large portion of the population, which places financial pressure on families to enrol their children for days they don't require daycare. For example, a firefighter that works for 2 x 24-hour days within an 8-day period cannot simply enrol their child for the days they work because the days rotate through the weeks (Mon - Wed, Tues - Thurs, Fri and so on). Therefore, they're required to enrol their child for a 5-day period to cover all of their shifts, plus they days they don't work. If there were a booking system that catered to a flexible enrolment system, this would save families money. The government is providing fixed-cost funding to ECEC that does not allow this to occur, therefore it cannot change.

The system needs an overhaul. A modern, flexible booking system to cater to a community that desperately needs more ECEC and Educators, in order to contribute to the workforce without disruption and at a fair price.

I thank you for your consideration of my submission.

Kind regards,

Shelley Breen

Resident of Central Coast, NSW