

Child care fees continue to bounce back as COVID-19 relief measures fade ^[1]

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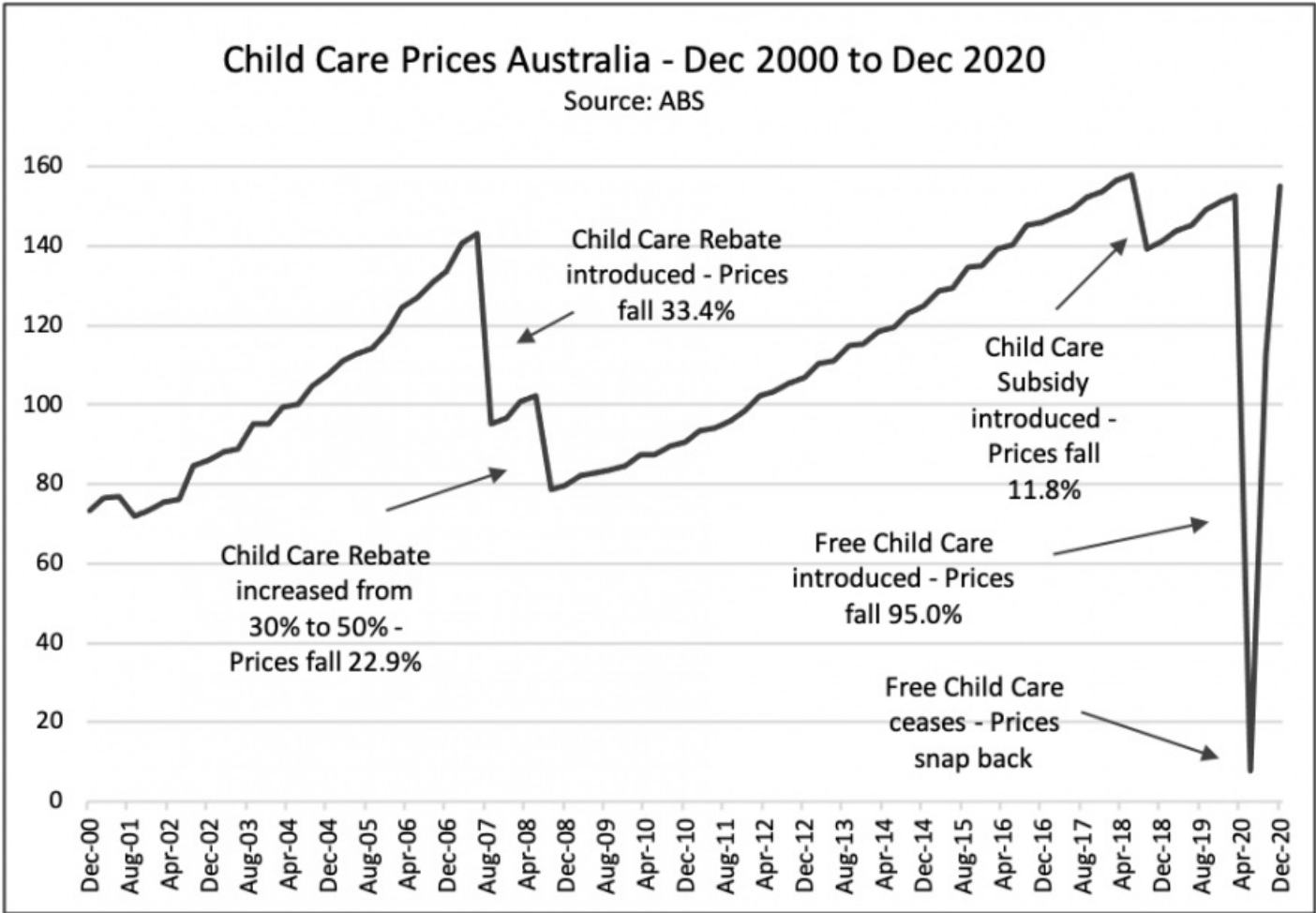
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EXCERPT

Prices for early childhood education and care (ECEC) services, commonly referred to as “child care fees,” across Australia have continued their bounce back in the three months ended December 2020 according to the Australian Bureau of Statistics latest Consumer Price Increase release.

Overall prices have now exceeded the levels recorded prior to the COVID-19 pandemic and the implementation of a range of emergency policy measures, including the introduction of free childcare and fee increase capping.

The release, which measures increases in fees net of the child care subsidy (CCS), reported that fees across Australia as a whole are now up 2.4 per cent year on year, and between 1.5 per cent and 3.8 per cent in the State and Territory Capital cities.

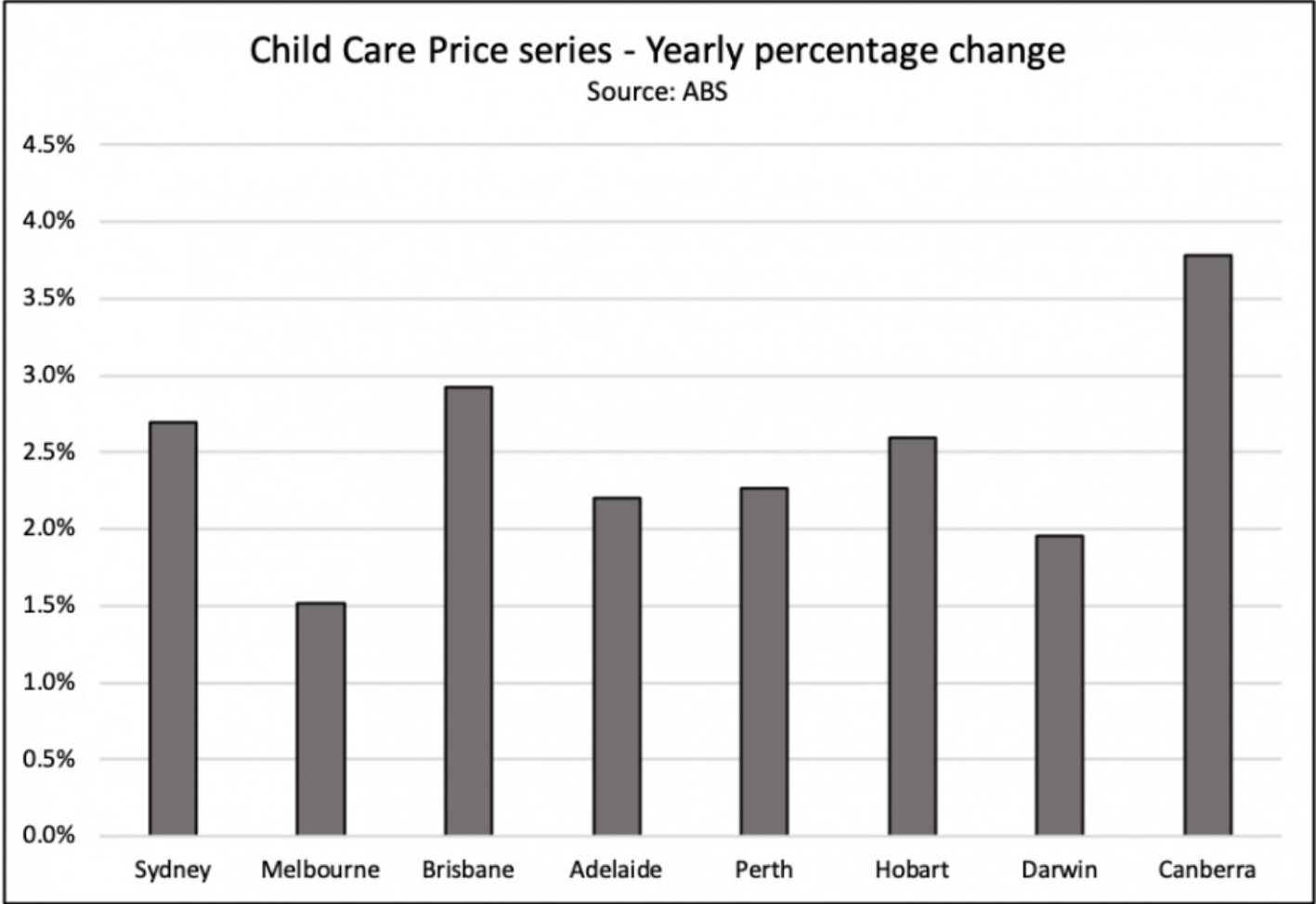


Although fee levels are now just above those recorded prior to COVID-19, they remain lower than June 2018, just prior to the introduction of the new CCS framework which, once implemented, saw fees fall 11.8 per cent in the following quarter.

Canberra leads the way in Q4 2020 with 3.8 per cent year on year price increase

Across the state and territory capitals Canberra showed the largest percentage gain, growing by 3.8 per cent compared to last year,

however it is notable that the size of the gain this year is substantially lower than the 8.3 per cent recorded last year.



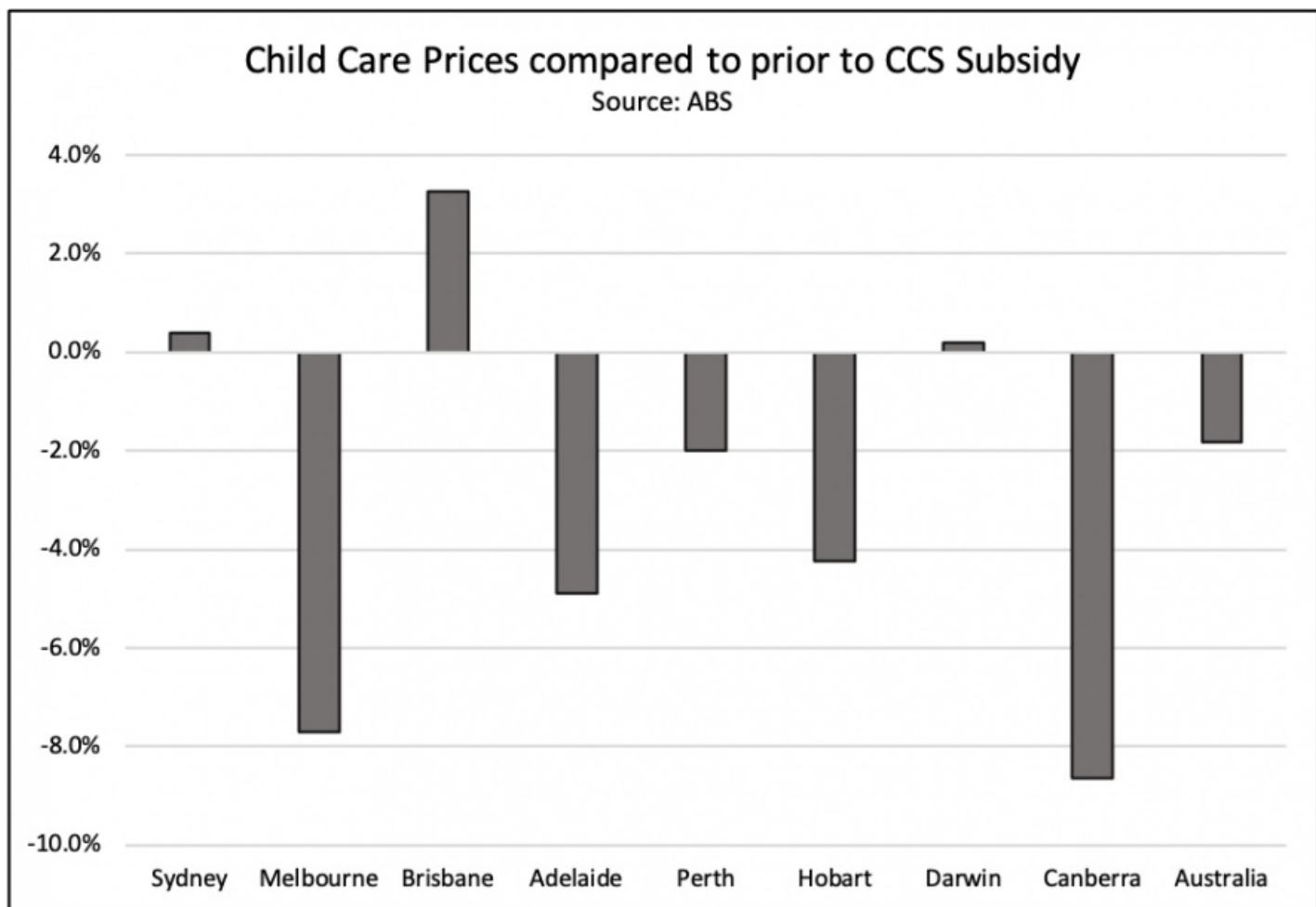
The other state and territory capital cities all saw fee gains in the period, with rises of between 1.5 per cent and 2.9 per cent. Melbourne showed the smallest gain and Brisbane the largest.

Notably, although the fee increases feel substantial, especially after the challenges of the COVID-19 pandemic, they remain quite markedly lower than those recorded in the same period last year, when prices were rising between 4.5 per cent and 11.5 per cent across the cities, and 7.2 per cent nationally.

Overall prices now approaching previous high levels just before implementation of CCS

From the perspective of the CCS introduction in July 2018, and the 11.8% drop in fees thereafter, current levels are now approaching levels recorded in June 2018 just prior to the policy being implemented.

On a national level current fees are 1.8 per below the June 2018 level and on a State and Territory level three of the eight capital cities have exceeded June 2018 levels, with Brisbane recording the highest increase of 2.9 per cent.



That being said, across the five capital cities that have yet to exceed pre-CCS levels, the difference in price levels are quite varied, with Perth just to 2.0 per cent below but Canberra and Melbourne still 8.6 per cent and 7.7 per cent below respectively.

The next CPI increase is scheduled for 28 April 2021 and to see the original data please see [here](#) [3].

Region: Australia and New Zealand [4]

Tags: fees [5]

subsidy [6]

Source URL (modified on 1 Feb 2021): <https://childcarecanada.org/documents/child-care-news/21/02/child-care-fees-continue-bounce-back-covid-19-relief-measures-fade>

Links

[1] <https://childcarecanada.org/documents/child-care-news/21/02/child-care-fees-continue-bounce-back-covid-19-relief-measures-fade> [2]

<https://thesector.com.au/2021/01/28/child-care-fees-continue-to-bounce-back-as-covid-19-relief-measures-fade/> [3]

<https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release> [4]

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