

'Really worried': Big drop in vulnerable families using childcare ^[1]

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Source: The Sydney Morning Herald

Format: Article

Publication Date: 14 Apr 2019

AVAILABILITY

Access online ^[2]

EXCERPTS

Childcare workers are worried about a huge drop in the number of vulnerable families claiming subsidies for the cost of care, fearing red tape and tougher eligibility criteria are forcing them to withdraw their kids.

The childcare subsidy system changed in July last year, and in the year to September 2018, the number of children supported by the childcare safety net - now the additional subsidy - fell by more than 14,000 to around 21,000 according to data from the Federal Department of Education.

Within that group, the biggest drops were among families with children classified as at risk, those from families in financial hardship, and the children of unemployed parents accessing support for the transition to work.

Meanwhile, the childcare sector also says only a third of the 70,000 low income families that were expected to access childcare safety net entitlements have actually ended up doing so, citing figures from recent Senate estimates hearings.

They say the industry is wondering where the rest of the families went. "Those two things have us really worried," said John Cherry, the advocacy manager for Australia's biggest childcare chain Goodstart. "It's a huge drop."

Mr Cherry said some drop-outs were likely due to tightening of the criteria for temporary financial hardship, and the more stringent approval processes for children potentially at risk. Many families were also having trouble navigating Centrelink.

"We don't know where these families have gone," he said. "For a lot of them, having a child in an early learning centre was a stable, secure, safe environment while everything around their family was whirling in turmoil.

"To see this huge fall in disadvantaged and vulnerable children access early learning is really worrying."

Sam Page, the chief executive of Early Childhood Australia, said the sector was deeply concerned about the drop in vulnerable families accessing the additional subsidy.

"I think that the message that parents have heard is that they have to meet the activity test, but I think there are a lot of parents opting out of the system because they already believe they won't meet the test," she said.

"Applying for the subsidy requires a lot more information [than previously], and for some families that might be problematic ... particularly under the additional childcare subsidy where you have to say the child is at risk, that might warrant concern among parents who might think that might disadvantage them in other systems [such as legal or child protection agencies]."

Elizabeth Death from the Early Learning and Care Council of Australia was also worried, saying the families were experiencing vulnerability and disadvantage, "raising questions about where they are now".

A spokesman for Education Minister Dan Tehan said out of pocket childcare costs for nearly one million families had fallen by more than 10 percent in the first six months of the system, and more families were accessing centre-based childcare and outside school care.

"Our Government has made the system better targeted to provide more support for the families who need it the most," he said, adding the number of children receiving the wellbeing payment was up 11 percent since it was introduced.

Labor's early childhood education spokeswoman Amanda Rishworth said the figures "demonstrate that it is the most vulnerable children who are missing out on support from the federal government as a result of their unfair childcare changes."

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<https://www.smh.com.au/education/really-worried-big-drop-in-vulnerable-families-using-child-care-20190412-p51dlu.html> [3]

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