



22-24 Callala Bay Rd, CALLALA BAY 2540

4<sup>th</sup> September 2014

### **Re: Proposed Early Care & Learning Subsidy (ECLS)**

*Background:* The report proposes a new form of assistance (ECLS) which will replace all subsidies (mainly the current child care benefit and child care rebate). The proposed ECLS will be subject to an activity test and families where 'at least one parent does not work/study/train for 24 hours /fortnight' will be ineligible for this assistance. For the purpose of this submission these families will be referred to as '24 hour families'

Callala Bay Pre-School is a long day care centre located in a regional, coastal town. Each and every year, 20-30% of enrolments at our centre have included these '24 hour families'. These are families who currently receive some form of fee relief. Their reasons for not participating in work/training/ studying do vary but predominately include health issues, lack of transport and low employment opportunities within the region. For others it is their personal right to be a stay home parent, rearing their child and using our service to further develop their child's social skills prior to formal schooling.

If your approach is to remove fee assistance for these '24 hour families' quality early education will no doubt become unaffordable and the impact will be detrimental to the wider community.

- Families will be forced to terminate their child's enrolment or abstain from accessing quality early care and education.
- Families will seek alternate care arrangements such as from unregistered, unregulated backyard home care operators of dubious experience and qualifications.
- Early education services, particularly regional and rural centres such as ours, will no longer be financially viable as a result of a drop in occupancy levels. Most will be forced to close.
  - A recent survey of child care services in our surrounding areas showed that 20-50% of enrolments were '24 hour families'. It is extremely unlikely these services will survive the financial impact of this proposed change.
- For many regional and rural areas this could result in the closure of their only service and therefore deny an entire community access to early childhood care and education.

Lisa Delaney  
Director