

Childcare Alliance Australia



WHAT PARENTS WANT SURVEY AUGUST 2010



*Report developed by
JWS Research Pty Ltd*

The Childcare Alliance Australia represents 70% of all long day child care centres across Australia and its staff who care for more than 400,000 children

Survey Aims

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To determine the attitudes of parents whose children attend long day care centres by measuring:

- Awareness of the Federal Government's National Quality Agenda reforms (NQA) – Early Childhood Education and Care.
- The relative cost of long day child care.
- Affordability of proposed increased costs of the NQA reforms.
- Impact of NQA reforms on a parent's ability to afford long day child care.
- Adequacy of 50% Child Care Rebate compensation.
- Impact on vote of bringing forward implementation of 50% Child Care Rebate to fortnightly or weekly to 1st September 2010.
- Whether reducing Child Care Rebate cap will cause financial stress.
- Impact on vote of increasing the Child Care Benefit.

Research methodology

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- n=1,847 online surveys across Australia of parents whose child/children attend a long day care centre (private or community).
- Survey conducted between 26th July and 8th August 2010.
- Variations of +/-1% in reported percentages are due to rounding.
- Unless otherwise stated, all charts based on total sample of parents with children in long day child care.

Executive Summary

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This survey has found that:

- Long day child care is a significant cost burden for 80% of families, with 1 in 4 (26%) having a lot of difficulty making payments.
- Only one third of parents (32%) have definitely heard of the Federal Government's National Quality Agenda – meaning the reforms and potential subsequent cost increases come as a shock to many.
- If the cost per child increases by \$13-\$22 a day as a result of the NQA reforms, 74% of families nationally would have difficulty managing the cost of child care. This includes 47% (and 60% of Child Care Benefit recipients) who say they could definitely not afford any such increase.
- A reduced cap on the Child Care Rebate will further increase financial stress and provokes calls for a fairer go for working families.

Executive Summary

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The survey found that:

Rising child care costs will force many families to consider:

- reducing the hours their child/children spent at long day child care (38%);
- seeking alternative care arrangements within their own families (38%);
- one of the parents giving up employment (37%); or
- reducing other household expenditure (33%).

Executive Summary

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The survey also found that:

The situation is worsened for those families who already find long day care very expensive and are currently experiencing financial stress.

Among this cohort of parents:

- One in two (51%) say one parent would have to quit their job if costs of child care increased.
- 54% say they would withdraw their child/children altogether from their current long day child care centre.
- More than one third (35%) of these parents say they would consider delaying having more children if the costs of child care increased further.

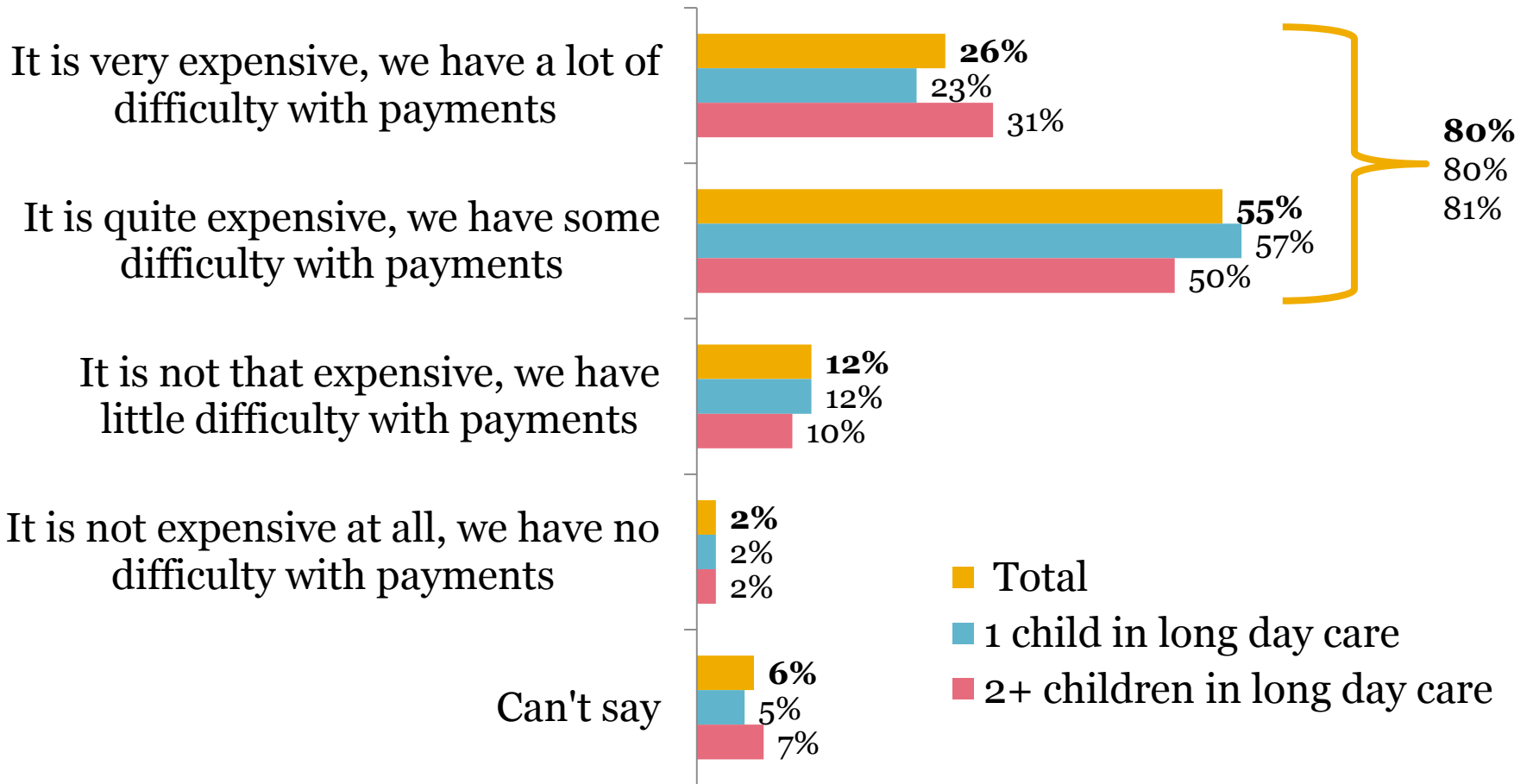
Executive Summary

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- Only 19% of families definitely find the 50% child care rebate adequate compensation to help them afford access to quality early learning programs for their children. About one third (31%) of those who find child care expensive say the Rebate is definitely not adequate compensation.
- As a result, 29% of all parents with children in long day care are definitely more likely to vote for the party that brings forward the implementation date for fortnightly/ weekly childcare rebate payments.
- This is based mostly on the need for relief from cost of living pressures, but also somewhat on disappointment at the Government's lack of action on long day child care.
- Parents are prepared to change their vote on the issue of childcare affordability.
- In terms of child care as an issue of influence on voting behaviour, if they are encouraged to do so, 50% of parents receiving the child care benefit are definitely more likely to vote for the party that significantly increases the child care benefit for all children.

Four in five Australian families (80%) using long day care find it expensive and one in four (26%) have a lot of difficulty with payments, especially those with multiple children in care

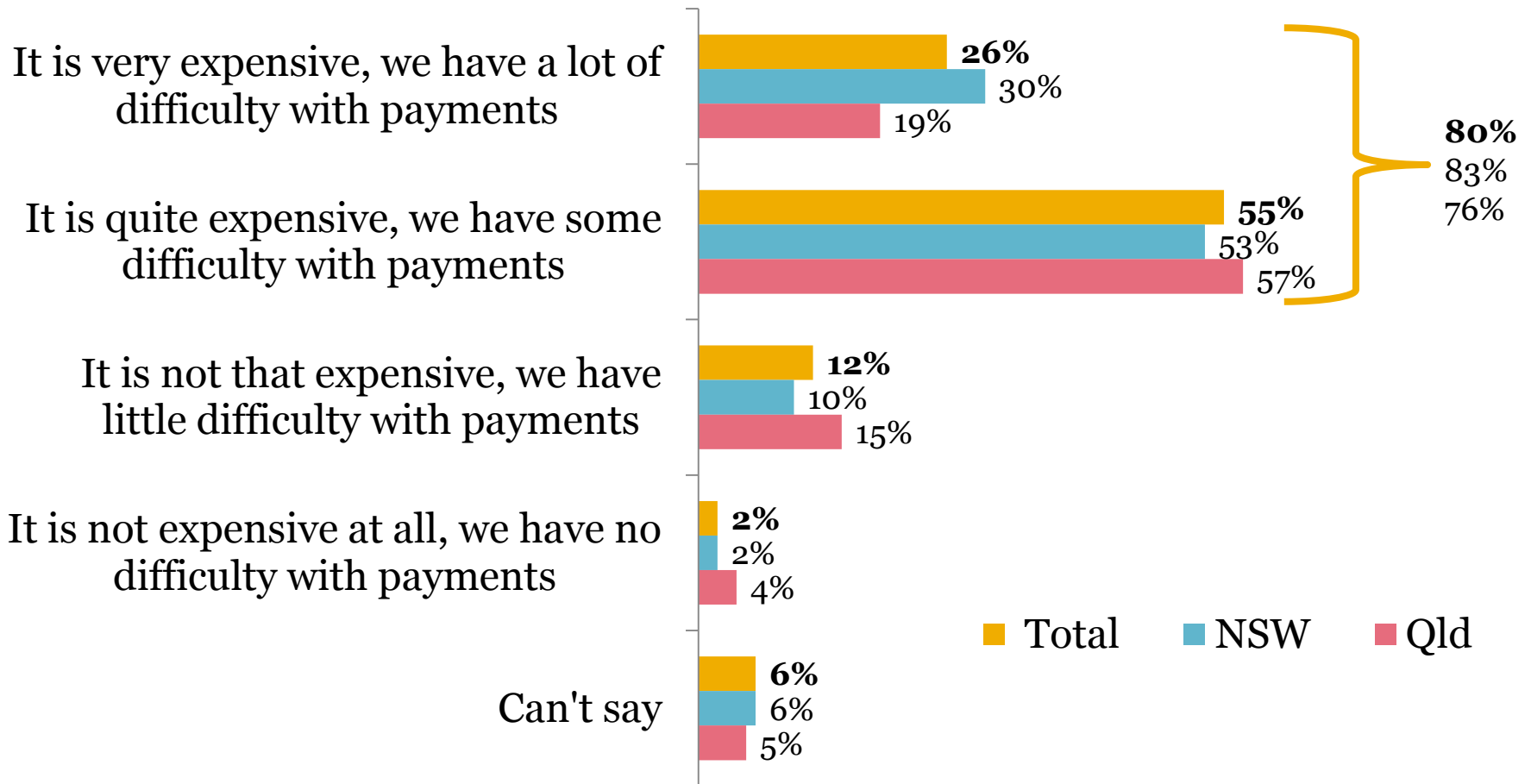
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Question: How expensive is long day care for you and your family?

NSW parents in particular already are having difficulty with child care payments

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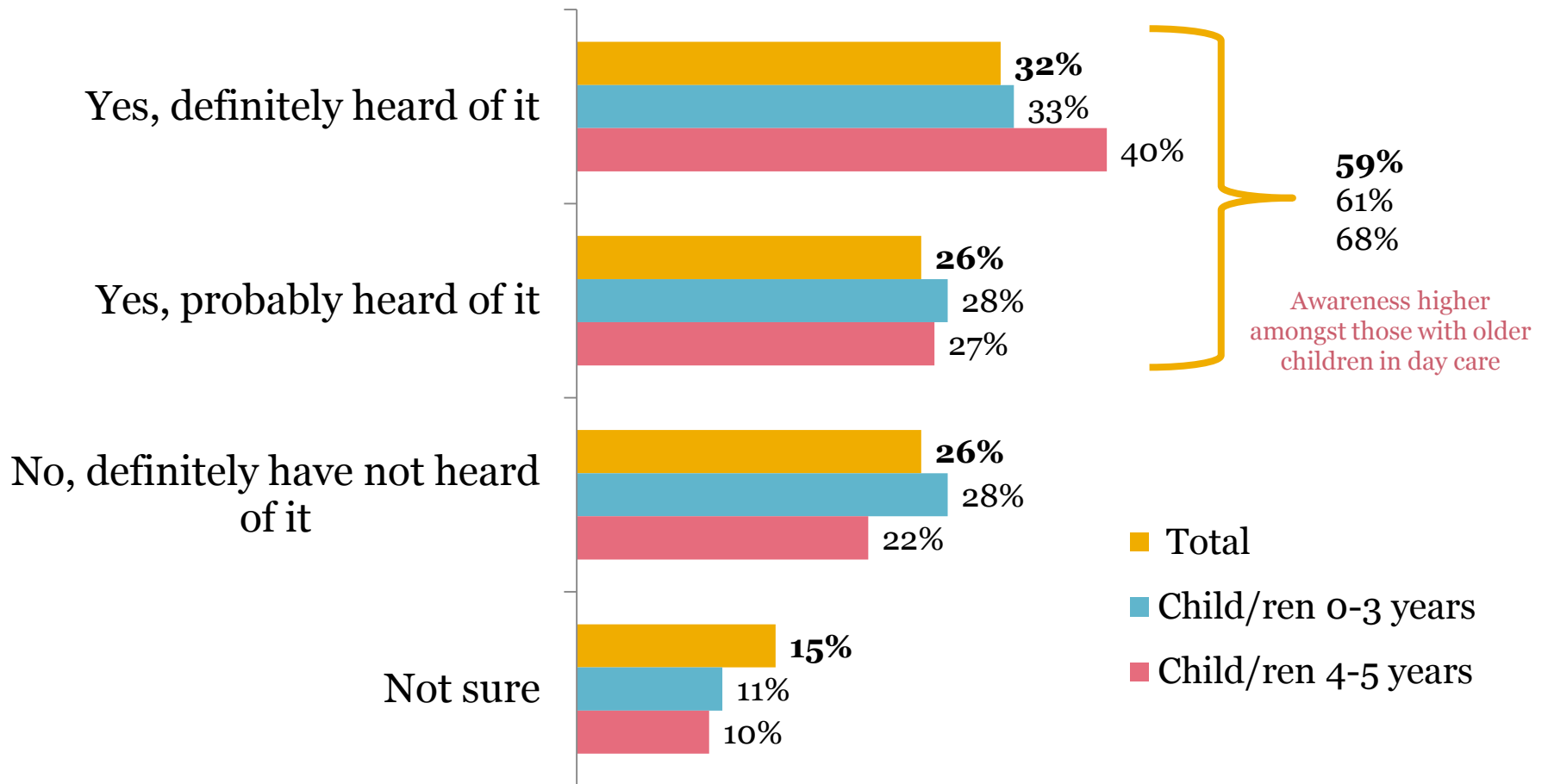
There is significant frustration at the cost of long day child care

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- *The child care is very expensive, with one child you can manage to pay but if you have two or three kids, you wonder if there is any sense to continue the work.*
- *Childcare is already expensive without increasing the costs, and it is not fair on people who have to work. It makes it almost not worth working, with the big expense of childcare coming out of my pay.*
- *It's expensive enough - no more.*
- *I only place my child in care because I HAVE to. Make it affordable. We work hard to cater to our child. It's bloody hard.*
- *Childcare is a huge expense, we pay \$62 per day after our CCB and this hardly makes returning to work worthwhile.*

Only one third of parents (32%) using long day child care have definitely heard of the Federal Government's National Quality Agenda - Early Childhood Education and Care. A further 26% say they have 'probably' heard of it.

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Question: Have you heard of the Federal Government's National Quality Agenda – Early Childhood Education and Care?

Some parents are supportive of the reforms **but** there are concerns about the burden of increased costs

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- *I agree with the reforms, but feel they are penalizing hard working, tax paying Australians and should provide us with more financial incentives to continue working.*
- *Any reforms that improve the quality of education and care provided to my child are worth paying for.*
- *The reforms are needed to support child care workers and the industry and should not be compromised. Funding needs to be increased to offset costs to parents and centres.*
- *Child care is too expensive at the moment. Forget the reforms.*

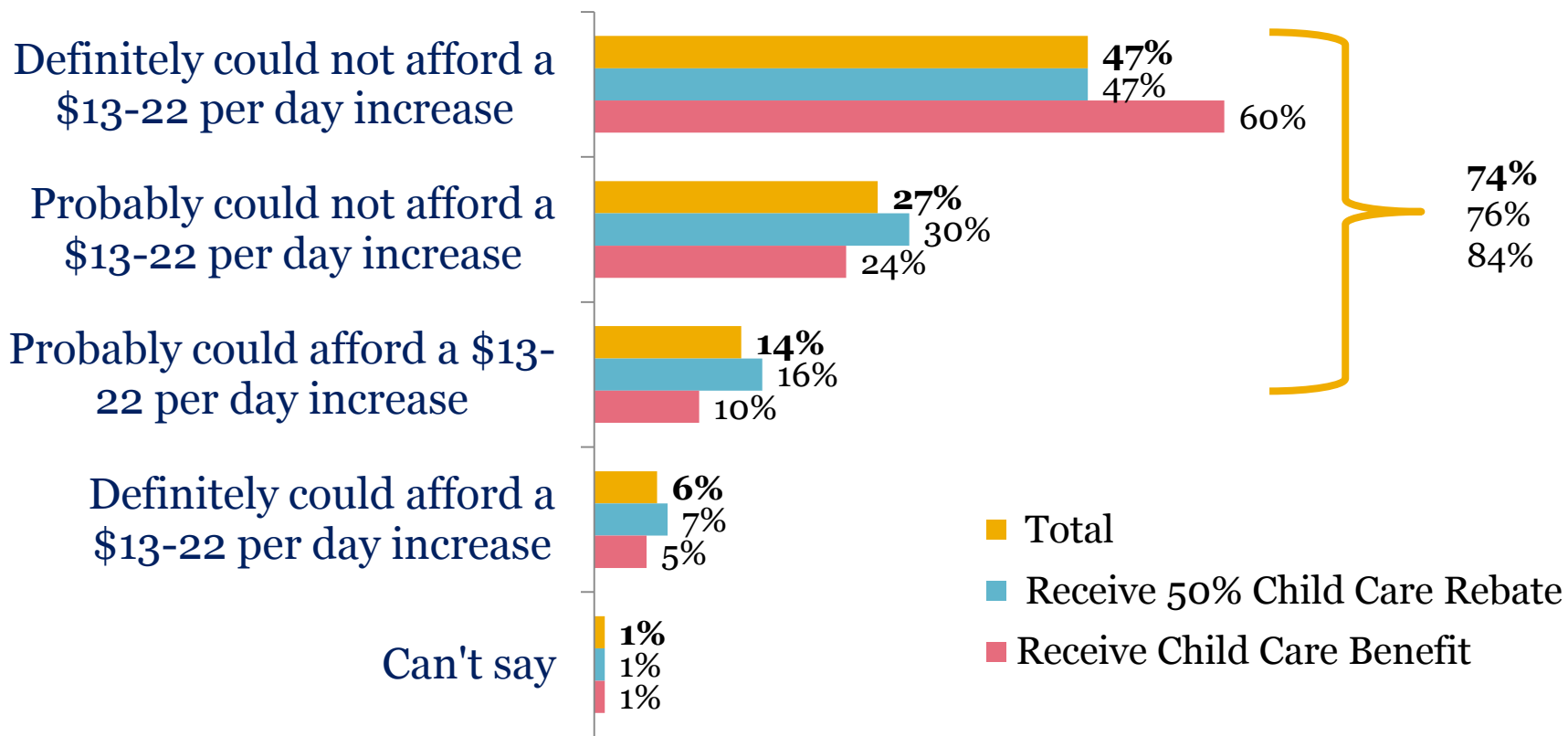
Whilst others are confused and annoyed about the affects of changes they see as unnecessary

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- *It's all too confusing and not clear enough.*
- *Why do there need to be reforms to a system that's working fine?*
- *Don't fix what isn't broken!*
- *At our centre, new reforms would mean the staff that have successfully educated children for 29 years will no longer be qualified, and some will possibly have to leave to employ others!*

Nearly 1 in 2 families (47%) could definitely not afford an increase in fees of \$13-22 a day, including 60% of those who receive the child care benefit, whilst 74% in total will find a fee rise difficult to afford

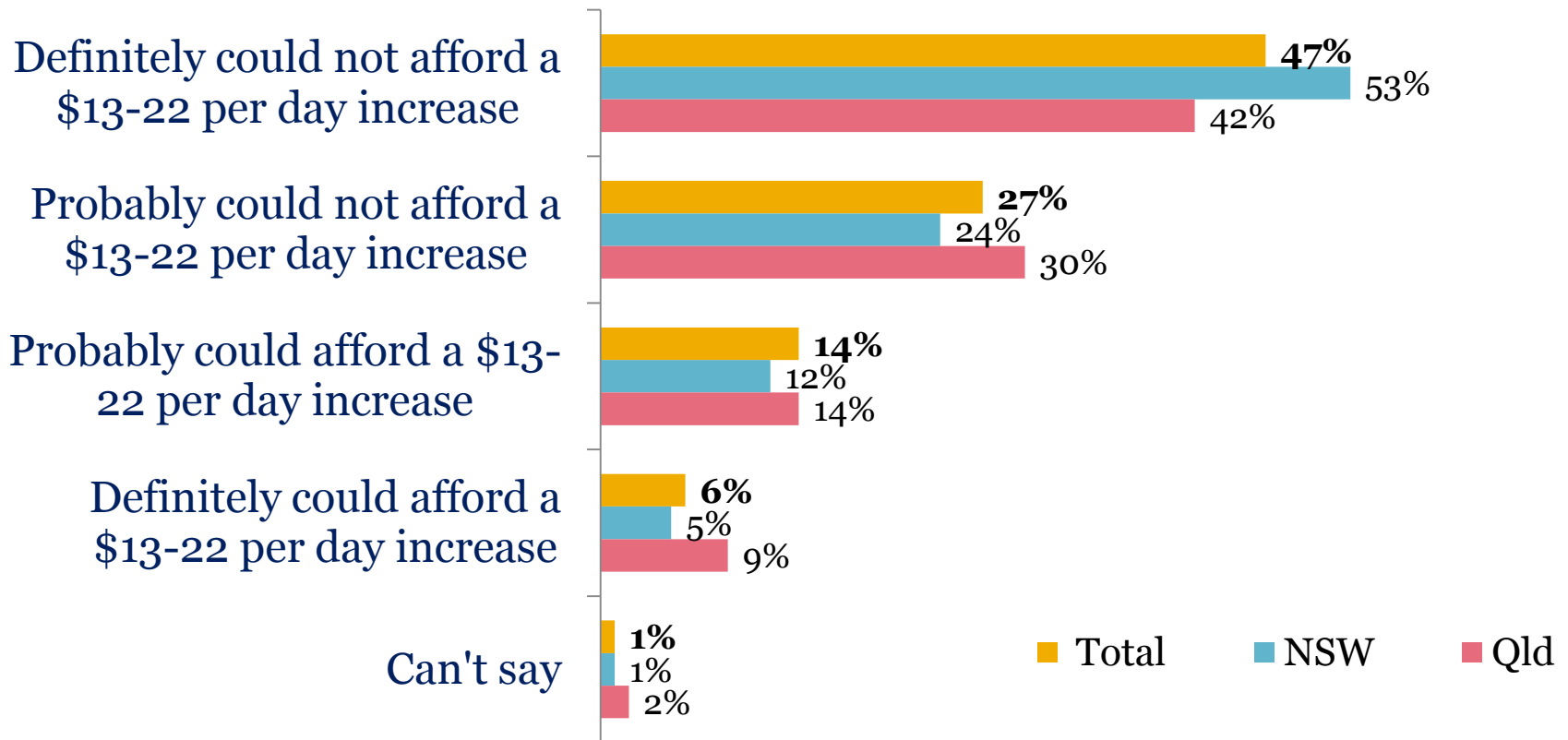
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Question: The Federal Government says the National Quality Agenda reforms are intended to improve quality in long day child care by increasing the ratios of carer to children and increasing the formal qualifications required by some staff. Whilst this is welcomed in principle, the Australian Childcare Alliance is concerned that families will be forced to bear the anticipated increased cost of these reforms of \$13-\$22 a day per child. If the cost per child increases by \$13-\$22 a day, could you afford to pay those increased fees, or not?

More than half NSW families (53%) could definitely not afford an increase in child care fees of \$13-22 a day

15



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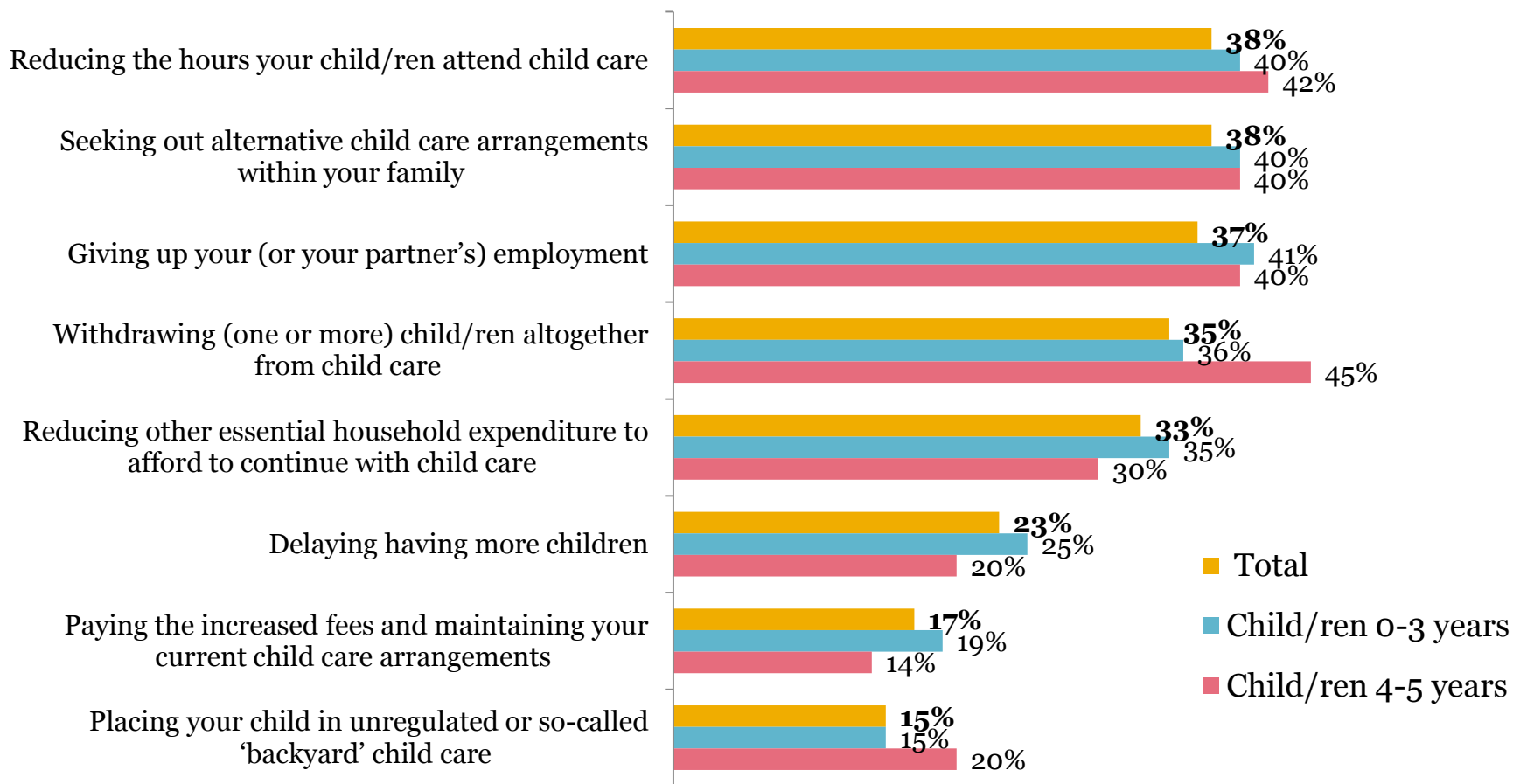
Working families are struggling with rising costs already

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- *Childcare is expensive as is, any changes to quality are good but it should not come at a high cost to parents who have to work - especially since there are no tax benefits.*
- *Our family needs two incomes to meet our expenses, if childcare increases the Government will send us to bankruptcy.*
- *It is difficult to make ends meet now. There is no way we could afford a major cost increase of \$10 per day or more. The 0-3 age group is much more expensive already and needs a higher level of CCB for the CCB to be really helpful.*
- *Please help WORKING families to pay the increase in child care fees. I will show you my weekly budget and show you how expensive child care is and how it puts strains on the families that earn a normal income.*
- *Childcare is extremely expensive today, do not make it unaffordable, help parents by providing 50% rebate on all costs to allow careers to progress and kids to flourish!*

Rising child care costs are likely to leave many families with little choice but to reduce day care, seek alternatives, give up employment or reduce other household expenditure

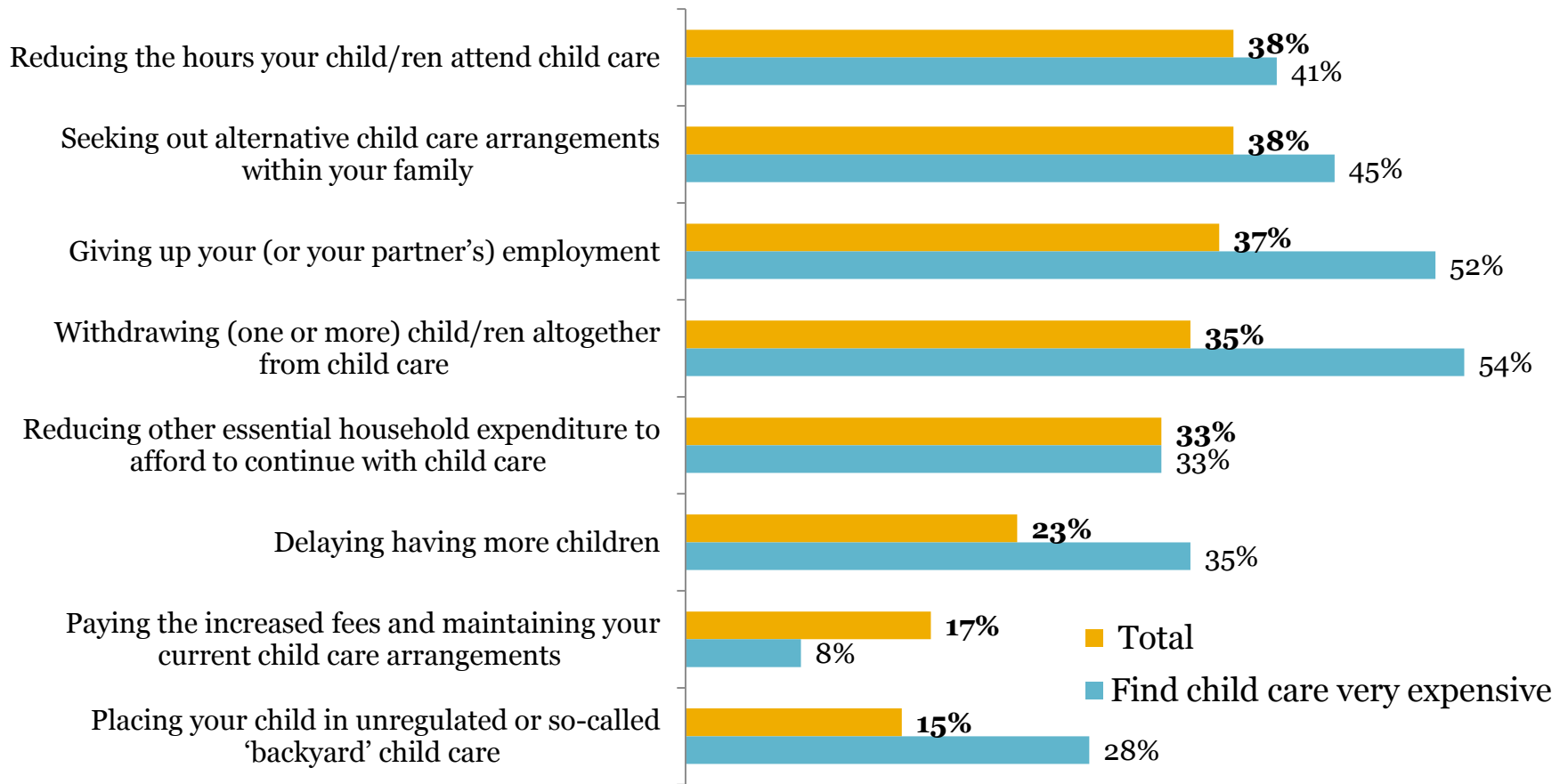
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Question: Which of the following would you definitely consider as a result of cost increases from the National Quality Agenda reforms? (Multi response)

The pressures are worse for those who already are struggling to afford long day child care now

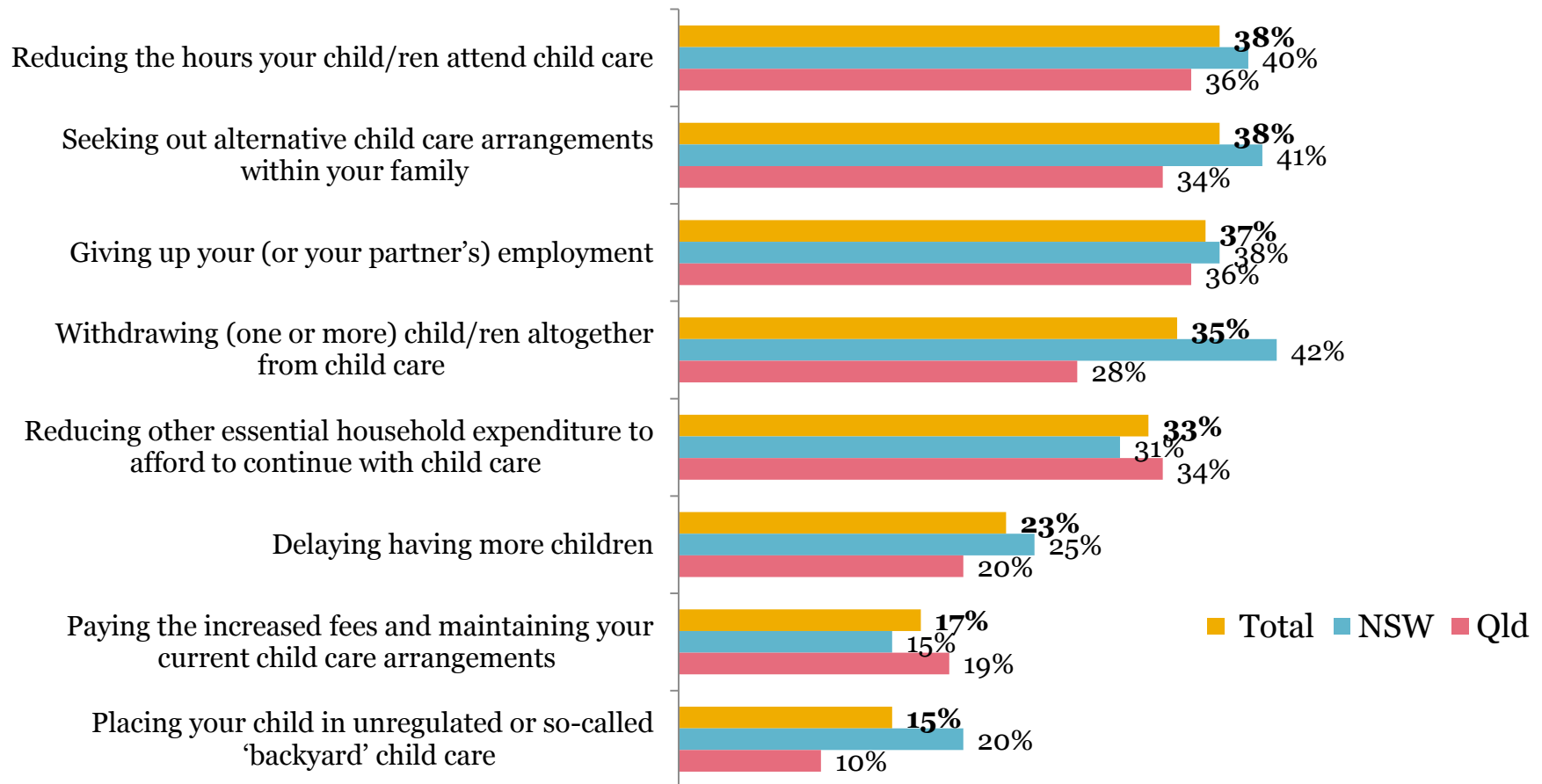
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Question: Which of the following would you definitely consider as a result of cost increases from the National Quality Agenda reforms? (Multi response)

NSW families are more likely to consider withdrawing their children from child care (42%) or using backyard operators (20%) while Queenslanders are less likely to withdraw their children (28%) or use backyard operators (10%)

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Question: Which of the following would you definitely consider as a result of cost increases from the National Quality Agenda reforms? (Multi response)

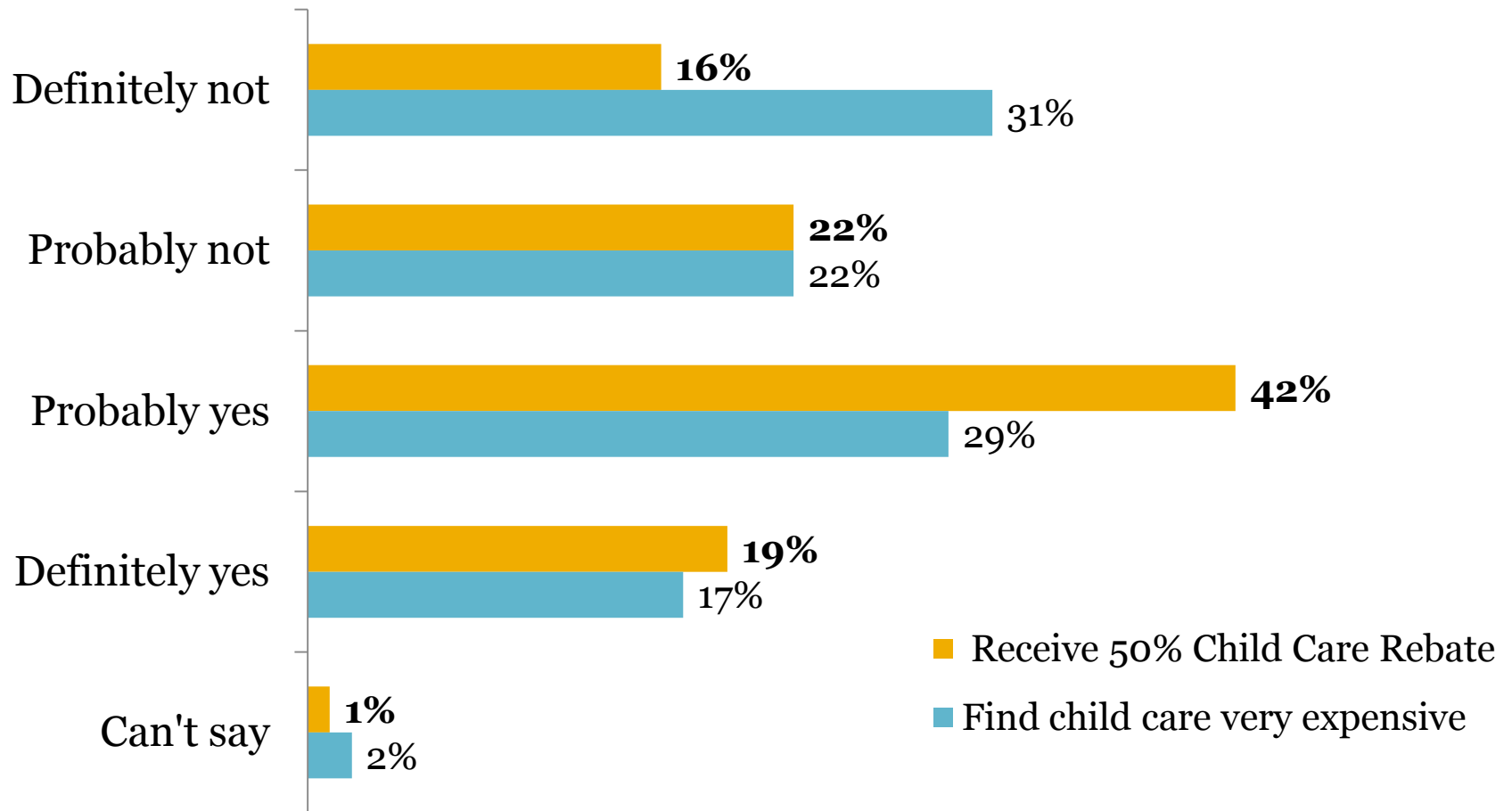
The consequences of rising long day care fees are broad and deep

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- *If this happens I'll have to stay home and look after my infant and struggle on one wage and look after three other children and not return to work for another five years.*
- *This move would not encourage mums to return to work at all.*
- *My day care provides an excellent current service but it is expensive. If costs increase I probably won't be able to keep my child there which would be detrimental to their development.*
- *For more than one child, the cost of childcare becomes very expensive, and means that even as a professional, I would have to reconsider my place in the workforce.*
- *It's really hard to pay for child care fees when only one partner works and pays the bills and mortgage, so I might consider cutting the days down.*
- *If fees increase this much there will be many families placing their children in lower quality care which ultimately will be placing children at risk.*
- *Parents should not be forced by financial considerations to put the health and security of their children at risk. To make families choose between quality long day care for their children and paying the household bills is reprehensible.*
- *It would mean looking at losing the family home and having to rent as we could not afford the mortgage and we would not be able to afford having a second child.*

Only 19% of those receiving the 50% Child Care Rebate believe it is definitely adequate compensation to help them afford access to quality early learning programs, whilst 31% who find long day care very expensive say it is definitely not adequate compensation

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Question: Do you think the 50% Child Care Rebate is adequate compensation to help you afford access to a quality early learning program for your child/children? Base: Receive 50% Child Care Rebate

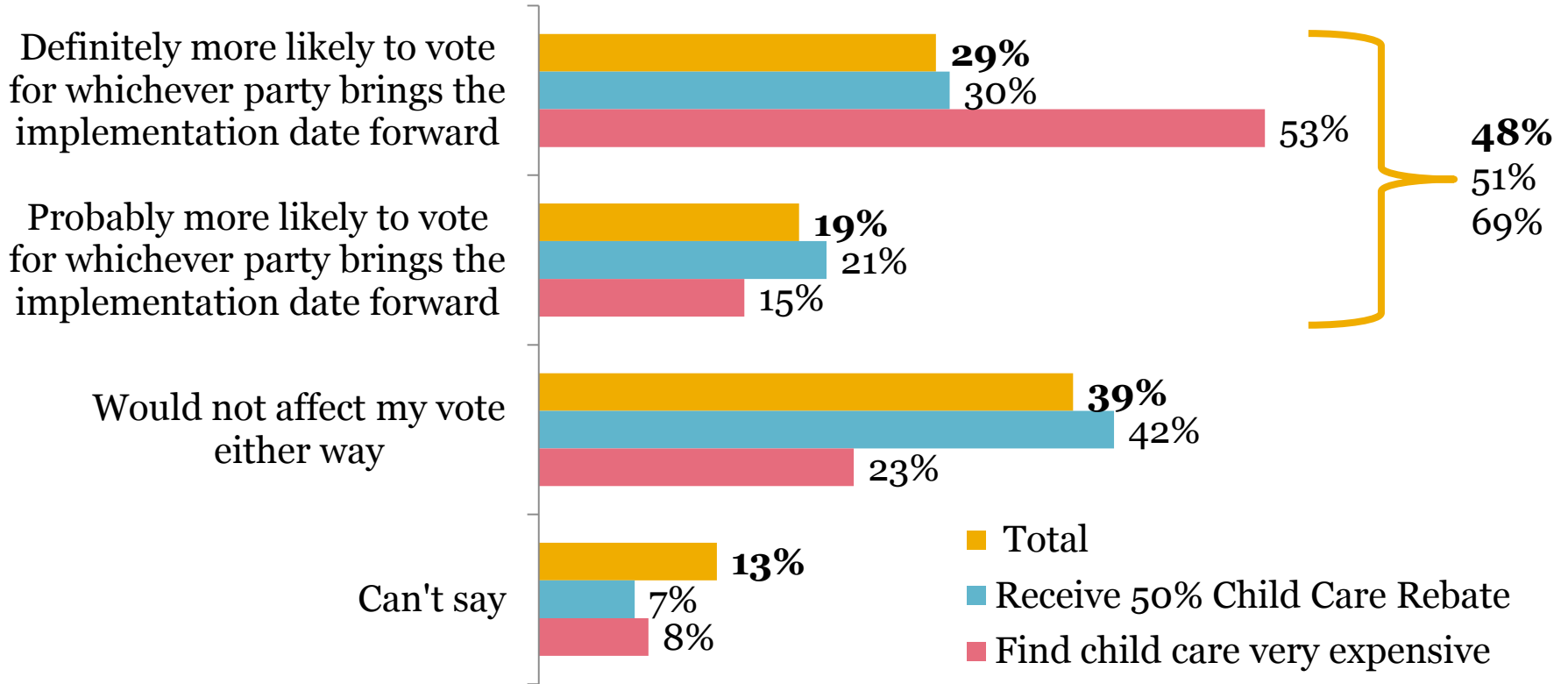
There are heartfelt arguments to increase rebates to match cost rises, especially when the costs outweigh any perceived benefits

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- *If you implement reforms that increase payments, there needs to be matching increases to rebates paid so that current expenditure does not increase.*
- *Childcare is already such a huge expense. Reforms are not necessary ... our childcare centre works fine as it is. If you want to change it, do it at your own cost, not ours!*
- *The quality of care we receive is brilliant.*

Almost one in three (31%) voters are definitely more inclined to vote for the party that brings forward the implementation date for fortnightly/ weekly childcare rebate payments, including 53% of those who find long day care very expensive

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Question: The Government has agreed to pay the Child Care Rebate fortnightly in arrears from 1st July, 2011, whilst the Opposition has agreed to pay it weekly in arrears if elected. If either the Government or the Opposition committed to bringing the implementation date forward to immediately after the election, say on the 1st September 2010, would this make you more likely to vote for them at the up-coming Federal election?

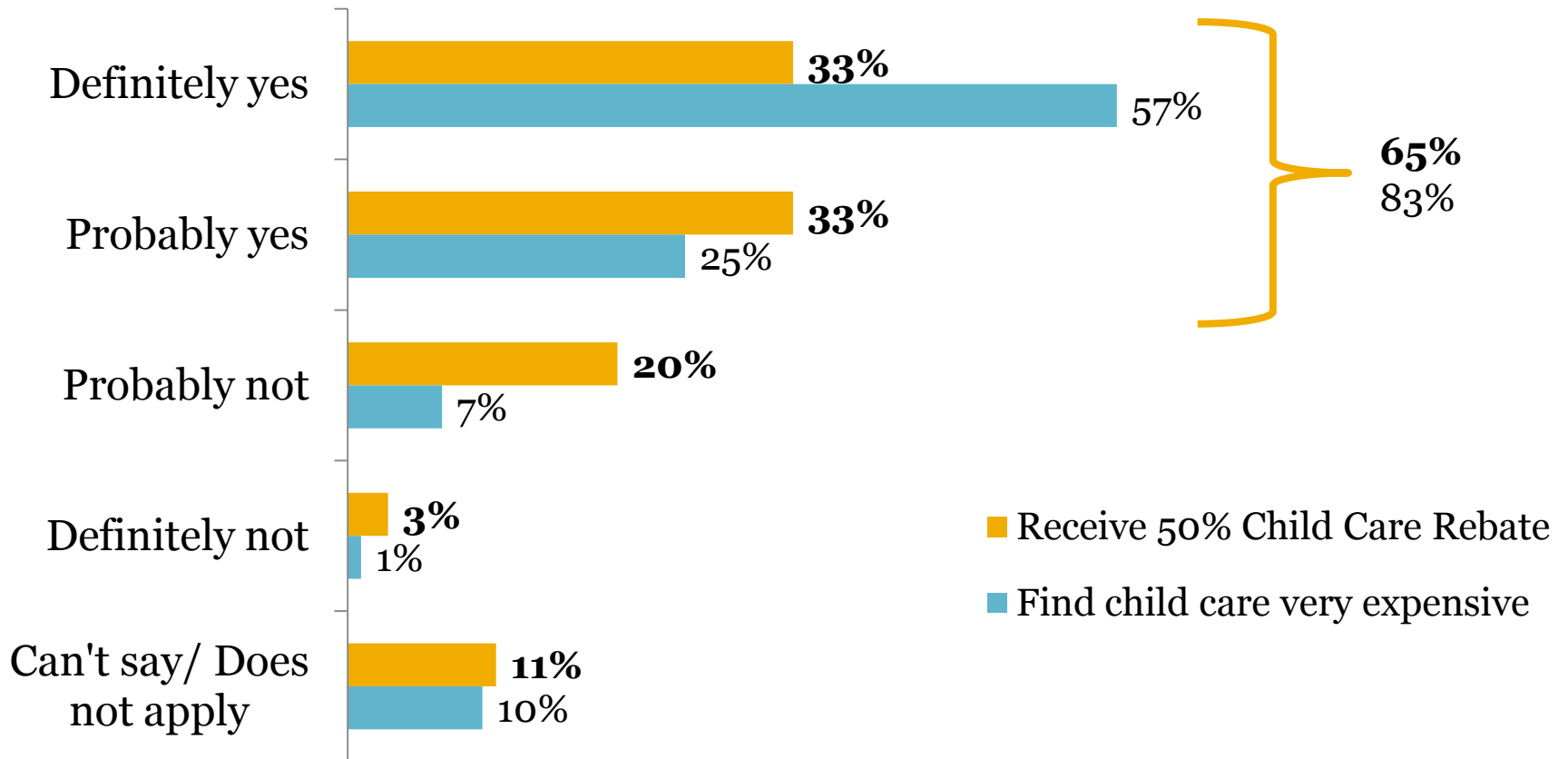
Some parents feel somewhat disappointed by the current Government, but most of all they just want relief from COL pressures

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- *This government was elected on a platform of more places and reduced cost to parents. They have done the complete opposite.*
- *Don't increase the fees, pay rebate weekly in arrears and increase CCB for <3 years.*
- *If raising the fees – you NEED to make child care rebate immediate – families can't afford more expenses and wait for rebates. We need the money now. Why delay? It makes no sense. If going to give 50% back then just charge us 50% from the outset. If too expensive the children will miss out on quality education and be whisked off to family care with no structure.*
- *Increase care to 60 hours per week and have better subsidy – will vote for you then.*
- *We both have to work to meet financial costs, but with no family support/network, we have to use childcare. By increasing costs and not refunding the rebate on a more frequent basis, this would cripple us financially. We would love to have a third child, but cannot afford it.*

One third (33%) of families receiving the child care rebate and 57% who find long day care very expensive now feel they will definitely be placed under greater financial stress if the Government reduces the cap

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Question: In the 2010 Budget, the Federal Government announced it would be reducing the cap for the Child Care Rebate to \$7,500 with no indexation for four years. Will this change cause you and your family financial stress? **Base:** Receive 50% Child Care Rebate

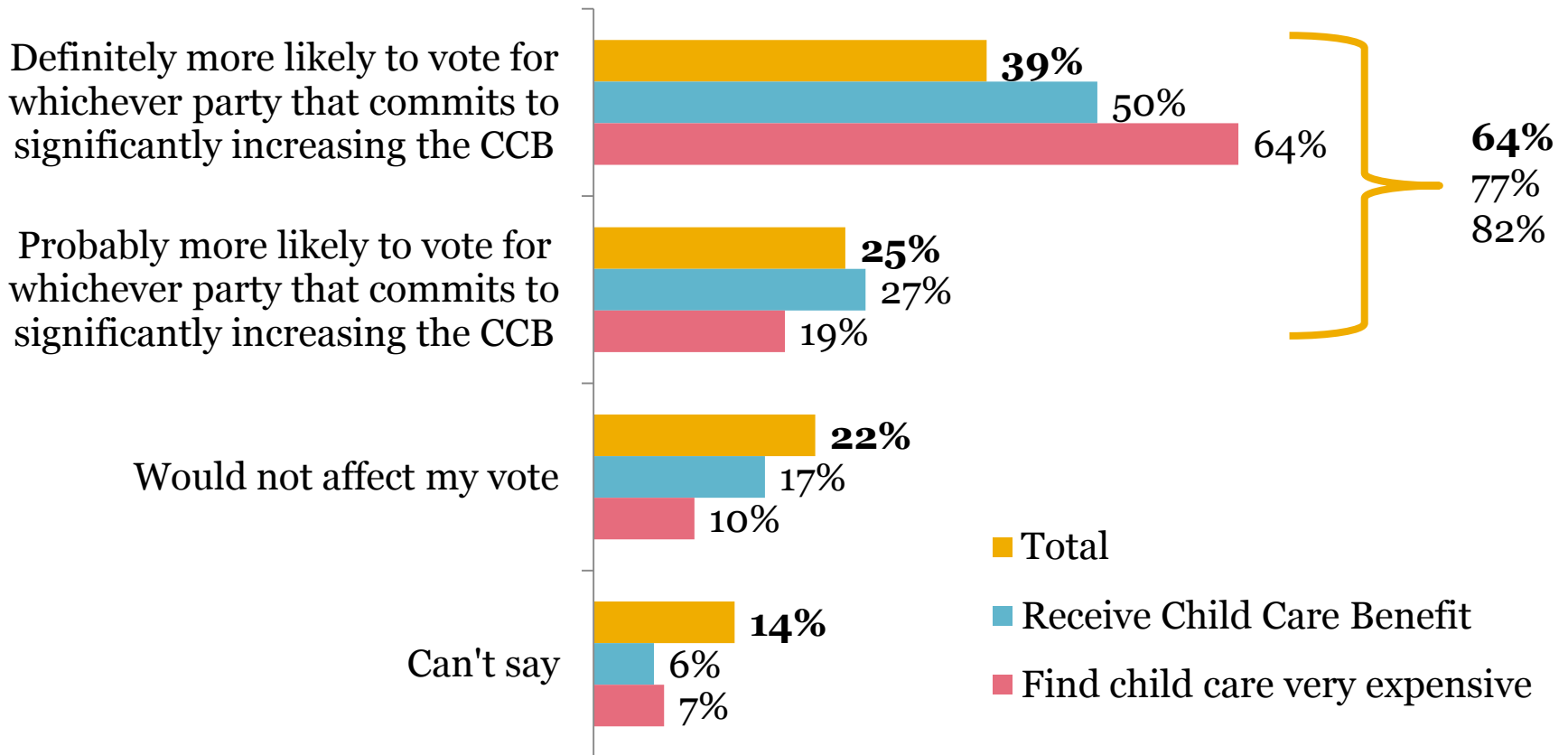
The stress on working families is real, and so is their frustration

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- *Please re-consider this issue. With the current financial situation, it will put more pressure on us as working families.*
- *They should try to pay the costs associated on a normal working family income and see how hard it is and how much stress it causes.*
- *How do you think that working families can afford increased prices, its expensive enough as it is! Putting our kids in daycare full time, at the end of the week 90% of your pay goes to paying for kindy fees! It's very stressful, give us a god damn break!*
- *It is unfair. I am a single mother and I can only just afford the fees now. I'm sure there are thousands of other families in the same position that struggle already.*
- *If childcare increases it puts more strain and stress on marriages and individuals. An increase means you'd have to work even longer hours to afford day care or risk your child's welfare in unregulated centres.*
- *Think about your voters and the actual financial stress Australian families are under.*

Majority of parents can be swayed to vote for the party that significantly increases the Child Care Benefit (CCB) for all children

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Question: Thinking now about the Child Care Benefit (CCB). If either the Government or the Opposition committed to significantly increasing the CCB for all children including doubling the benefit for children aged 0-3 years, would this make you more likely to vote for them at the up-coming Federal election?

Parents are prepared to change their vote on the issue of childcare affordability

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- *This would definitely affect my voting opinion.*
- *I think these changes are outrageously expensive and I will NOT be voting for any party who thinks that these changes represents costs that all parents can adequately pay for. You are not living in reality!*
- *I will vote for any party who will increase CCB or rebates significantly and increase hours to 60 per week as that is what centres charge for full time care.*
- *Increase the cost of child care and I will not vote for your party. Full stop!*
- *Do you want our taxes? Parents need to keep up with their profession so they do not lose touch. Childcare is also a great learning experience for the children. Go easy on families if you want their vote.*
- *Increasing the cost of day care arrangements is not acceptable and will definitely influence my vote.*

WHAT PARENTS WANT SURVEY

AUGUST 2010

Childcare
Alliance
Australia



State Presidents and CEOs

National ,
QLD & ACT
SA
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VIC
WA

Gwynn Bridge
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Lyn Connolly
Lucian Roncon
Roslyn Thompson

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