

## Disappointing plan to end ‘free childcare’ leaves families and providers in the lurch

The government’s planned transition out of ‘free childcare’ is not the right path for families or providers.

While some providers will be relieved they can charge families once again, many will struggle to remain viable as families try to make sense of the new transitional package that starts on July 13.

Recommendations made by Community Child Care Association (CCC) for a smooth transition have fallen on deaf ears, with the government set to snap back to the old, complex Child Care Subsidy System in just over a month.

Executive Director Julie Price says, ‘Relaxing the activity test is not going to take the financial burden off families. Many will now be forced to decide whether they can afford to keep their children enrolled, or even return to work at all.’

The decision to prematurely end JobKeeper for the education and care sector is also a concern, with many providers relying on these payments to keep their educators and teachers on the books, and to provide high quality programs for children.

‘On Friday, the PM guaranteed that JobKeeper would remain for everyone, and services have budgeted on having it available until the end of September. It’s now likely that demand will drop dramatically and services will have to stand down educators and teachers, or reduce their hours,’ says Ms Price.

To get back to work, families need access to affordable education and care. ‘It’s not too late for the government to make adjustments to the transition package,’ says Ms Price.

CCC urges the government to:

- Suspend the activity test
- Introduce service-level approval of the Additional Child Care Subsidy (temporary financial hardship)
- Provide community-based block funding for vulnerable groups, such as Aboriginal and Torres Strait Islander children (rather than individual funding)
- Increase CCS payments to families *or* provide a base entitlement of 20-hours per week per child (or 30-hours per week per Aboriginal and Torres Strait Islander child) with no out-of-pocket costs for families

**For more information or to arrange an interview with CCC Executive Director Julie Price, contact 0455 028 542**

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